

# 15<sup>TH</sup> AVENUE EAST



LIVE. WORK. PLAY.

## **Petition to Establish: Community Improvement District**



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# Introduction

The 15<sup>th</sup> Avenue East Community Improvement District (15<sup>th</sup> Avenue East CID) will raise the resources to enhance our neighborhood’s community events, transportation, safety, and cleanliness for the benefit of property owners, businesses, residents, employees, and patrons. The 15<sup>th</sup> Avenue East Merchants Association has proven itself to be a strong convener of stakeholders in this district, advocating for the benefit of 15<sup>th</sup> Avenue East. We are asking every ratepayer to sign a petition in support.

**Signed petitions are needed for City approval.**

.....

## CLEANLINESS FOR 15<sup>th</sup>

- Street Beautification
- Street & Sidewalk Cleaning
- Garbage Can Program

## SAFETY FOR 15<sup>th</sup>

- Safety classes & events
- Social Service Outreach

## ADVOCACY FOR 15<sup>th</sup>

- Issue focused advocacy
- Communications & outreach
- Marketing
- 15<sup>th</sup> Avenue East Street Festival
- Grant Opportunities

## ADMINISTRATION

- Business expenses
- Legal & accounting
- Insurance
- Staffing

# 15<sup>TH</sup> AVENUE EAST



LIVE. WORK. PLAY.

Greetings,

Over the past six years, the 15<sup>th</sup> Avenue East Merchants Association has worked hard to provide community-driven advocacy for the benefit of Capitol Hill's vibrant 15<sup>th</sup> Avenue East corridor. We wish to expand upon our success by creating an official business/community improvement district, to be recognized by the City of Seattle. It is to include the properties located on 15<sup>th</sup> Avenue East north of East Denny Way and south of East Mercer Street. This proposal will ensure that no property or business will be excluded from the cleaning, safety, transportation, and advocacy services provided by the planned 15<sup>th</sup> Avenue East Community Improvement District.

The 15<sup>th</sup> Avenue East Community Improvement District ("CID") will focus on enhancing civic and community partnerships, transportation, safety, and cleanliness for the benefit of property owners, businesses, tenants, employees and patrons by performing activities that go above and beyond the basic services provided by the City of Seattle. The CID is governed by the neighborhood, which means how the funds are spent is a local decision. The 15<sup>th</sup> Avenue East Community Improvement District is administered by the Ratepayers' Advisory Board, that is comprised of business and property owners from the district and neighborhood.

Now we need your support to expand and formalize these efforts for the benefit of all of us on 15<sup>th</sup> Avenue East. Please sign the enclosed petition (Page 7) and return ASAP to establish the 15<sup>th</sup> Avenue East Community Improvement District (CID).

Sincerely,

Members of the 15<sup>th</sup> Avenue East Merchants Association, and the 15<sup>th</sup> Avenue East Community Improvement District Committee

