

Olympia

Parking & Business Improvement Area Evaluation

January 27, 2025





Agenda

- Welcome & Introductions
- Current Situation
- BIA 101
- Findings
- Recommendations
- Questions & Next Steps

Welcome & Introductions



Brian Scott (he/him)
Project Director

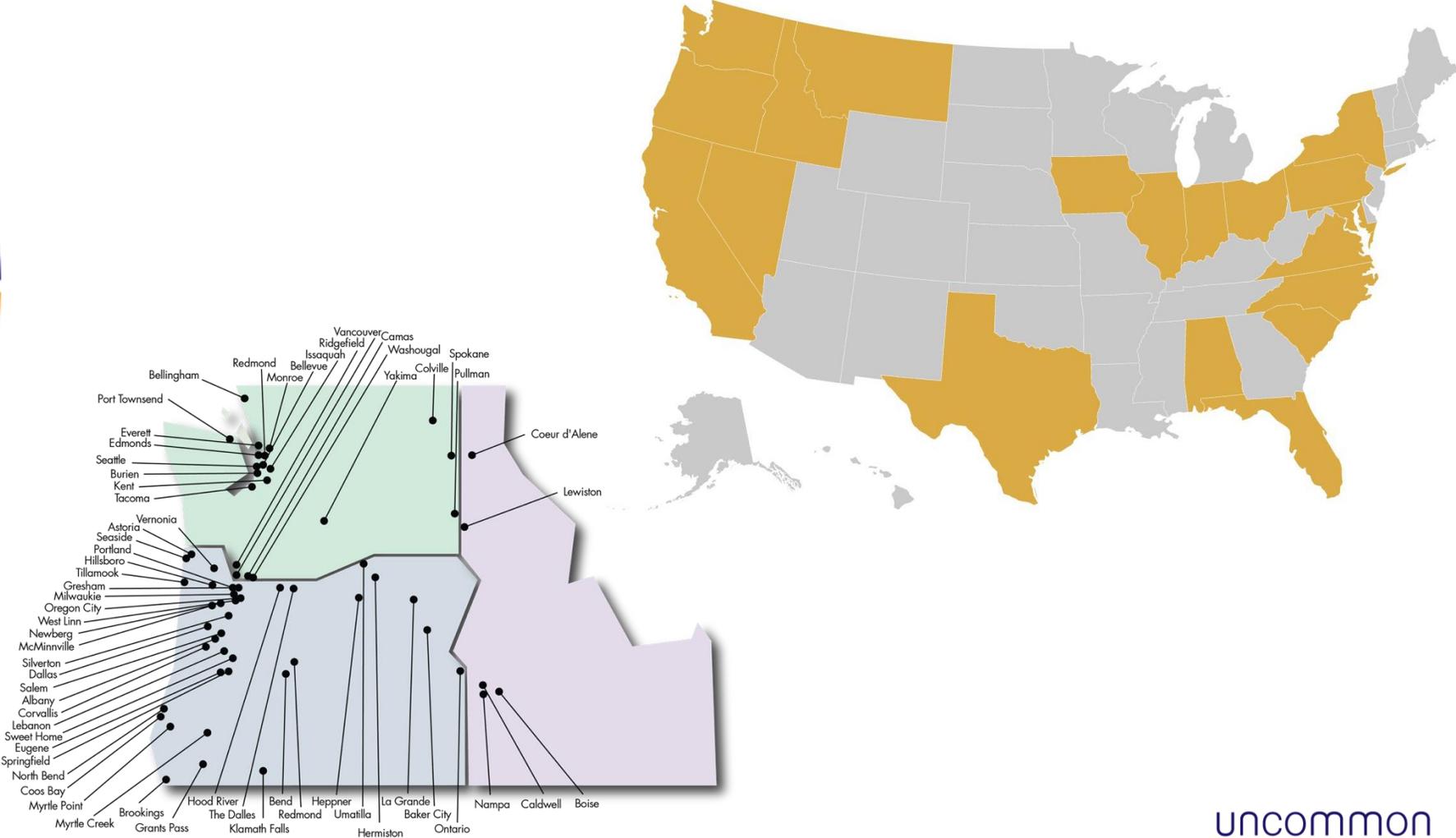


Jacqueline Robinette
(she/her)
Project Manager



AshLee Day (they/them)
Associate

Uncommon Bridges





Tacoma BIA



Everett BIA



MID



Chinatown International District BIA



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Current Situation

- In **2005**, 60% of downtown businesses signed a petition in favor of a **self-taxing district**
- Ratepayers represent approximately **520 diverse businesses**
- 2024 – Invoiced: **\$114,575**
- Assessments paid for the PBIA have been **on pause** in 2025 and will be through 2026 as part of an ongoing **assessment process**





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History of Place Management

- **1950s:** Downtowns Decline
 - ✓ G.I. Bill
 - ✓ Interstate Highway System
 - ✓ Urban Renewal
 - ✓ Redlining
- **1960s:** Downtown Organizing
- **1970s:** Public Area Management
- **1980s & 1990s:** Assessment Districts (clean & safe)
- **2000s:** Neighborhoods; programming; social services
- **Today:** Thousands of Place Management Districts





“The industry consists of **4000+** place management organizations globally with **2,500** in North America employing 100,000 people and paying **\$3 billion** in wages. On average, each organization provides **\$1.2 million** in services in their districts to help businesses thrive and to make the district a great place for workers, residents, and visitors.”

