June 9, 2025

MEMORANDUM

To: Parks, Public Utilities & Technology Committee
From: Karina Bull, Analyst
Subject: CB 120997: Application for Current Use Taxation for 2025

On June 11, the Parks, Public Utilities & Technology Committee (Committee) will hold a public hearing, discuss, and possibly vote on Council Bill (CB) 120997 that would approve an application for current use taxation for a 1.42 acre property located at 9666 51st Avenue South.[1] The property is owned by Indigenous Creatives Collective (Applicant), an Indigenous-led non-profit organization that represents a community of intertribal Indigenous artists.

This memorandum describes: (1) Washington State's current use taxation program; (2) the process for considering current use taxation applications; and (3) the application for the property located at 9666 51st Avenue South.

Current Use Taxation

The Revised Code of Washington (RCW) Chapter 84.34 provides an incentive for property owners to voluntarily maintain open space on private land by taxing the property at a lower rate based on its current use, rather than the assessed value of its "highest and best use" (i.e. the most profitable use, such as development for residential or commercial purposes).

In King County, applications for current use taxation for "open space classification" are filed with and reviewed by King County Department of Natural Resources and Parks (DNRP). Using a Public Benefit Ratings System (PBRS), the DNRP assigns points to applications based on the property's eligibility for different types of open space resources.[2] Open space resources include:

- Public recreation areas,
- Buffers to public lands,
- Linkages to pedestrian or bicycle trails,
- Designated historic landmark sites,
- View corridors,
- Urban open spaces, and
- Significant plant, wildlife, or salmonid habitats.

The DNRP also assigns bonus points for restoration of open space resources, conservation easements, and public access to the open space.

[1] Clerk File 323337 contains the application and the corresponding King County Report to City of Seattle that recommends approval of the application.
[2] King County promulgated the PBRS criteria pursuant to RCW 84.34.035.

To be eligible for open space classification, the property must contain at least one or more qualifying open space resources and receive at least five points under the PBRS criteria. Open spaces with higher point totals receive larger reductions on property taxes, as shown in Exhibit 1 below.[3]

Exhibit 1. Public Benefit Rating and Property Tax Reduction

Public Benefit Rating	Property Tax Reduction
0 to 4 points	0 percent
5 to 10 points	50 percent
11 to 15 points	60 percent
16 to 20 points	70 percent
21 to 34 points	80 percent
35 points and above	90 percent

Owners of a property enrolled in the PBRS program must maintain the open space in the same or better condition as of the date it was approved for enrollment. Property stays in the program until (1) its owner withdraws the property; (2) it is removed by DNRP because it no longer meets the PBRS criteria; or (3) a change of use disqualifies the property. When a property is removed, the landowner is required to pay the difference between the amount of tax paid as open space and the amount that would have been paid for up to a maximum seven years, plus interest and possibly a 20 percent penalty.

City Council Action on Current Use Taxation Applications

RCW 84.34.037 establishes the process to approve a current use taxation application, requiring that the legislative bodies for King County and City separately: (1) hold a public hearing; and (2) take legislative action to approve the application. While the respective legislative bodies may choose to approve the application in part or in whole, they must each take the same action for the property to be enrolled in the PBRS program (i.e., if the City Council approves the application in whole, the King County Council must do the same). The granting or denial of a current use taxation application is a legislative act and "is reviewable only for arbitrary and capricious decision-making."[4]

RCW 84.34.037 also provides guidance for evaluating applications for current use taxation. It includes factors such as fiscal impacts, environmental benefits, recreational opportunities, and adjacent uses. King County's PBRS criteria is designed to allow for a consistent rating of open spaces based on these factors.

