

The City of Seattle

Resolution 32207

A resolution adopting updated policies regarding the establishment and management of Parking and Business Improvement Areas for The City of Seattle; and superseding Resolution 31657.

Recitals:

Chapter 35.87A RCW authorizes the establishment of Parking and Business Improvement Areas, commonly referred to as business improvement areas or BIAs, to aid general economic development and neighborhood revitalization, and to facilitate cooperation of merchants, businesses, and residential property owners to assist trade, economic viability, and livability.

Parking and Business Improvement Area assessments can provide clean and safe services, marketing and promotion, business and economic development planning, appearance and pedestrian environment/urban design, advocacy, and organizational development/administration associated with the management of the BIA for the benefit of the area.

As of the date of this resolution, The City of Seattle has established, and currently administers, 11 BIAs, and may be petitioned to establish additional BIAs.

BIAs have been very beneficial to the areas in which they have been established.

The current policies do not define or describe the administrative requirements for different types of BIA processes such as modifications, re-establishment of existing BIAs/renewals, or boundary or rate changes. Therefore,

Be it resolved by the City Council of The City of Seattle, the Mayor concurring:

Section 1. Resolution 31657 is superseded, and the attached Citywide Business Improvement Area (BIA) Policies (Attachment 1) are adopted. In so doing, The City of Seattle reaffirms its support of the use of BIAs as effective tools for economic development and neighborhood revitalization.

Attachments:

Attachment 1 – Citywide Business Improvement Area Policies

OED Citywide BIA Policies RES
Isaac Horwith
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Adopted by the City Council and signed in open session in authentication of its
adoption on July 7, 2026.



President _____ of the City Council

Signed in concurrence on July 9, 2026.



Katie B. Wilson, Mayor

Attested on July 9, 2026.



Scheereen Dedman, City Clerk

Seal

Introduction

Parking and Business Improvement Areas (BIAs) are special assessment areas that are established to “aid general economic development and neighborhood revitalization, and to facilitate the cooperation of merchants, businesses, and residential property owners which assists trade, economic viability, and liveability[sic]” (RCW 35.87A.010). Specifically, the mechanism for improvements is an assessment collected from property owners and/or business owners within defined boundaries. The funds collected are used to provide enhanced services and place management for the benefit of the businesses and properties being assessed.

The legal authority for the establishment and management of BIAs is set forth in the Revised Code of Washington (RCW), Chapter 35.87A. RCW Chapter 35.87A authorizes all counties, cities, and towns to establish a BIA and to levy and collect assessments on all businesses and multifamily residential or mixed-use projects that specially benefit from the BIA.

Purpose

The Citywide BIA Policies provide guidance for the City and for BIA proponents. The purpose of these BIA policies is to provide consistency, equity, and predictability in submission or consideration of proposals to establish, renew, modify or disestablish a BIA.

City of Seattle Policies Related to BIAs:

Policy 1. Establishment

Pursuant to RCW 35.87A, the City Council must approve establishing a BIA via ordinance. The Office of Economic Development (OED) will work closely with current and prospective BIAs as they develop and submit a proposal for approval. OED will coordinate City review of materials, draft legislation, and schedule the City Council review and approval process.

Typically, an exploration effort to establish a BIA is led by a community-based organization and/or a group of potential ratepayers/engaged community members. An existing BIA may seek changes to its ordinance in ways that require disestablishing the current BIA and establishing a new BIA. Changes to an existing BIA that require disestablishing the existing BIA and establishing a new BIA include:

- a. Significant changes to the BIA boundary (See Policy 5 for more detail) and
- b. Changes to services provided by the BIA (as categorized by RCW 35.87A.010.1)

Efforts to disestablish and reestablish a BIA shall follow the procedures outlined in Policy 14 (Disestablishment), Policy 1 (Establishment), and Exhibit A (BIA Checklist for Establishment).

