



# DOWNTOWN SPOKANE BUSINESS IMPROVEMENT DISTRICT (BID)

## Special Assessment Matrix

### SPECIAL ASSESSMENTS

Chapter 4.31 of the Spokane Municipal Code (SMC), as originally adopted in Ordinance No. C-32923 and as subsequently amended by the City Council, provides for the levy of special assessments upon businesses and properties within the area designated as the Downtown Business Improvement District (BID). The City of Spokane will levy and collect special assessments on an annual basis within the BID from tenants and property owners according to the following assessment formula.

#### I. TENANT ASSESSMENT FORMULA

All tenant assessments are based upon square footage of space per lease except where noted. *There is an annual minimum assessment of \$116.25 per tenant.*

Type of Tenant	Zone 1	Zone 2	Zone 3	Zone 4
Retail Tenants -Ground floor and skywalk	\$0.35	\$0.20	\$0.16	-0-
Office Tenants -Ground floor and skywalk	\$0.20	\$0.19	\$0.15	-0-
Office and Retail Tenants -Upper floors and basement	\$0.15	\$0.14	\$0.12	-0-
Manufacturing Tenants	\$0.15	\$0.14	\$0.12	-0-
Commercial Parking -per space assessment	\$4.82	\$4.02	\$3.21	-0-
Commercial Theaters -per seat assessment	\$4.02	\$3.06	\$2.58	-0-
Apartments -per unit assessment	\$6.44	\$5.62	\$4.82	-0-

#### II. PROPERTY OWNER ASSESSMENT FORMULA

Property owner assessments are based upon current values for land plus improvements, no exemptions, and are calculated at a rate per \$1,000 of total assessed value. Each property, including its tenants, shall be assessed under both the tenant and property owner formulas. *There is an annual minimum assessment of \$116.25 per property parcel.*

Type of Owner	Zone 1	Zone 2	Zone 3	Zone 4
Private Property	\$1.16	\$1.16	\$0.74	-0-
Government	\$0.84	\$0.84	\$0.64	-0-
Residential/Condominiums -per unit assessment	\$0.64 up to a max of \$227.21	\$0.64 up to a max of \$227.21	\$0.42 up to a max of \$227.21	-0-
Public Facilities District	\$0.33	\$0.33	\$0.33	-0-

Combined Tenant/Owner	Zone 1	Zone 2	Zone 3	Zone 4
Hotels and Motels -per room assessment	\$32.15	\$32.15	\$32.15	-0-

#### III. GOVERNMENT PARK PROPERTY ASSESSMENT FORMULA

Type	Zone 4
Public Parks -per acre assessment	\$192.31

## Appendix B – 2026

### IV. GENERAL EXEMPTIONS

The following will be exempt from special assessments, but may choose to voluntarily pay an assessment to receive BID services:

1. Tenants and property owners recognized under Section 501(c)(3) of the Internal Revenue Code as a tax exempt non-profit charitable organization.
2. Government agencies exempt from taxation pursuant to state or federal law.
3. Organizations conducting business in the BID less than 30 days per year.

### V. ASSESSMENT POLICIES

1. Assessments are based upon four zones. Within each zone, the city will levy and collect special assessments at different rates based on the entity being a tenant or property. A map of the benefit zones can be found at: <https://downtownspokane.org/bid-assessment-guide>.
2. Each property, including its tenants, shall be assessed under both the tenant and property owner formulas.
3. No historic tax credit or other exemptions that would decrease the assessed value of land or improvements will be used to calculate the annual property assessment.
4. A minimum assessment of \$116.25 is levied for each eligible tenant and/or property parcel within the BID. Square footage may be combined for office or retail tenants occupying multiple spaces in one building to meet the minimum.
5. Public parks will be assessed for both property and tenancy at one rate per number of acres.
6. Hotels and motels will be assessed for both property and tenancy at one rate per number of rooms. Commercial tenants located in hotels are assessed at the corresponding tenant rate.
7. All parking that is open and accessible to the public, including hotel lots and garages, for which a fee is charged, shall be assessed on the same basis as commercial parking. For purposes of this assessment, commercial parking is defined as a parking space that is open and accessible to the public for which a charge is assessed for the privilege of parking a vehicle in the parking space for a set time.
8. The property owner of record shall be responsible for apartment and parking assessments. While an alternate contact may be provided (e.g. property manager), the property owner is responsible for the assessment.

### VI. Assessment Rate Increases

Special assessments for all flat-fee assessments are adjusted based on the increase, if any, of the Consumer Price Index of the Western U.S. City Average for all urban consumers (CPI-U). The percentage increase in the assessment formula shall be computed as  $\frac{[(\text{Ending CPI-U (current year)} - \text{Beginning CPI-U (Prior Year)}) \div \text{Beginning CPI-U}] \times 100}{1} = \text{Percentage Increase}$ .

