

ORDINANCE NO. 3231

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE BUSINESS IMPROVEMENT AREA CREATED BY ORDINANCE NO. 3128 AMENDING THE BOUNDARIES THEREOF INCLUDING EXPANSION OF BENEFIT ASSESSMENT SUBAREA 5, ESTABLISHING THE RATES OF ASSESSMENT FOR ALL BENEFIT ASSESSMENT SUBAREAS AND LEVYING THE SAME FOR THE YEAR 1991, APPROVING THE 1991 BUDGET FOR THE BUSINESS IMPROVEMENT AREA AND AMENDING ORDINANCE NO. 3128.

WHEREAS, the Kirkland Downtown Association, contract administrator for the business improvement area, has recommended to the City Council certain additions, modifications, changes and amendments to Ordinance 3128 as to the business improvement area boundaries, including benefit assessment areas 3 and 5, adjustments and modifications to the rates for annual assessments within each benefit subarea and the schedule for payments of same, and

WHEREAS, the Kirkland City Council, on September 4, 1990, adopted Resolution No. R-3621, a resolution declaring the intention of the City Council to consider said recommendations for adoption and establishing a date for public hearing on the proposed modifications, changes and amendments, all as authorized by RCW 35.87A, and

WHEREAS, by Resolution No. R-3621, the City Council established October 2, 1990 as the date for said public hearing, notice thereof was given as required by RCW 35.87A, and

WHEREAS, the City Council held such hearing at its regular Council meeting of October 2, 1990; Now, therefore,

BE IT ORDAINED by the City Council of the City of Kirkland as follows:

Section 1.

Section 1 of Ordinance No. 3128 including Exhibit A thereto is hereby amended to read as follows:

Section 1: Business Improvement Area Established. As authorized by RCW 35.87A, there is hereby established a Kirkland Business Improvement Area within and adjacent to the Kirkland Central Business District as more particularly described in Exhibit A, a copy of which is attached to the original of this Ordinance and incorporated herein by this reference as though fully set forth. Exhibit A contains the amended boundary for the Business Improvement Area including the addition to Benefit Assessment Subarea 5.

Section 2.

Section 2 of Ordinance No. 3128 is hereby amended to read as follows:

Section 2: Proposed uses, programs and projects including estimated cost: The uses, program and projects shall be those authorized by RCW 35.87A including decoration, beautification and other similar amenities of public places of areas; maintenance and cleaning of public areas; provision of security in common public areas; advertising and promotion of the area as a place to visit, shop and conduct business including implementation of tourist strategies and general trade promotional programs; a "METRO" approved and authorized local, non-rail trolley or bus to operate within or adjacent to the several areas improvement area; and to provide for professional management planning and promotion for the area with respect to said proposed uses, programs and projects. ~~{The-estimated-first year-annual-cost-not-to-exceed-\$227,961.~~

1989-Proposed-Budget:

~~a)---Reimbursement-to-City-of-Kirkland-for advances:--\$12,000.~~

~~b)---Administrative-and-reserve-for-non-payment-of-assessments:--\$74,359~~

~~c)---Amenities-program-for-public-places: \$6,000~~

~~d)---General-trade,-promotion-activities: \$55,372.~~

~~e)---Local-trolley-or-transit-program: \$80,230.~~

~~Total-Budget:--\$227,961}~~

1991 Budget:

1.	<u>Estimated revenues</u>	
	<u>1991 assessments:</u>	<u>\$247,000</u>
	<u>1990 & prior year assessments:</u>	<u>100,000</u>
	<u>Recovered collection costs:</u>	<u>74,400</u>
	<u>Total estimated assessments:</u>	<u>421,400</u>
2.	<u>Expenditures</u>	
	<u>A. Administration expenses</u>	
	<u>1. City admin. expenses:</u>	<u>9,000</u>