The BIA or organizing group must prepare and submit a proposal following the process and requirements outlined in this policy document and the attached Exhibit A. Key requirements for an establishment proposal include:



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- a. A description of how each ratepayer classification will benefit from the services relative to the assessment and how assessments will be proportional in relation to benefit received across ratepayers in each classification,
 - b. Signed petitions in favor of formation,
 - c. A map of the proposed boundaries,
 - d. An assessment methodology,
 - e. Proposed uses of assessments and their cost,
 - f. A list of the potential rate payers,
 - g. Outreach details, and
 - h. An Interim BIA Advisory Board.

Policy 2: Modification

A BIA may choose to propose modifications to its ordinance for City Council approval. The City may modify an existing BIA in accordance with state law.

A modification is a change to one or more elements of an existing BIA that do not require using the establishment process described in Policy 1, including the following changes:

- a. Extension or elimination of the sunset date,
- b. Small changes to the BIA boundary (See Policy 5 for more details),
- c. Changes to the assessment methodology or rates, and
- d. Other programmatic or administrative amendments that are not addressed by RCW 35.87A.

Proposals to modify benefit zones within the BIA, a boundary expansion that is not adjacent to an existing boundary, or boundary modifications that affect an area that would produce an assessment value exceeding ten percent of the BIA's total assessment value, must be enacted using the establishment process as described in Policy 1 and Exhibit A.

Key requirements for a modification proposal include:

- a. Proposed changes to the BIA ordinance,
- b. An updated ratepayer list,
- c. Outreach details to affected current or prospective rate payers,
- d. Documentation of ratepayer support, and
- e. Changes to BIA Advisory Board Composition or Members.

Attached Exhibit B provides more detail on the requirements, steps in the process, and a checklist of required materials for BIA modification proposals.

Policy 3. City Review of Proposals

The proponents of a BIA proposal shall complete the related checklist and submit the required BIA materials to the Office of Economic Development for a preliminary review of the Draft Proposal and a formal review of the Final Proposal (see Exhibit A: Establishing a BIA and Exhibit B: Modifying a BIA).



The City will consider establishing or modifying a BIA if presented with a proposal that has demonstrated support from different classifications of ratepayers within the boundary area, based on Policy 4. Support and Outreach. The City can help local stakeholders evaluate the proposal and to understand City policies and other best practices for BIAs. The City will provide information about the potential benefits and the process to establish a BIA to the best extent feasible.

BIAs are approved by the City Council, using the authority provided in State law (RCW 35.87A). The City will evaluate each BIA proposal individually for its adherence to State law, City policies and the administrative support it will need from the City. If a BIA proposal would, by nature of its size, structure and/or design, create an excessive administrative burden for the City, the City may require an adjustment to the proposal to reduce this burden.

The following section outlines the process by which a BIA submits a proposal for City approval.

City Review of Draft Proposal

To ensure BIA proposals meet City policies and State law before potential ratepayers are asked to support them, OED requires a preliminary review of the Draft Proposal. This step is intended to save time in the entire process and avoid any required rework after ratepayer outreach has been conducted. OED coordinates with other relevant City Departments and the Mayor's Office to review all elements of the proposal, including the materials that will be distributed to potential ratepayers, for compliance with City policies and State law. This process can take six weeks or longer depending on any questions or issues identified. The City may identify necessary changes to elements of the proposal. After OED confirms that the proposal is consistent with City policies, the proponents begin collecting documented support from ratepayers. OED will request updates on the status of outreach and support collected to prepare for the Final Proposal review and plan for the legislative process.

City Review of Final Proposal

Once the required support has been obtained, the Final Proposal materials are provided to OED. OED and City Finance will determine that the Final Proposal package is complete and begin the formal review by the Mayor and City Council. This includes petition validation when required, drafting formal resolutions for the Mayor's Office and City Council's review, referral to a Council Committee, scheduling and holding one or more public hearings when required or desired, a mailing of the proposed changes to affected ratepayers, a notice of public hearing when required, Committee recommendation, Full Council action, and referral to the Mayor for signature if the City Council approves the proposal. City staff will manage this process, but the BIA proponents should be prepared to attend Council Committee meetings, answer questions and provide additional information as needed.

