

**CITY OF SNOHOMISH
Snohomish, Washington**

ORDINANCE 2505

AN ORDINANCE ESTABLISHING A PARKING AND BUSINESS IMPROVEMENT AREA (PBIA); LEVYING SPECIAL ASSESSMENTS UPON THE BUSINESSES WITHIN THE AREA; PROVIDING FOR THE DEPOSIT OF REVENUES IN A SPECIAL ACCOUNT AND EXPENDITURES THEREFROM; PROVIDING FOR ADMINISTRATION AGREEMENTS; CREATING NEW SMC CHAPTER 5.04; AND PROVIDING FOR EFFECTIVE DATE AND SEVERABILITY.

WHEREAS, RCW 35.87A authorizes a city to form a parking and business improvement area (“PBIA”) to aid general economic development and neighborhood revitalization, to assist trade, economic viability, and livability and for the purpose of financing improvements to a city’s downtown residential and business areas; and

WHEREAS, the City of Snohomish established the original Historic Business District PBIA via Ordinance 2017 and Ordinance 2023 pursuant to RCW Chapter 35.87A; and

WHEREAS, RCW 35.87A.030 authorizes a PBIA to be initiated by an initiating resolution adopted by the legislative body of a city or town; and

WHEREAS, on October 15, 2024, the Snohomish City Council adopted Resolution 1479 intending to terminate the existing PBIA and establish a new PBIA in the Historic Business District to amend the assessment schedule of fees, create a "hardship" clause for merchants and businesses who are unable to pay the full assessment fee, establish the uses of PBIA assessment funds pursuant to RCW 35.87A.010, clarify the disbursement of funds pursuant to RCW 35.87A.110, amend the use of revenue and contracts to administer operation of area language pursuant to RCW 35.87A.1 10, and update language around the collection schedule and delinquent payments; and

WHEREAS, on October 15, 2024, and pursuant to RCW 35.87A.030 the Snohomish City Council adopted Resolution 1480, initiating a PBIA via the resolution method instead of the petition method; and

WHEREAS, on October 15, 2024, and pursuant to RCW 35.87A.040, the Snohomish City Council passed Resolution 1481, declaring its intention to establish a PBIA, and fixing a date and place for a hearing thereon; the title for which stated:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON STATING ITS INTENTION TO ESTABLISH A PARKING AND BUSINESS IMPROVEMENT AREA IN THE HISTORIC BUSINESS DISTRICT, AND SETTING A PUBLIC HEARING DATE, PURSUANT TO RCW 35.87A

WHEREAS, pursuant to RCW 35.87A.050 the City gave notice of a public hearing at least ten days prior by:

1. One publication of the resolution of intention on November 16, 2024, in a newspaper of general circulation in the city; and
2. On November 15, 2024, mailing a complete copy of the resolution of intention to each business and multifamily residential or mixed-use project in the proposed, or established, area; and

WHEREAS, on December 3, 2024, the Snohomish City Council held a public hearing thereon at the Snohomish City Council chambers, 105 Cedar Avenue, Snohomish, Washington; and

WHEREAS, the testimony received at that hearing resulted in the Council determining that establishing a PBIA is in the best interest of the businesses within the proposed PBIA boundaries in historic downtown Snohomish; and

WHEREAS, City Council adopted goals for 2025-26 include “promote and expand economic adaptability, vitality and diversity” and “preserve and enhance Snohomish’s quality of life”; and

WHEREAS, the PBIA established herein is for the purpose of enhancing conditions for the operation of those businesses and lodging operators, and the budget shall be dedicated to activities in addition to basic services provided by the City of Snohomish;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. **PBIA established.** A parking and business improvement area (PBIA) is hereby established in the City of Snohomish, as further described in Section 2 of this Ordinance.

Section 2. **New Chapter to SMC.** A new Chapter 5.04 of the Snohomish Municipal Code is hereby adopted to read as set forth in attached Exhibit A, which is hereby incorporated by this reference as though fully contained herein.

Section 3. **Severability.** If any section, subsection, sentence, clause, phrase, or word of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase, or word of this Ordinance.

Section 4. **Authority to make necessary corrections.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, but not limited to, the correction of scrivener's clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 5. Effective date. This Ordinance shall be effective five days after adoption and publication by summary.

ADOPTED by the City Council and **APPROVED** by the Mayor this 3rd day of December, 2024.

