

# Olympia

## Parking & Business Improvement Area Evaluation

*City Council Presentation  
March 2026*





# Agenda

- Welcome & Introductions
- Background
- BIA Best Practices
- Findings
- Recommendations
- Roadmap
- Questions & Next Steps

# Welcome & Introductions

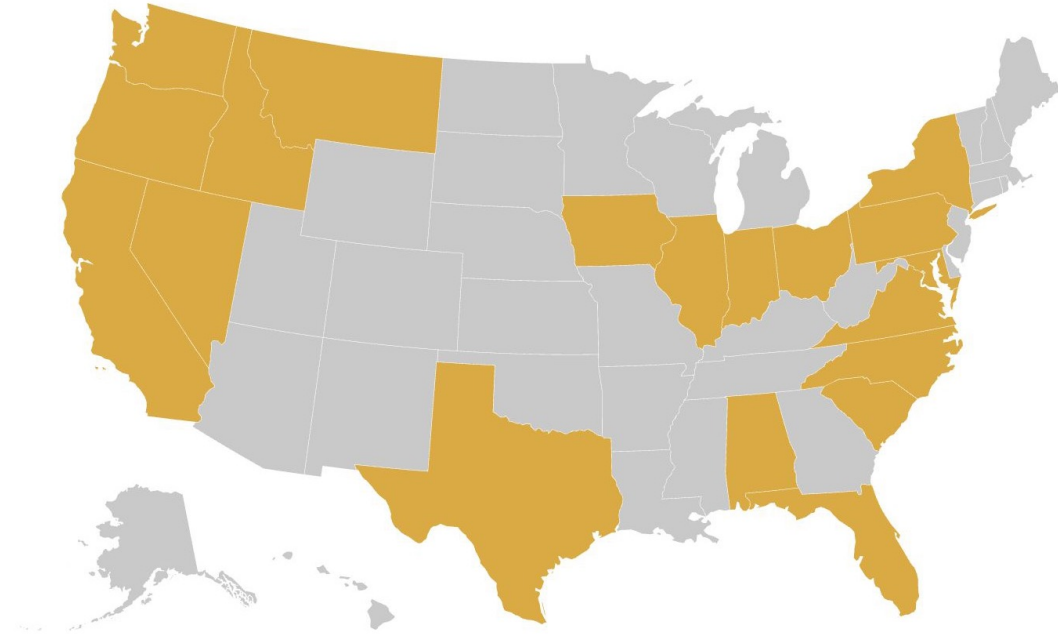
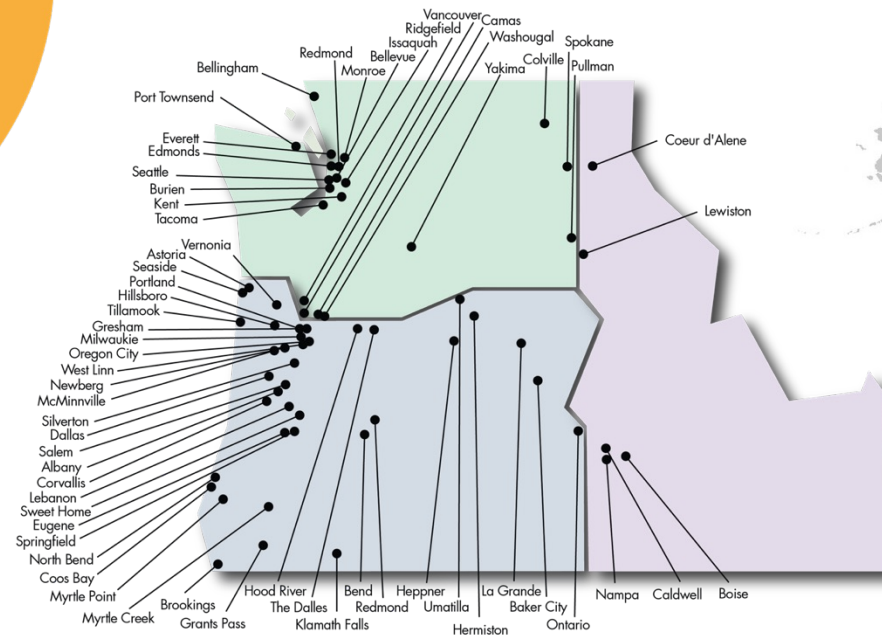


**Brian Scott** (he/him)  
Project Director



**AshLee Day** (they/them)  
Associate

# Uncommon Bridges





Tacoma BIA



Everett BIA



MID



Chinatown International District BIA



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# Olympia's PBIA

- Established in **2005**
- 60% of downtown businesses signed a petition in support.  
+/- **520 businesses**.
- Budgets fairly consistent since then at about **\$120,000**.
- Assessments calculated based on number of employees, with no provision to keep up with inflation.