Policy 4. Support and Outreach

The City will consider establishing a BIA when presented with a petition by those who represent more than 60 percent of the total assessment in the proposed BIA, or those representing the threshold established in RCW 35.87A.010, whichever is lower. The City will consider modifying existing BIAs when presented with documentation of outreach to affected ratepayers and recommends a BIA present documentation of support from those who represent 51 percent or more of the total assessment of the affected ratepayers.

If any single entity in support of the BIA represents more than 25 percent of the total assessment, the City encourages BIA proponents to seek additional support from potential ratepayers, demonstrated by presenting a petition or documentation of support representing 65 percent or more of the total assessment in the proposed BIA. When this occurs, the City recommends that the BIA proponents notify all potential ratepayers in writing that they are seeking additional support because a single entity represents more than 25 percent of the total assessment.

The representatives of a proposed new, renewed, or modified BIA shall complete the checklist that corresponds to the request (see Exhibits A and B), all of which require a description of ratepayers, stakeholders and the outreach and notification conducted. All notification and outreach must be documented and tracked to demonstrate the numbers of ratepayers and stakeholders reached, the type of ratepayer, their classification, location in the area, etc.

The City recommends that all ratepayers receive notification of the BIA proposal from the BIA proponents either through email, mailing, individual meetings, or group meetings. Notification should occur when the proposal is final, or close to final, and should include clear contact information for comments and questions, a website address and physical location address if available where more information can be found, and the times, dates and locations of upcoming meetings organized by the BIA proponents as part of their outreach. At a minimum, one public forum should be held that includes information about the final BIA proposal. The BIA proponents should translate materials and provide interpretation as needed as well as consider other accessibility challenges for stakeholders.

When individual commercial or residential condominium owners are part of an Owner's Association that is the ratepayer of record, additional outreach materials should be made available to inform the individual owners about the proposed BIA. For example, postcards with the public forum information and website information could be delivered to each Owner's Association for distribution to its members, and proponents could present at an Owner's Association meeting, notifications could be posted in common areas of the owners' building, etc.

Policy 5. Boundaries

The boundaries of a BIA shall be drawn to represent all properties or businesses receiving direct benefits from the BIA. Public streets and alleys are typically the clearest way of demarcating boundary lines. The boundaries can specify if properties adjoining both sides of a street are included. If only the properties on one side of the street are included, the boundaries can be set at the midpoint of the street. A decision to put a boundary down the middle of the street must have a basis in benefits received. BIA boundaries may be non-contiguous.

Parcel boundaries can change over time and therefore should not be used to demarcate boundaries to the extent possible, particularly for BIAs with no sunset dates. Boundaries should not cut through an existing building. A boundary can include exempt properties that are intermixed with assessable properties. Properties exempt from assessment do not receive benefits or services.

For purposes of these policies, a proposal to modify a BIA boundary must be in accordance with Revised Code of Washington (RCW), Chapter 35.87A. A modification to an existing boundary may occur no more than once per year. Proposals to modify benefit zones within the BIA, a boundary expansion that is not adjacent to an existing boundary, or boundary modifications that affect an area that would



produce an assessment value exceeding ten percent of the BIA's total assessment value, must be enacted using the establishment process as described in Policy 1 and Exhibit A. Proposals to change the boundary that affect an area that would produce an assessment value that is less than ten percent of the BIA's total assessment value may be enacted using the modification process as described in Policy 2 and Exhibit B.

All proposals shall include a map clearly illustrating the proposed BIA boundary. For a proposal to change an existing BIA's boundaries, two maps are required. Map 1 should show the **current** boundary of the BIA, as depicted in the original establishing ordinance, with a dotted line showing the proposed change. Each of the two areas needs to be identified: "Existing BIA Boundary" and "Proposed Boundary Change." Map 2 should show the **complete** boundary as it will be if the proposal is approved.