2.	<u>Collection</u>	
	<u>expenses:</u>	<u>\$99,190</u>
3.	<u>Reserve for</u>	
	<u>non-payment</u>	
	<u>of assessments:</u>	<u>124,610</u>
4.	<u>Program admin.</u>	
	<u>overhead &</u>	
	<u>expenses (KDA):</u>	<u>55,850</u>
B.	<u>Program expenses:</u>	
1.	<u>Amenity Programs</u>	
	<u>for public places:</u>	<u>35,400</u>
2.	<u>General trade &</u>	
	<u>marketing promo-</u>	
	<u>tion activities:</u>	<u>40,000</u>
3.	<u>Local trolley</u>	
	<u>program:</u>	<u>42,350</u>
4.	<u>Program contin-</u>	
	<u>gency fund:</u>	<u>10,000</u>
5.	<u>Economic</u>	
	<u>Development:</u>	<u>5,000</u>
	<u>Total Expenditures</u>	<u>\$421,400</u>

Section 3.

Section 3 of Ordinance No. 3128 is hereby amended to read as follows:

Section 3. Assessments.

Annual assessment shall be levied against each business within the Business Improvement Area as follows: For the purpose of levying annual assessments against the businesses operating within the Business Improvement Area, said area shall be subdivided into six subareas all as described in Attachment A to this Ordinance.

Business improvement area annual assessments shall be calculated by applying the following rates against the gross floor area square footage for each business in the area: (Floor area square footage to be determined from the records of the Kirkland Fire Department).

- a) All retail businesses located within Area I as described in Exhibit A shall pay ~~[\$-60]~~ \$.40 per square foot; provided that the minimum assessment for an

Area 1 Retail Business shall be ~~[\$300]~~ \$200. The maximum assessment for an Area 1 Retail business to be ~~[\$3,000]~~ \$4,000. The owner of retail businesses occupying more than one location within Area 1 may combine the gross square footage of such businesses for the purposes of determining the maximum assessment.

- b) All nonretail businesses located within Area 1 as described in Exhibit A shall pay \$.20 per square foot. The minimum assessment for an Area 1 nonretail businesses shall be \$100. The maximum assessment for an Area 1 nonretail businesses shall be \$1,000. The owner of nonretail businesses occupying more than one location within Area 1 may combine the gross square footage of such businesses for the purposes of determining the maximum assessment.
- c) All retail businesses located within Areas 2 and 3 as described in Exhibit A shall pay \$.30 per square foot. The minimum assessment for a retail business in Areas 2 and 3 shall be \$150. The maximum assessment for a retail business in Areas 2 and 3 shall be ~~[\$1,500]~~ \$4,000. The owner of retail business occupying more than one location within Areas 2 and 3 may combine the gross square footage of such businesses for the purposes of determining the maximum assessment.
- d) All nonretail businesses located within Areas 2 and 3 as described in Exhibit A shall pay \$.10 per square foot. The minimum assessment for a nonretail business in Areas 2 and 3 shall be \$50. The maximum

assessment for a nonretail business in Areas 2 and 3 shall be \$500. The owner of nonretail businesses occupying more than one location within Areas 2 and 3 may combine the gross square footage of such businesses for the purposes of determining the maximum assessment.

The table below provides the assessment rates to be levied on businesses within Assessment Areas 1-3:

	<u>Rate/S.F.</u>	<u>Minimum</u>	<u>Maximum</u>
Area 1 Retail	\$.60 \$.40	(\$300) \$200	(\$3000) \$4000
Nonretail	\$.20	\$100	\$1000
Areas 2-3 Retail	\$.30	\$150	\$1500 \$4000
Nonretail	\$.10	\$ 50	\$ 500

e) All businesses located in planned area land use zones (Planned Areas) which lie within the boundaries of Areas 1 through 3 as described in Exhibit A and which provide coordinated amenities and promotions within their boundaries, shall be assessed at 50 percent of the rate levied on other businesses in the assessment area in which the Planned Area is located. The minimum and maximum assessments applied to businesses located within Planned Areas will be 50 percent of those minimum and maximums applied to other businesses in the assessment area in which the Planned Area is located. The table below provides the assessment rates to be levied on businesses within Planned Areas:

