



January 8, 2020

Olympia City Council
Olympia City Hall
601 4th Ave East
Olympia, WA 98501

SUBJECT: Proposed Downtown Improvement District

Dear Mayor Selby and City Councilmembers,

The Parking Business & Improvement Area (PBIA) Board is pleased to provide its recommendation on the proposed Downtown Improvement District (DID). The Olympia Downtown Alliance (ODA) and members of the DID Steering Committee briefed the PBIA on the proposal on May 7 and June 26, 2019 and January 8, 2020.

At our January 8th board meeting, the board formally endorsed the establishment of the proposed DID, by a vote of 5-2. The motion read "that the PBIA endorse the creation of a property-owner funded Downtown Improvement District as has been presented and that the board provide a formal letter to council reflecting both this endorsement and also including statements from board members who oppose this endorsement."

We believe that the addition of this funding will improve the overall experience of visiting, living, and doing business in downtown Olympia. We make this endorsement with the understanding that the new fees will likely find their way to businesses either directly via triple-net (NNN) leases, or indirectly over time through flat-rate lease increases. These new self-imposed taxes should be in addition to existing downtown City programs. The City of Olympia has committed to, at a minimum, maintain existing downtown programs such as the Downtown Ambassadors, the Clean Team, holiday snowflake lights, and ally pressure washing. Finally, if the DID is implemented, the PBIA Board believes that the existing business-targeted PBIA tax should be terminated.

Yea: Danielle Ruse, Jeff Barrett, Janis Dean, Jeremy Williamson, Nathan Rocker

Nay: Jacob David, Lyndsay Galariada

Abstention: Johnny Atlas (it was their first PBIA board meeting)

Following is a summary of comments from boardmembers who endorsed the DID:

- It's a great time for this to happen. We hear a lot of concerns from the public about where our city is at right now but also recognize the potential and the positive things happening.
- The DID will do the same types of things as PBIA but with more resources.
- We've been discussing creating a property-owner based assessment for a long time now because the way we assess our businesses is challenging for the City and our business owners.
- The current DID proposal does focus on service areas that are important, but other needed beautification, such as visible decoration, holiday lighting, a new lighting scheme and green spaces are

not represented. We need these things in addition to power washing, because they help create more wellness and respect in general.

- No disrespect to the City, but it works through a bureaucratic process. While that results in good things, it also means there is much less room for nimble action and experimentation. The proposed public/private structure will be a benefit and be more nimble.
- I've been skeptical up until fairly recently because I've seen disadvantages regarding increases in rent or change in district character. But the DID steering committee has addressed many of the concerns that we've brought up, like shifting the board make up. This shows you are listening and are concerned with some of the equity issues and for small business, which is really positive.
- I would like to see more specifics about implementation. How will we see downtown change? What specifically is the help for small businesses?
- I like the make-up of the Board of Directors; didn't seem to be any heavy weight.
- Downtown is brimming with ideas, but always short of cash. The DID can organically grow if it's successful.
- I've loved being on the PBIA Board, but we are strapped by money and process. It takes too long and we don't have enough money. The DID will be able to provide more services for downtown.
- There is so much good activity in downtown; it outweighs the bad. I'm looking forward to success.

Following is a summary of comments from boardmembers who opposed the endorsement:

- The presentation noted improvement districts throughout Washington, but failed to note the PBIA, which is our current improvement district. A key difference is that our PBIA is public with money collected by the city, distributed through city council, and a board of business owners makes the decisions. I am fundamentally opposed to privatizing public funding so I can't support the DID.
- The problems of downtown need to be thought of as the problems of Olympia. Focusing on a small group of property or small business owners as the solution is not enough. The entire city needs to come together to make downtown better, even if that means everyone pays for it.
- The business owner voice is still underrepresented in the DID proposal. We're taking away their voice putting them with property owners, who are the more monied people in town.
- I've gone back and forth, and while I appreciate the process, not including the whole city in the solution helps create a divide that is already there.
- Hopefully there will be enough oversight and involvement from a variety of sources that it will be what everyone hopes it will be.

Enclosed are additional comments from an individual Boardmember.

The PBIA would like to thank the City Council for providing us the opportunity to weigh in on this decision.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Danielle Ruse', with a long, flowing horizontal line extending to the right.

Danielle Ruse, PBIA Chair

PBIA:ab

Enclosures

Amy Buckler

From: Jeffrey Barrett
Sent: Wednesday, January 8, 2020 8:57 PM
To: Amy Buckler; Max DeJarnatt
Subject: Jeff's additional statement for PBIA's DID letter

Hi, I'm not sure how you'll be organizing these additional statement from board members, but here's one from me regarding the city-wide business advisory committee.

- While the PBIA business targeted tax should be eliminated upon the DID tax establishment, I believe that both council and city staff benefit from the advisory role that the PBIA board has played regarding downtown business issues. If the PBIA is dis-established, a new city-wide business advisory committee should be created to continue this channel of communication with council and staff. I'd suggest that there should be specific membership requirements for this board, whether based on economic impact (Capitol Auto Mall), geographic regions (West Olympia, Eastside), and/or cultural and economic centers (downtown, Capitol Mall). Also, in addition to a council member, the city's Economic Development Director should participate on this business advisory committee.

Thanks,
Jeff