



December 8, 2022

Dear Ballard Property Owner,

The effort to renew and expand the Ballard Improvement Area (BIA) is now underway and we need your support.

Adopted in 2017, the Ballard Alliance has implemented a successful set of programs and services that work to ensure the vitality of downtown Ballard for its residents, visitors, businesses, and property owners. The initial seven-year term expires at the end of next year and we are seeking a renewed term of twelve years.

From its clean and safe programs to economic development, marketing, promotions, and tourism, the Alliance has established a strong leadership voice, helping the community through unprecedented and unique challenges. Among its key accomplishments, the Ballard Alliance has:

- Restored Ballard Commons Park and planned a new children's play area for the park
- Successfully advocated for tunneled light rail to Ballard
- Helped Ballard businesses navigate the pandemic and maintain a thriving business district
- Enhanced safety by adding overnight security and relentless advocacy at City Hall

The enclosed business plan is based on a broad-based strategic planning effort last year that included more than 50 Ballard stakeholders who identified the most pressing needs of our community. The renewed BIA will allow the Alliance to enhance its existing programs with new services identified by our community for a vibrant, inclusive, and resilient Ballard.

**There is much more to be done and your immediate support is critical. Here's why:**

The Ballard Alliance must remain a key advocate to City leaders for a clean, safe, and thriving Ballard and continue its role as a critical voice for the community on important policy decisions including public safety, homelessness, transportation and transit expansion.

The Alliance has a strong track record of supporting its residents and businesses. It's important that this work not only continues within the existing BIA, but that our boundaries are rationally expanded to support the needs of our neighborhood – see attached map for more details.

Your signature on the attached petition strengthens our ability to hold the City of Seattle accountable to issues that impact our community and your property. **Please sign and return the enclosed Petition Signature Page(s) today.** If you have any questions, please contact Mike Stewart at the Ballard Alliance: 206-200-7302 or [mike@ballardalliance.com](mailto:mike@ballardalliance.com).

Working together, our combined investments will have a significant impact on getting things done for our neighborhood.

Sincerely,

**Thomas W. Malone**  
Chair, Ballard Alliance Ratepayer  
Advisory Board

**Scott B. Ingham**  
Co-President,  
Ballard Alliance

**Gretchen T. Swanson**  
Treasurer, Ballard Alliance &  
Member, Ballard Alliance  
Ratepayer Advisory Board

**BIA Ratepayer  
Advisory Board**

**Tom Malone**, Chair,  
CKM Associates

**Christine Ackerman**, Hjarta

**Barry Blanton**,  
Blanton Turner

**Randy Brinker**, Sweet  
Mickey's and Resident

**Legh Burns**, re-soul

**Stephanie Carrillo**,  
Equity Residential

**Mark Craig**, Henbart

**Max Genereaux**,

Hatties's Hat

**Scott Koppelman**, AMLI

**Eric Nelson**, National  
Nordic Museum

**Mike Kahrs**, Resident

**John Marasco**,  
Security Properties

**Michelle Rosenthal**,  
Community Member

**Gretchen Swanson**,  
Chase Bank

**Brian Trickle**, Providence  
Swedish

**Ballard Alliance  
Operations Board**

**Scott Ingham**, Co-President

**Roger Lorenze**, Co-President

**Gretchen Swanson**, Treasurer

**Kristie Kisbye**,  
Vice President

**Maggie McKelvy**,  
Vice President

**Ramona Abassian**, Studio R.A.

**Legh Burns**, re-soul

**Stephanie Carrillo**,  
Equity Residential

**Emily Mabus**, The Other Coast

**Tommy Patrick**, Ballard Cut

**Lally Singh**,

**Eric Stoll**, Stoll PLLC

# PETITION TO ESTABLISH: Ballard Improvement Area

## Highlights from the Petition

**DISCLAIMER:** The 'official' full-length petition to establish the Ballard Improvement Area ('district') is attached in the Appendix. The petition includes detailed descriptions of the geographic boundaries of the district, Ratepayer classifications and exclusions, assessment calculations and annual increments, collection and disbursement of funds, administration of funds by the Ballard Alliance (the operating management entity), and oversight of plans and budgets for the Ballard Improvement Area by the Ballard Alliance Ratepayers Advisory Board.