To evaluate proposed BIA boundaries, the City will consider whether:

- a. The proposed BIA area is suitable for economic development and/or neighborhood revitalization,
- b. The ratepayer classifications within the boundaries will receive benefits reasonably related to their assessments, and
- c. The boundaries create an area that is feasible for the City to administer.

The proposal must provide an explanation of the reasoning behind the boundaries proposed. The City will use the analysis provided by the BIA proponents as well as information gathered from public forums, public hearings and discussions with potential ratepayers when evaluating a BIA Proposal.

A ratepayer could pay an assessment in multiple BIAs and properties or businesses could be assessed by more than one BIA. If a proposal for a new BIA or modified BIA boundary includes a property or business that is currently located within a different BIA, the proposal shall describe how this property or business will receive increased or different and distinct benefits from each BIA.

Policy 6. Organizational Structure and Management

As allowed under RCW 35.87A.110, the City has sole discretion as to how the revenue derived from the BIA is to be used within the scope of the purposes stated in the BIA ordinance. The City's policy is to create a BIA Advisory Board to oversee operations of the funds, approve an annual budget for use of BIA generated revenues and recommend a Program Manager. The City approves the Program Manager and will give preference to an organization operating primarily within the City and that is a local, non-profit organization able to manage funds and delivery of the services. The Program Manager administers the operations purchased by BIA-generated funds.

The City-approved BIA Advisory Board (Board) adopts bylaws and policy guidelines, provides advice to the Program Manager, consults with City staff, recommends an annual work program and budget, addresses ratepayer concerns and questions, reviews reports to be submitted to the City, and holds an annual ratepayers' meeting. The composition of the Board will be representative of the varying sizes, locations within the BIA, and classifications of ratepayers. The Board is typically comprised of a broad representation of ratepayers. The Board may also include business tenants (who are tenants of ratepayers) and representatives from multi-family residential buildings (where the homeowners association is the ratepayer) or other stakeholders or individuals that provide insights or expertise. The City encourages BIA proponents to include a recommendation about the size and composition of the

Board as part of the overall proposal to establish or modify a BIA. No one ratepayer may hold a majority interest (51 percent) in the voting rights of the Board either through one or more Board members. The BIA Advisory Board and the Program Manager are distinct legal entities; however, the BIA Advisory Board can include members that also serve on the Program Manager's board.

The City Council, when establishing a new BIA by ordinance, may authorize the Director of OED to appoint a Board. Initially, an interim Board will be appointed based on recommendations solicited from ratepayers. An inaugural Board will be recommended by the appointed interim Board to the Director. The Director may include additional members on the Board to ensure a broad representation of ratepayers, as well as decline a nominee to the Board for cause.

The Board will create and maintain bylaws governing the Board. The bylaws are subject to the approval of a majority of the Board members present at a membership meeting. The bylaws shall be submitted to the City for approval. At a minimum, the bylaws will:

- a. Establish the structure of the Board's meetings, how decisions will be made, and when a Board can go into executive session;
- b. Include terms for Board membership and process for the changing of Board membership;
- c. Specify the process for approving any amendments to the bylaws;
- d. Describe the specific ratepayer comment, suggestions, and concerns process; and
- e. Establish the process for approving the annual budget, program services, and recommendation for the Program Manager.

The Board is required to hold an annual ratepayers' meeting at which the Board shall present its work plan and budget for the next year (or other agreed-upon term with the City), and its recommendation regarding whether to continue with the current Program Manager. The work plan, budget, and recommendation regarding whether to continue with the current Program Manager shall be submitted to the City for review and approval.

All BIA Advisory Board meetings shall be subject to the Open Public Meetings Act. All ratepayers will have an opportunity to present their comments or concerns about Board actions and decisions to the Board for review and action. If they do not feel satisfied, they may then present their comments and concerns to the City.

Policy 7. BIA Programs and Services

The City intends to maintain the level of municipal services in areas where BIAs have been established and not supplant existing municipal services with those funded through BIA assessments. However, this policy does not limit the discretion of the City to determine whether, and at what level, municipal services will be provided as community needs, economic conditions, and other factors warrant.

