

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Economic Development	Phillip Sit / 256-5137	Miguel Jimenez / miguel.jimenez@seattle.gov

** 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: AN ORDINANCE establishing a new 15th Avenue East Business Improvement Area (BIA); levying special assessments upon owners of commercial, multifamily residential, and mixed-use properties within the BIA; providing for the deposit of revenues in a special account and expenditures therefrom; providing for collection of and penalties for delinquencies; providing for the establishment of a Ratepayers’ Advisory Board; providing for an implementation agreement with a Program Manager; and ratifying and confirming certain prior acts.

Summary and background of the Legislation:

This ordinance establishes a new 15th Avenue East Business Improvement Area under RCW 35.87A. The 15th Ave Business Improvement Area is expected to be funded by a special assessment levied on the owners of commercials, multi-family residential, and mixed-use properties within its boundaries. The City would contract with a program manager to administer the activities set out in the 15th Ave Business Improvement Area work plan. The 15th Ave Business Improvement Area (BIA) program manager will be overseen by a Ratepayers Advisory Board, which would be broadly representative of the ratepayers within the 15th Ave business corridor.

This ordinance is the final piece of legislation required to create a new 15th Ave Business Improvement Area, as required by chapter 35.87A RCW. The City Council passed a resolution to initiate the formation of the 15th Ave Business Improvement Area, as well as a resolution of intent that included the date and place of a public hearing. After the public hearing, the City Council agreed to go forward with this ordinance.

The 15th Ave Business Improvement Area would be established for the duration of seven years, with the base year being FY2022. The 15th Ave Business Improvement Area believes its proposal is efficient, accountable, and responsive to the area’s needs. The group collected signatures for a petition to form the 15th Ave Business Improvement Area that will fund the following programs within the Business Improvement Area:

- A. Neighborhood Beautification within the Business Improvement Area;;
- B. Street Festivals and Events within the Business Improvement Area;;
- C. Program Management and Neighborhood Advocacy.
- D. Cleaning and Graffiti Removal;

The petitioning effort resulted in a show of financial support by ratepayers who would pay at least 60% of the total special assessment revenues. Assessments will commence as of Jan 1st, 2022, or the effective date of this ordinance, whichever is later. The 15th Ave Business Improvement Area will be overseen by a Ratepayers Advisory Board, which would be broadly representative of the proposed ratepayers and stakeholders from the district.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

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

Appropriation change (\$):	General Fund \$		Other \$	
	2021	2022	2021	2022
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2021	2022	2021	2022
			N/A	\$116,839
Positions affected:	No. of Positions		Total FTE Change	
	2021	2022	2021	2021

b. 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?
 None.

c. Is there financial cost or other impacts of *not* implementing the legislation?
 None to the City. The 15th Ave Business Improvement Area is established as a revenue-neutral program.

3.d. Appropriations

This legislation adds, changes, or deletes appropriations.

3.e. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.
Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2021 Revenue	2022 Estimated Revenue
15 th Ave BIA	FAS	Ratepayer Assessments	N/A	\$116,839
TOTAL				

Is this change one-time or ongoing?

Ongoing for seven years, the property and ownership data is revisited annually, and the assessments is recalculated based on the allowable changes in the ordinance, which could result in an increase or decrease to the total revenue collected.

Revenue/Reimbursement Notes:

The 2022 revenue amount represents potential ratepayer assessment collections for a full year, with assessments commencing on Jan 1st, 2022. Estimated annual revenue for fiscal year 2022 is \$116,839, FAS would collect the assessments from the ratepayers, but the funds would then be kept by FAS only for reimbursement to the 15th Ave Business Improvement Area.

3.f. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
Yes – the Department of Finance and Administrative Services (FAS), which administers the assessments for the BIAs. OED has worked in close coordination with FAS on this legislation package. FAS will collect the BIA assessments from its ratepayers. FAS holds the funds solely for the purpose of reimbursing the 15th Ave BIA for administering staffing, projects, and other costs associated with the BIA.
- b. **Is a public hearing required for this legislation?**
Yes. A public hearing was held on [REDACTED] as required by RCW 35.87A.140.
- c. **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No.

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

Yes. The companion resolution was published to give notice of the public hearing for the proposed Council Bill. Prior ordinances to establish BIAs have also been published after Council adoption.

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

Based on the Racial Equity Toolkit (see Attachment C), the 15th Ave BIA proposal is not expected to have adverse disproportionate impacts on vulnerable and historically disadvantaged communities in the district.

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).

The 15th Ave BIA will build off the volunteer efforts of the 15th Avenue Merchant's Association. The formation of the BIA will provide the organization with additional capacity and financial tools to support property, small businesses, and stakeholders within the business corridor. The summary of services and outcomes include the following programs within the Business Improvement Area:

- A. Neighborhood Beautification;
- B. Street Festivals and Events;
- C. Program Management and Neighborhood Advocacy.
- D. Cleaning and Graffiti Removal;

List attachments/exhibits below:

Summary Attachment A – 15th Ave E BIA Benefit Analysis
Summary Attachment B – 15th Ave E BIA Racial Equity Toolkit