

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
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*\* 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**

**1. Legislation Title:**

AN ORDINANCE establishing a new SODO Parking and Business Improvement Area (BIA); levying special assessments upon owners of business, multi-family residential, and mixed-use properties within the area; 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; providing for the continuity of services and the transfer of remaining funds from the current SoDo BIA account that was established in 2013 by Ordinance 124306; and ratifying and confirming certain prior acts.

**2. Summary and background of the Legislation:**

This ordinance establishes a new SODO Parking and Business Improvement Area (SODO Business Improvement Area) under RCW 35.87A. The SODO Business Improvement Area is expected to be funded by a special assessment levied on the owners of business, 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 SODO Business Improvement Area work plan. The new SODO Business Improvement Area (BIA) program manager will be overseen by a Ratepayers Advisory Board, which would be broadly representative of the ratepayers in the SODO Business Improvement Area.

This ordinance is the final piece of legislation required to create a new and expanded SODO Business Improvement Area, as required by chapter 35.87A RCW. The City Council passed a resolution to initiate the formation of the SODO 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 SODO Business Improvement Area was originally established in 2013 for a five-year period, ending in November 2018. Based on its ability to provide services valued by its ratepayers, the SODO Business Improvement Area developed a proposal recommending the creation of a new BIA that will essentially extend it for a period of ten years and expand its boundaries. The SODO 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 a SODO Business Improvement Area that will continue to fund its programs:

- A. Transportation;
- B. Safety;

- C. Cleaning;
- D. Advocacy, marketing, communications, and business community development within existing zoning.

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 January 1, 2019, or the effective date of this ordinance, whichever is later. The new SODO Business Improvement Area will be overseen by a Ratepayers Advisory Board, which would be broadly representative of the proposed ratepayers.

**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

Budget program(s) affected:	General Fund \$		Other \$	
	2018	2019	2018	2019
Appropriation change (\$):				
Estimated revenue change (\$):				\$987,462
Positions affected:	No. of Positions		Total FTE Change	
	2018	2019	2018	2019

- 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 SODO Business Improvement Area is established as a revenue-neutral program.

If there are no changes to appropriations, revenues, or positions, please delete sections 3.d., 3.e., and 3.f. and answer the questions in Section 4.

**3.d. Appropriations**

     This legislation adds, changes, or deletes appropriations.

**3.e. Revenues/Reimbursements**

XX This legislation adds, changes, or deletes revenues or reimbursements.

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

Fund Name and Number	Dept	Revenue Source	2018 Revenue	2019 Estimated Revenue
19857 SODO Business Improvement Area	FAS	Ratepayer Assessments	\$0	\$987,462
<b>TOTAL</b>				

Is this change one-time or ongoing?  
Ongoing for ten years. Every two years the property data will be updated, and the assessments recalculated, which could result in an increase or decrease to the total revenue collected.

Revenue/Reimbursement Notes: The 2019 revenue amount represents ratepayer assessment collections for a full year, with assessments commencing on January 1, 2019. Estimated annual revenue for 2019 is \$987,462. FAS would collect the assessments from the ratepayers, but the funds would then be kept by FAS only for reimbursement to the SODO 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 SODO Business Improvement Area 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 Summary Attachment A), the SODO BIA proposal is not expected to have adverse disproportionate impacts on vulnerable and historically disadvantaged communities in SODO. However, workers of color are underrepresented in the SODO workforce and the SODO BIA could explore strategies to develop the talent pipeline of workers of color in the district. It is also important that SODO maintain strong policies and procedures around its off-duty SPD officers providing security services.

**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 SODO BIA work plan will remain largely the same as in prior years, with an expansion of its current services into the new boundaries. The summary of services and outcomes include the following:

**Advocate SODO:** direct business outreach, maintaining communication platforms to keep the local community informed and engaged, business community and partner events to increase connectedness, and advocate for SODO interests (14% of budget).

**Move SODO:** provide forum for diverse SODO stakeholders to address relevant transportation issues, advocate to improve street conditions, increase transit service, improve traffic flow and overhaul parking. Improve wayfinding through art and signage (6% of budget).

**Clean SODO:** street sweeping, litter and illegal dumping clean up, dumpsters and porta-potties for tailgating; address graffiti with public art murals including SODO Art Corridor along the E3 busway; conduct community cleanups and events on cleaning topics (33% of budget).

**Safe SODO:** provide supplemental security presence to address chronic issues and develop relationships with SODO business community; and provide safety classes and events to address issues (32% of budget).

**Governance and Management:** overall program management and board support to ensure BIA resources are deployed effectively and ratepayers benefit from their investment (15% of budget).

**List attachments/exhibits below:**

Summary Attachment A – Racial Equity Toolkit Analysis of SODO BIA Proposal