Washington State law outlines a number of purposes for the use of BIA-generated funds (see RCW 35.87A.010(1)). The work plan, programs and activities proposed by BIA proponents and Boards shall reflect the allowable purposes listed under RCW 35.87A.010(1). Below are general descriptions of programs and services for which BIA funds can be used. This list is meant to be illustrative and does not encompass every allowable service or program for which BIA funds may be used:



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- *Clean & Safe Programs*: Services such as regular sidewalk cleaning, additional trash pickup, graffiti removal, etc. This may also include services to increase safety such as block watches, coordination and communication with local police officers, safety ambassadors, etc.
 - *Marketing and Promotion*: Activities that draw attention to the district and its amenities.
 - Examples of these activities include business district brand development, joint marketing and advertising of local businesses, public events that attract visitors, etc.
 - *Business and Economic Development*: Strategies to support local businesses to stay and grow in the district as well as attracting businesses that bring new customers or add to the mix of offerings. These activities can include retail studies, business networking events, business consulting services, and facilitating connections between new businesses and property owners, etc.
 - *Public Realm Improvements and Planning*: To maximize the appearance and accessibility of the district to customers, residents and employees. These activities can range from beautification and decoration such as flower baskets and banners; to improvements or enhancements to landscaping, lighting and street furniture; to developing plans to improve accessibility and wayfinding in the area.
 - *Organizational Development/Management/Staffing*: Such as an Executive Director, Marketing & Events Programs Director, Outreach and Community Engagement Coordinator, Business Attraction and Retention Coordinator, Clean & Safe Coordinator, etc. BIAs require some staffing, at minimum a Program Manager, that engages in a variety of activities from advocating for district needs to organizing community leaders to support the neighborhood.
 - *Advocacy*: To address economic development and neighborhood revitalization issues within the BIA boundaries.
 - *Other Services*: The services described above are not an exhaustive list. BIAs can provide a wide range of services and programs within those described in State law that benefit the ratepayers and district overall. These can include projects in the public realm or improvements to a private property that serve as a common public area, and that positively impact a district as a whole.

BIA funds may not be used for the following:

- a. Contributions to, and/or endorsements of, candidates for elected public office,
- b. Improvements to private property that do not benefit all ratepayers, or
- c. Lobbying on issues that do not benefit the district as a whole.

The BIA proposal shall include a description of the proposed programs and services for which BIA revenues are to be used and how these activities will aid in economic development and neighborhood revitalization.

Policy 8. Assessments

The City will establish an assessment formula and rate that is reasonably related to the benefit that each ratepayer classification receives. As part of the application process, the BIA proponents shall

propose an assessment methodology (including a proposed formula, rate and the data that will be used in the calculation). The proponents shall provide evidence and reasoning that describes how the assessment is reasonably related to the benefits received and a detailed description of the rationale for choosing the proposed methodology. Consideration will be given to existing assessment formulas and rates when a previously established BIA is proposed to be renewed or modified.

The City recommends that the assessment methodology include the procedures and schedule for updating data used in its calculations and accounts for increasing costs and other changes over time. This could include the application of an inflation factor, a regular process to update for new construction or other methods. Publicly available data that is independently verifiable is often a simpler and more accessible source of data to use in an assessment formula.

A ratepayer may voluntarily contribute an additional amount either directly to the City to be added to BIA funds collected or to the Program Manager of the BIA.

Some properties are not taxed, and King County records do not have a recorded taxable value. When taxable value is used in assessment formulas, an alternative basis should be considered that reasonably measures benefit to the property, such as using size/area of the property, linear or front footage of the property, an alternate valuation, or square footage of improvements to the property.

Policy 9. Ratepayers

A ratepayer classification is a specific category of ratepayers. As part of the application process, the proponents shall describe the proposed ratepayer classifications and how the classifications are reasonably related to benefits received.