# Olympia's PBIA

| 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 |        |       |        |        |       |        |        |       |

PBIA Rates per OMC 3.62

| Category | Rate   | # of Ratepayers | Total by Category |
|----------|--------|-----------------|-------------------|
| P1       | \$ 150 | 148             | \$ 22,200         |
| P2       | \$ 200 | 166             | \$ 33,200         |
| P3       | \$ 225 | 5               | \$ 1,125          |
| P4       | \$ 250 | 51              | \$ 12,750         |
| P5       | \$ 300 | 34              | \$ 10,200         |
| P6       | \$ 375 | 2               | \$ 750            |
| P7       | \$ 400 | 29              | \$ 11,600         |
| P8       | \$ 500 | 12              | \$ 6,000          |
| P9       | \$ 600 | 13              | \$ 7,800          |
| P0       | \$ 750 | 10              | \$ 7,500          |
|          |        | <b>470</b>      | <b>\$ 113,125</b> |

Ratepayers per Category (2024)

# PBIA Evaluation

## Current Status

- 2024: Invoiced **\$114,575**
- 2025 & 2026: assessments **paused** to allow for a comprehensive **PBIA evaluation**

## Scope of Work

- Background Review
- Stakeholder Engagement
- Comparison to Regional Best Practices

## Deliverables

- PBIA Evaluation
- Final Recommendations
- Roadmap to Implementation



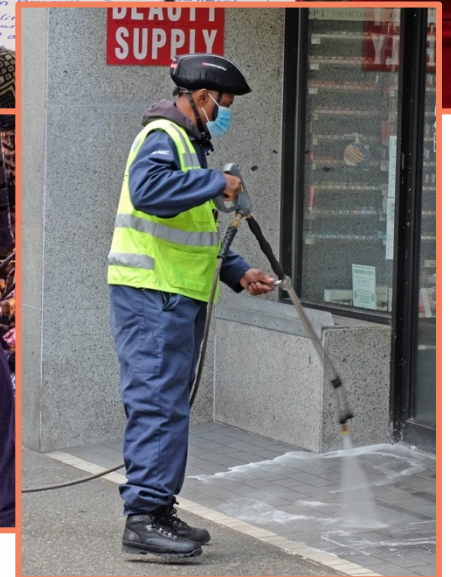


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# History of Place Management

- **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](http://downtown.org))

# BIAs in Washington

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



## Business Improvement Areas in Washington State

- |                |                |
|----------------|----------------|
| • Auburn       | • Seattle (11) |
| • Bellingham   | • Snohomish    |
| • Edmonds      | • Spokane (2)  |
| • Everett (2)  | • Tacoma       |
| • Olympia      | • Vancouver    |
| • Port Angeles | • Yakima (2)   |
| • Richland (2) |                |

# What is a Business Improvement Area?

- **Improvement Districts** have many names...  
BID / BIA / PBI / EID / ESD / PID / EED
- Funding mechanism for **local place management**
- 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

## 23<sup>rd</sup> & 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  
Selome Teshome, Teshome Properties  
Jean Tinnea, 21 Union, LLC  
Mark Travers, Architect

Carl de Simas  
Business District Manager  
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206.817.6133



## BUSINESS IMPROVEMENT AREA CONCEPT

The property and business owners at 23<sup>rd</sup> & 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 |
| • Holiday Lighting                    | 5,000    |
| • Events                              | 5,000    |
| • Management & Overhead               | 10,000   |
|                                       | \$50,000 |



### How will the assessment be calculated?

The proposed 23<sup>rd</sup> & 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% M. 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% 15.0000                  |
| 100% Total                   |