CITY OF SNOHOMISH

By 
Linda Redmon, Mayor

ATTEST:

APPROVED AS TO FORM:

By 
Brandi Whitson, City Clerk

By 
Emily Guildner, City Attorney

Date of publication: December 7 2024

Effective date: December 12 2024

EXHIBIT A

Chapter 5.04

PARKING AND BUSINESS IMPROVEMENT AREA

Sections:

- 5.04.010 Parking and Business Improvement Area Established
- 5.04.020 HBD Programs
- 5.04.030 Levy of Special Assessments
- 5.04.040 Rate Changes
- 5.04.050 Deposit of Revenues
- 5.04.060 Collection Schedule
- 5.04.070 Delinquent Payments
- 5.04.080 Contract for Program Management
- 5.04.100 Exemptions
- 5.04.110 Notices
- 5.04.120 Disputes
- 5.04.130 Severability
- 5.04.140 Renewal and Termination

5.04.010 Parking and Business Improvement Area Established

As authorized by Chapter 35.87A RCW, there is hereby established a Parking and Business Improvement Area ("Parking and Business Improvement Area" or "PBIA"), consisting of the Historic Business District as described in SMC Section 14.30.040(C)(3). The PBIA created herein shall be designated the "Historic Business District" (the "HBD"). Future PBIAs may be established in the City in accordance with RCW 35.87A.030.

5.04.020 HBD Programs

The City shall use, or contract with a business association operating primarily within the boundaries of the HBD per RCW 35.87A.110, revenues from the special assessments authorized by RCW 35.87A.010 for the following purposes:

- A. Decoration of any public place in the HBD.
- B. Sponsorship or promotion of public events which are to take place on or in public places in the area.
- C. Furnishing of music in any public place in the area.
- D. Providing professional management, planning, and promotion for the area, including the management and promotion of retail trade activities in the area.
- E. Providing maintenance and security for common, public areas.

F. Providing transportation services for the benefit of the area.

5.04.030 Levy of Special Assessments

To finance the programs set forth in this Ordinance, there shall be levied and collected an annual special assessment upon the “businesses” and “lodging businesses,” as defined in RCW 35.87A.020 whose physical location is an identified street address within the HBD. Pursuant to SMC 5.02, all businesses and individuals conducting business inside the City of Snohomish are required to obtain a City of Snohomish endorsement on their business license. The rates at which special assessments within the HBD are imposed for each calendar year shall be \$150.

5.04.040 Rate Changes

Any change in the assessment rate shall only be made by ordinance and as authorized in RCW 35.87A.

5.04.050 Deposit of Revenues

There is hereby created in the City a separate subaccount designated as the HBD Account (“the Account”). The following monies shall be deposited in the Account:

- A. All revenues from special assessments levied under this Ordinance.
- B. Gifts, donations, and voluntary assessment payments for the Account.
- C. Interest and all other income from the investment of Account deposits.

5.04.060 Collection Schedule

Special assessments shall be collected on an annual basis. Businesses that open/move to a location in the HBD after the initial annual billing has been completed will not be required to pay that year’s HBD assessment.

5.04.070 Delinquent Payments

If an assessment has not been paid within thirty (30) days after its due date by the business or lodging operator, it will be considered delinquent. The City Administrator or their designee is authorized to assign delinquent assessments to a collection agency or bring an action in any court of competent jurisdiction.

5.04.080 Contract for Program Management

Pursuant to RCW 35.87A.110, the City hereby authorizes the Mayor to contract with a chamber of commerce or similar business association entity or entities operating within the boundaries of the HBD to act as a Program Manager. The Program Manager shall administer the PBIA’s operation, including but not limited to implementation of the projects and activities contained in the work program adopted by the City Council under Section 5.04.020 of this chapter.

Any contract entered into under this Chapter shall include provisions to address the following:

A. Provisions for the Program Manager to:

1. Create and maintain a business database of all eligible business and lodging operators within the boundaries of the HBD;
2. Provide the database to the City in sufficient time for its use in mailing annual special assessment notices, but no later than January 1 of each calendar year;
3. Resolve disputes by any eligible business and lodging operators aggrieved by the amount of an assessment;
4. When notified by the City of delinquent accounts, pursue collection within 30 days of notification, and prior to the City's assignment of the accounts to a collection agency or initiation of a formal collection action;
5. Perform all basic contract provisions (e.g. billing and reporting requirements, internal controls, maintain accurate records, etc.);
6. Perform the projects and services listed in Section 5.04.020 of this chapter as approved annually by the City Council;
7. Submit reimbursement request on vouchers drawn for services rendered (consistent with the Council adopted budget and Council goals for the biennium).

B. Provisions for the City to:

1. Review the Program Manager's annual proposed budget recommendations for special services and projects;
2. Budget for expenditures;
3. Send a bill to each business within the boundary on an annual basis based on the assessment list provided by the Program Manager;
4. Collect special assessments;
5. Notify the Program Manager of delinquent accounts, so that the Program Manager may pursue collection prior to the City's collection efforts;
6. Pursue collection by sending the bill to a collection agency or commencing an action in a court of competent jurisdiction to collect the special assessment;
7. Review and reimburse eligible expenses; and
8. Conduct periodic review of the Program Manager's performance.