BIA proponents may develop ratepayer classifications with different assessment formulas or rates. Different ratepayer classifications may receive different kinds of benefits from the BIA. As with all assessment formulas, the proponents must provide evidence and reasoning that describes how the assessment is reasonably related to benefits received. The BIA proposal shall include a description of the direct and indirect benefits received, the value of those benefits and the amount of assessments estimated for each ratepayer classification. Pursuant to RCW 35.87A.080, the City will consider whether there is a reasonable basis for the classification related to benefits received.

The federal government is generally exempt from assessment. However, other government entities located within a BIA can be assessable if they benefit from the BIA services, and they meet other qualifying conditions. As with all ratepayer classifications, the assessment of government entities should reflect the benefits they receive. The City, in consultation with the BIA proponents and the relevant governmental entity, will evaluate whether that entity qualifies to be assessed, the extent to which it benefits from BIA services, and, if appropriate, recommend an assessment level subject to final approval by the City Council.

When an existing BIA has a new ratepayer added during an assessment period, the City shall include this ratepayer in the most recent assessment billing cycle, as appropriate.

The City, through the Director of City Finance, will consider refund requests from ratepayers for billing or payment errors and be responsible for managing any assessment refunds. Refunds will be granted in



accordance with the BIA’s ordinance, considered for existing BIAs only, and limited retroactively up to a five-year time period including the current year.

Policy 10. BIA Assessment Periods

A BIA proposal may propose levying assessments for a specified number of years or propose a permanent assessment. The City requires a minimum five-year term length for any BIA, except that the City will consider an assessment period proposal for less than five years if the BIA is for a single purpose event or program. With limited exceptions, the City recommends new BIAs include a sunset date to occur within ten years of formation. While not required, sunset dates have helped build support for new BIAs and can provide a natural opportunity for the organization to re-evaluate and recalibrate over time. If the proponents believe that a sunset date is not appropriate for their specific effort, they must provide a detailed explanation to OED regarding any special circumstances that would warrant a permanent assessment period. Proponents should consult with OED before making a decision.

Policy 11. Formation Costs.

If expenses are incurred during an effort to form or renew a BIA, the proponents proposing the BIA formation or renewal are responsible for paying the expenses. If the BIA formation or renewal is successful, the BIA’s Advisory Board can recommend to the City that BIA-generated funds reimburse reasonable, well-documented formation costs.

City departments, including the Office of Economic Development (OED) and the Department of Neighborhoods (DON), have grants that can fund exploration of the feasibility of a BIA and/or conducting the process to establish a BIA. These grants are not an indication of the City’s opinion on the merits of the BIA proposal if it is proposed to the City.

Policy 12. City Department Support

The City of Seattle supports BIAs primarily through the Office of Economic Development (OED) and City Finance. The responsibilities for each Office or Department are outlined below, however, as needs and resources change, those responsibilities may be shifted as needed.

OED will:

- a. Be the first point of contact for individuals or groups requesting assistance in exploring the feasibility of forming a BIA, developing a BIA proposal and submitting it to the City;
- b. In consultation with City Finance, review and evaluate a BIA proposal (which includes the information required in the BIA Checklist – see Exhibit A, B and C);
- c. Prepare a report for the City Council analyzing the proposal. The report will include analysis of:
 - 1) Consistency with the Citywide BIA policies;
 - 2) How the proposed programs and services that BIA revenues would be used for will aid economic development and/or neighborhood revitalization in the proposed area;
 - 3) If the proposed boundaries are a reasonable area for economic development and/or neighborhood revitalization;

- 4) How the ratepayer classifications within the boundaries will receive special benefits reasonably related to their assessments; and
- 5) If the boundaries create an area that is feasible for the City to administer.
- d. Coordinate between City departments to ensure that BIA proposals and amendments have been thoroughly reviewed and analyzed by City staff;
- e. Approve the BIA Advisory Board;
- f. Support City Finance in approving annual contracts with the Program Manager and BIA budgets;
- g. Organize periodic BIA meetings for BIA Program Managers and City staff;
- h. Work with BIA Program Managers and Boards on solutions to challenges they face; and
- i. Provide technical assistance to existing BIA Program Managers and Boards on using best practices and completing projects that strengthen the economic climate of the business district.