*The following highlights are intended only as a summary of important elements from the Petition to renew and expand the Ballard Improvement Area. These highlights are for illustrative purposes only and do not supersede any official content of the petition, which is attached in the Appendix.*

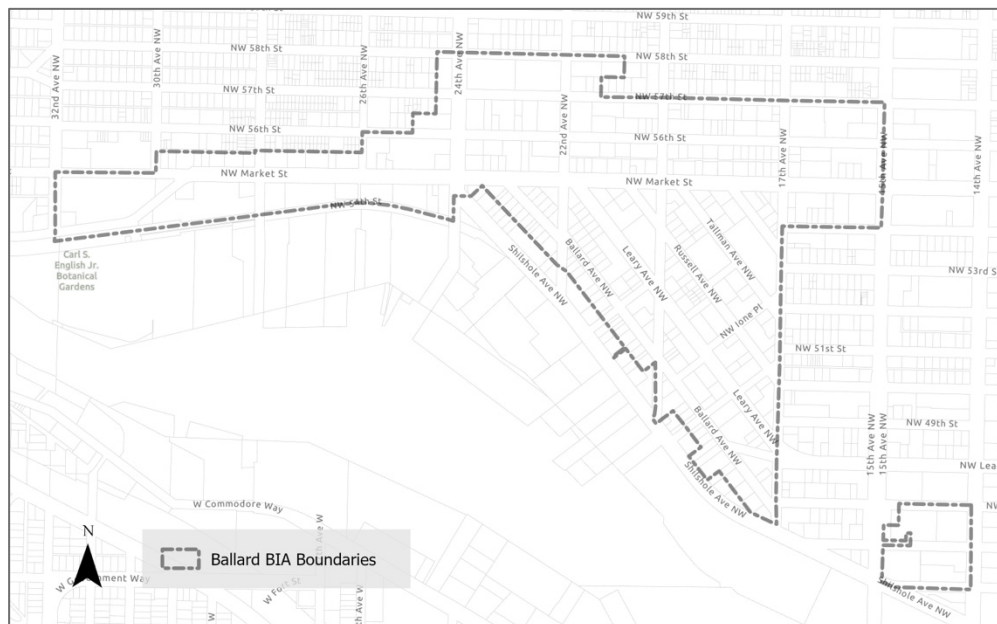
## Purpose of the Ballard Improvement Area

The owners and operators of businesses, multi-family residential buildings containing four or more residential units, and mixed-use projects (multi-family residential and commercial)—collectively, 'Ratepayers'—located within the proposed boundaries shown below, are requesting that the City of Seattle renew and expand a twelve-year business improvement area known as the Ballard Improvement Area ('district'), as authorized by the RCW Chapter 35.87A on Parking and Business Improvement Areas.

The purpose of this district is to provide programs and other services that improve the general economic climate and enhance the environment of the central core of Ballard in Seattle, as outlined in the enclosed Ballard Alliance Renewal and Business Plan.

This proposal is intended to replace the existing Ballard Improvement Area that was authorized by the Seattle City Council on October 7, 2016, with Ordinance Number 125151. The existing Ballard Improvement Area has been providing a successful set of programs and services since that time.