5.04.100 Exemptions

The following businesses and lodging businesses will be exempt from payment of HBD assessments:

- A. A sole proprietor or self-employed individual as defined by RCW 48.43.005 operating within another physical business location, such as salon technicians, tattoo artists, and realtors, who are not the primary tenant of that location.
- B. A corporation that holds a current tax-exempt status as provided under 26 USC Section 501(c) 1-27 and/or non-profit corporations organized pursuant to RCW 24.03.

- C. Governmental agencies and offices.
- D. Private residences and apartments.
- E. Home-based or home occupation businesses.
- F. Sponsors, concessionaires, and/or vendors conducting business under a special events permit as provided under Snohomish Municipal Code Chapter 5.10.

5.04.110 Notices

Notices of assessment and all other notices contemplated by this ordinance may be sent by ordinary mail or delivered by the City to the address shown on City of Snohomish records, as they may be modified from time to time based on information provided by the Program Manager (if any). Failure of any business or lodging operator to receive any mailed notice shall not release the business or lodging operator from the duty to pay the assessment and any collection agency charges.

5.04.120 Disputes

Any business or lodging operator aggrieved by the amount of an assessment may appeal to the Program Manager, if the City has entered into a contract as per Section 5.04.080 of this chapter. If the City has not entered into a contract for program management, the business or lodging operator may appeal to the City Finance Director for review. If the City Finance Director upholds the assessment or adjusts the assessment consistent with this ordinance, the business or lodging operator may make a second appeal to the City Administrator. The City Administrator's decision shall be final and not appealable to any court or body. The appellant business or lodging operator has the burden of proof to show that the assessment is inconsistent with the applicable assessment fee provided for herein or that payment will have a long-term, negative financial impact to the business or lodging operator.

5.04.130 Severability

If any section, subsection, sentence, clause, phrase or other portion of this chapter or its application to any person is, for any reason, declared invalid, illegal, or unconstitutional in whole or in part by any court or agency of competent jurisdiction, that decision may not affect the validity of the remaining portions hereof.

5.04.140 Renewal and Termination

To promote continuity in services being provided to the HBD and to enhance the special benefits supporting the special assessments in the HBD, the City may only terminate the PBIA or repeal Chapter 5.04 by taking legislative action by July 1st to effectuate the termination or repeal for the subsequent year. If the Council does not take such legislative action by July 1st, the PBIA shall continue through the subsequent year.



SNOHOMISH CITY COUNCIL STAFF REPORT

Date: December 3, 2024

Agenda Section: PUBLIC HEARINGS

From: Shari Ireton, Director of Community Engagement and Strategic Initiatives

Subject: **DISESTABLISH the Existing PBIA and REPEAL Ordinances 2017 and 2023 - ADOPT Ordinance 2504**

SUMMARY:

The City Council will hold a public hearing in consideration of Ordinance 2504 to disestablish the parking and business improvement area (PBIA), and repeal Ordinances 2017 and 2023.

PUBLIC HEARING PROCEDURE:

- a) Announce purpose and open public hearing
- b) Staff presentation
- c) Council's questions of staff
- d) Public testimony
- e) Close public testimony
- f) Council deliberation
- g) Close public hearing
- h) Council motion and action - ADOPT Ordinance 2504

BACKGROUND & ANALYSIS: In 2002, the Snohomish City Council adopted Ordinance 2017 establishing a parking and business improvement area (PBIA) pursuant to RCW Chapter 35.87A. In conjunction, the Historic Downtown Snohomish (HDS, as it was known at the time) was established. In 2003, the Council adopted Ordinance 2023 amending the schedule of assessments. Neither ordinance was ever codified in Snohomish Municipal Code (SMC), and no recommended changes have been presented to Council in the past 20 years.

For the past year, staff with the Community Engagement and Strategic Initiatives (CESI) team have been working with the Finance team and representatives from the Historic Downtown Snohomish Association (HDSA), the sole recipient of PBIA assessments from the City, to identify current external and internal challenges to the antiquated ordinances. Challenges were shared with Council at their meeting on September 17, 2024. At that time, it was also discussed that since the ordinances were never codified and there were so many proposed changes, the more effective and transparent solution would be repeal Ordinances 2017 and 2023 and begin anew. Per RCW Chapter 35.87A, Council is required to disestablish the current PBIA before it can establish a replacement. Resolution 1479 was passed by Council on October 15, 2024, setting a public hearing for consideration of said disestablishment on December 3, 2024.

