

HOUSE BILL REPORT

HB 1196

As Passed Legislature

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:

Trade & Economic Development: 2/2/01, 2/15/01 [DP].

Floor Activity:

Passed House: 3/9/01, 98-0; 1/28/02, 96-0.

Passed Senate: 3/7/02, 48-0.

Passed Legislature.

Brief Summary of Bill

- Authorizes the legislative authority of a county, city, or town (local government) to modify the geographic boundaries of an existing parking and business improvement area.
- Requires the legislative authority of the local government to provide notice of the public hearing and adopt a resolution of intent to modify the boundaries of an area at least 15 days before the public hearing.
- Limits modifications to an existing parking and business improvement area to once per year.

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 10 members: Representatives Van Luven, Republican Co-Chair; Veloria, Democratic Co-Chair; Dunn, Republican Vice Chair; Eickmeyer, Democratic 1st Vice Chair; Fromhold, Democratic 2nd Vice Chair; Ahern, Gombosky, O'Brien, Pflug and Woods.

Staff: Kenny Pittman (786-7392).

Background:

Under state law, all counties, cities, and towns (local governments) may create parking and business improvement areas that are designed to aid general economic development and to facilitate merchant and business cooperation. A business and parking improvement area may be established by either having: (1) the owners of property located within in the geographic boundaries of the proposed business and parking improvement submit an initiation petition to the legislative authority of the local government having jurisdiction over the area; or (2) the legislative authority of the local government may pass an initiation resolution to create the parking and business improvement area.

The legislative authority of the local government, after receiving a valid initiation petition from the property owners or after passage of an initiation resolution, must adopt a resolution of intention to establish a business and parking improvement area. During the public hearing process for the establishment of a parking and business improvement area, the legislative authority of the local government may change the geographic boundaries of the proposed area. The legislative authority of the local government must provide notice and give the public at least 15 days, after the proposed boundary change, for public input.

The activities in a parking and business improvement area are financed through a special assessment that is imposed on businesses, multifamily residential developments, and mixed-use developments located within the geographic boundaries of the area. The assessments can be used to finance: (1) construction, acquisition or maintenance of parking facilities for the area; (2) decoration of public areas; (3) promotion of public events in public places in the area; (4) furnishing of music in any public place in the area; (5) provision for maintenance and security of common public areas; or (6) management, planning and promotion of the area, including the promotion of retail trade activities in the area.

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 legislative authority of the local government must adopt the ordinance to either expand or reduce the existing boundaries after having a public hearing. The legislative authority of the local government must provide notice of the public hearing and adopt a resolution of intent to modify the boundaries of an existing parking and business improvement area at least 15 days before the public hearing.

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: Parking and business improvement areas are used to revitalize or promote business activities within a defined area. Under current law, once the boundaries of an area are established they cannot be changed. This bill would allow a local government to change the boundaries of an existing parking and business improvement area. An existing area could be expanded to include a new area in order to continue revitalization or promotion efforts in the combined larger commercial area.

Testimony Against: None.

Testified: (In support) Representative Gombosky, prime sponsor.