

CITY OF SEATTLE

RESOLUTION 32102

A RESOLUTION of intention to establish a new Business Improvement Area to be known as the Ballard Improvement Area (BIA) and fix a date and place for a hearing thereon.

WHEREAS, the owners of commercial properties, multifamily residential properties, and mixed-use properties that are subject to nearly 65 percent of the special assessments that would be assessed upon the establishment of a Business Improvement Area filed a petition with The City of Seattle pursuant to chapter 35.87A RCW, and said petition is filed in Clerk File 322710; and

WHEREAS, the City Council has reviewed the petition and letters of support, and determined it is in the best interests of the City to proceed, as permitted by chapter 35.87A RCW, under the resolution method of creating a Business Improvement Area instead of the petition method; and

WHEREAS, the City Council introduced Resolution 32101 on August 8, 2023, initiating the Ballard Improvement Area (BIA); and

WHEREAS, the City Council wishes to declare its intent to establish a Ballard Business Improvement Area, and to set a public hearing for the public and all affected persons to consider its establishment; NOW, THEREFORE,

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

Section 1. The City Council of The City of Seattle declares its intention to establish a new Business Improvement Area in accordance with chapter 35.87A RCW, to be known as the Ballard Improvement Area (BIA).

1 Section 2. The BIA is proposed to be within the following boundaries as shown on the
2 map attached to this resolution as Attachment A and described in this section. When a street or
3 alley is named, the area boundary is the centerline of the right-of-way including vacated portions
4 unless otherwise specified in the description.

5 The Ballard Improvement Area:

6 • Beginning at the intersection of NW Market St and 28th Ave NW, proceed north
7 along 28th Ave NW to the northern boundary of the property at the northeast corner of 28th Ave
8 NW and NW Market St, continuing east along this northern boundary of adjoining parcels to
9 26th Ave NW

10 • Proceed north along 26th Ave NW to NW 56th St

11 • Proceed east along NW 56th St to the western boundary of the property at the
12 northwest corner of NW 56th St and 24th Ave NW; proceed north along this western boundary
13 to the property's northern boundary, then continue east to the western boundary of the property
14 at the southwest corner of NW 57th St and 24th Ave NW; proceed north along this western
15 boundary to NW 57th St

16 • Proceed north of NW 57th St to the western boundary of the property at the
17 southwest corner of NW 58th St and 24th Ave NW; continue along this western boundary to NW
18 58th St

19 • Proceed east along NW 58th St to the intersection at 22nd Ave NW; then continue
20 east along NW 58th St to the second property (relative to this intersection) located on the
21 southside, proceeding along its eastern boundary to its southern boundary; then west along this
22 southern boundary to property's western boundary; then directly south to NW 57th St

- 1 • Proceed east along NW 57th St to the intersection at 17th Ave NW; then south
- 2 along 17th Ave NW to NW 56th St
- 3 • Continue east along NW 56th St to the intersection at 15th Ave NW; then south to
- 4 the intersection at NW 54th St
- 5 • Proceed west along NW 54th St to the intersection at 17th Ave NW; proceed
- 6 south along 17th Ave NW to NW Dock Pl
- 7 • Proceed southwest along NW Dock Pl to the intersection at Ballard Ave NW;
- 8 then proceed northwest along Ballard Ave NW, including all properties abutting the west side of
- 9 Ballard Ave NW (not including parcel 2767702591), to the intersection at NW Market St
- 10 • Proceed west along NW Market St to 24th Ave NW, including parcels
- 11 2767702830 and 2767702831
- 12 • Proceed south along 24th Ave NW to the intersection at NW 54th St
- 13 • Proceed west along NW 54th St to 28th Ave NW; then continue north along 28th
- 14 Ave NW to NW Market St
- 15 Secondary Service Area
- 16 Non-Contiguous Parcels - Secondary Services Area (Ballard Blocks; not to include
- 17 parcels 2768303135 and 2768303225)
- 18 • Beginning at the intersection of Shilshole Ave NW and 15th Ave NW, proceed
- 19 north along 15th Ave NW to the intersection of NW Ballard Way
- 20 • Proceed east along NW Ballard Way to intersection of 14th Ave NW; then
- 21 proceed south along 14th Ave NW to the intersection of NW 45th St
- 22 • Proceed west along NW 45th St to the intersection of Shilshole Ave NW and 15th
- 23 Ave NW

1 In case of a conflict between the descriptions of the areas and the map, the descriptions
2 shall control.

3 Section 3. Programs. Special assessment revenues shall be used for the following
4 component programs within the Business Improvement Area:

- 5 A. Public Safety and Public Health Enhancement;
- 6 B. Clean Environment and Public Realm;
- 7 C. Advocacy, Urban Design and Transportation;
- 8 D. Marketing and Promotions;
- 9 E. Business Development and Retention; and
- 10 F. Organizational Management.