SUGGESTED COUNCIL ACTION: Motion to ADOPT Ordinance 2504 disestablishing the existing PBIA

and repealing Ordinances 2017 and 2023.

REFERENCE(S):

- [October 15, 2024 Council Agenda Packet](#)
- [RCW 35.87A Parking and Business Improvement Areas](#)

COUNCIL GOAL(S): Economic Vitality

ATTACHMENT(S):

Ordinance 2504

**CITY OF SNOHOMISH
Snohomish, Washington**

ORDINANCE 2504

**AN ORDINANCE OF THE CITY OF SNOHOMISH, WASHINGTON
DISESTABLISHING THE CITY'S PARKING AND BUSINESS
IMPROVEMENT AREA (PBI); PROVIDING FOR ASSETS AND
LIABILITIES; REPEALING ORDINANCES 2017 AND 2023; AND
PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.**

WHEREAS, RCW 35.87A authorizes a city to form a parking and business improvement area ("PBI") to aid general economic development and neighborhood revitalization, to assist trade, economic viability, and livability and for the purpose of financing improvements to a city's downtown residential and business areas; and,

WHEREAS, the City of Snohomish established the original Historic Business District PBI by adopting Ordinance 2017 in December 2002, pursuant to RCW Chapter 35.87A; and,

WHEREAS, the City amended the PBI's Schedule of Assessments in March 2003 via Ordinance 2023; and,

WHEREAS, the City finds that revising its current PBI is in the best interest of the City and would be best accomplished by disestablishing the current PBI in order to define, establish and codify a new PBI; and,

WHEREAS, RCW 35.87A.180 authorizes the legislative body of a city or town to disestablish a PBI by passing a resolution of intention; and,

WHEREAS, on October 15, 2024, the Snohomish City Council passed Resolution 1479 declaring its intent to terminate the existing PBI, and setting a public hearing date of December 3, 2024, to consider the disestablishment; and,

WHEREAS, pursuant to RCW 35.87A.050, the City gave notice of the public hearing at least ten days prior by:

1. One publication of the resolution of intention on November 16, 2024, in a newspaper of general circulation in the city; and
2. Mailing a complete copy of the resolution of intention on November 15, 2024, to each business and multifamily residential or mixed-use project in the proposed, or established, area; and,

WHEREAS, on December 3, 2024, the Snohomish City Council held a duly-noticed public hearing thereon at the Snohomish City Council chambers, 105 Cedar Avenue, Snohomish, Washington; and,

WHEREAS, the testimony received at that hearing resulted in the Council determining that disestablishing the existing PBI, with the intent to establish a new PBI via separate action, is in the best interest of the City's businesses;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON DO ORDAIN AS FOLLOWS:

Section 1. **Adoption of recitals as findings.** The City Council hereby adopts each of the recital paragraphs above as findings and hereby incorporates them by reference as though fully stated herein.

Section 2. **PBI disestablished.** The Parking and Business Improvement Area (PBI) established by Ordinance 2017 and modified by Ordinance 2023 is hereby disestablished.

Section 3. **Ordinances repealed.** Ordinances 2017 and 2023 are hereby repealed in their entirety.

Section 4. **Provide for assets and liabilities.** Any proceeds of the special assessments, or assets acquired with such proceeds, or liabilities incurred as a result of the formation of such area, shall be maintained and provided for as they are now for the benefit of the Historic Business District and shall automatically be included in any future PBI that is established that encompasses said district.

Section 5. **Severability.** If any section, subsection, paragraph, sentence, clause, or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 6. **Authority to make necessary corrections.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance and attachments including, but not limited to, the correction of scrivener's clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 7. **Effective date.** This ordinance shall be effective five days after adoption and publication by summary.

ADOPTED by the City Council and **APPROVED** by the Mayor this 3rd day of December, 2024.

CITY OF SNOHOMISH

By 
Linda Redmon, Mayor

ATTEST:

APPROVED AS TO FORM:

By Brandi Whitson
Brandi Whitson, City Clerk

By Emily Guildner
Emily Guildner, City Attorney

Publication Date: December 7 2024

Effective Date: December 12 2024

**CITY OF SNOHOMISH
Snohomish, Washington**

RESOLUTION 1479

A RESOLUTION OF THE CITY OF SNOHOMISH, WASHINGTON, DECLARING INTENT TO DISESTABLISH THE PREVIOUSLY ESTABLISHED PARKING AND BUSINESS IMPROVEMENT AREA IN THE HISTORIC BUSINESS DISTRICT FORMED TO ALLOW THE COLLECTION OF SPECIAL ASSESSMENTS FROM SNOHOMISH DOWNTOWN BUSINESS OWNERS AND OPERATORS FOR THE SPECIFIC PURPOSES SET FORTH IN ORDINANCE 2017 AND ORDINANCE 2023; AND SETTING A PUBLIC HEARING DATE