Ross Kling, Rainbow Natural Remedies, President



Ian Eisenberg, Ike's



Ray Angel, Angel's Shoe Repair



Danielle Hulton, Ada's Technical Books



Jill Cronauer, Hunters Capital



Jeffrey Pelletier, Board & Vellum



# Business Plan

## Advocating for a Cleaner, Safer, Vibrant Community for 15<sup>th</sup> Ave E

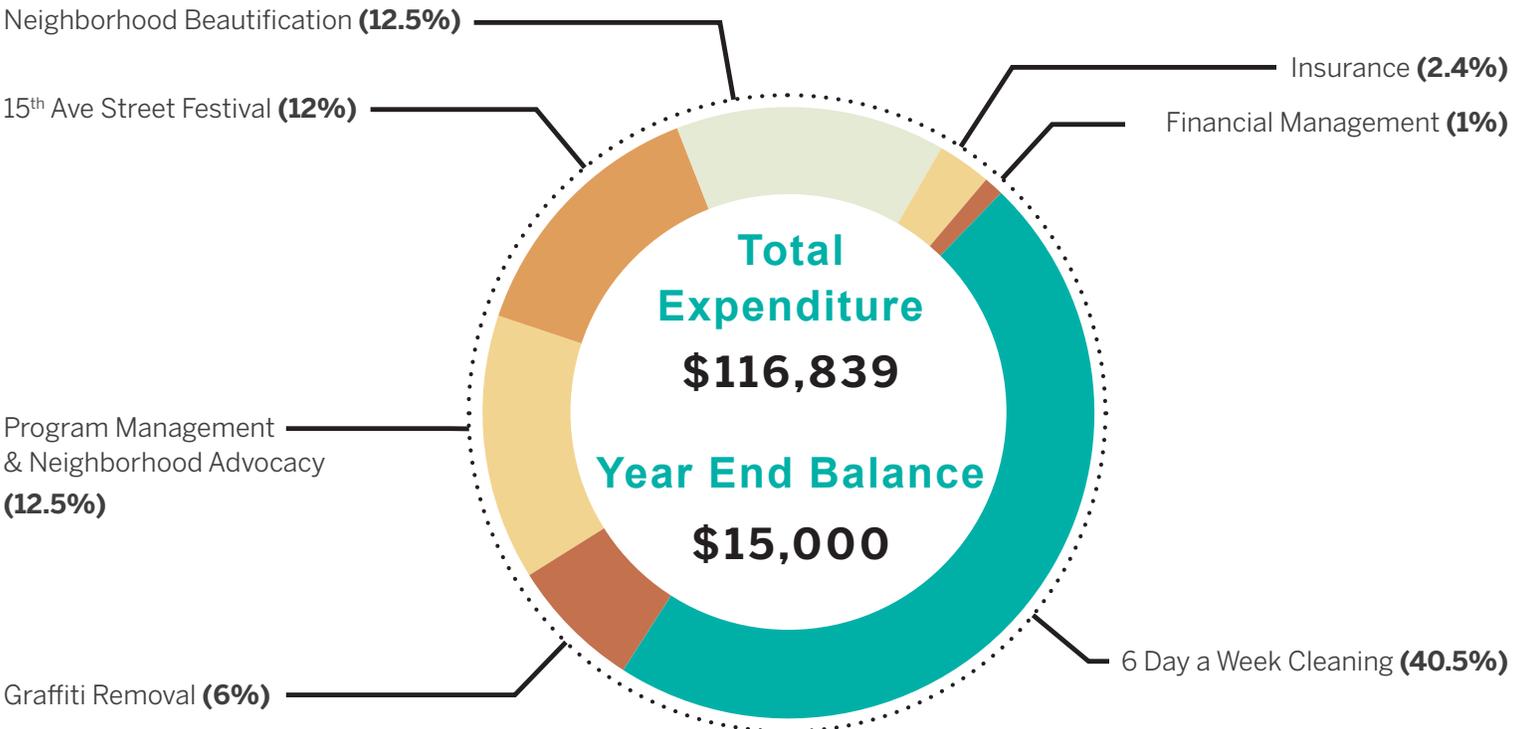
Over the past six years, the 15<sup>th</sup> Avenue East Merchants Association has worked hard to provide community-driven advocacy for the benefit of Capitol Hill's vibrant 15<sup>th</sup> Avenue East corridor. We wish to expand upon our success by creating an official business/community improvement district, to be recognized by the City of Seattle. It is to include the properties located on 15<sup>th</sup> Avenue East north of East Denny Way and south of East Mercer Street. This proposal will ensure that no property or business will be excluded from the cleaning, safety, transportation, and advocacy services provided by the planned 15<sup>th</sup> Avenue East Community Improvement District.

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# Assessment Formula

$$(0.15 \times \text{Lot Square Footage}) + (0.10 \times (\text{Total Appraised Value} / 1000))$$

# Distribution of Funds



# Frequently Asked Questions

## HOW WILL THE CID BE ESTABLISHED?

A petition will be circulated requesting the Seattle City Council approve the 15<sup>th</sup> Avenue East CID. The petition must be signed by enough property owners to meet 60% of the total assessment. After receiving the petition, the City Council will then vote to initiate a resolution that will officially establish the 15<sup>th</sup> Avenue East CID. Once established, all properties within the CID boundary will be assessed.

## IS THE CID PERMANENT?

No. The CID will expire seven years from the date it takes effect. The process to terminate the district earlier or to renew it after the seven years is very similar to the process to start a CID. First, a supporting petition is circulated requesting the Seattle City Council to dissolve, renew, or modify the CID. After receiving a petition showing support from ratepayers representing at least 60% of the total assessment, a public hearing before the City Council will be scheduled and they may vote to dissolve, renew, or revise the CID as the petition requested.

