

Citywide Business Improvement Area Proposal Checklists

Exhibit A: Establishing a BIA

Steps in the Process of Establishing a BIA

This section provides a summary of the steps to establish a BIA. Refer to the checklists following this section for more details of the information needed at each step.

1. Understand the needs and interest in a given geographic area

The first step is connecting with local stakeholders to learn about their priority issues and interests. Typically, a BIA exploration effort is led by a community-based organization and/or a group of potential ratepayers/engaged community members who have experience with the community and have initially identified neighborhood priorities and decided to work on a proposal to provide services. It can also be helpful to talk to other BIAs to learn more about their formation and operations.

2. Draft the Proposal

- See the Draft Proposal Checklist below for items needed.
- Based on extensive community stakeholder outreach and engagement with OED, a potential district will collectively iterate and vet the elements of the BIA proposal.
- Consult with OED during this process to help design a proposal that will meet City and State requirements.

3. Obtain City Review of Draft Proposal

- Before sending the petition of support for signature to prospective ratepayers, provide the draft BIA proposal to OED using the Draft Proposal Checklist shown below.
- OED will review materials for compliance with state law and City policies, coordinate the City department review and provide feedback on the draft proposal. This process can take six weeks or longer.
- The City may respond to a draft proposal with questions or request more information.
- The City may require changes to the draft proposal and will communicate these changes to the proponents in writing.
- OED can meet to discuss comments and feedback with proponents.

4. Gather Petition Signatures and Solicit Feedback

- Start the petition gathering process.
- Hold at least one public meeting where the BIA proposal is discussed and there is opportunity for participants to ask questions and provide feedback.
- Provide information about the BIA proposal in multiple ways with consideration to accessibility. Example methods of outreach include:
 - creating a website with contact information and a clear way to provide feedback,
 - sending emails and post on social media,
 - holding community meetings that meet ADA guidelines,

- offering translation and interpretation,
- scheduling individual and targeted group meetings,
- sending bulk mailings, and
- handing out brochures.
- Keep OED informed on progress with petition signatures.

5. Provide the Final BIA Proposal Materials to the City for Review, Validation and Scheduling

- Once the required signatures are obtained, provide all items in the Final Proposal checklist below to OED.
- OED coordinates the City review of materials, drafting legislation and scheduling the process at City Council.
- The City will contact potential ratepayers to validate petitions and provide notice of the BIA proposal and public hearing.
- If everything is in order, the time to prepare for the City Council process can take 2-3 months. Additional questions, clarifications, or additional information requested can extend the process.

6. City Council and Adoption Process

- There will be a series of Council meetings scheduled, including a public hearing, over the course of 2-3 months. BIA proponents will be requested to attend some or all the meetings to present their proposal and answer questions.
- Adoption – if City Council approves the BIA legislation, it goes to the Mayor’s Office to sign within 15 days. OED can help to create a signing event where BIA proponents are present for the Mayor’s signature.
- The BIA goes into effect 30 days after the Mayor signs.

7. Setting Up BIA Operations

- Depending on the size and complexity of the BIA, it can take the City several months to set up billing systems.
- The City will send the first BIA assessment bills when ready and based on the intended launch date of the BIA.
- BIA proponents organize the interim BIA Advisory Board that proposes the members of the Inaugural Advisory Board to OED for review and approval (note this board may overlap partially or in its entirety with the program manager board).
- The Inaugural Advisory Board establishes BIA Bylaws and recommends the Program Manager of the BIA to the City for approval. Or, in some cases, the Program Manager is identified in the establishing ordinance. The Program Manager develops the operating and administrative systems to deliver services.

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Draft BIA Establishment Proposal Checklist:

Provide the following items to OED before initiating petitions.