### VII. DISPUTES

Most assessment questions are quickly resolved by the City of Spokane with support of the Downtown Spokane Partnership (DSP). If a satisfactory conclusion is not reached, a ratepayer aggrieved by the amount of an assessment shall request within sixty (60) days from the date of the assessment, a meeting and/or hearing before the BID Ratepayer Advisory Board.

If not satisfied with the decision of the Ratepayer Advisory Board, appeal, within ten days from the date of the decision, the matter de novo, to the City hearing examiner in the manner provided for under the City's municipal code. An Assessment Resolution Policy, which fully outlines the appeal process, is available at the DSP office.

### ASSESSMENT GUIDELINES

The following guidelines are provided as a supplement to detail how the city will levy special assessments:

- Property owner is defined as the Owner for the parcel identified by the Spokane County Assessor's Office and tenant is defined by the name or organization on the lease agreement.
- A pro-rated assessment is not available to property owners, irrespective of whether a property is sold.
- Tenant assessment rates are annual and are based upon gross leasable space (including storage) except where noted.
- Manufacturing businesses should have their businesses classified, and assessments applied, consistent with other uses in the BID. Business classifications (i.e., office/manufacturing) should not be prorated for a single business operation. Per Section 4, Part E, "if multiple activities or uses are undertaken in a single business space, the predominant activity or usage shall determine the business classification." The predominant usage is that use that has the greatest proportional square footage of a building compared to other uses.
- A pro-rated assessment shall be available on request with proper documentation to tenants that close or move out of the BID area when a lease is terminated. The pro-rated assessment shall be assessed on request on a quarterly basis of three full months. For example, if a lease ends on Feb. 1, the tenant's pro-rated assessment will be Jan 1-Mar 30. Documentation of lease termination is required, this may include a letter from the property manager or owner, on letterhead, confirming the lease end date.
- When a tenant moves within the district, that tenant will be responsible for the assessment based on their previous location until the change is made for the next year's assessment roll.
- A tenant that moves into the BID area may request a pro-rated voluntary assessment. The pro-rated assessment shall be assessed quarterly, beginning the first day of the next quarter. For example, if a lease initiates Jun. 1, the tenant's pro-rated assessment would be Jul 1-Dec 31.
- Emailing BIDinfo@downtownspokane.org with documentation is the quickest way to receive a pro-rated invoice for a tenant assessment. The DSP will work with the City of Spokane to expedite.

### Assessments are billed by and collected by the City of Spokane Treasury Services.

For billing questions, contact the City of Spokane Taxes & Licenses department at [taxesandlicenses@spokanecity.org](mailto:taxesandlicenses@spokanecity.org).

### Ratepayer Notices

The City of Spokane contracts with the DSP to maintain assessment rolls. Information is updated annually using information from the Spokane County Assessor's Office for property parcels. Tenant information is provided by property owners and/or managers. The assessment rolls utilize information provided on Oct. 1 of each year and are mailed on or around Dec. 31. There may be discrepancies that arise in tenant and property information that changes between Oct. 1 – Dec. 31. Ratepayers are advised to report any tenancy or business name changes directly to the DSP by email at [BDInfo@downtownspokane.org](mailto:BDInfo@downtownspokane.org) as soon as possible to keep records current.

### Invoice Management and Payment Deadlines

Annual BID invoices are mailed on or around Dec. 31 for the following calendar year. Payment is due on or before Jan. 31. If a ratepayer elects to pay the assessment in two installments, there will be a \$10.00 service charge levied on each installment and 12% interest charged on the balance.

- Unpaid assessments are notified by late notice in February with a March due date. This is the last chance to avoid penalty fees and accrued interest.
- For ratepayers that pay in two installments, the second invoice is sent in mid-June, with payment due by July 31.
- Final unpaid notices are sent at the beginning of October with notice that any unpaid assessment, along with penalty fees and/or accrued interest will be forwarded to third-party collections if unpaid on Oct. 31.
- Once invoices are forwarded to collections, ratepayers must work with the city's collections vendor to settle accounts.

### Address Updates

It is the responsibility of each ratepayer to notify the City of Spokane and the DSP of any changes to names or current mailing addresses to receive invoices in a timely manner.

- Mailing address updates can be made any time by emailing [BDInfo@downtownspokane.org](mailto:BDInfo@downtownspokane.org) and [taxesandlicenses@spokanecity.org](mailto:taxesandlicenses@spokanecity.org).
  - Updating your mailing address with the BID ensures that the change will be reflected in the subsequent assessment rolls and with the City of Spokane ensures that all mailings for the remainder of the year are sent to the correct address.
- Digital invoices can be requested from the City of Spokane by emailing [taxesandlicenses@spokanecity.org](mailto:taxesandlicenses@spokanecity.org).
- Ratepayers can view their current-year balance online at <https://my.spokanecity.org/account/sign-in/>.

For more information about the BID, including a longer FAQ visit: <https://downtownspokane.org/bid-assessment-guide>.