
**Trade & Economic Development
Committee**

HB 1581

Brief Description: Modifying parking and business improvement area provisions.

Sponsors: Representatives Gombosky, Wood, Ahern and Sullivan.

Brief Summary of Bill

- Clarifies initiation resolution requirements to establish a parking and business improvement area.
- Prohibits the disestablishment of a parking and business improvement area prior to the receipt of the benefits for which the special assessment was levied.

Hearing Date: 2/11/03

Staff: Tracey Taylor (786-7196).

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 parking and business improvement area may be established by either having: (1) the owners of property located within the geographic boundaries of the proposed parking and business 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 passes an initiation resolution to create the parking and business improvement area.

The initiation petition or resolution must contain: (1) a description of the boundaries of the proposed area; (2) the proposed uses and projects to which the proposed special assessment revenues shall be put and total estimated cost thereof; and (3) the estimated rate of levy of special assessment with a proposed breakdown by class of business and multifamily residential or mixed-use project if such classification is to be used. The petition must be signed by the business and residential operators in the proposed area which would pay 50 percent of the proposed special assessment.

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 parking and business 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 the 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 in 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 of 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 reference to a petition to establish a parking and business improvement area needing to be submitted by 60 percent of the assessments by businesses and multifamily residential or mixed use projects in the area is eliminated. This conflicted with another section in the chapter where the petition requires submission by 50 percent of the operators.

Area is defined as a parking and business improvement area.

The requirements for the resolution are enumerated: (1) the rate or rates of levy of special assessments within the proposed area; (2) a description of the boundaries of the proposed area; (3) the proposed uses and projects to which the proposed special assessment revenues shall be dedicated and the total estimated cost; and (4) the estimated rate or rates of levy of special assessment with a proposed breakdown by class of business and multifamily residential or mixed-use project if such classification is to be used.

The disestablishment of a parking and business improvement area is prohibited if the businesses have not yet received the special benefits for the assessments were collected.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.