



## BID RESPONSE

Responding To:

**Bid/Project Number: RFP 10885-25**

**Bid/Project Title: Business District Feasibility and Fromation**

**Closing Date: 12/8/2025 at 2:00pm PST**

Submitted By:

Name of Company Submitting Response:  
Uncommon Bridges

Printed Name of Person Submitting Response:  
Noel Frame

Email:  
noel@uncommonbridges.com

Signature of Person Submitting Response:

Signed by:

*Noel Frame*

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Date:  
~~12/8/2025~~

Attach Your Bid/Proposal:

Remember to sign your bid/proposal



Attach all pages of your response here



December 8, 2025

# Business District Feasibility Formation

## Proposal for: City of Redmond

Dear Selection Committee Members,

Uncommon Bridges is a leader in urban place management. We specialize in supporting the creation, expansion, evaluation, and reauthorization of assessment districts. We are experts in building consensus and unlikely coalitions, communicating complex information, demonstrating leading ideas, and shaping organizations. We have a track record of leading difficult negotiations to consensus for assessment districts.

We are enthusiastic about supporting the City of Redmond in evaluating the feasibility and forming three new business districts that will strengthen business vitality, placemaking, and tourism. We are familiar with the City of Redmond from our work leading a study in 2023 on Racial Equity, Anti-Displacement Policies, and Middle Housing. We also participated in several regional trips with the mayor, sponsored by the Seattle Metropolitan Chamber of Commerce. We are currently analyzing the success of the Tourism Protection Area for Experience Redmond as part of a research report for the legislature on Washington Destination Marketing Organizations.

Our team has helped cities like Everett, Seattle, Tacoma, Olympia, and Portland to create, develop, and update their management plans to align with evolving needs, develop expanded and sustainable funding mechanisms, and negotiate the expansion of services. We have expertise in potential assessee engagement, iterative planning, data analytics, and legal and technical advice. Our services include consensus building around BID concepts, technical proposal development, direct ratepayer engagement, legislation, and public testimony.

Since 1985, our firm’s founding partner, Brian Scott, has helped form, expand, or renew over 50 assessment districts across the country in 17 states. As Partner in Charge for this project, he will focus on leading the engagement of Redmond stakeholders to ensure successful BID adoption. Jacqueline Robinette will serve as Project Director, building on her years of experience facilitating strategic planning and BID formation.

It would be our pleasure to collaborate with the City of Redmond on this important project to realize the goals outlined in your Economic Development Strategic Plan and Tourism Strategic Plan to foster thriving cultural and economic business districts within your city. Please don’t hesitate to contact me with any questions.

Best regards,

Noel Frame  
Managing Partner

### Our Team Expertise

The Uncommon Bridges Team brings expertise in ratepayer engagement, iterative planning, data analytics, and legal and technical advice. We offer:

- Top-tier national expertise in BID formation, renewal, and expansion
- Deep knowledge and relationships of the region
- Outstanding data analytics, mapping, and visualization
- Hands-on experience of taking BIDs from ideas to mature organizations
- Direct, on-site, strategic engagement with City staff and stakeholders.

### Proposer Information

Uncommon Bridges, Inc.  
Legal Status: S-Corporation (inc. 2009)  
State Of Incorporation: Washington  
1932 1st Avenue, Suite 814  
Seattle, Washington 98101  
Uncommonbridges.com

Brian Scott, Founding Partner  
Brian@uncommonbridges.com  
1-949-230-9130

Noel Frame, Managing Partner,  
Noel@uncommonbridges.com  
360-241-6635

If appointed to lead this project, our firm will obtain a City of Redmond business license.

## EXECUTIVE SUMMARY & OVERALL APPROACH

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Uncommon Bridges is a leader in business district revitalization, especially in forming, renewing, and expanding business improvement districts (BIDs). With more than 40 years of business district experience, Uncommon Bridges' founding partner, Brian Scott, helped write Oregon's enabling legislation for BIDs and led the effort to revise the state law twice to improve operations for local business districts. Since then, our firm has supported numerous communities nationwide in creating, managing, modifying, and renewing their BIDs. In addition, Uncommon Bridges has worked for City governments and BIDs in these efforts. Services include consensus building around BID concepts, technical proposal development, direct ratepayer engagement, legislation, and public testimony.

### Project Understanding

The City of Redmond is seeking consulting support to explore feasibility in forming and sustaining business districts in Redmond's centers of Downtown, Overlake, and Marymoor. The City's Request for Proposals describes two project phases, with Phase 1 including Research and Education (mostly internal to the City), Stakeholder Engagement and Visioning in the business districts, and preliminary analyses of organizational missions and budgets. Phase 1 involves producing a report on the opportunities and challenges of business district formation, including risk analysis and policy considerations. Additionally, a report will be compiled on the interest, feasibility, and timeline for district organization formation, as well as recommendations on readiness for district formation in each of the three districts. Phase 2 is focused on organizational development and the formation of one or more Business Improvement Districts. The City envisions Phase 1 to occur from February to May 2026 and Phase 2 from May to December 2026. The budget limit for the project is \$130,000, with \$50,000 for Phase 1 and \$80,000 for Phase 2.

