

**CITY OF SEATTLE**  
**ORDINANCE** 127372  
**COUNCIL BILL** 121073

AN ORDINANCE relating to the SODO Parking and Business Improvement Area; changing the assessment rate and exemptions; and amending Ordinance 125678, as previously amended by Ordinance 126191.

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

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

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

7 WHEREAS, on December 11, 2025, the City Council held a public hearing regarding its  
8 intention to modify the SODO BIA’s assessment formula and exemptions;

9 NOW, THEREFORE,

10 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

11 Section 1. Section 3 of Ordinance 125678, last amended by Ordinance 126191, is  
12 amended as follows:

13 Section 3. To finance the programs authorized in Section 2 of this ordinance,  
14 there is a ten-year special assessment levied upon and shall be collected from the owners  
15 of business property, multi-family residential property (buildings containing four or more  
16 residential units), and mixed-use property (multi-family residential and commercial)  
17 located within the boundaries of the SODO Business Improvement Area described in  
18 Section 1 of this ordinance. Records for the initial assessment calculations are based on  
19 data and information from the King County Assessor’s Office for Tax Year  
20 2017/Assessment Year 2016. The SODO Business Improvement Area will update  
21 records based on data and information provided by the King County Assessor’s Office.  
22 Ratepayers will be assessed by The City of Seattle in ten annual installments to be billed

1 semi-annually beginning in the year of authorization (2019), by applying an assessment  
2 rate to each ratepayer as described below:

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

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

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

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

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

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

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

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

3                                   3. In 2025, and for the first billing installment of 2026 (~~(and 2026)~~), the  
4 assessment will be based on King County Assessor’s Office data and information for Tax  
5 Year 2025/Assessment Year 2024(~~(; and)~~) .

6                                   4. Beginning July 1, for the second billing installment of 2026, the  
7 assessment will be based on King County Assessor’s Office data and information for Tax  
8 Year 2026/Assessment Year 2025, as recorded on May 1, 2026. The appraised value  
9 recorded on this date shall serve as the basis for the assessment in 2026, regardless of any  
10 subsequent changes in appraisal from the King County Assessor’s Office. The second  
11 billing installment of 2026 shall be assessed at half of the total assessment for 2026, for  
12 all properties subject to assessment as of July 1, 2026.

13                                   ~~((4.))~~ 5. In 2027 (~~(and 2028)~~), the assessment will be based on King  
14 County Assessor’s Office data and information for Tax Year 2027/Assessment Year  
15 2026(~~(-)~~) , as recorded on October 1, 2026. The appraised value recorded on this date  
16 shall serve as the basis for the assessment in 2027, regardless of any subsequent changes  
17 in appraisal from the King County Assessor’s Office.

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

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

5                   Section 2. The Office of Economic Development (OED) shall convene impacted  
6 stakeholders to develop a proposal for further changes to the SODO Business Improvement Area  
7 (BIA) assessment rate and exemptions, with the intent to assess the conditions under which  
8 government-owned properties benefit from BIA services, and to provide a recommendation for  
9 their assessment rates. OED shall report back to Council by no later than July 1, 2026 with  
10 proposed changes.

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Section 3. Section 1 of this ordinance shall take effect on June 30, 2026.

Section 4. This ordinance shall take effect as provided by Seattle Municipal Code  
Sections 1.04.020 and 1.04.070.

Passed by the City Council the 16th day of December, 2025,  
and signed by me in open session in authentication of its passage this 16th day of  
December, 2025.

  
\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved /  returned unsigned /  vetoed this 22nd day of December, 2025.

  
\_\_\_\_\_  
Bruce A. Harrell, Mayor

Filed by me this 22nd day of December, 2025.

  
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Scheereen Dedman, City Clerk

(Seal)