## CAN I HELP SHAPE THE PROGRAM?

Yes, we want to hear your ideas! Ratepayers are welcome to attend meetings of the ratepayers advisory board at any time. Additionally, our program committees are open to 15<sup>th</sup> Avenue East stakeholders.

## WHO DETERMINES THE PROGRAM ELEMENTS?

The ratepayer's advisory board develops the annual work plan and budget which are presented for ratepayer approval at the annual meeting.

## WHAT ARE THE PAYMENT DETAILS?

The City of Seattle will bill you biannually and will collect the CID assessments, similar to other utility bills. The money collected from the assessment is deposited in a special assessment fund designated especially for 15<sup>th</sup> Avenue East.

## WHAT DO YOU MEAN BY A CLEAN & SAFE 15<sup>TH</sup> AVENUE EAST?

The 15<sup>th</sup> Avenue East CID will seek to contract with social service organizations to provide outreach and response to promote safety on 15<sup>th</sup>. The proposed 15<sup>th</sup> Avenue East CID funds will not be used for sweeps of unhoused people.

## ISN'T THIS THE CITY'S JOB?

Currently, the City provides a baseline level of service to public property designated to compliment the efforts of the private sector to keep storefronts safe and sidewalks clean. The 15<sup>th</sup> Avenue East CID is focused on enhancing transportation, safety, and cleanliness for the benefit of property owners, businesses, tenants, employees, and patrons by performing activities that go above and beyond the basic services provided by the City of Seattle. By combining investments, through the CID assessments, 15<sup>th</sup> Avenue East realizes economies of scale in cleaning and security that couldn't otherwise be achieved.

## WHO SITS ON THE RATEPAYERS' ADVISORY BOARD?

The CID advisory board is comprised of ratepayers who are property and business owners within the CID boundary and represent the various property types in the district. Board members serve two year terms and recruitment for new board members occurs annually. Proposed new board members are presented at the annual meeting for ratepayer approval.

## Proposed 15<sup>th</sup> Avenue East CID Boundary



# Proposed 15<sup>th</sup> Avenue East CID Boundary

## Petition to Establish

### 15<sup>TH</sup> AVENUE EAST COMMUNITY IMPROVEMENT DISTRICT HIGHLIGHTS FROM THE PETITION

**DISCLAIMER:** The 'official' full-length petition to establish the 15<sup>th</sup> Avenue East Community Improvement District ('15<sup>th</sup> Ave East CID') is attached in the Appendix. The petition includes detailed descriptions of the geographic boundaries of the district, Ratepayer classifications and exclusions, assessment calculation and annual increments, collection and disbursement of funds, administration of funds, and oversight of plans and budgets for the 15<sup>th</sup> Avenue E Community Improvement District will be overseen by an appointed Advisory Board.

The following highlights are intended only as a summary of important elements from the Petition to Establish the 15<sup>th</sup> Avenue East CID. These highlights are for illustrative purposes only and do not supersede any official content of the petition.

### PURPOSE OF THE 15<sup>TH</sup> AVENUE EAST COMMUNITY IMPROVEMENT DISTRICT

Owners of business, property, multi-family residential property, and mixed-use property within the area —collectively, 'Ratepayers'—located within the proposed boundaries shown below, are requesting that the City of Seattle establish a seven-year business improvement area, known as the 15<sup>th</sup> Avenue East Community Improvement District ('district'), as authorized by the RCW Chapter 35.87A on Parking and Business Improvement Areas.

The purpose of the district is to provide programs and other services that improve the general economic climate and enhance the environment of the businesses and community centered on Capitol Hill's 15<sup>th</sup> Avenue East in Seattle, as outlined in the enclosed 15<sup>th</sup> Avenue East Community Improvement District Business Plan.