## Geography



## Ratepayer Assessments

To provide sustainable funding for the programs and services outlined in the Ballard Improvement Area Business Plan, the Ratepayers in the district request that the City of Seattle:

- I. Levy **special assessments upon each Ratepayer** calculated from:
  - a. King County Assessor's Office property data; and
  - b. The rate for the **Ballard Improvement Area** is equal to \$0.14 for every square foot of land, plus \$0.60 for every \$1,000 of total appraised value; and
  - c. Where/when applicable:
    - i. Limit **multi-family residential assessments** to \$130 per unit per year;
    - ii. Limit **building square footage assessments** to \$0.25 per square foot for any property with a floor area (FAR) ratio that is .5 or more;
    - iii. Modify assessment calculations by 25% for properties with a difference between total appraised and total taxable land values as designated by the King County Assessor's office;
    - iv. Apply the residential ceiling benefit noted in section I. c. i. (above) to all multi-family residential buildings containing four or more residential units whether or not the Ratepayer has combined, or intends to combine, multiple property parcels for that specific building;
    - v. Do not assess properties designated by King County as Single Family, Duplex, Rooming House, Triplex, Townhouse, or Vacant (Industrial).
    - vi. Residential properties receiving a Multifamily Tax Exemption (MFTE) do not qualify for the 25% non-profit reduced assessment rate.
- II. Assess each Ratepayer for **twenty-four semi-annual installments** beginning in 2024:
  - a. Issue and collect each assessment on a semi-annual basis;
  - b. Assess properties in 2024 using the factors described in Section I above;
  - c. For each subsequent year of the Ballard Improvement Area assessment (2025-2035), factor in:
    - i. An increase to each property's annual assessment by the local Consumer Price Index, no less than 2% and no more than 6%.
    - ii. 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.
- III. Reauthorize the **Ratepayers Advisory Board** for the Ballard Improvement Area to:
  - a. Oversee operations of the Ballard Improvement Area.
  - b. Set policy guidelines, review and approve workplans, and conduct general budget oversight for the Ballard Improvement Area.
- IV. Appoint the **Ballard Alliance** to manage the program on behalf of the Ratepayers Advisory Board for the twelve-year term of the Ballard Improvement Area, subject to the Alliance's continuing satisfactory performance. The City of Seattle will:
  - a. Collect Ratepayer assessments on behalf of the Ballard Improvement Area;
  - b. Contract the Ballard Alliance to operate the Ballard Improvement Area and administer the collected assessments, as described in the Ballard Alliance Renewal and Business Plan; and
  - c. Reimburse the Ballard Alliance for all allowable expenses in accordance with an annual budget for the Ballard Improvement Area.

## **APPENDIX: Petition to Establish the Ballard Improvement Area**

### **1. Introduction**

TO THE CITY COUNCIL OF SEATTLE:

We, the owners and operators of the businesses, multi-family residential property (buildings containing four or more residential units), and mixed-use projects (multi-family residential and commercial)—collectively, ‘Ratepayers’—located within the proposed District, hereby petition the City of Seattle to establish a twelve-year Parking and Business Improvement Area, known as the ‘Ballard Improvement Area’, 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 central core of Ballard in Seattle.

This proposal is intended to replace the existing Ballard Improvement Area that was authorized by the Seattle City Council on October 7, 2016, with Ordinance Number 125151. The existing Ballard Improvement Area has been providing a successful set of programs and services since that time. This proposal has three parts: first, to describe the boundary of the new Ballard Improvement Area; second, to describe the assessment formula; and third, to adopt a Business Plan that outlines services and budget.