11 All such activities are supplemental to programs and services provided by the City and
12 are not intended to displace any services regularly provided by municipal government. The total
13 projected cost of BIA programs that will be paid for with the proposed BIA’s assessments in the
14 fiscal year of 2024 is estimated to be approximately \$990,190. This will also be the approximate
15 amount in subsequent years as adjusted by various factors including, but not limited to, inflation
16 and other impacts to the total level of assessment due to factors discussed in the assessment
17 formula.

18 Section 4. There is proposed to be an advisory board whose membership is comprised of
19 ratepayers that shall be representative of the varying sizes and types of property owners,
20 residents, and business tenants, within the geographic area of the Ballard Improvement Area and
21 may include public agencies.

22 Section 5. Levy of special assessments. To finance the programs authorized in Section 3
23 of this resolution and as described in the Ballard Alliance Renewal and Business Plan, a 12-year

1 special assessment is proposed to be levied upon and collected from the owners of commercial
2 property, multifamily residential property (buildings containing four or more residential units),
3 and mixed-use property (multifamily residential and commercial) located within the boundaries
4 of the Ballard Improvement District (BIA) described in Section 2 of this resolution and shown in
5 Attachment A to this resolution. Initial assessment calculations will be based on property
6 information from the King County Assessor’s Office for Value Year 2021/Tax Year 2022, and
7 the BIA will annually update records based on data and information from King County and the
8 City. Ratepayers will be assessed by the City in 12 annual installments to be billed semi-annually
9 beginning in the year of the authorization (2024), by applying the following assessment rates to
10 each ratepayer:

11 A. First Year Assessment: $(\$0.60 \times (\text{Total Appraised Value}/\$1,000)) + (\$0.14 \times \text{Total Lot}$
12 $\text{Square Feet})$. Total Appraised Value in these calculations shall be based on Land +
13 Improvements. This calculation is called the “Base Formula.” Modifications or limitations to the
14 First Year Assessments are described below. To the extent that ratepayers are eligible for
15 multiple assessment ceilings, the lowest applicable rate applies.

16 B. If the Total Appraised Value (Land + Improvements) and Total Taxable Value (Land
17 + Improvements) in the King County Assessor’s records are not equal due to tax exemption
18 status, the following rules apply:

19 1. If the Total Taxable Value is zero, then the First Year Assessment = $[(\$0.60 \times$
20 $(\text{Total Appraised Value}/\$1,000)) + (\$0.14 \times \text{Total Lot Square Feet})] \times 25\%$.

21 2. If the Total Taxable Value is not zero, then the First Year Assessment = $(\$0.60$
22 $\times (\text{Total Taxable Value}/\$1,000)) + (\$0.14 \times (\text{Total Lot Square Feet} \times \text{Total Taxable Value}/\text{Total}$
23 $\text{Appraised Value})) + ((\$0.60 \times (\text{Total Appraised Value} - \text{Total Taxable Value})/\$1,000) \times 25\%) +$

1 (($\$0.14 \times \text{Total Lot Square Feet} \times (\text{Total Appraised Value} - \text{Total Taxable Value}) / \text{Total}$
2 Appraised Value) x 25%).

3 C. Multifamily Tax Exemption (MFTE) Residential Properties.

4 1. Residential properties receiving an MFTE tax exemption do not qualify for the
5 25 percent non-profit reduced assessment rate and assessments will be calculated using the Base
6 Formula.

7 2. If a property is owned by a for-profit entity and qualifies for the MFTE from
8 the City, the First Year Assessment will be calculated using the Total Appraised Value upon 100
9 percent completion of the building and/or authorization of MFTE.

10 D. Additional modifications or limitations to assessments are described below:

11 1. Residential Ceiling: The benefit ceiling for owned and rental multifamily
12 residential units is \$130 per unit per year.

13 2. Building Square Foot Ceiling: The benefit ceiling for building square footage is
14 \$0.25 per square foot for any property with an FAR that is 0.5 or more.