City Finance will be responsible for:

- a. The BIA Notification and Petition Validation Process;
- b. Billing and collection of assessments;
- c. Customer service to ratepayers and BIA Program managers related to assessments;
- d. Administration of all ratepayer accounts, administering contracts and reimbursements;
- e. Attending meetings organized to bring BIA Program Managers and City staff together; and
- f. with support from OED, City Finance is also responsible for packaging BIA legislation and approving annual BIA budgets.

The City Attorney's Office (Law) will:

- a. Review and provide opinions to City staff on the legality of petitions, formulas, purposes, and boundaries presented by community groups interested in forming or expanding BIAs and
- b. Review the proposed BIA legislation.

If legal issues arise, Law will not provide legal advice to the BIA Advisory Board, Program Managers or their consultants.

Policy 13: Reporting and Evaluation

Program Managers and the BIA Advisory Boards shall periodically evaluate their BIA's program and services and shall report their findings to OED and the City Council. The BIA Program Manager shall provide a report to the City when a request to modify or renew a BIA is proposed. BIAs established with a permanent assessment (without an expiration date), or with an assessment period that is longer than five years, shall submit an evaluation report to the City every five years if there are no requests to modify the BIA during that five-year period.

Performance standards and performance measurements shall be described in the proposal to establish, renew, or modify a BIA that will be used in future evaluations. This could include, but is not limited to, establishing baseline data and a plan to monitor measurable results, such as changes in property values, lease rates, occupancy rates, crime rates, and ratepayer satisfaction surveys.

Policy 14. Disestablishment

Washington State RCW 35.87A.180 provides for the disestablishment of a BIA. Each BIA ordinance will include a section with the process to disestablish the BIA.

If a BIA is disestablished, after all outstanding liabilities are settled, the City will, within a reasonable amount of time, dispose of assets as provided in RCW 35.87A.190, and the Director of City Finance may do so by one or more of the following actions:

- a. In the event of a renewal, transfer remaining special assessment funds into the new BIA that was created to replace the disestablished BIA;
- b. Provide for the expenditure of all or a portion of any remaining special assessment funds on services or improvements in the disestablished BIA area;
- c. Provide a refund or credit of all or a portion of any remaining special assessment funds to those who have paid their assessments, in proportion to the amounts paid; or
- d. If the above options have been completed and funds still remain, transfer any or all the remaining special assessment funds to the City's General Fund. Prior to determining the appropriate action, City Finance will seek input from the ratepayers.

Policy 15. Collections

When a ratepayer's account is unpaid, the City will take action to collect the assessment debt. Upon 90 days of an unpaid assessment, the City may refer the matter to a collection agency. In limited circumstances, the City may begin collection proceedings through the City Attorney's Office.

Glossary

Assessment: A BIA assessment is a fee that each ratepayer pays to support the programs funded by the BIA. The sum of all the individual assessments that ratepayers pay comprise the total yearly assessment of the BIA, and underwrite most, if not all, annual operating expenses. The total yearly assessment is unique to each BIA in Seattle.

Benefit Zone: The City defines benefit zones as identified areas within a BIA that have additional or unique assessments that pay for specific services. For example, many BIAs establish cleaning area zones in which ratepayers pay an additional assessment to receive more cleaning services than are provided to the rest of the BIA area.

BIA: “BIA” is an abbreviation of Business Improvement Area. A Business Improvement Area is a geographically defined area within the City of Seattle, in which services, activities, and programs are paid for through a special assessment which is charged to all eligible ratepayers within the area with the intention of reasonably distributing the benefits received and the costs incurred to provide the agreed-upon services, activities, and programs.

BIA Advisory Board: The BIA Advisory Board is initially established by the City to oversee operations and use of BIA generated revenues including recommending a Program Manager. The Board adopts bylaws and policy guidelines, provides advice to the Program Manager, consults with City staff, recommends an annual work program and budget, addresses ratepayer concerns and questions, reviews reports to be submitted to the City, and holds an annual ratepayers’ meeting. The BIA Advisory Board and the Program Manager are distinct legal entities; however, the BIA Advisory Board can include members that also serve on the Program Manager’s board.

