

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
Office of Economic Development	Phillip Sit	Nick Tucker

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: A RESOLUTION of intention to disestablish the existing Seattle Tourism Improvement Area and fixing a date and place for a hearing thereon.

Summary and Background: This Resolution initiates the process to disestablish the business improvement area known as the 2011 Seattle Tourism Improvement Area (STIA) under RCW 35.87A. The 2011 STIA was established by Ordinance 123714 and modified in 2022 by Ordinance 126552.

The existing Seattle Tourism Improvement Area was established in 2011 as a Business Improvement Area authorized to collect assessments by Ordinance 123714. Ordinance 123714 states that the current Seattle Tourism Improvement Area special assessment revenues “shall be used solely and exclusively for domestic and international tourism promotion, advertising, sales and marketing activities intended to encourage leisure tourism in Seattle in order to increase area hotel occupancies and for no other purpose.”

While Ordinance 123714 specified that the 2011 STIA’s assessments would not expire, the Advisory Board, Ratepayers and Program Manager wish to reestablish the STIA in order to expand the permitted uses of STIA revenues to include promotion, advertising, sales and marketing activities intended to encourage leisure tourism as well as group tourism (i.e., the hosting and attending of meetings and events), and to adopt a different monthly assessment formula. RCW 35.87A.180 provides that the City may disestablish a business improvement area by ordinance after holding a hearing on the matter and that the City shall adopt a resolution of intention to disestablish the area at least fifteen days prior to said hearing. The 2011 BIA currently generates \$12 million annually and the proposed new BIA will generate an estimated \$15 million in its first year.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

No.

Are there financial costs or other impacts of *not* implementing the legislation?

No.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Treasury Services in the Office of City Finance administers the assessments for the BIAs. Any remaining funds from the current BIA will be transferred to the new BIA upon its establishment.

b. Is a public hearing required for this legislation?

Yes, this resolution of intention provides the date and place of the hearing, as required by RCW 35.87A.180

c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

Yes. This resolution must be published to give notice of the public hearing.

d. Does this legislation affect a piece of property?

Please see Summary Exhibit A, 2011 Seattle Tourism Improvement Area Service Area.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

Disestablishing the Seattle Tourism Improvement Area is not expected to have adverse disproportionate impacts on vulnerable and historically disadvantaged communities in the district. OED will complete a RET on the outreach process on the STIA renewal.

f. Climate Change Implications

1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No.

2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

N/A

Summary Attachments:

Summary Exhibit A - 2011 Seattle Tourism Improvement Area Ordinance and Map