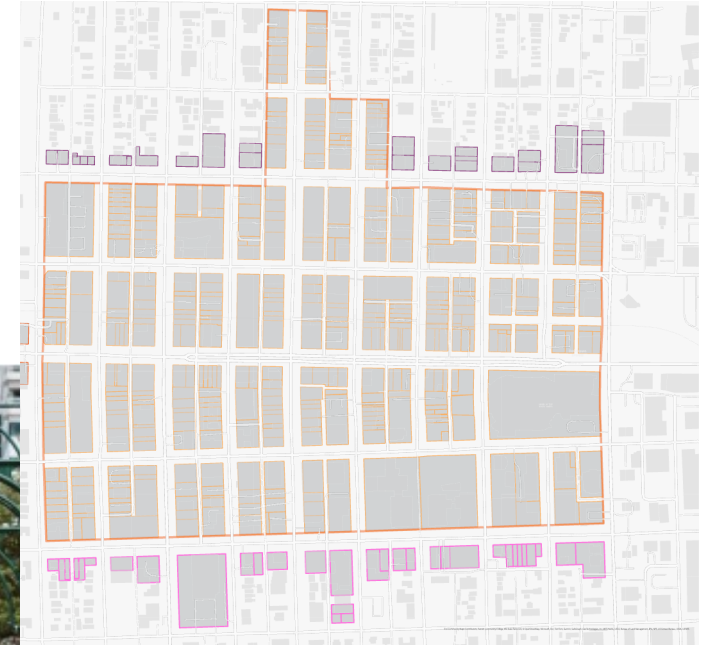
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# Potential Services

| 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: \$1.2 million
- **Assessment: \$636,000**
  - \$0.11/ Lot Square Ft.
  - + \$0.16 / \$1,000 Total Market Value
  - City: \$128,000
  - County: \$78,000
- Main Street Tax Credits: \$220,000
- Service Area: 54 blocks
- Activities:
  - Professional Management
  - Cleaning & Beautification
  - Marketing & Events
  - Business Development
  - Parking Garage Management



# West Seattle Junction BIA

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



| Category / Zone | Business Type                 | Current Rate | Limit / Note               |
|-----------------|-------------------------------|--------------|----------------------------|
| Zone A          | Retail                        | \$3.025      | Per \$1,000 gross income   |
|                 | Non-Retail                    | \$1.513      | Per \$1,000 (\$4,114 max)  |
| Zone B          | Retail                        | \$1.513      | Per \$1,000 gross income   |
|                 | Non-Retail                    | \$0.811      | Per \$1,000 (\$4,114 max)  |
| Zone C          | Street-level                  | \$115.50     | Per required parking space |
|                 | Non-street-level              | \$57.75      | Per required parking space |
| Flat Rates      | Financial Institutions        | \$4,114.00   | Annual flat rate           |
|                 | Auto Dealers                  | \$2,057.00   | Annual flat rate           |
|                 | Gas Stations                  | \$1,029.00   | Annual flat rate           |
| Special         | Non-street-level (Non-retail) | \$211.75     | Annual maximum cap         |

# PBIA Comparison: OLYMPIA | EVERETT | WEST SEATTLE

|                                | Olympia       | Downtown Everett                 | West Seattle Junction           |
|--------------------------------|---------------|----------------------------------|---------------------------------|
| <b>Real Estate Value</b>       | \$800 million | \$1.3 billion<br>150% of Olympia | \$600 million<br>75% of Olympia |
| <b>Land Area (Lot Sq. Ft.)</b> | 7.5 million   | 4.5 million<br>60%               | 1.7 million<br>20%              |
| <b>Building Area (BSQFT)</b>   | 4.3 million   | 4.5 Million<br>150%              | 2.5 million<br>58%              |
| <b>Value Per Lot Sq. Ft.</b>   | \$104         | \$274<br>300%                    | \$384<br>400%                   |
| <b>PBIA Assessment</b>         | \$114,575     | \$510,249<br>400%                | \$570,000<br>500%               |

# Motivations for Creating a BIA

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



# Steps to Formation or Renewal

- Organizational Assessment & Development
- Iterative Process (core group & key stakeholders)
  - Service area & goals
  - Work plan & budget
  - Assessment mechanism
- Building support
  - City check-ins
  - Community & Ratepayers
  - Messages
  - One-on-one contacts
  - General meetings
- Draft Ordinance
- Document Ratepayer Support
- Formal City Council Process