- Draft of the Petition** which includes:
 1. Boundary
 - One digital map of the boundaries of the BIA proposal, including any special benefit zones. Names of major streets and streets used for boundaries should be visible.
 - Written description of the boundaries.
 2. Assessment Rates and Formulas
 - Provide the formulas, rates and any rate caps, changes over time or other aspects of the assessment.
 - Show the different classifications of ratepayers, such as residential, commercial, tax exempt, government, etc., how the classifications were determined, and the formula applied to them.
 - Example: this is a hypothetical example. The actual classification descriptions, assessment and benefits descriptions for the proposed BIA should be provided.

Table 1: Example Template for Assessment Formula Based on Property Types/Uses

Ratepayer Classification	Assessment Methodology/ Formula	Types of Properties/Uses	Number of Ratepayers	Total Assessment	Average Assessment Amount	% of Total
Commercial		Office Buildings				
		Commercial Parking Lots				
Industrial/ Warehouse						
Multi-family Residential and Mixed Use		4-plex buildings				
		Mixed Use				
		Condos				
		Apartments				
Tax Exempt		Churches				
		Nonprofit housing				
		Social Services and other (list of the agencies)				
Government		Types of properties/uses and agencies that own them				

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3. Proposed uses of BIA assessments and their cost
 - Total assessment revenues estimated to be generated in the first 12 months of assessment.
 - The types of services and the estimated cost for each type of service. The total cost shown should equal total assessment revenues in the first 12 months.

Table 2: Example Template for Benefit/Service, Cost, and % of Budget

Benefit/Service	Cost	% of Budget
Administration	\$XX	X%
District and business marketing	\$XX	X%
Business support and recruitment	\$XX	X%
Community events and festivals	\$XX	X%
Public plaza management	\$XX	X%
Sidewalk and street cleaning	\$XX	X%
Community forums and communication	\$XX	X%
Total (should equal total assessment revenues)	\$XX	100%

4. Term
 - The date the BIA is proposed to sunset or end or if it will be established without a sunset or end date.

Ratepayer Roll - Provide an electronic spreadsheet of intended ratepayers and their properties or businesses that are being assessed in an editable format that includes the following for each individual assessment:

- Names and mailing addresses of ratepayers.
- Addresses, parcel numbers and classification of each property or business being assessed including all necessary data used to calculate the assessment. For example, if residential properties have rate caps or different rates, indicate which properties are residential, the rate charged, and the applied caps that have resulted in the assessment amount.
- The calculation and amount of each individual assessment.

Additional Materials Provided to Ratepayers – Provide brochures, letters to ratepayers, and any other materials that will accompany the petition.

Written Descriptions of the following:

1. How the boundaries represent a reasonable area for economic development and/or neighborhood revitalization and how services will be distributed within the boundaries and special benefit zones. Describe reasoning for excluding particular parcels or portions of parcels.
2. Assessment Rationale - describe in detail the rationale for choosing the assessment methodology and rates. Describe how different classifications of ratepayers will benefit from the BIA and explain how the assessment formula applied to them most closely correlates to the benefits they will receive. Explain the reasoning for any different rates applied to certain categories of ratepayers, exemptions, caps, benefit zones, etc.
3. Services to be provided - Describe in more detail the different types of services that will be

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- provided to ratepayers and why these additional services are needed in the BIA’s boundary area.
4. Intended composition of the BIA Advisory board - Describe the intended number of board members, representation from different classifications of ratepayers, and other stakeholder representatives.
 5. Description of the process to date - Describe the participants involved in the development of the BIA proposal, how information was gathered and outreach conducted to inform the BIA proposal elements. The City’s policies require that ratepayers and other identified stakeholders are provided with reasonable notice and the opportunity to provide feedback about the proposed BIA.
 6. Describe the different stakeholders (as defined in the Glossary) within the district and how they are affected by this BIA. Are there any stakeholders who are opposed to establishing the BIA?

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Final BIA Establishment Proposal Checklist

Provide the following items to OED after obtaining the petition signatures.