### **2. Geographic Boundary**

The proposed Ballard Improvement Area is shown on the map attached as Exhibit A and described below within the following boundaries (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 intersection of NW Market St and 32<sup>nd</sup> Ave NW, proceed east along NW Market St to 30<sup>th</sup> Ave NW
- Proceed north along 30<sup>th</sup> Ave NW to the northern boundary of the property at the northeast corner of 30<sup>th</sup> Ave NW and NW Market St; then continue east along this northern boundary of adjoining parcels to 28<sup>th</sup> Ave NW
- Proceed east along the northern boundary of the property at the northeast corner of 28<sup>th</sup> Ave NW and NW Market St, continuing east along this northern boundary of adjoining parcels to 26<sup>th</sup> Ave NW
- Proceed north along 26<sup>th</sup> Ave NW to NW 56<sup>th</sup> St
- Proceed east along NW 56<sup>th</sup> St to the western boundary of the property at the northwest corner of NW 56<sup>th</sup> St and 24<sup>th</sup> Ave NW; proceed north along this western boundary to the property’s northern boundary, then continue east to the western boundary of the property at the southwest corner of NW 57<sup>th</sup> St and 24<sup>th</sup> Ave NW; proceed north along this western boundary to NW 57<sup>th</sup> St
- Proceed north of NW 57<sup>th</sup> St to the western boundary of the property at the southwest corner of NW 58<sup>th</sup> St and 24<sup>th</sup> Ave NW; continue along this western boundary to NW 58<sup>th</sup> St
- Proceed east along NW 58<sup>th</sup> St to the intersection at 22<sup>nd</sup> Ave NW; then proceed east along 22<sup>nd</sup> Ave NW to the second property (relative to this intersection) located on the southside, proceeding along its eastern boundary to its southern boundary; then west along this southern boundary to property’s western boundary; then directly south to NW 57<sup>th</sup> St
- Proceed east along NW 57<sup>th</sup> St to the intersection at 15<sup>th</sup> Ave NW; then south along 15<sup>th</sup> Ave NW to NW 54<sup>th</sup> St
- Proceed west along NW 54<sup>th</sup> St to the intersection at 17<sup>th</sup> Ave NW; proceed south along 17<sup>th</sup> Ave NW to the northwest property at the intersection of Shilshole Ave NW and 17<sup>th</sup> Ave NW; proceed along the northwest boundary of property, then northwest along adjoining properties to parcel 2767702360; from this parcel continue southwest to Shilshole Ave NW
- Proceed northwest along property boundary to parcel 2767702355; continue northeast along this parcel’s boundary to the adjoining parcel’s (2767702350) northwest boundary, then continue northwest to NW Dock Pl
- Proceed northwest of NW Dock Pl along the northwest boundaries of the three properties adjoining parcel 2767702320; continue southwest along this parcel’s boundary to Shilshole Ave NW
- Proceed northwest along Shilshole Ave NW to 24<sup>th</sup> Ave NW

- Proceed south along 24<sup>th</sup> Ave NW to NW 54<sup>th</sup> St
- Proceed west along NW 54<sup>th</sup> St to 28<sup>th</sup> Ave NW; then continue west along Burke Gilman Trail to 32<sup>nd</sup> Ave NW
- Proceed north to the intersection of NW Market St and 32<sup>nd</sup> Ave NW

### 3. Operations, Management & Assessment Formulas

A general description of the programs and services to be provided by the Ballard Improvement Area is set forth in the Ballard Alliance Renewal and Business Plan (see enclosure).

Further, we request that the City of Seattle, as set forth in this petition:

- Levy these special assessments, as classified in the King County Assessor's property data, on 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 property information (including but not limited to appraised value, taxable value, lot size, and present use) upon Ratepayers within this area;
- Contract with the Ballard Alliance to administer the operation of the District including the funds derived pursuant thereto as allowed in RCW 35.87 A.110; and,
- Reauthorize the Ratepayers Advisory Board to oversee Ballard Improvement Area operations. This Ratepayers Advisory Board shall include representation from a broad range of sizes, geographic locations, and classifications of Ratepayers, including not less than 1/3 commercial/retail Ratepayer representatives, and not less than 1/3 multi-family residential Ratepayer representatives.

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

- I. The City of Seattle would levy special assessments upon all Ratepayers in the area shown in Exhibit A for the purposes of operating the Ballard Improvement Area as described in the Ballard Alliance Renewal and Business Plan for 12 years.
- II. The City of Seattle would levy the special assessment by applying the following assessment rates to each Ratepayer as described below. Records for the assessment calculation will be based on the King County Assessor's Office information. First Year Assessments will be based on King County records as accessed on November 30, 2022.