# BIA Operationalization

Ratepayers

Rate Payer Board

## Approve & Monitor

- Program Priorities
- Budget
- Performance

City Council

City Administration

## Administer

- Collection
- Financial Accountability (Audit)
- Operating Standards

Program Manager

Operating 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: PBIA Structure does not align with Best Practices

- The **original structure** of the PBIA is easy to understand in the context of when it was created
- Assessment **rates are unchanged** since 2005
- PBIA does **not raise enough** funds to justify collection
- Tenant-Based District is **challenging to administer**
- **Recent attempt** to create a property-based district (“DID”) was **unsuccessful**, leaving organizers discouraged

# PBIA Rates

| Category | 2005   | # of Ratepayers | 2005 Totals       | <u>2024 CPI Adjusted</u> |                   |
|----------|--------|-----------------|-------------------|--------------------------|-------------------|
|          | Rate   |                 |                   | Rate                     | 2024 Totals       |
| P1       | \$ 150 | 148             | \$ 22,200         | \$ 266                   | \$ 39,294         |
| P2       | \$ 200 | 166             | \$ 33,200         | \$ 354                   | \$ 58,764         |
| P3       | \$ 225 | 5               | \$ 1,125          | \$ 398                   | \$ 1,991          |
| P4       | \$ 250 | 51              | \$ 12,750         | \$ 443                   | \$ 22,568         |
| P5       | \$ 300 | 34              | \$ 10,200         | \$ 531                   | \$ 18,054         |
| P6       | \$ 375 | 2               | \$ 750            | \$ 664                   | \$ 1,328          |
| P7       | \$ 400 | 29              | \$ 11,600         | \$ 708                   | \$ 20,532         |
| P8       | \$ 500 | 12              | \$ 6,000          | \$ 885                   | \$ 10,620         |
| P9       | \$ 600 | 13              | \$ 7,800          | \$1,062                  | \$ 13,806         |
| P0       | \$ 750 | 10              | \$ 7,500          | \$1,328                  | \$ 13,275         |
|          |        | <b>470</b>      | <b>\$ 113,125</b> |                          | <b>\$ 200,231</b> |

If the 2005 rates were adjusted for inflation, the 2024 assessment would have been **\$200,000.**

# Findings: Perceptions

- PBIA services may not align with **ratepayer priorities**  
(CLEAN & SAFE VS MARKETING & BEAUTIFICATION)
- **Public perception** of the PBIA is quite poor
- Public perception of **Olympia Downtown Alliance** is strong

# Findings: Efficiencies

- The **PBIA Board** meets more often than is needed to perform its primary function of overseeing PBIA budget & performance
- **City staffing** of the PBIA Board and services is cost inefficient

# S | W | O | T

## **STRENGTHS:**

- ROBUST BUSINESS BASE
- SOLID HISTORY OF SERVICES
- CITY COMMITMENT TO DOWNTOWN
- PASSIONATE PBIA BOARD
- REPUTATION OF STRONG PERFORMANCE BY THE OLYMPIA DOWNTOWN ALLIANCE

## **OPPORTUNITIES:**

- PROPERTY-BASED ASSESSMENT
- MORE REVENUE
- COST-EFFECTIVE MANAGEMENT & OPERATIONS
- PARTNERSHIP WITH ODA

## **WEAKNESSES:**

- THIN BUSINESS MIX & ECONOMIC BASE
- PERSISTENT ISSUES WITH STREET DISORDER
- NOT ENOUGH MONEY TO GET MUCH DONE
- INEFFICIENT STAFFING
- OUT-OF-DATE ASSESSMENT MODEL
- NO PROVISION TO KEEP UP WITH INFLATION

## **THREATS:**

- EROSION OF CREDIBILITY
- RATEPAYER REVOLT
- TERMINATION OF THE PBIA
- DOWNTOWN STAGNATION



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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 ...**

- Substantially increase PBIA assessments & budgets
- Reconfigure PBIA administration & services for cost-efficiency & effectiveness.