- Signed Petitions** - All signed petitions, the total of which should represent 60 percent or more of the total assessment value.

- Maps** – Provide one electronic copy of a map that meets these specifications:
 - Shows the boundaries of the BIA proposal, including any special benefit zones. Names of major streets and streets used for boundaries should be visible.
 - Do not caption the maps or add anything such as a distance scale or a north marker. The City will add map titles. See Section 2. Boundaries for further guidance on map specifications.
 - Provide the underlying GIS data used to create the map or provide a format that can be edited by City staff.

- Updated Ratepayer List** – Provide the same electronic spreadsheet of potential ratepayers that was provided for initial review in an editable format with the following updates for each individual assessment:
 - Note any changes to names and mailing addresses of ratepayers.
 - Note any updates to data used to calculate the assessment.
 - The calculation and amount of each individual assessment.
 - Whether or not the ratepayer signed the petition in favor.

- Outreach Details**

The City’s policies require that ratepayers and other identified stakeholders are provided with reasonable notice and the opportunity to provide feedback about the proposed BIA.

 1. Describe all outreach and communications conducted after the BIA proposal was approved by the City to begin petition process, including:
 - Dates and times of public meetings held about the proposal, number of attendees, and feedback received.
 - Dates and times of each group meeting held for specific stakeholders, geographic areas, ratepayer classifications, or other focus groups, with number of attendees, and feedback received.
 - How contact information, office hours, or other avenues for communication were provided to ratepayers or interested stakeholders.
 - Website, social media, posters, newsletters, mailings, door-to-door outreach conducted, etc.
 2. For each individual ratepayer (as defined in the Glossary), indicate the specific outreach conducted to them including.
 - Dates the petition packet was mailed, hand delivered, or emailed
 - Invitations sent to public, group or individual meetings
 - Other attempts to contact them
 - Any feedback, level of support or concerns communicated by the ratepayer during outreach

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- Whether they signed the petition
- Any returned mailings, incorrect contact information or other difficulty reaching the right person for signing the petition

Interim BIA Advisory Board

- Provide a list of the names and affiliations of the intended Interim Advisory Board members.
- If the BIA is approved by City Council and signed by the Mayor, the Interim Advisory Board will need to be established within 30 days of the ordinance taking effect.
- The Interim Advisory board proposes the Inaugural Advisory Board to OED, which is approved within 90 days of the ordinance taking effect.

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Exhibit B: Modifying a BIA

Steps in the Process of Modifying a BIA

The following summarizes the steps in the process to modify a BIA

1. Determine the Elements to be Modified - The following elements of a BIA can be changed through a BIA Modification:

- Extension or elimination of the sunset date
- Changes to BIA boundaries as set by RCW 35.87A.075 and Citywide BIA Policy 5.
- Changes to the assessment methodology or rates
- Other programmatic or administrative amendments that are not addressed by RCW 35.87A.

2. Develop and discuss changes and updates with the BIA Advisory Board and OED.

- Compile materials as described in the Draft Modification Checklist below.

3. Obtain City Review of Draft BIA Modification Proposal

- Before contacting affected ratepayers, provide to OED all items in the Draft Modification Checklist shown below.
- OED will review materials for compliance with state law and City policies, coordinate the City department review and provide feedback on the draft proposal.
- This process can take six weeks or longer.
- The City may respond to a draft proposal with questions or request more information.
- The City may require changes to the draft proposal and will communicate these changes to the proponents in writing.
- OED can meet to discuss comments and feedback with proponents.

4. Conduct Outreach to Existing and New Ratepayers

- Obtain approval for modifications from BIA Advisory Board.
- Conduct outreach and keep detailed records of contacts made, feedback received, and support for the changes.
- Keep OED informed on progress with outreach and support.