WHEREAS, the City of Snohomish established the Parking Business Improvement Area (PBIA) via Ordinance 2017 and Ordinance 2023 pursuant to RCW Chapter 35.87A; and

WHEREAS, the Snohomish City Council now intends to terminate said existing PBIA in order to establish a new PBIA in the Historic Business District which will:

- 1) Amend the assessment schedule of fees, which has not been updated since 2003;
- 2) Create a “hardship” clause for merchants and businesses who are unable to pay the full assessment fee;
- 3) Establish the uses of PBIA assessment funds, pursuant to RCW 35.87A.010;
- 4) Clarify the disbursement of funds pursuant to RCW 35.87A.110;
- 5) Amend the use of revenue and contracts to administer operation of area language pursuant to RCW 35.87A.110; and
- 6) Update language around the collection schedule and delinquent payments.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON, AS FOLLOWS:

There shall be a public hearing held in the City Council Chambers at 105 Cedar Avenue (lower level), Snohomish, Washington, on Tuesday, December 3, 2024 at 6:00 p.m., for consideration of the City Council’s intent to disestablish the existing PBIA, thereby terminating the collection of special assessments associated with said PBIA; allocating any funds in the current PBIA fund to be distributed to the new PBIA fund in accordance with its adopted ordinance, or otherwise allocated as allowed by law; and terminating the provision of benefits and services derived through said special assessments for the related PBIA area.

PASSED by the City Council and **APPROVED** by the Mayor this 15th day of October, 2024.

CITY OF SNOHOMISH

By _____
Linda Redmon, Mayor

ATTEST:

APPROVED AS TO FORM:

By _____
Brandi Whitson, City Clerk

By _____
Emily Guildner, City Attorney

**CITY OF SNOHOMISH
Snohomish, Washington**

RESOLUTION 1480

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON INITIATING THE ESTABLISHMENT OF A PARKING AND BUSINESS IMPROVEMENT AREA (PBIA) PURSUANT TO RCW 35.87A.030 IN THE HISTORIC BUSINESS DISTRICT (HBD) TO ALLOW THE COLLECTION OF SPECIAL ASSESSMENTS FROM SNOHOMISH HBD BUSINESS OWNERS AND OPERATORS.

WHEREAS, pursuant to RCW 35.87A.030 a Parking and Business Improvement Area (PBIA) may be initiated by City Council by resolution; and

WHEREAS, the City has maintained a PBIA since at least 2003; and

WHEREAS, the City desires to clarify the roles and objectives of the PBIA by disestablishing the prior area and establishing a PBIA that meets the current needs and objectives of the HBD;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON, AS FOLLOWS:

Section 1. Description of boundaries. The boundaries proposed for the establishment of a PBIA shall follow the boundaries of the Historic Business District (HBD) zone as defined and delineated by the City’s official Zoning Map, SMC Section 14.30.030.

Section 2. Proposed uses and projects. The PBIA special assessment funds will be used in public spaces in the Snohomish HBD for the sole purposes of decoration; sponsorship or promotion of public events; furnishing of music; providing professional management, planning, and promotion for the area, including the management and promotion of retail trade activities; providing maintenance and security for common, public areas; and/or or providing transportation services for the benefit of the HBD.

Section 3. Estimated rate of levy of special assessment. The rate of levy of special assessment will be \$150 annually for businesses and lodging businesses operating within the HBD. “Businesses” and “lodging businesses” are as defined by RCW 35.87A.020.

PASSED by the City Council and **APPROVED** by the Mayor this 15th day of October, 2024.

CITY OF SNOHOMISH

By _____
Linda Redmon, Mayor

ATTEST:

APPROVED AS TO FORM:

By _____
Brandi Whitson, City Clerk

By _____
Emily Guildner, City Attorney

**CITY OF SNOHOMISH
Snohomish, Washington**

RESOLUTION 1481

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON STATING ITS INTENTION TO ESTABLISH A PARKING AND BUSINESS IMPROVEMENT AREA IN THE HISTORIC BUSINESS DISTRICT, AND SETTING A PUBLIC HEARING DATE, PURSUANT TO RCW 35.87A

WHEREAS, the City Council of the City of Snohomish opted to initiate formation of a Parking and Business Improvement Area (PBIA) by passing Resolution 1480 pursuant to RCW 35.87A.030; and

WHEREAS, pursuant to RCW 35.87A.040, the City Council must state a time and place for a public hearing to consider the establishment of a PBIA;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SNOHOMISH, WASHINGTON, AS FOLLOWS:

Section 1. **Description of boundaries.** The boundaries proposed for the establishment of a PBIA shall follow the boundaries of the Historic Business District (HBD) zone as defined and delineated by the City’s official Zoning Map, SMC Section 14.30.030.