	<u>Rate/S.F.</u>	<u>Minimum</u>	<u>Maximum</u>
Area 1 Retail	[\$-.30] \$.20	[\$150] \$100	[\$1500] \$2000
Nonretail	\$.10	\$ 50	\$ 500
Areas 2-3 Retail	\$.15	\$ 75	[\$-750] \$2000
Nonretail	\$.05	\$ 25	\$ 250

- f) "Retail" as used in this petition means those business establishments whose activities fall within either definition set forth in Section 5.10.790 (restaurant or tavern) or Section 5.10.795 (retail establishment), Ordinance 2740, the Zoning Code; provided that the following business establishments shall not be included in "retail": Laundry, cleaning and garment services, photographic studios, beauty shops, barber shops, shoe repair shops, computer and data processing services, reupholstery and furniture repair shops, and locksmiths.
- g) In addition to the foregoing assessments, the City of Kirkland shall levy a special annual general membership assessment against all retail and nonretail businesses located within Areas 1 thorough 6 as described in Attachment A at the rate of \$.10 per square foot, which assessment shall be used for the payment of Business Improvement Area general administrative expenses and for Business Improvement Area activities and programs, including the trolley operation program, which provide overall or a general benefit for all businesses located within the

entire Business Improvement District.

~~Furthermore, to augment the BID marketing and amenities programs, the City of Kirkland would levy special annual assessments for all retail and nonretail space located within Areas 1 through 6 as described in Exhibit A, for the sole purpose of the acquisition and/or operation of a nonrail trolley or motor vehicle. Retail and nonretail space located within Areas 1 through 6 as described in Exhibit A shall pay a rate of \$.10 per square foot.]~~

All businesses located in planned areas which lie within the boundaries of boundaries of Areas 1 thorough 6 as described in Attachment A and provide coordinated METRO approved transportation programs for employees within their boundaries will be allowed a credit for dollars spent on their approved programs to the extent that the programs duplicate that of the Business Improvement Area up to 50% of the general membership assessment levied by this subparagraph.

Further provided that the total assessment levied against any single retail business by virtue of subsections a through g, inclusive, shall not exceed a total of \$4,000.

- h) All organizations which the Internal Revenue Service has determined as charitable organizations and are qualified for charitable contributions under the United States Internal Revenue Code (26 USC 170 (c)) shall be exempt from paying BID assessments.
- i) The total annual special assessment is estimated to be {\$227,964} <>.

- j) Assessments shall be billed ~~by the Kirkland-Department-of Administration-and-Finance~~ on an annual basis at least 30 days prior to the assessment due date, and may at the option of the assessed business be paid in four equal quarterly installments with the first installment due on or before January 10, the second installment due on or before April 10, the third installment due on or before July 10, and the fourth installment due on or before October 10, in each year, provided that if any quarterly installment is not timely paid, then the entire amount of the annual assessment shall become immediately past due and delinquent. Past due and delinquent assessments shall be subject to interest at the rate of 12% per annum (1% per month) beginning with the month in which the assessment or quarterly assessment installment was originally due. Interest on delinquent assessments shall be compounded annually. All cost or expense incurred by the Business Improvement Area for collection of past due or delinquent assessments or assessment installments, including costs of suit and attorney's fees, shall be added to the amount of the delinquent or past due balance and become an obligation of the assessment payor.
- k) A business which, after January 1, ~~1989~~ 1991, first commences operation within the business improvement area shall for the calendar year during which it commences business be assessed ~~at~~ 50% on a pro rata quarterly basis, with the first quarterly installment due on the 10th day of the first month of the first quarter following the commencement of business within the Business Improvement area. Any unpaid pro rata assessment shall be delinquent if not paid within 60 days of said due date. ~~with such reduced-assessment-due-and-payable~~

~~within-60-days-of-the-date-of
assessment-billing-by-the-Department
of-Administration-and-Finance-]~~ In
all subsequent years such business
shall be assessed at 100% of the
then current assessment rate.