5. Provide Final Materials to the City for Review, Notification and Scheduling

- Once outreach confirms general support for the changes, provide all items in the Final Modification Materials checklist below to OED.
- OED coordinates the City review of materials, drafting legislation and scheduling the process at City Council.
- The City will send an announcement of the BIA proposal and public hearing, if required, to existing and new ratepayers.

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- Depending on the time of year, it can take several months to schedule the City Council process. Additional questions, clarifications, or additional information requested can extend the process.

6. City Council Review and Adoption Process

- There could be a series of City Council meetings scheduled, including a public hearing if required, over the course of 2-3 months. BIA representatives will be requested to attend some or all the meetings to present their proposal and answer questions.
- Adoption – if City Council approves the BIA legislation, it goes to the Mayor’s Office to sign within 15 days.
- The new ordinance and its changes go into effect 30 days after the Mayor signs.

7. Update BIA Billing and Other Changes

- For a modified BIA, the City will have systems in place but will need some time to make updates or changes.
- The City will send the BIA assessment bills incorporating any changes when ready and in consultation with the BIA.
- If the modification included changes to the BIA Advisory Board, the BIA provides list of the BIA Advisory Board members with any changes identified.

Draft BIA Modification Proposal Checklist:

Provide the following items to OED before initiating outreach to affected ratepayers.

- If the Boundary is changing** - provide the following two digital maps:
 1. **Map 1:** A digital map of the current boundary before modification, with a dotted line showing the proposed new boundary. Include any special benefit zones. Names of major streets and streets used for boundaries should be visible. Each of the two areas needs to be identified: “Existing BIA Boundary” and “Proposed Boundary Change”
 2. **Map 2:** A digital map of the complete boundary as it will be if the modification is approved.

- If the Assessment Rates or Formulas are changing** - provide:
 - The formula, new rates and any rate caps, changes over time or other aspects of the assessment rate.
 - Show the different classifications of ratepayers, such as residential, commercial, tax exempt, government, etc., how the classifications were determined, and the new rate and formula applied to them.
 - Example: this is a hypothetical example. The actual classification descriptions, assessment and benefits descriptions for the proposed BIA should be provided.

Table 1: Example Template for Assessment Formula Based on Property Types/Uses

Ratepayer Classification	Assessment Methodology/ Formula	Types of Properties/Uses	Number of Ratepayers	Total Assessment	Average Assessment Amount	% of Total
Commercial		Office Buildings				
		Commercial Parking Lots				
Industrial/ Warehouse						
Multi-family Residential and Mixed Use		4-plex buildings				
		Mixed Use				
		Condos				
		Apartments				
Tax Exempt		Churches				
		Nonprofit housing				
		Social Services and other (list of the agencies)				
Government		Types of properties/uses and agencies that own them				

- If the total BIA revenues, services to be provided and/or their cost are changing because of the boundary and/or rate change, provide:**
 - Total assessment revenues estimated to be generated in the first 12 months of assessment.
 - If the modification includes a boundary change, demonstrate that the new area's assessment value does not exceed ten percent of the total BIA assessment.
 - The types of services and the estimated cost for each type of service. The total cost shown should equal total assessment revenues in the first 12 months.

Table 2: Example Template for Benefit/Service, Cost, and % of Budget

Benefit/Service (Examples)	Cost	% of Budget
Administration	\$XX	X%
District and business marketing	\$XX	X%
Business support and recruitment	\$XX	X%
Community events and festivals	\$XX	X%
Public plaza management	\$XX	X%
Sidewalk and street cleaning	\$XX	X%
Community forums and communication	\$XX	X%
Total (should equal total assessment revenues)	\$XX	100%

- Ratepayer Roll** - Provide an electronic spreadsheet of intended ratepayers and their properties or businesses that are being assessed in an editable format that includes the following for each individual assessment:
 - Names and mailing addresses of ratepayers
 - Addresses, parcel numbers and classification of each property or business being assessed including all necessary data used to calculate the assessment. For example, if residential properties have rate caps or different rates, indicate which properties are residential, the rate charged, and the applied caps that have resulted in the assessment amount..
 - The calculation and amount of each individual assessment
 - Which ratepayers are new to the BIA as a result of the proposed modification.