Section 2. **Proposed uses and projects.** The PBIA special assessment funds will be used in public spaces in the Snohomish HBD for the sole purposes of decoration; sponsorship or promotion of public events; furnishing of music; providing professional management, planning, and promotion for the area, including the management and promotion of retail trade activities; providing maintenance and security for common, public areas; and/or or providing transportation services for the benefit of the HBD.

Section 3. **Estimated rate of levy of special assessment.** The rate of levy of special assessment will be \$150 annually for businesses and lodging businesses operating within the HBD. “Businesses” and “lodging businesses” are as defined by RCW 35.87A.020.

Section 4. **Set public hearing date.** A public hearing shall be scheduled for Tuesday, December 3, 2024, at 6:00 p.m., in the City Council Chambers at 105 Cedar Avenue (lower level), Snohomish, Washington, to hear and receive evidence for and against consideration of the City Council’s intent to establish a PBIA as proposed. The notice of such hearing shall, at a minimum, be given as required by RCW 35.87A.050 by:

1. One publication of this resolution of intention in a newspaper of general circulation in the City of Snohomish; and

2. Mailing a complete copy of the resolution of intention to each business known to exist in the proposed area. Publication and mailing shall be completed at least ten days prior to the time of the hearing.

PASSED by the City Council and **APPROVED** by the Mayor this 15th day of October, 2024.

CITY OF SNOHOMISH

By _____
Linda Redmon, Mayor

ATTEST:

APPROVED AS TO FORM:

By _____
Brandi Whitson, City Clerk

By _____
Emily Guildner, City Attorney

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE HISTORIC DOWNTOWN SNOHOMISH ASSOCIATION
AND
THE CITY OF SNOHOMISH**

The purpose of this agreement is to set forth the essential elements of a cooperative working relationship between the Parties to promote economic development and neighborhood revitalization in the Historic Business District (HBD); to assist trade, economic viability, and livability and for the purpose of financing improvements of the City's residential and business areas; and to meet City Council priorities to "promote and expand economic adaptability, vitality and diversity" and "preserve and enhance Snohomish's quality of life".

UNDERSTANDING:

1) To achieve the above, the Historic Downtown Snohomish Association (HDSA) will:

- a) Act as Program Manager (as defined in SMC Chapter 5.04.08) and make use of revenues from the special assessments authorized under SMC Chapter 5.04 ("Parking and Business Improvement Area") and RCW 35.87A.010 for the following purposes:
 - i) Decoration of any public place in the HBD.
 - ii) Sponsorship or promotion of public events which are to take place on or in public places in the area.
 - iii) Furnishing of music in any public place in the area.
 - iv) Providing professional management, planning, and promotion for the area, including the management and promotion of retail trade activities in the area.
 - v) Providing maintenance and security for common, public areas.
 - vi) Providing transportation services for the benefit of the area.
- b) Create and maintain a business database of all eligible business and lodging operators within the boundaries of the HBD.
- c) Provide the database to the City in sufficient time for its use in mailing annual special assessment notices, but no later than January 1 of each calendar year.
- d) Resolve disputes by any eligible business and lodging operators aggrieved by the amount of an assessment.
- e) When notified by the City of delinquent accounts, pursue collection within 30 days of notification, and prior to the City's assignment of the accounts to a collection agency or initiation of a formal collection action.
- f) Perform all basic contract provisions (e.g. billing and reporting requirements, internal controls, maintain accurate records, etc.).
- g) Perform the projects and services listed in Exhibit A ("Scope of Work") of this agreement as approved annually by the City Council.
- h) Submit reimbursement requests on vouchers drawn for services rendered (consistent with Section 1)a)i)-vi of this agreement).
- i) Appointment of one non-voting position for a representative of the City to serve as an HDSA Board Member in *ex officio* capacity, appointed by the Mayor.
- j) HDSA agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier, or materialman, because of race, color, creed,

religion, national origin, marital status, sex, sexual orientation, age, or handicap, except for a bona fide occupational qualification. HDSA understands that if it violates this provision, this agreement may be terminated by the City and that HDSA may be barred from performing services on behalf of the City now or in the future.