15 3. Special consideration will be given to a multifamily residential building
16 containing four or more residential units. This applies whether that building is located on one or
17 multiple property parcels. The intent is that the residential ceiling benefit would apply to all
18 multifamily residential buildings containing four or more residential units whether or not the
19 ratepayer has combined, or intends to combine, multiple parcels when the base year for BIA
20 assessments is established. This includes buildings located on more than one property parcel
21 owned by the following ratepayers:

22 a. "PPF AMLI 2428 NW Market Street" for the properties known as
23 "AMLI Ballard Jacobsen Site";

1 b. “EQR—R E TAX DEPARTMENT” for the properties known as
2 “Urbana Apartment”; and

3 c. “EQR Tallman LLC” for the properties known as “Ballard Tallman.”

4 4. The following five parcels (listed by King County parcel number) will be
5 assessed at 50 percent of the Base Formula, as these will benefit from secondary rather than
6 primary BIA services: 2768303229, 2768303247, 2768303190, 2768303245, and 2768303315.
7 These parcels, known as the Ballard Blocks, are non-contiguous with the rest of the BIA and are
8 designated as a secondary service area. Due to this designation, the non-contiguous parcels will
9 receive all BIA benefits excluding clean and safe services.

10 E. Assessment Installments and Annual Increments.

11 1. Ratepayers will be assessed by The City of Seattle for 24 biannual installments
12 beginning with the base year of authorization (2024).

13 2. For each year following the first year of authorization, the following
14 assessment escalations will apply to the assessment formulas:

15 a. Year 2: Year 2 assessments will equal Year 1 assessments times the
16 percentage change in the Consumer Price Index (CPI) for All Urban Consumers in Seattle-
17 Tacoma-Bellevue (“CPI-U-Seattle”), October 2022 to October 2023 unless there is an increase in
18 Building Square Feet for a given parcel. If CPI-U-Seattle is less than two percent, use two
19 percent. If CPI-U-Seattle is more than six percent, use six percent.

20 If there is an increase in Building Square Feet for a given parcel, then that
21 parcel will be recalculated using the latest available King County Assessor’s data with the Land
22 Area Factor, Building Square Foot Ceiling, and Residential Ceiling escalated by CPI-U-Seattle
23 (between two and six percent).

1 b. Years 3 through 12: Use the same annual escalation scheme as for Year
2 2, with the percentage change of no more than six percent as the ceiling and no less than two
3 percent as the floor, which is dependent on the CPI-U-Seattle between October 2022 and
4 October of the year prior to the assessment year.

5 G. New benefit areas shall be added to the assessment roll on an annual basis, as follows.
6 A “new benefit area” is created when a parcel’s net building square footage increases as a result
7 of either a new building or expansion of an existing building. A new benefit area shall be added
8 to the BIA assessment roll following its inclusion in the King County Assessor assessment roll
9 during the preceding year. The new benefit area shall be assessed according to the Base Formula
10 factors and assessment ceiling rates in effect during the assessment year. A new benefit area will
11 continue to have its value updated to the most current year value until it is designated as 100
12 percent complete and no new dollars are added by the King County Assessor’s Office. The
13 formula for a new benefit area will be calculated using the new King County Assessor’s values
14 in the Base Formula multiplied by the annual CPI Factor in effect. New BIA assessments will be
15 billed at the next regularly scheduled billing period established by the Director of Treasury
16 Services.

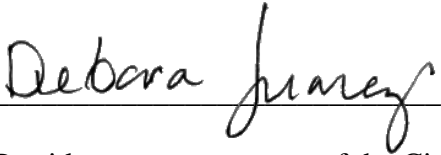
17 H. Rate Changes. Changes in assessment rates other than as described in this section shall
18 only be authorized by ordinance consistent with RCW 35.87A.140 and with the approval of the
19 BIA Advisory Board and shall not occur more than one time per year.

20 Section 6. A hearing shall be held on this matter before the Economic Development ,
21 Technology, and City Light Committee in the City Council Chamber, City Hall, 600 Fourth
22 Avenue, 2nd Floor, Seattle, Washington 98104 on September 13, 2023, at 9:30 a.m., or as soon

1 thereafter as the same may be heard. The City Council will hear all protests and receive all
2 evidence for or against the proposed action.

3 Section 7. The City Clerk is requested to publish this resolution of intention in a
4 newspaper of general circulation in Seattle and mail a complete copy of this resolution to each
5 prospective ratepayer within the proposed area at least ten days prior to the hearing. The notice
6 shall include a statement that a copy of the proposed ordinance, with attachments, may be
7 examined electronically at <https://seattle.legistar.com/>, or in paper form at the Office of the City
8 Clerk, City Hall, 600 Fourth Avenue, 3rd Floor, Seattle, Washington 98104, or will be mailed
9 upon request.