- Additional Materials to be Provided to Ratepayers** – Provide brochures, letters to ratepayers, and any other materials that will be provided to ratepayers.

- If there are changes to the following items, provide a written description as follows:**
 1. If the **boundaries** are changing, describe how the new boundaries represent a reasonable area for economic development and/or neighborhood revitalization and how services will be distributed within the boundaries and special benefit zones. Describe reasoning for excluding particular parcels or portions of parcels.
 2. If there are any changes to **assessment rates, classifications, caps, or other elements of the rate**, describe in detail the rationale for changing the assessment rates. Describe how different classifications of ratepayers will benefit from the BIA and explain how the assessment formula applied to them most closely correlates to the benefits they will receive. Explain the reasoning for any different rates applied to certain categories of ratepayers, exemptions, caps, benefit zones, etc.
 3. If there are changes to provisions regarding the **BIA Advisory board, the Program Manager, or**

other parts of the **previous ordinance**, describe what is changing and the reason for the change.

Description of the process to develop the draft modification proposal

1. Describe the participants involved in the development of the BIA modification proposal, how information was gathered and outreach conducted to inform the BIA proposal elements.

Identify the specific areas of the current ordinance that you want to change.

Final BIA Modification Proposal Checklist:

Provide the following items to OED after obtaining ratepayer support for the modification.

Documentation of Support - All documentation showing ratepayers in support of the modification

1. For each individual ratepayer (as defined in the Glossary), indicate their support including.
 - Provide a list of ratepayers in support with the date support was communicated, to whom it was communicated, and the method used. For example, if the ratepayer responded during a phone call or meeting, include the date of the call or meeting and who called or met with them. If the ratepayer sent an email indicating support, add the date and recipient of the email to the list and provide a copy of the email.
 - Provide any other documentation showing ratepayer support.
 - For all other ratepayers that did not indicate support, note all specific outreach conducted to them such as phone calls, emails, and meetings. Indicate if no contact was made or no response was received, if they communicated that they were not in support of the renewal, or if they gave another response like they are not sure, they will respond later, they are not sure if they have the authority to respond, etc. Also include any feedback or concerns communicated by the ratepayer during outreach.

Updated Ratepayer List

1. Provide the same electronic spreadsheet of potential ratepayers in an editable format that was provided for initial review with the following updates for each individual assessment:
 - Note any changes to names and mailing addresses of ratepayers
 - Note any updates to data used to calculate the assessment
 - The calculation and amount of each individual assessment if it has changed from the initial review.

Outreach Details

The City's policies require that ratepayers and other identified stakeholders are provided with reasonable notice and the opportunity to provide feedback about the proposed BIA modification.

1. Describe all outreach and communications conducted after the City approved the BIA Modification Proposal, including:
 - Dates and times of public meetings held about the proposal, number of attendees, and feedback received
 - Dates and times of each group meeting held for specific stakeholders, geographic areas, ratepayer classifications, or other focus groups, with number of attendees, and feedback received
 - How contact information, office hours, or other avenues for communication were provided to ratepayers or interested stakeholders
 - Website, social media, posters, newsletters, mailings, door-to-door outreach conducted, etc.
 - Any returned mailings, incorrect contact information or other difficulty reaching the right person for outreach

Changes to BIA Advisory Board Composition or Members, and/or changes to BIA Program Manager

- Describe any changes to the current composition or members of the BIA Advisory Board and minutes from the BIA Advisory Board approving the changes.
- If applicable, provide the name of the intended new BIA Program Manager and reason for the change.
- If the BIA modification is approved by City Council and signed by the Mayor, any changes to the current BIA Advisory Board Composition or Members will be approved by OED within 90 days of the ordinance taking effect.