# Ratepayer Assessments

In order to provide sustainable funding for the programs and services outlined in the 15<sup>th</sup> Avenue East Community Improvement District Business Plan, the Ratepayers in the district request that the City of Seattle:

- **Levy special assessments upon each Ratepayer calculated from King County Assessor's Office property data.**
  - The rate for the 15<sup>th</sup> Avenue East Community Improvement District is equal to \$0.10 per \$1,000 of total appraised value, plus \$0.15 for every lot square foot; and
  - Properties designated by King County as Single Family, Duplex, Rooming House, Triplex, or Townhouse, will not be assessed.
- **Assess each Ratepayer annually beginning in 2021:**
  - Issue and collect each annual assessment on a biannual basis;
  - Assess properties in 2021 using the factors described in Section I above;
  - All property assessments will be recalculated every three years using the most recently available King County Assessor's Office property data; and
  - For each year that is not a recalculated assessment year (see above), the assessment will include:
    - » An annual increase to each property's assessment in the amount of the Consumer Price Index or 3%, whichever is lower; or
    - » A recalculation of the assessment based on current King County Assessor's data if net building square footage changes from one year to the next.
- **Establish an initial representative Advisory Board for the 15<sup>th</sup> Avenue East Community Improvement District to:**
  - Appoint a permanent Advisory Board to oversee operations of the 15<sup>th</sup> Avenue East Community Improvement District. The interim and permanent boards shall include representation from a broad range of sizes, geographic locations, and classifications of Ratepayers within the 15<sup>th</sup> Avenue East Community Improvement District. The Board may include members vested in the district who do not own property in the district; and
  - Adopt bylaws, set policy guidelines, and recommend approval of budgets, programs, and expenditures for the 15<sup>th</sup> Avenue East Community Improvement District.
- **Appoint the 15<sup>th</sup> Avenue East Merchants Association (the proposed managing organization for the district) to manage the program on behalf of the Advisory Board for the 15<sup>th</sup> Avenue East Community Improvement District, in perpetuity, subject to the Association's continuing satisfactory performance. The City of Seattle will:**
  - Collect Ratepayer assessments on behalf of the 15<sup>th</sup> Avenue East Community Improvement District;
  - Contract with the 15<sup>th</sup> Avenue East Merchants Association to operate the 15<sup>th</sup> Avenue East Community Improvement District and administer the collected assessments, as described in the 15<sup>th</sup> Avenue East Community Improvement District Business Plan; and
  - Reimburse the 15<sup>th</sup> Avenue East Merchants Association for all allowable expenses in accordance with an annual budget for the 15<sup>th</sup> Avenue East Community Improvement District.

# Appendix

## PETITION TO ESTABLISH 15<sup>TH</sup> AVENUE EAST COMMUNITY IMPROVEMENT DISTRICT

### Introduction

TO THE CITY COUNCIL OF SEATTLE:

We, the owners of business property, multi-family residential property, and mixed-use property within the area — collectively, ‘Ratepayers’—located within the proposed District, hereby petition the City of Seattle to establish a seven-year Community Improvement District, known as the ‘15<sup>th</sup> Avenue East Community Improvement District’, as authorized by the RCW Chapter 35.87A, within the boundaries described in Section 2 below for the purpose of providing programs and other services which improve the general economic climate and enhance the environment of the businesses and community centered on Capitol Hill’s 15<sup>th</sup> Avenue East in Seattle. This proposal has three parts: first, to establish and describe the 15<sup>th</sup> Avenue East Community Improvement District boundaries; second, to describe the assessment formula; and third, to adopt a business plan.

### Geographic Boundary

The proposed 15<sup>th</sup> Avenue East Community Improvement District is shown on the map attached as Exhibit A and described below. When a street or alley is named, the area boundary is the centerline of the right-of-way including vacated portions unless otherwise specified in the description:

- Beginning at the northern most intersection of East Mercer St and 15<sup>th</sup> Avenue East, proceed south to East Denny Way, including all parcels adjoining the east and west sides of the 15<sup>th</sup> Avenue East and excluding parcels south of East Denny Way.
- Beginning at the intersection of East Thomas Street and 16<sup>th</sup> Avenue East, proceed south to the intersection of 16<sup>th</sup> Avenue East and East Denny Way, including parcels adjoining the west side of 16<sup>th</sup> Avenue East.
- Beginning at the intersection of East John Street & 15<sup>th</sup> Avenue East, proceed west to 14<sup>th</sup> Avenue East, including all parcels adjoining on the north side
- Beginning at the intersection of East John Street & 14<sup>th</sup> Avenue East, proceed north including the parcel adjoining on the east side of 14<sup>th</sup> Avenue East