BIA Notification and Petition Validation Process: Processes in which the City notifies potential ratepayers of the BIA proposal and validates the petitions signed in favor of a BIA proposal. The City’s policy is to send a letter to all potential ratepayers to notify them that the BIA proposal has been submitted to the City. The City also validates all signed petitions that have been submitted by the party or parties requesting to establish the BIA.

BIA Petition: A petition is a document signed by intended ratepayers of a BIA to demonstrate their support for a proposal to establish a BIA. The petition contains at least (1) a description of the boundaries of the proposed area; (2) the proposed uses and projects to which the proposed special assessment revenues shall be put and the total estimated cost thereof; (3) the estimated rate of levy of special assessment with a proposed breakdown by class of business and multifamily residential or mixed-use project if such classification is to be used. Petitions are required for BIA establishment proposals and optional for BIA modification proposals.

BIA Proposal: For purposes of these policies and the attachments, BIA Proposal includes all the required information gathered and prepared to present to the City for establishment or modification of a BIA at each stage in those processes. The Draft BIA Proposal is the information prepared and presented to the City for review and approval prior to gathering documented support via petition or other process. The Final BIA Proposal is the information prepared and presented to the City after the required support has been gathered and documented.

Boundary Modification: The boundaries of an existing BIA can be modified resulting in an expansion, reduction or change to the BIA assessment area. See Policy 5 for more information.

Establishment of BIA: the creation of a new BIA as set forth in the Revised Code of Washington (RCW), Chapter 35.87A. See Policy 1 for more information.

Modification of BIA: A modification is a change to elements of an existing BIA that do not require a “establishment” as defined in Policy 1 and the glossary definition above. Modifications include changes in assessment rates per RCW 35.87A.140, certain changes to BIA boundaries and changes or additions to language within the ordinance. See Policy 2 for more information.

Program Manager: The organization that administers the operations of the BIA. The Program Manager is recommended by the BIA Advisory Board to the City. The BIA Advisory Board approves an annual budget for use of BIA generated funds in alignment with the BIA ordinance. The Program Manager administers the funds in accordance with the approved budget through direct expenditures and/or contracts with service providers. The BIA Advisory Board and the Program Manager are distinct legal entities; however, the BIA Advisory Board can include members that also serve on the Program Manager’s board. The Program Manager’s administration will comply with all applicable provisions of law, with all county and City resolutions and ordinances, and with all regulations lawfully imposed by the state auditor or other state agencies.

Ratepayer: Those individuals, organizations or entities that are assessed, i.e. those that receive an assessment bill from the City as a result of establishing the BIA. Individuals, organizations or entities that receive an increase in their lease rates or other contractual agreement with ratepayers as a result of the establishment of the BIA are not, for purposes of City policies, considered ratepayers.

Ratepayer Classification: Ratepayers that are grouped into a specific category either for purposes of applying a unique assessment rate or formula or for distinguishing a unique type or level of benefit.

Renewal of BIA: The “renewal” of a BIA is a term that has been commonly used by the City and BIAs to refer to proposals that will continue the operations of a BIA with a *sunset* date (a date when the BIA will terminate assessments and operations), either in its current or an updated form. A proposal to renew a BIA may require submitting a proposal to disestablish and reestablish a BIA or to modify a BIA, depending on the nature of the proposed changes. See Policies 1, 2, and 5 for more detail on which proposals to renew a BIA are required to submit using the “establishment” or “modification” process.

Stakeholder: Individuals, organizations or entities that are located in or have a direct interest in the boundaries of the district. They can be ratepayers or non-ratepayers. They may include, but not be limited to, property owners, businesses, residents, government agencies, nonprofit agencies and other institutions. For example, a district could have the presence of manufacturing businesses, retail and service businesses, a private school, nonprofit service providers, condo associations, residential property owners, commercial property owners, etc.