CITY OF SEATTLE

RESOLUTION 32182

A RESOLUTION of intention to change the assessment rate and exemptions for the SODO Parking and Business Improvement Area and fix a date and place for a hearing thereon.

WHEREAS, in 2018, through Ordinance 125678, the City established the SODO Parking and Business Improvement Area (BIA), providing for the levy of special assessments upon businesses and property owners within the SODO BIA for the purpose of enhancing conditions for operation of those businesses and properties; and

WHEREAS, in 2020, the City passed Ordinance 126191, modifying the basis for the 2021 assessment values due to the COVID-19 pandemic; and

WHEREAS, the SODO district is a vital employment and industrial hub, with more than 45,000 people commuting into the area daily, and drawing hundreds of thousands of visitors to its commercial, industrial, sports, and entertainment venues; and

WHEREAS, the City finds that many tax-exempt properties benefit from BIA services to the same proportional degree as properties that are currently assessed; and

WHEREAS, the City recognizes that the lot square footage rate for government-owned properties with commercial tenants has not adjusted for inflation or appreciation since 2018; and

WHEREAS, the City finds that assessing properties based on Total Appraised Value, instead of Total Taxable Value, would more accurately and equitably reflect the level of benefits received by ratepayers; and

WHEREAS, in 2022 and 2024, significant delays in the King County Assessor’s data release forced the SODO BIA to bill based on incomplete information, resulting in the need to back-bill or issue refunds to correct underassessments or overpayments, at significant burden to the SODO BIA and its services to ratepayers; and

WHEREAS, amending Ordinance 125678 is necessary in the short term to streamline operations, promote greater equity among all ratepayers, and maintain essential services;

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The City Council declares its intention to modify the assessment formula and exemptions to the Levy of Special Assessment of the SODO Business Improvement Area, Section 3 of Ordinance 125678, last amended by Ordinance 126191. The ordinance is amended as follows:

Section 3. To finance the programs authorized in Section 2 of this ordinance, there is a ten-year special assessment levied upon and shall be collected from the owners of business property, multi-family residential property (buildings containing four or more residential units), and mixed-use property (multi-family residential and commercial) located within the boundaries of the SODO Business Improvement Area described in Section 1 of this ordinance. Records for the initial assessment calculations are based on data and information from the King County Assessor's Office for Tax Year 2017/Assessment Year 2016. The SODO Business Improvement Area will update records based on data and information provided by the King County Assessor's Office. Ratepayers will be assessed by The City of Seattle in ten annual installments to be billed semi-annually beginning in the year of authorization (2019), by applying an assessment rate to each ratepayer as described below:

A. The assessment rate on each assessable property within the SODO Business Improvement Area will be $0.50 per $1,000 of total ((~~taxable~~)) appraised value, as assessed by the King County Assessor's Office, except as described in subsection((~~s 5.B and 5.C~~)) 3.B of this ordinance.

((~~B. Any properties designated by the King County Assessor as "Tax Exempt" that are leased by commercial tenants will be assessed at a rate of $0.03 per lot square foot.~~

~~C. Any properties designated by the King County Assessor as "Tax Exempt" that are leased by commercial tenants may contribute to the funding of SODO Business Improvement Area services but are not directly charged.~~))

B. If the property is owned by a governmental agency, then it is exempt from mandatory assessment unless the property is leased or available for lease by a non-governmental tenant.

((~~D.~~)) C. In 2019 and 2020, the assessment will be based on King County Assessor's Office data and information for Tax Year 2017/Assessment Year 2016.

((~~E.~~)) D. All records will be updated ((~~every two years~~)) using King County Assessor's Office data and information as described below:

1. In 2021, the assessment will be based on King County Assessor's Office data and information for Tax Year 2017/Assessment Year 2016. In 2022, the assessment will be based on King County Assessor's Office data and information for Tax Year 2021/Assessment Year 2020.

2. In 2023 and 2024, the assessment will be based on King County Assessor's Office data and information for Tax Year 2023/Assessment Year 2022((~~;~~)) .

3. In 2025 ((~~and 2026~~)), the assessment will be based on King County Assessor's Office data and information for Tax Year 2025/Assessment Year 2024((~~;~~ ~~and~~)) .

4. In 2026, the assessment will be based on King County Assessor's Office data and information for Tax Year 2026/Assessment Year 2025, as recorded on January 1, 2026. The appraised value recorded on this date shall serve as the basis for the assessment in 2026, regardless of any subsequent changes in appraisal from the King County Assessor's Office.

((~~4.~~)) 5. In 2027 ((~~and 2028~~)), the assessment will be based on King County Assessor's Office data and information for Tax Year 2027/Assessment Year 2026((~~.~~)) , as recorded on October 1, 2026. The appraised value recorded on this date shall serve as the basis for the assessment in 2027, regardless of any subsequent changes in appraisal from the King County Assessor's Office.

6. In 2028, the assessment will be based on King County Assessor's Office data and information for Tax Year 2028/Assessment Year 2027, as recorded on October 1, 2027. The appraised value recorded on this date shall serve as the basis for the assessment in 2028, regardless of any subsequent changes in appraisal from the King County Assessor's Office.

F. Changes in assessment rates other than as described in this section shall only be authorized by ordinance consistent with RCW 35.87A.140 with the approval of the Ratepayers Advisory Board and shall not occur more than one time per calendar year. The Ratepayers Advisory Board is described in Section 14 of this ordinance.

Section 2. A hearing shall be heard on this matter before the Government, Accountability & Economic Development Committee in the City Council Chambers, City Hall, 600 Fourth Avenue, 2nd Floor, Seattle, Washington 98104 (enter on Fifth Avenue), on Thursday, December 11, 2025 at 2:00 p.m., or as soon thereafter as the same may be heard. The City Council will hear all protests and receive evidence for or against the proposed action.

Section 3. The City Clerk is requested to publish notice of this intention and of the hearing in a newspaper of general circulation in Seattle and mail a complete copy to each ratepayer within the proposed area, each at least ten days prior to the hearing.

Adopted by the City Council the 16th day of September, 2025, and signed by me in open session in authentication of its adoption this 16th day of September, 2025.

President ____________ of the City Council

The Mayor concurred the 18th day of September, 2025.

Bruce A. Harrell, Mayor

Filed by me this 18th day of September, 2025.

Scheereen Dedman, City Clerk

(Seal)