### Operations, Management & Assessment Formulas

A general description of the programs and services to be provided by the 15<sup>th</sup> Avenue East Community Improvement District is set forth in the 15<sup>th</sup> Avenue East Community Improvement District Business Plan (see enclosure). Further, we request that the City of Seattle, as set forth in this petition:

- Levy these special assessments based on the classifications of the businesses, multi-family residential buildings containing four or more residential units, and mixed-used projects (multi-family residential and commercial) detailed below, using the King County Assessor’s 2020 property information (including but not limited to appraised value, lot size, and present use) upon Ratepayers within this area;
- Contract with the 15<sup>th</sup> Avenue East Merchants Association to administer the operation of the District including the funds derived pursuant thereto as allowed in RCW 35.87 A.110; and,
- Establish an Advisory Board to oversee 15<sup>th</sup> Avenue East Community Improvement District operations. This Advisory Board shall include representation from a broad range of sizes, geographic locations, and classifications of Ratepayers. The Board may include members vested in the district who do not own property in the district.

Therefore, we hereby petition the Seattle City Council as follows:

- The City of Seattle would levy special assessments upon all Ratepayers— owners of business property, multi- family residential property, and mixed-use property within the area —in the area shown in Exhibit A for the purposes of operating the 15<sup>th</sup> Avenue East Community Improvement District as described in the 15<sup>th</sup> Avenue East Community Improvement District Business Plan.
- The City of Seattle would levy the special assessment by applying the following assessment rates to each Ratepayer as described below. All properties pay \$0.10 per \$1,000 of Total Appraised Value, plus a rate per Lot Square Foot of \$0.15. Records for the assessment calculation will be based on information provided by the King County Assessor's Office. First Year Assessments will be based on King County records as of February 1, 2021. First Year Assessment = (Total Appraised Value x \$0.10/\$1,000) + (\$0.15 x Total Lot Square Feet). Total Appraised Value = Land + Improvements.

As an example, Building A has a lot square footage of 10,000, and a total appraised value of \$1,000,000. The annual assessment for Building A would be: **(0.15 x 10,000 Lot Square Footage) + (0.10 x (\$1,000,000 Total Appraised Value / 1000)) = \$1,600**

## Assessment Installments & Annual Increments

- Ratepayers will be assessed by the City of Seattle in annual installments beginning with the base year of authorization (2020). Each annual installment will be collected on a semi-annual basis.
- Rates will increase annually at 3% per year every year, beginning one year from the initial assessment, or the percentage change in Consumer Price Index (CPI)\*, whichever is less for a given year. (\*Consumer Price Index for All Urban Consumers in Seattle-Tacoma-Bremerton – CPI-U-Seattle – as published monthly by the U.S. Department of Labor, Bureau of Labor Statistics; available at: [http://www.bls.gov/eag/eag.wa\\_seattle\\_msa.htm](http://www.bls.gov/eag/eag.wa_seattle_msa.htm).)
- Annual assessments as set forth in Section 4.II, except as follows:
  - Once a year, current King County Assessor's property data will be compared to King County Assessor's property data from the previous year.
  - If there is an increase in Net Building Square Footage for a parcel, then the 15<sup>th</sup> Avenue East Community Improvement District assessment will be calculated using the new King County Assessor's values.
  - All property assessments will be recalculated every third year using the most recently available King County Assessor's Office property data.

## Miscellaneous

- The City of Seattle will collect all funds and reimburse the 15<sup>th</sup> Avenue East Merchants Association (the proposed managing organization for the District) for all allowable expenses in accordance with an annual budget for the 15<sup>th</sup> Avenue East Community Improvement District. Subject to the continuing satisfactory performance of the 15<sup>th</sup> Avenue East Merchants Association, the City of Seattle will appoint the 15<sup>th</sup> Avenue East Merchants Association to manage the program on behalf of the Advisory Board, in perpetuity.
- An initial Advisory Board shall be appointed by the City of Seattle (Director of the Office of Economic Development). The initial Advisory Board will recommend a permanent Advisory Board that is representative of the broad range of sizes, geographic locations, and classifications of Ratepayers in the 15<sup>th</sup> Avenue East Community Improvement District. The Board may include members vested in the district who do not own property in the district. The Advisory Board will be responsible for adopting bylaws, setting policy guidelines, and recommending approval of budgets, expenditures, and programs for the 15<sup>th</sup> Avenue East Community Improvement District.