Capitol Hill (Broadway) BIA Ordinance Amendment

Office of Economic Development

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Background

- The Capitol Hill Business Improvement (CHBIA) Area was originally established in 1986
- CHBIA's business-based, self-reported revenue model leads to unpredictable budget, sensitivity to business closures, and the $3,500 cap limits growth and erodes service capacity.
- Rising costs for cleaning, safety, and district management have outpaced assessments, leading to cutbacks in core services.

Background (continued)

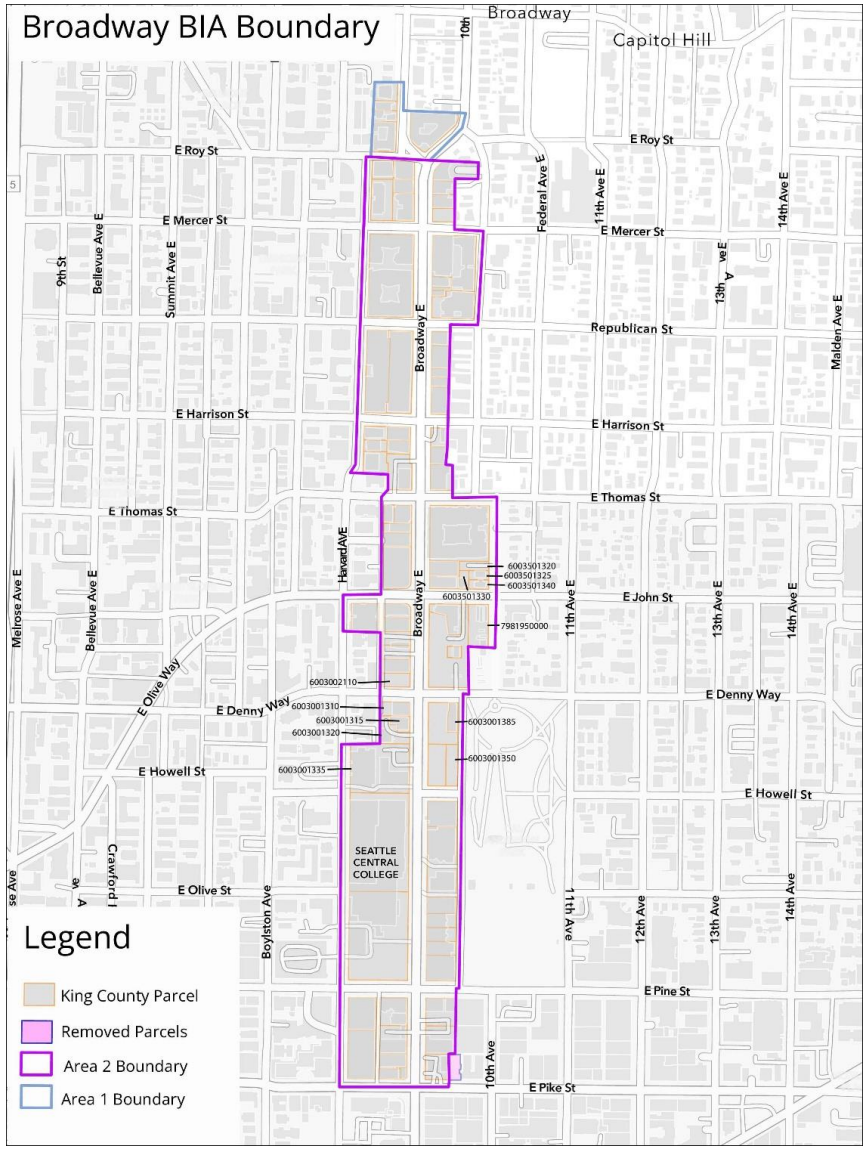
- The proposed amendment offers short-term budget stabilization by adjusting rates for inflation and making a small boundary correction
- Increased fixed assessments improve equity across ratepayers
- Longer term, CHBIA plans to evaluate shifting to a more predictable, sustainable property-based assessment model aligned with current city practice

Amendments to Assessments

1. Raise the **maximum annual assessment from $3,500 to $5,000** to help cover higher service costs.
2. I**ncrease Seattle Central College's fixed assessment** by removing its special lower rate so it pays the standard maximum rate.
3. Increase financial institutions' **fixed assessment** so they also pay the standard maximum rates
4. Starting in 2032, **add a steady $200 yearly increase** to the maximum assessment to keep up with inflation.

Boundary Change

Remove the parcel at 910 E Pike Street from the CHBIA boundary to better match the actual commercial area



Conclusion

OED recommends approval, finding the amendment reasonable, aligned with City BIA policy, and necessary for accurate implementation.

Questions?