- International Downtown Association (downtown.org)

BIAs in Washington

- **25+** Business Improvement Areas in Washington State
- Budgets: **\$50k to \$20M+**



Business Improvement Areas in Washington State

- | | |
|---|--|
| <ul style="list-style-type: none">• Auburn• Bellingham• Edmonds• Everett (2)• Olympia• Port Angeles• Richland (2) | <ul style="list-style-type: none">• Seattle (11)• Snohomish• Spokane (2)• Tacoma• Vancouver• Yakima (2) |
|---|--|

What is a Business Improvement Area?

- **Improvement Districts** have many names...
BID / BIA / PBI / EID / ESD / PID / EED
- Funding mechanism for **local placemaking**
- Enacted by **City Council**
- Managed in the **neighborhood**
- **Assessment** on properties and/or businesses
- Assessment based on **local preference**
(square footage, value, sales, etc.)
- Uses are **local preferences**, often:
 - Cleaning
 - Safety
 - Marketing & promotions
 - Business development
 - Professional Management

23rd & East Union Business Improvement Area

MidTown Community Center • 1166 23rd Avenue, Seattle, WA 98122

Organizing Committee

Tom Bangasser, MidTown Center
Ian Eisenberg, Sea Suds & 1400 23rd LLC
Merle Richlen, Olivie Development
Jim Mueller, 2203 East Union, LLC
Salome Teshome, Teshome Properties
Jean Tinnea, 21 Union, LLC
Mark Travers, Architect

Carl de Simas
Business District Manager
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BUSINESS IMPROVEMENT AREA CONCEPT

The property and business owners at 23rd & E. Union have worked together to improve the neighborhood on an informal basis for many years. We all know that sidewalk cleaning, garbage pick-up, and graffiti removal are persistent needs. We also know that our properties and businesses benefit from working together on special events, holiday lighting, and other activities. We think the most effective way to continue these efforts in a consistent and equitable manner is to form a Business Improvement Area (BIA).

BIAs are special assessment districts that are established to maintain and enhance neighborhood business districts. BIAs are a self-help mechanism through which property owners choose to assess themselves to fund cleanliness, safety, and other programs designed to benefit the properties they serve. There are seven BIAs currently operating in Seattle. These are authorized by the city council through *RCW Chapter 35.87A*, but each is conceived and managed by those who pay the fees. An important feature of BIAs is that everyone pays their fair share.

The planned expenses for the proposed BIA include:

• Cleaning, Litter & Graffiti Removal	\$30,000
• Safety	5,000
• Events	5,000
• Management & Overhead	10,000
	\$50,000



Proposed BIA Boundary

How will the assessment be calculated?

The proposed 23rd & E. Union Business Improvement Area (BIA) assessments will be based on each property's total appraised value and lot square footage, according to King County records. We are currently considering an assessment of \$0.0690/square foot plus \$0.6221/\$1,000 of assessed value. This will make the district-wide assessment about half on value and half on lot size.

Who will pay the BIA assessment?

The BIA assessment will be paid by all commercially zoned properties between 20th Avenue and 25th Avenue and between E. Spring Street and E. Pike Street, except for single family homes, duplexes, and triplexes.

As proposed, the top payers will include:

26% Mid Town LLC
12% Casey Family Program
7% Sea Suds & 1400 23rd LLC
6% Merle Richlen-Olivie Dev.
6% Mt. Calvary Christian
6% Key Bank
5% Lutheran Church
5% Seattle Housing Auth.
4% 2203 East Union LLC
4% Ezra Teshome
3% 21 Union/Jean Tinnea
84% sub-total
16% 15 address
100% Total

Draft: 8/29/11

Potential Services

Marketing, Promotions & Events	Economic Development	Beautification	Parks & Public Spaces	Clean & Safe	Homeless Services	Transportation
Signs & banners	Market Opportunities	Hanging Flowers	Park Activation & Management	Street Sweeping	Outreach	Connectivity
Festivals	Real Estate Development	Planters & Street Furniture	Storefronts	Pressure Washing	Care Centers	Pedestrian Safety Improvements
Farmers Markets	Development Loans – Small Business Grants	Landscaping	Green Spaces	Litter & Graffiti Removal	Mental Health Services	Parking Improvements
Advertising Campaigns	Data & Research	Seasonal Décor	Streetscapes	Ambassadors	Skill Development	Non-motorized initiatives
Business Directory	Affordability	Public Art	Emergency Preparedness	Lighting	Workforce Development	Encourage Public Transit

