

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING OLYMPIA MUNICIPAL CODE SECTION 3.62.030 RELATED TO THE 2026 PARKING BUSINESS IMPROVEMENT AREA RATES

WHEREAS, the Olympia Parking and Business Improvement Area (PBIA) was established by the City Council in 2005, to provide funding for various downtown programs, including parking improvements, public safety, beautification efforts, and business support initiatives. An assessment applied to businesses within the PBIA funds these services; and

WHEREAS, in 2010, the City Council removed the PBIA's renewal clause, allowing ongoing operations without a mandatory recertification or required program renewal. Other than a boundary modification there having been very few changes to the program, including no change to rates, business classifications, or operational practices; and

WHEREAS, for 2025, the PBIA Advisory Board has started conducting an evaluation of the PBIA's effectiveness and future role in downtown Olympia by hiring a contractor. The contractor started in October of 2025 and the final recommendation is anticipated to be delivered in February 2026. To support the implementation of the evaluation, the Advisory Board suggests setting the 2026 assessment rate to \$0 for all ratepayers; and

WHEREAS, the 2025-2026 evaluation will engage stakeholders to address questions regarding the PBIA's structure, funding, and goals to determine the optimal approach to supporting downtown needs; and

WHEREAS, the City Council determines it to be in the best interest of the residents of the City of Olympia to continue the 2026 PBIA assessment rate at \$0 for all ratepayers while the comprehensive evaluation of the PBIA program continues to be conducted and implemented.

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 3.62.030. Olympia Municipal Code Section 3.62.030 is hereby amended to read as follows:

3.62.30 Levy of Special Assessments

A. To finance the programs authorized in OMC [3.62.020](#), and in recognition of the special benefits created thereby, a special assessment is hereby levied upon and shall be collected annually from all the businesses and multi-family residence owners / operators ("Ratepayers") in the Parking and Business Improvement Area described in OMC [3.62.010](#), as authorized by RCW [35.87A.080](#), except non-profit corporations or organizations. Assessments shall not be pro-rated.

B. Except for the year 2025 and 2026, during which the special assessments for all Zones shall be Zero and 00/100 Dollars U.S. (\$0.00), the special assessments shall be levied upon the Ratepayers in Zones A, B and C according to the rates established as follows:

Business Type	Zone A			Zone B			Zone C		
	Large	Medium	Small	Large	Medium	Small	Large	Medium	Small
Restaurant/Retail	\$750	\$500	\$250	\$600	\$400	\$200	\$300	\$200	\$150
Professional/Service	\$400	\$300	\$200	\$300	\$200	\$150	\$200	\$150	\$150
Financial Institutions	\$750			\$600			\$300		
Lodging/Apartments	30 or less rooms = \$200; 31-50 rooms = \$300; 51+ rooms - \$400								
Personal Care Services	Minimum \$150 plus \$75 per station above 2 stations with a cap of \$500								

C. Definitions. Business. Means any person, group or entity, including but not limited to a sole proprietorship, partnership, corporation, limited liability partnership or limited liability corporation, that engages in business with the object of gain, benefit, or advantage to the person, group or entity, or to another person or class, directly or indirectly. "Engages in business" as used herein shall have the meaning set forth in Olympia Municipal Code Section [5.04.040.N](#).

Employee. Means any person whose work is devoted to the ongoing operation of a business or multi-family residence. As used in this ordinance, "Employee" includes a person with an ownership interest in a business, regardless of whether that person is paid a salary or wages.

Financial Institution. Means a bank, savings and loan, credit union, or similar institution.

Full-Time Equivalent (FTE). Means a position or positions requiring work equal to or exceeding forty (40) hours per week.

Large // Medium // Small. Based on employee count: FTE's (Full time Equivalent)

- Small 1-3 FTE's
- Medium 4-6 FTE's
- Large 7+ FTE's

Lodging. Means engaging in the business defined in OMC Section 5.04.040.MM.3.f. Examples include the rental of rooms by the day or week to community visitors. "Lodging" also means the rental or lease of a residential dwelling unit, if such unit is contained within any building or buildings containing four (4) or more residential units or any combination of residential and commercial units, whether title to the entire property is held in single or undivided ownership or title to individual units is held by owners who also, directly or indirectly through an association, own real property in common with the other unit owners.

Non-profit corporation or non-profit organization. "Non-profit corporation or non-profit organization" means a corporation or organization in which no part of the income can be distributed to its members, directors, or officers and that holds a current tax exempt status as provided under Sec. 501(c)(3) of the Internal Revenue Code, as may hereafter be amended, or is specifically exempted from the requirement to apply for its tax exempt status under Sec. 501(c)(3) of the Internal Revenue Code, or as may hereafter be amended. Where the term "non-profit organization" is used, it is meant to include non-profit corporations.

Personal Care Service Business. Means a hair salon, barber shop, manicurist, tanning salon, acupuncturist, massage therapist, esthetician, exercise studio, yoga studio, Pilates studio, soothsayer, and the like.

Professional Services Businesses. Means Architects, Engineers, Attorneys, Dentists, Doctors, Accountants, Optometrists, Realtors, Insurance Offices, Mortgage Brokers and most other businesses that require advanced and/or specialized licenses and/or advanced academic degrees.

Restaurant. Means a business that sells prepared foods and drinks.

Retail. Means a business that engages in sales at retail and / or retail sales, as those terms are defined in Olympia Municipal Code Section 5.04.040.MM.1.a and .1.c - .1e, but does not include the provision of any services. "Retail" includes, as an example, the buying and reselling of goods, such as that engaged in by clothing stores, shoe stores, office supplies, etc.

Service Business. Means a business that engages in retail services, as that term is defined in Olympia Municipal Code Section 5.04.040.JJ, or engages in the activities set forth in OMC 5.04.040.MM.1.b, MM.2, MM.3a - e, MM.4, and MM.6-7. Examples include repair shops, automotive-oriented service businesses, computer repair and support, tech support services, entertainment businesses such as theaters, etc.

Section 2. Corrections. The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

Section 4. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 5. Effective Date. This Ordinance shall take effect after passage and publication, as provided by law, on January 1, 2026.


MAYOR

ATTEST:


CITY CLERK

APPROVED AS TO FORM:


CITY ATTORNEY

PASSED: December 16, 2025

APPROVED: December 16, 2025

PUBLISHED: December 21, 2025