### Renewal Leadership Group

<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Company</th>
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<tbody>
<tr>
<td>Lisa Nitze</td>
<td>Nitze-Stagen (MID Board Chair)</td>
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<tr>
<td>Ed Leigh</td>
<td>Equity Residential</td>
</tr>
<tr>
<td>Andy Bench</td>
<td>Wright Runstad</td>
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<tr>
<td>Valerie Heide Mudra</td>
<td>Belltown Resident</td>
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<tr>
<td>Cary Clark</td>
<td>Argosy Cruises</td>
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<tr>
<td>Ben Grace</td>
<td>Amazon</td>
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<tr>
<td>Yi Zhao</td>
<td>Plymouth</td>
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<tr>
<td>Rebecca Uusitalo</td>
<td>Urban Renaissance Group</td>
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<tr>
<td>Ross Peyton</td>
<td>Unimark Construction</td>
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<tr>
<td>Aaron Blankers</td>
<td>Washington Holdings</td>
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<tr>
<td>Sung Kim</td>
<td>Belltown Resident</td>
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### Assessment Formula Work Group

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<tr>
<td>Zahoor Ahmed</td>
<td>R.C. Hendreen Co.</td>
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<tr>
<td>Pat Callahan</td>
<td>Urban Renaissance Group</td>
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<td>Shawn Jackson</td>
<td>Urban Renaissance Group</td>
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<tr>
<td>Ryan Smith</td>
<td>Martin Smith Inc</td>
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<tr>
<td>Ed Leigh</td>
<td>Equity Residential</td>
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Updates

• Outreach
• Boundary Decision
• Technical Ordinance Changes
• City Accountability
Outreach

• Formation of MID Renewal Committee and regular meetings and reviews
• Focus group with the 15 largest MID ratepayers
• Employee engagement including facilitated team meetings, focus groups and surveys
• 1:1 interviews with select MID ratepayers across property types
• Focus group with large downtown organizations CEO’s and operations directors
Outreach

• Mailers to all MID ratepayers with notice of scheduled public meeting, as well as information about where to learn more about the MID Renewal process
• Online MID Renewal fact sheet and FAQ created and posted to the MID and DSA websites
• Virtual public meeting conducted on 7/14/22
• Online survey of MID condo board association presidents and members
• New MID Dispatch newsletter developed and sent via email to more than 3,000 MID Stakeholders
Outreach

• Regular updates and review to the MID Ratepayer Advisory Board

• Meetings with City of Seattle leadership focused on current services and renewal
Boundary Decision
Technical Ordinance Clarifications

- Multifamily Tax Exemption (MFTE) program properties
- Mixed-use properties
- New Benefit Areas
- University of Washington-owned properties
City Accountability

• Baseline services agreement

• SPD Recruitment & Retention Initiative (August 2022)

• Increased investment in Downtown Parks

• Digital Kiosk Initiatives – revenue back to the DSA/MID

• 3rd Avenue Initiatives (clean, safe, security, social services)

• Mayor’s Budget with Downtown-specific investments
Budget ‘23 / ‘24

• Total collections: $18 million
• Assumes proposed rate and CPI adjustments in subsequent years
• Reduce operating reserve from 9% to 4% ($590k beginning reserve)
• Assumes modest increase from new development ($150k in MID revenue)
Services Plan for ‘23 / ‘24

• Sustain security investment

• Increase ambassador wages by 5%

• Additional advocacy position to focus on City service delivery

• 10% increase in cleaning services

• Potential additional activated & programmed spaces with private/city investment
MID Assessment Formula*

- Base Formula: $0.37 / $1,000 **Total Appraised Value** + $0.40 / **Land Sq. Ft.**

- Ceilings:
  - $1.84 / $1,000 **TAV**
  - $0.21 / **Building Sq. Ft.**
  - **Hotels**: $97 / Room
  - **Residential**: $152 / Unit
  - **Surface Parking**: $0.70 / $1,000 **TAV**
  - **Nonprofits**: 25% of Base Formula (in charitable use)
  - **Special Properties** (UW; Waterfront: Pike Place Mkt.; etc.)

*Projected 2023 Rates adjusted with CPI-U inflation factor since 2013*
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*Projected 2023 Rates adjusted with CPI-U inflation factor since 2013

* Each year, assessments increase by CPI-U Seattle or 3%, whichever is less

* Every 3rd year, assessments are recalculated based on updated assessor data
Assessment & Equity Adjustments

• Support $18 million budget for ‘23/’24
• Rebalance Residential & Hotel assessments with Office assessments
• Rebalance assessment ceilings
• Bring UW Tract assessment into alignment
• Plan for reasonable and predictable cost escalation over time
Assessment & Equity Recommendations

- Keep the Total Appraised Value factor the same ($0.37)
- Increase the Land Sq. Ft. factor by 15% to $0.45
- Increase the Building Sq. Ft. ceiling by 15% to $0.24
- Eliminate the Total Appraised Value ceiling (near zero impact already)
- Increase the Hotel & Residential ceilings by 28% (phased-in over 2 years)
  - Hotels from $97 to $112 (1st year) to $125 (2nd year) /room/year
  - Residential from $152 to $175 (1st year) $195 (2nd year) /unit/year
- UW Tract at same formula as other properties
- Increase assessments by CPI-U each year (min. 2.5%; max 5.0%); Recalculate once in Year-5, for Year-6 assessments
Next Steps

- MID Board – prelim approval (THIS WEEK)
- DSA Board – prelim approval (THIS WEEK)
- MID Board – final approval (OCTOBER)
- DSA Board – final approval (OCTOBER)
- Petition process begins (NOVEMBER)
DSA / Metropolitan Improvement District

Reauthorization: 2022-23

Reimagination

Jan
Feb
Mar
Apr
May
Jun
Jul
Augs
Sep
Oct
Nov
Dec
Jan '23
Feb '23
Mar '23
Apr '23
May '23

Leadership
Process & Goals
Leadership
Situation & Ideas
Leadership
Renewal Strategy
Leadership
Next Steps
Leadership
Boundary Changes
Leadership
Assessment Model
Leadership
Service Plan & Budget
Leadership
Review Plan

MID Board
Jan 25: Process & Timeline

MID Board
Mar 29: Services Trial & Renewal Strategy

Key Ratepayer Discussion
Best Practices Research
City Check-ins: Parameters & Process
Interviews
Staff Surveys

Business Plan Group:
✓ Ratepayer Analysis
✓ Assessment & Boundary Scenarios
✓ Budget & Service Planning
✓ Ratepayer Communication

Major Ratepayers

Ratepayer Outreach

Services Trial

MID & DSA Boards

Approval of Final Service & Business Plan

Final Proposal

Petition Launch

Petitions to City

Council Process

Council Action & Renewal

Council Package & Ordinance

Council Briefings

Media & Ratepayer Campaign

Petitions