Downtown Everett Association

- Created: 1990, Renewed 2025 (5 year cycle)
- Budget: \$730,000
- Assessment: \$460,000
 - Formula:
 - \$0.11/ Lot Square Ft.
 - + \$0.16 / \$1,000 Total Market Value
- Main Street Association: \$220,000
- Service Area: 54 blocks
- Activities:
 - Professional Management
 - Cleaning & Beautification
 - Marketing & Events
 - Business Development



West Seattle Junction BIA

- Created: 1987
- Budget: \$1,289,009
- Assessment: \$570,000
- Activities:
 - Professional Management
 - Marketing & Events
 - Business Support
 - Repairs & Maintenance
 - Clean & Safe
 - Parking



West Seattle BIA Map

This map is for illustrative purposes only and is not intended to modify anything in the legislation.

Steps to Formation or Renewal

- Organizational Assessment & Development
- Core group
 - Service area & goals
 - Work plan & budget
 - Assessment mechanism
- Building support
 - City check-ins
 - Community members & major ratepayers
 - Messages
 - One-on-one contacts
 - General meetings
- Draft ordinance
- Gather ratepayer support
- Formal City Council process



Motivations for Creating a BIA

- Increase
 - Activity
 - Vitality
 - Occupancy Rates
 - Cleanliness
 - Public Safety
- Improve district image
- District advocacy
- Everyone pays their share



BIA Operationalization

Ratepayers

Rate Payer Board

Approve & Monitor

- Program Priorities
- Budget
- Performance

City Council

City Administration

Administer

- Collection
- Financial Accountability (Audit)
- Operating Standards

Members

Operating Entity Board

Active Programs

District Funds

District Operations

- Clean
- Safe
- Marketing
- Activation
- Economic Dev.

Other Contract Funds

Other Operations

- MOUs
- On-call services

Dues & Donations

Membership Services

- Policy
- Public Affairs



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Findings

- The **original structure** of the PBIA is easy to understand in the context of when it was created
- Assessment **rates have not changed** since 2005
- Tenant-Based District is **challenging to administer**
- PBIA does **not raise enough** funds to justify collection
- There was a **recent attempt** to create a property-based district that was **unsuccessful**, leaving organizers discouraged

PBIA Rates per OMC 3.62

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								

- Rates and structure were established in 2005
- Rates have not changed since adoption
- Council can change rates up or down
- A change of rates requires a public notice and public hearing prior to Council action

- 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

PBIA Rates

Current PBIA Rates

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
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Rates adjusted for Inflation

Business Type	Zone A			Zone B			Zone C		
	Lg.	Med.	Sm.	Lg.	Med.	Sm.	Lg.	Med.	Sm.
Restaurant/Retail	\$1245	\$830	\$415	\$995	\$665	\$330	\$500	\$330	\$250
Professional/Service	\$665	\$500	\$330	\$500	\$330	\$250	\$330	\$250	\$250
Financial Institutions	\$1245			\$995			\$500		
Lodging/Apartments	30 or less rooms: \$330.			31-50 rooms: \$500			51+ rooms: \$665		
Personal Care Services	Minimum: \$250 Per station (above 2): \$125 Maximum Cap: \$830								

The dollars assessed in 2024: **\$114,575** would be **\$190,195** if the 2005 rates had been adjusted for inflation since then.



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Recommendations

- Olympia needs **stable** place management **funding**
- *Ideally* this would be through a **property-based assessment**
- *But*, since the recent **attempt** to create a property-based district is still fresh in people's minds, it may be **too soon** to launch another effort. Nevertheless, this should still be the goal.

Recommendations

- Olympia needs **stable** place management **funding**
- *Ideally* this would be through a **property-based assessment**
- *But*, since the recent **attempt** to create a property-based district is still fresh in people's minds, it may be **too soon** to launch another effort. Nevertheless, this should still be the goal.

And, in the meantime ...

- Collect much more through the existing PBIA
- Transfer day-to-day administration to a nonprofit program manager (i.e., Olympia Downtown Alliance)

Recommendations

- Olympia needs a stakeholder advisory board **AND** an operating entity
- **Olympia Downtown Alliance** is a proven operator of downtown programs
- ODA can also **manage the** Ratepayer Advisory Board (aka the **PBIA Board**)
- **Rates and budgets need to substantially increase:**
 - Adjusting antiquated rates for inflation
 - Assess uses more equitably in light of current activities (i.e., residential)



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Next Steps

Next Steps

- Presentation to PBIA Board - Feb 4
- Final Presentation to City Council
- Final Report of Recommendations