2) The City of Snohomish (City) agrees to provide the following:

- a) Review HDSA's annual proposed budget recommendations for special services and projects Exhibit A ("Scope of Work").
- b) Annual billing to each business within the boundary on an annual basis based on the
- c) assessment list provided by HDSA
- d) Collection of special assessments.
- e) Timely notification to HDSA of delinquent accounts, so that HDSA may pursue collection prior to the City's collection efforts.
- f) Collection of delinquent accounts by sending the bill to a collection agency or commencing an action in a court of competent jurisdiction to collect the special assessment;
- g) Review and reimbursement of eligible expenses.
- h) Conduct periodic review of HDSA's performance as related to Exhibit A ("Scope of Work").
- i) If HDSA operates a "Downtown Development Program" within the City's HBD based on the "Main Street Program" revitalization strategy as defined by RCW 43.360, the City will authorize a contribution agreement by and between the City and HDSA to apply for a tax credit (pursuant to RCW 43.360 and 82.73) through the Washington State Department of Revenue no later than May 31 of each calendar year.

3) Administration

- a) The following individuals are designated as representatives of the respective parties. The representatives shall be responsible for administration of this Agreement and for coordination and monitoring performance under this Agreement. In the event such representatives are changed, the party making the change shall notify the other party.
 - i) The City representative shall be the City Administrator or designee.
 - ii) The HDSA representative shall be the Executive Director or designee.

4) Insurance Requirements

- a) Each party shall maintain and provide evidence to the other of insurance or self-insurance adequate to cover its liability obligations under this Agreement and/or arising out of each party's activities hereunder.
- b) The City is part of a Public Entity insurance pool sanctioned by the Washington State Office of Financial Management Risk Management Division and it will provide a letter signed and executed by an authorized agent indicating the City's participation in said pool.
- c) HDSA is insured is privately insured by the Hanover Insurance Group with a general aggregate limit of \$4,000,000.

5) Indemnification and Liability

- a) The City and the HDSA shall indemnify and hold each other harmless, including their respective officers, agents, and employees, or any of them from any and all claims, actions,

suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of either party, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any such suit based upon such a claim, action, loss, or damages is brought against the City and/or the HDSA, each party shall defend the same at its sole cost and expense; provided that City and/or the HDSA reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit be rendered against the City or the HDSA or their respective officers, agents, and employees, or any of them, or jointly against City and/or the HDSA and their respective officers, agents, and employees, or any of them, the other party shall satisfy the same.

- b) In executing this Agreement, neither party assume liability or responsibility for or in any way release the City or the HDSA from any liability or responsibility which arises in whole or in part from the existence or effect of City or HDSA ordinances, policies, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City or HDSA ordinance, policy, rule or regulation is at issue, the City and/or the HDSA shall defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, the HDSA, or any of them, the City and/or the HDSA shall satisfy the same, including all chargeable costs and reasonable attorney's fees.
- c) The foregoing indemnity is specifically intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance Act, Title 51 RCW, as respects the other parties only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

6) **Modification**

- a) This Agreement constitutes the entire understanding of the Parties. Any written or verbal agreements that are not set forth herein or incorporated herein by reference are expressly excluded. The HDSA will not sell, lease, transfer or in any way encumber any of the items described in this agreement without the written consent of the City. No change, termination, or attempted waiver of any provisions of this agreement shall be binding on either of the parties unless executed in writing by authorized representatives of each of the parties.

7) **Benefits**

- a) This agreement is entered into for the benefit of the parties to this agreement only and shall confer no benefits, direct or implied, on any third persons.

8) **Arbitration**

- a) In the event of a disagreement between the parties relating to interpretation of the terms of this agreement, the parties agree that such dispute shall be resolved by binding arbitration.
- b) The arbitration shall be conducted by a panel of three (3) arbitrators selected from a list provided by the American Arbitration Association. Each party shall appoint an arbitrator

who shall not be employed or reside in Snohomish County, Washington. The two arbitrators shall appoint a third arbitrator with the same qualifications. Unless different rules are adopted by the Board of Arbitrators, the rules of the American Arbitration Association shall apply with respect to the arbitration proceedings.

9) **Costs**

- a) Each party agrees to bear and pay its own expenses in connection with the negotiation and implementation of this agreement, including but not limited to its attorney and consultant fees, unless otherwise described within this agreement.

10) **Severability**

- a) In the event that any section, sentence, clause, or paragraph of this agreement is held to be invalid by any
- b) court or competent jurisdiction, the remainder of this agreement shall not be affected and shall remain in full force and effect.

11) **Litigation**

- a) In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such action shall be initiated in the Superior Court of the State of Washington, in and for Snohomish County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney fees, in addition to any other award.

12) **Third-Party Rights**

- a) Anything to the contrary notwithstanding, nothing contained in this agreement shall be interpreted to create third-party rights in any person or entity not a party thereto.

