

SENATE BILL REPORT

HB 1196

As Reported By Senate Committee On:
State & Local Government, February 20, 2002

Title: An act relating to parking and business improvement areas.

Brief Description: Modifying parking and business improvement areas.

Sponsors: By Representatives Gombosky, Mulliken, Dunshee and Cox.

Brief History:

Committee Activity: State & Local Government: 3/15/01, 3/21/01 [DP]; 2/20/02 [DP].

SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Gardner, Chair; Hale, Haugen, Horn, Keiser, Kline, Roach, T. Sheldon and Swecker.

Staff: Diane Smith (786-7410)

Background: The legislative authorities of all counties and incorporated cities and towns are authorized to establish by ordinance parking and business improvement areas. These are areas within the county, city or town that have the authority to levy special assessments on the businesses and multifamily residential or mixed-use projects within the area that are specially benefitted by the activities of the parking and business improvement area. The activities in which the parking and business improvement area may engage are six in number and involve provision of parking lots, decoration of and furnishing music in public places, sponsorship and promotion of public events in the area, promotion and management of retail trade activities, and security and maintenance of the common public areas.

Within a parking and business improvement area, the legislative authority may establish separate benefit zones based upon the degree of benefit the zone derives from the purposes the area undertakes. The rate of special assessment levied by the legislative authority may be different for different benefit zones.

Likewise, the legislative authority may make reasonable classifications of degree of benefit derived by the types of businesses within an area due to the activities the area undertakes. These different classes of businesses need not be assessed on the same basis or at the same rate so long as the assessment is measured reasonably by the benefit received.

Provisions exist for establishing and disestablishing areas and zones and for modifying zones.

Summary of Bill: The legislative authority of a county, city, or town (local government) is authorized to modify the boundaries of an existing public and business improvement area. The procedure to be used parallels that used to establish an area.

An expansion of an existing parking and business improvement area must be into an area that is adjacent to the existing parking and business improvement area. A modification to the existing boundaries cannot: (1) occur more than once a year; and (2) include a proposed area that would generate a projected assessment role greater than 10 percent of the current assessment role for the existing parking and business improvement area. All eligible new properties that are included in the modified boundaries must be assessed according to the assessment method established by the parking and business improvement area.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Under current law, the only way to change the boundaries of an area is to reform it completely.

Testimony Against: None.

Testified: PRO: Representative Gombosky, Greg Sweeney, City of Spokane.