**First Year Assessment (2024):** If the Total Appraised Value (Land + Improvements) and Total Taxable Value (Land + Improvements) in the King County Assessor's records are equal, the following rule (*base formula*) applies:

$$(\$0.6 \times (\text{Total Appraised Value} / \$1,000)) + (\$0.14 \times \text{Total Lot Square Feet})$$

If the Total Appraised Value (Land + Improvements) and Total Taxable Value (Land + Improvements) in the King County Assessor's records are not equal due to tax exemption status, the following rules apply:

- i. If the Total Taxable Value is zero, then the First Year Assessment =  $[(\$0.6 \times (\text{Total Appraised Value} / \$1,000)) + (\$0.14 \times \text{Total Lot Square Feet})] \times 25\%$ .
- ii. If the Total Taxable Value is not zero, then the First Year Assessment =  $(\$0.6 \times (\text{Total Taxable Value} / \$1,000)) + (\$0.14 \times (\text{Total Lot Square Feet} \times \text{Total Taxable Value} / \text{Total Appraised Value})) + [(\$0.6 \times (\text{Total Appraised Value} - \text{Total Taxable Value} / \$1,000)) + (\$0.14 \times (\text{Total Lot Square Feet} \times ((\text{Total Appraised Value} - \text{Total Taxable Value}) / \text{Total Appraised Value})) \times 25\%]$ .

**Multifamily Tax Exemption Residential Properties:** Residential properties receiving an MFTE tax exemption do not qualify for the 25% non-profit reduced assessment rate and assessments will be calculated using the base assessment formula.

- III. Modifications or limitations to these assessments are described below:
- A. *Residential Ceiling*: the benefit ceiling for owned and rental multi-family residential units is \$130 per unit per year.
  - B. *Building Square Foot Ceiling*: the benefit ceiling for building square footage is \$0.25 per square foot for any property with an FAR that is .5 or more.
  - C. Special consideration will be given to a multi-family residential building containing four or more residential units. This applies whether that building is located on one or multiple property parcels. The intent is that the residential ceiling benefit would apply to all multi-family residential buildings containing four or more residential units whether or not the Ratepayer has combined, or intends to combine, multiple parcels when the base year for BIA assessments is established. This includes buildings located on more than one property parcel owned by the following Ratepayers:
    - i. 'PPF AMLI 2428 NW Market Street' for the properties known as AMLI Ballard Jacobsen Site';
    - ii. 'EQR--R E TAX DEPARTMENT' for the properties known as 'Urbana Apartment'; and
    - iii. 'EQR Tallman LLC' for the properties known as 'Ballard Tallman'.

#### **4. Assessment Installments & Annual Increments**

- I. Ratepayers will be assessed by the City of Seattle for twenty-four bi-annual installments beginning with the base year of authorization (2024).
- II. For each year following the first year of authorization, the following assessment escalations will apply to the assessment formulas:
  - A. **Years 2**: Year 2 assessments will equal Year 1 assessments times CPI-U for Seattle, October 2022 to October 2023 unless there is an increase in Building Square Feet for a given parcel. If CPI-U Seattle is less than 2%, use 2%. If CPI-U Seattle is more than 6%, use 6%.

If there is an increase in Building Square Feet for a given parcel, then that parcel will be recalculated using the latest available KC Assessor's data with the Land Area Factor, Building Square Foot Ceiling and Residential Ceiling escalated by CPI-U Seattle (between 2 & 6%).
  - B. **Years 3-12**: Use the same annual escalation scheme as for Year 2.

#### **5. Miscellaneous**

- 1. The City of Seattle will collect all funds and reimburse the Ballard Alliance (the managing organization for the District) for all allowable expenses in accordance with an annual budget for the Ballard Improvement Area. Subject to the continuing satisfactory performance of the Ballard Alliance and recommendation of the Ratepayers Advisory Board, the City of Seattle will appoint the Ballard Alliance to manage the program on behalf of the Ratepayers Advisory Board for the twelve-year term of the District.
- 2. The Ratepayers Advisory Board shall be reauthorized and shall be responsible for adopting bylaws, setting BIA policy guidelines, and recommending approval of budgets, expenditures, and programs.

## Exhibit A: Geographic Boundary