13) **Effective Date**

- a) This agreement shall become effective upon the approval and execution by both parties through December 31, 2026.

Dated this _____ day of _____ 2025.

CITY OF SNOHOMISH

HISTORIC DOWNTOWN SNOHOMISH
ASSOCIATION

Mayor Linda Redmon

By:

Its: President/Governing Member and
Authorized Representative

Attest/Authenticated:

Approved as to Form:

Brandi Whitson
City Clerk

Emily Guildner
City Attorney

Exhibit A: Scope of Work

Scope of Work by the Historic Downtown Snohomish Association for 2025-2026:

- Supporting safety measures
- Beautification of the Snohomish Historic Business District
- Community events
- Support for local businesses in the Snohomish Historic Business District
- Promotion of the Snohomish Historic Business District
- Payment of staff for professional management of activities and projects in the Snohomish Historic Business District
- Other work in the Snohomish Historic Business District as authorized under Snohomish Municipal Code Chapter 5.04 and RCW 35.87A.010



CITY OF SNOHOMISH

116 UNION AVENUE | SNOHOMISH, WASHINGTON 98290 | (360) 568-3115 | WWW.SNOHOMISHWA.GOV

November 15, 2024

BUSINESS NAME

ADDRESS LINE 1

ADDRESS LINE 2

This letter is to inform you that the Snohomish City Council intends to disestablish the existing Parking and Business Improvement Area (PBIA) that was established in 2003 and intends to establish a new PBIA in the Historic Business District (see enclosed Resolutions 1479 and 1480). Pursuant to RCW 35.87A.040, a public hearing to consider the establishment of a PBIA will be held Tuesday, December 3, 2024, at 6:00 p.m. in the City Council Chambers at 105 Cedar Ave (lower level), Snohomish, Washington. The purpose of this public hearing is to hear and receive evidence for and against the establishment of a PBIA.

This letter is being sent to all businesses that have an active City of Snohomish business license with a location address within the Historic Business District. If you are no longer doing business in the Historic Business District or Snohomish and you wish to change or cancel your license, please contact the Washington State Department of Revenue (<https://dor.wa.gov/>).



CITY OF SNOHOMISH

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March 25, 2025

BUSINESS NAME
ADDRESS LINE 1
ADDRESS LINE 2

This letter is to inform you that at the Tuesday, December 3, 2024, regular meeting of the Snohomish City Council, the Council voted to disestablish the original Parking and Business Improvement Area (PBIA) that was established in 2003 and to establish a new PBIA in the Historic Business District.

While the boundaries of the PBIA remain the same, there are several important updates:

- **New annual billing cycle.** Businesses were previously billed upon activation of their City of Snohomish business license endorsement. Starting in 2026, all businesses will be billed during the same annual billing cycle each January. (PBIA billing was delayed this year as an amendment to the 2025 Master Fee Schedule by City Council was required.)
- **New assessment fee.** PBIA fees were previously based on business type and square footage. Going forward, all businesses will be assessed a flat fee of \$150 annually (see enclosed invoice). This figure was calculated based on the average assessed fee under the previous PBIA ordinance.
- **Hardship clause.** The new ordinance establishes an appeal process for businesses for whom the PBIA is unduly burdensome (see <https://snohomish.municipal.codes/SMC/5.04.120>).
- **Clarified exemptions.** The new ordinance adds sole proprietors or self-employed individuals (as defined by RCW 48.43.005) operating within another physical business location (such as salon technicians, tattoo artists, and realtors who are not the primary tenant of that location) from the PBIA fee.

For more information, please refer to Snohomish Municipal Code Chapter 5.04 (Parking and Business Improvement Area: <https://snohomish.municipal.codes/SMC/5.04>) or contact me directly.

The City of Snohomish has also signed a new memorandum of understanding (MOU) with the Historic Downtown Snohomish Association (HDSA), the Program Manager for PBIA funds. Please see the enclosed MOU for more information about the roles and responsibilities of both the City and HDSA. You can also see a summary of PBIA benefits on the HDSA website: <https://www.historicdowntownsnohomish.org/hdsa-membership-plans>).

This letter is being sent to all businesses with a location address within the Historic Business District. If you are no longer doing business in the Historic Business District or Snohomish and

you wish to change or cancel your business license, please contact the Washington State Department of Revenue (<https://dor.wa.gov/>).

If you have any questions or concerns, please feel free to contact me. Thank you for doing business in Snohomish!

Sincerely,

A handwritten signature in black ink, appearing to read "Shari Ireton", with a stylized flourish at the end.

Shari Ireton
Director of Community Engagement and Strategic Initiatives
ireton@snohomishwa.gov