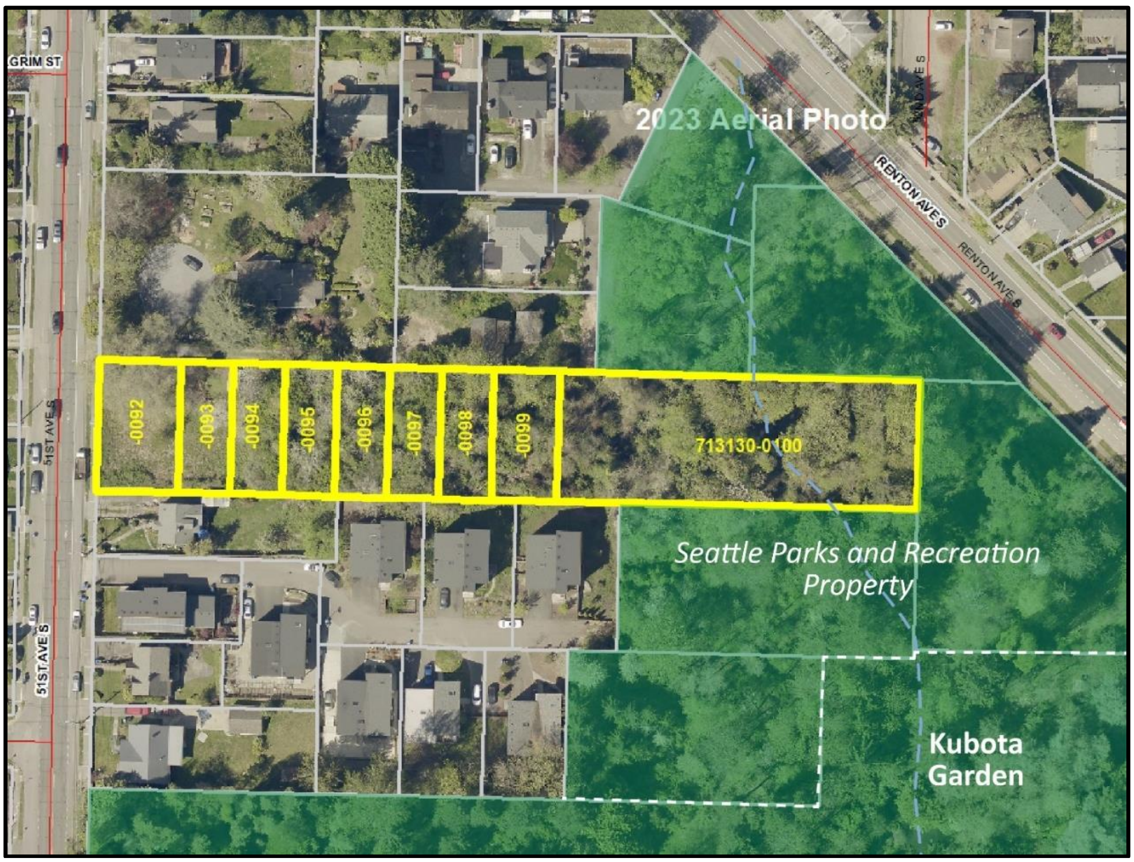
[3] Only portions of property set aside for open space are eligible for property tax reductions. Buildings and improvements, such as parking areas or driveways, are excluded from the calculation of the property tax reduction.
[4] RCW 84.34.037.5.

CB 120997

CB 120997 would approve an application for current use taxation for property located on the east side of 9666 51st Ave S, north of Kubota Garden in the Rainier Beach neighborhood (City Council District 2). The Applicant acquired the 1.42-acre property in 2022 with assistance from the City's Equitable Development Initiative and Strategic Investment Fund as part of their Land Rematriation project and plans to use it for community-led arts and food programming serving Indigenous and broader BIPOC populations.

The property consists of nine different parcels, including a portion of Mapes Creek in the easternmost parcel (713130-0100), and is being used as a community garden and gathering space, with walking paths and a greenhouse, according to the DNRP report. The Mapes Creek riparian buffer area on the property is currently impacted by invasive species, mostly Himalayan blackberry and English ivy. The Applicant intends to remove the invasive plants and restore the area with native species.

Exhibit 2. Site Location



The DNRP recommended a total of 38 points under the PBRS criteria, as shown in Exhibit 3:

Exhibit 3. Public Benefit Rating for Application

Open Space Resources	**Public Benefit Rating**
Buffer to public land	3 points
Public recreation area	5 points
Surface water quality buffer	10 points
Urban open space	5 points
Watershed protection area	5 points
Bonus Categories	
Unlimited public access	5 points
Resource restoration	5 points
Total	**38 points**

For taxation purposes, a total of 38 points results in 10 percent of market value and a 90 percent reduction in taxable value for the portion of land enrolled. To maintain eligibility for the bonus points, the Applicant is required to complete approved restoration activities within three years and will need to submit an annual restoration progress report to DNRP for at least the first five years of participation. This report is in addition to the standard annual monitoring report required of program participants.

In 2024, the total appraised value for the nine parcels was $1.85 million. Approval of the application would reduce the appraised value by 90 percent. Using the 2024 appraised value and property tax rate, this reduction would decrease the total taxable value to $185,000, resulting in a property tax amount of $1,502. The property tax due in 2024 was $17,069.

Property taxes in Washington State are levied to raise a specified amount of revenue in a given year; this amount is then divided by the appraised value of all properties in Seattle. The reduction in the appraised value of properties participating in the PBRS program does not decrease the total amount of revenue the City receives, but instead marginally increases the tax due from all other properties in Seattle. Participation in the PBRS program therefore shifts the resulting tax savings to landowners in affected levy rate distributions through an increase in levy rates, which essentially results in no loss of property tax. Thus, approval of this application would have no fiscal impact to the City.

On March 20, 2025, the King County Hearing Examiner held a public hearing on the application and recommended that the County Council approve the application. On May 20, 2025, the King County Council passed Ordinance 19936 approving the application.

Next Steps

The Committee will hold a public hearing, discuss, and may vote on CB 120997 at its June 11 meeting. Note that a vote the same day as a public hearing requires passage of a motion by the Committee Chair to suspend City Council Rule VI.H.3.

If the Committee votes to recommend passage of CB 120997 on June 11, the City Council could vote on the bill as early as June 17. If the City Council passes CB 120997, King County will incorporate the lower taxable values in its 2026 tax rolls.

cc: Ben Noble, Director
Lish Whitson, Supervising Analyst