Any business that moves out of the
Business Improvement Area or ceases
doing business within the Business
Improvement Area whose assessment
obligation is not at such time past
due or delinquent , may upon written
request signed by the business owner
have the balance of the annual
assessment payment which has not yet
become due, be abated. If such
business has prepaid an assessment
installment for any quarter which
commences following the date of
business cessation within the
Business Improvement Area, the owner
of such business may request a
refund of such prepaid quarterly
installment.

- 1) Disputes. Any assessment payer
aggrieved by the amount of an
assessment or a delinquency charge
may on request obtain a meeting with
the Director of Administration and
Finance, and if not satisfied the
assessment payer may appeal the
matter to the City Manager, who
shall review the information
submitted on appeal by both the
assessment payer and the Director of
Administration and Finance. Any
decision of the City Manager shall
be in writing and given both the
assessment payer and the Director of
Administration and Finance. The
decision of the City Manager shall
be final.

- m) Notices. Notices of assessment
installment payment or delinquency, and
all other notices contemplated by this
ordinance shall be sent by ordinary mail
to the address appearing in the current
business license records for the City,
or if no address appears therein, the
notice may be mailed to the address for
such business appearing on the records

of the Kirkland Fire Department.
Failure of the owner of an assessed
business to receive any mailed notice
shall not release such owner from the
duty to pay the assessment or from
payment on the due date and any
delinquency charge or interest.

Section 4. This ordinance shall be in full force and
effect five days from and after its passage by the Kirkland
City Council and publication pursuant to Section 1.08.017,
Kirkland Municipal Code in the summary form attached to the
original of this ordinance, and by this reference approved
by the City Council as required by law.

Passed by majority vote of the Kirkland City Council in
regular, open meeting this 16TH day of OCTOBER, 1990.




Mayor

ATTEST:



City Clerk

APPROVED AS TO FORM:



City Attorney

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A SUMMARY OF ORDINANCE NO. 3231

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE BUSINESS IMPROVEMENT AREA CREATED BY ORDINANCE NO. 3128 AMENDING THE BOUNDARIES THEREOF INCLUDING EXPANSION OF BENEFIT ASSESSMENT SUBAREA 5, ESTABLISHING THE RATES OF ASSESSMENT FOR ALL BENEFIT ASSESSMENT SUBAREAS AND LEVYING THE SAME FOR THE YEAR 1991, APPROVING THE 1991 BUDGET FOR THE BUSINESS IMPROVEMENT AREA AND AMENDING ORDINANCE NO. 3128.

Section 1: Adds to the Business Improvement Area and benefit assessment subarea 5. The following area lying outside of but adjacent to the Business Improvement Area boundaries:

Addition to benefit assessment subarea 5. Benefit assessment subarea 5 shall be enlarged to include the following property, to wit: That portion of the northeast quarter of Section 17, Township 25 north, Range 5 EWM, specifically described as follows: Beginning at the intersection of the center line of N.E. 58th Street and the center line of Lake Washington Boulevard, thence easterly along the center line of N.E. 58th Street to its intersection with the center line of Lake View Drive, thence south along the center line of Lake View Drive to its intersection with the center line of Lake Washington Boulevard, thence westerly and then northerly along the center line of Lake Washington Boulevard to the point of beginning.

Section 2: Establishes the Business Improvement Area Budget for the program 1991.

Section 3: Amends the rates of assessment to be levied in the sub-benefit assessment areas and levies the assessments for the year 1991.

Section 4: Authorizes publication of this summary, approves this summary to be published, and establishes the effective date of the ordinances five days after

passage of the ordinance and publication of this summary.

The full text of this ordinance shall be mailed without charge to any person upon request made to the Kirkland City Clerk. The ordinance was passed by the Kirkland City Council at its regular meeting on the 16th day of October, 1990.

I certify that the foregoing is a summary of Ordinance No. 3231 approved by the Kirkland City Council for summary publication.


Janice B. Perry
Kirkland City
Clerk

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