1 Adopted by the City Council the 15th day of August, 2023,
2 and signed by me in open session in authentication of its adoption this 15th day of
3 August, 2023.

4 
5 _____

6 President _____ of the City Council

7 The Mayor concurred the 17th day of August, 2023.

8 
9 _____

10 Bruce A. Harrell, Mayor

11 Filed by me this 17th day of August, 2023.

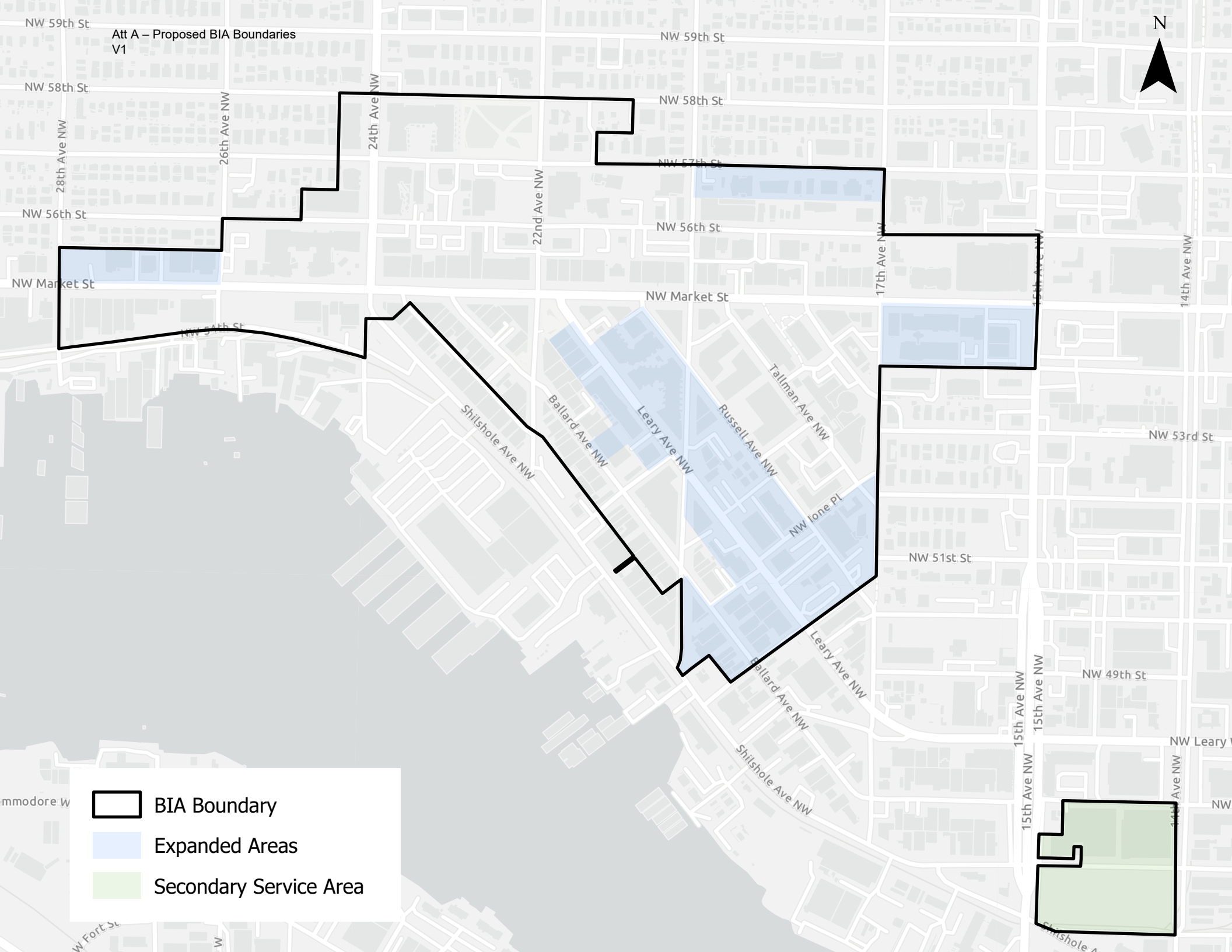
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

14 Scheereen Dedman, City Clerk

15 (Seal)

16 Attachments:
17 Attachment A - Proposed BIA Boundaries

Att A – Proposed BIA Boundaries
V1



-  BIA Boundary
-  Expanded Areas
-  Secondary Service Area