# Substantially increase PBlA assessments & budgets

- Substantially **increase rates & budgets**
  - Adjust antiquated rates for inflation
  - Increase residential assessments to be equitable with other uses
  - A peer-equivalent budget would be +/- \$500,000 per year
  - Use an easier metric to calculate assessments (i.e., building square footage)

# Substantially increase PBlA assessments & budgets

| Category | 2005   | # of       | <u>2024 CPI Adjusted</u> |         | <u>\$500k Budget</u> |          |                   |
|----------|--------|------------|--------------------------|---------|----------------------|----------|-------------------|
|          | Rate   | Ratepayers | 2005 Totals              | Rate    | 2024 Totals          | Rate     | Budget            |
| P1       | \$ 150 | 148        | \$ 22,200                | \$ 266  | \$ 39,294            | \$ 663   | \$ 98,122         |
| P2       | \$ 200 | 166        | \$ 33,200                | \$ 354  | \$ 58,764            | \$ 884   | \$ 146,740        |
| P3       | \$ 225 | 5          | \$ 1,125                 | \$ 398  | \$ 1,991             | \$ 994   | \$ 4,972          |
| P4       | \$ 250 | 51         | \$ 12,750                | \$ 443  | \$ 22,568            | \$ 1,105 | \$ 56,354         |
| P5       | \$ 300 | 34         | \$ 10,200                | \$ 531  | \$ 18,054            | \$ 1,326 | \$ 45,083         |
| P6       | \$ 375 | 2          | \$ 750                   | \$ 664  | \$ 1,328             | \$ 1,657 | \$ 3,315          |
| P7       | \$ 400 | 29         | \$ 11,600                | \$ 708  | \$ 20,532            | \$ 1,768 | \$ 51,271         |
| P8       | \$ 500 | 12         | \$ 6,000                 | \$ 885  | \$ 10,620            | \$ 2,210 | \$ 26,519         |
| P9       | \$ 600 | 13         | \$ 7,800                 | \$1,062 | \$ 13,806            | \$ 2,652 | \$ 34,475         |
| P0       | \$ 750 | 10         | \$ 7,500                 | \$1,328 | \$ 13,275            | \$ 3,315 | \$ 33,149         |
|          |        | <b>470</b> | <b>\$ 113,125</b>        |         | <b>\$ 200,231</b>    |          | <b>\$ 500,000</b> |

# Substantially increase PBlA assessments & budgets

- Substantially **increase rates & budgets**
  - Adjust antiquated rates for inflation
  - Increase residential assessments to be equitable with other uses
  - A peer-equivalent budget would be +/- \$500,000 per year
  - Use an easier metric to calculate assessments (i.e., building square footage)

$\$500,000 \div 4.3 \text{ million building square feet} = 12\text{¢} / \text{BSF}$

Allowing for non-leasable, vacant, and/or otherwise non-assessable or discounted space,

**Consider 15-20¢ / BSF**

# **Substantially increase** PBlA assessments & budgets

These recommendations assume agreement among a majority of ratepayers that a more robust portfolio of services is something they want to invest in.

Confirming this will require iterative consensus building.

# Reconfigure PBIA administration & services

- Olympia needs a ratepayer **Advisory Board** **AND** a **Program Manager** (operating entity)
- Streamline **PBIA administration**
  - Quarterly board meetings + Annual Ratepayer Meeting
  - Clear performance metrics, with consistent tracking & reporting (services, outcomes, health of downtown)
- Streamline **PBIA services**
  - Transfer day-to-day operations to a nonprofit program manager (i.e., Olympia Downtown Alliance)
  - The program manager can also manage the Ratepayer Advisory Board



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# Roadmap

- 1. Final Presentations & Report** (March 2026)
- 2. Agreement to Proceed** (City; PBIA Board; ODA) (< 1 month)
- 3. Form a Leadership Group to Build Consensus** (< 1 month)
- 4. Revenue & Services Budgets** (3-6 months)  
A robust iterative process of key ratepayer engagement to determine priorities and build support.
- 5. Operations Plan with ODA** (2 months, overlapping)
- 6. Community Open Houses** (1 month)
- 7. ODA & PBIA Approval** (< 1 month)
- 8. Council process** on PBIA update (2-3 months)
- 9. Launch new PBIA** assessment / collection / oversight / services



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