Uncommon Bridges is uniquely qualified for this effort, with many dozen similar projects in the Puget Sound, across Washington, and throughout the country. We are deeply versed in Washington state law and have extensive local experience in the Puget Sound region, including in Redmond. We are also deeply committed to staying current on national best practices and innovative approaches, so that we can continuously improve our work and deliver the best value to the communities we serve. To that end, we are highly engaged in the International Downtown Association, where the personnel proposed for this project are both respected leaders and active learners of lessons from across the place management industry. Partner-in-Charge Brian Scott has been an active IDA member since 1985 and served on the board of directors twice (12 years total). Firm Partner Ishmael Nuñez is currently a member of the IDA board. Project Director Jacqueline Robinette is an IDA Education Committee member and a regular presenter at IDA conferences on fundraising, strategic planning, and district formation.

### A Note on Timing

We are delighted to undertake this effort, and the City's budget is sufficient to complete one or more districts (possibly all three). We also think the February-May timeline for Phase 1 is reasonable for internal research and education, as well as engagement, visioning, and conceptual planning and budgeting in three districts. In our experience, however, the timeframe of May to December for district formation is very ambitious. This is not a limitation on consulting capacity to complete the technical requirements, but rather the time-consuming nature of stakeholder engagement, iterative planning, and building support for potential ratepayers to support the formation of the Business Improvement District as it moves through the City Council process. We typically recommend a year as the minimum timeframe, and that is when the district organizations are well-prepared and have solid local reputations. For example, the formation of the Ballard BIA took two years, the SODO BIA took one year, and the formation of the Tacoma Hilltop neighborhood BIA, which we are currently working on, has taken more than two years. It often takes as long as two years to build support when local districts require organizational development work. From our conversations with City of Redmond staff, it appears that the Downtown, Overlake, and Marymoor organizations may need this.

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The approach, methodology, timeline, and budget that follow are based on our extensive experience with exactly this kind of work locally and nationally, but we expect to negotiate the details with the City before work begins so that we can deliver exactly what the City needs in an appropriate timeframe.

## Approach

We will begin with internal grounding on how city departments can benefit from business district organizing in Redmond. This means internal research and education through materials and presentations on different structures for business district organizations, with programming provided, lessons from other cities, connections to the Washington (and national) Main Street Program, creative districts, and other similar efforts, technical and legislative processes, as well as needed city systems to support business districts. We have both a long history and current work exactly like this in Seattle, Tacoma, Everett, Portland, Eugene, and other cities.

In our experience with specific districts, successful assessment district formation requires iterative planning between project leaders and ratepayers to flesh out scenarios and vet them with ratepayers and thought leaders for input. We then respond with revisions and refinement, and further vetting until a plan emerges that has strong ratepayer and City support.

The overarching questions in BIDs are: What do you intend to do? Where do you intend to do it? How much will it cost? And, how will the work be accomplished? This involves defining a scope of services and programs that align with property owner priorities and the needs of stakeholders to create a District Management Plan that balances the needs of ratepayer, the City, and the community, while ensuring reasonable funding. It is also important to differentiate proposed services from those that are (or should be) provided by the City, which often includes a formal agreement between the City and the place management entity that will be funded by the assessment. This agreement outlines who is responsible for which services, at what level, and what remedies are available if services fall short.

The objective is to detail a set of services that will provide sufficient benefits, at a reasonable cost, so that ratepayers are willing to support the proposal. Once a draft proposal has been sufficiently vetted with ratepayers to determine adequate support, it is time to circulate a petition for ratepayer signatures, initiate a petition drive, and go through the City Council approval process.

### ***Elements of Uncommon Bridges proven approach to business improvement district formation:***

**Key Property and Business Owner Engagement:** Early engagement and one-on-one interviews with key property and business owners are critical for BID formation. This engagement presents an opportunity to identify influential property and business owners, understand must-haves and deal breakers, and recognize the critical issues for those with a large stake in the business district. This process helps us to consider feasible options, build trust, and design BID recommendations that can be successfully marketed and implemented.

**Technical Analysis:** Determining the specifics of a BID structure is both technical and political. It requires analysis of county assessor data, projecting likely growth, and navigating the political nuances of various assessment options. Much of our work is at the junction of technical analysis and human facilitation among stakeholders to ensure the support of the proposed district.

**Iterative Planning:** Business Improvement Districts are funding mechanisms that allow property owners and tenants in a specifically-defined area to pool their resources to support services for their mutual benefit. Getting them passed requires agreement among prospective ratepayers about what services they are willing to fund at what level. Uncommon Bridges specializes in an iterative process aimed at building consensus.

**Legislative Process:** Washington State has a specific process by which city councils consider and authorize district formation. Most cities in Washington require a demonstration of ratepayer support (usually a petition signed by a majority of ratepayers), as well as specific ordinance language about boundaries, assessment mechanisms, services, budgets, and

governance, as well as a formal process of City Council review and public testimony. Uncommon Bridges has prepared each of these elements in line with the Revised Codes of Washington (Chapter 35.87A) and local requirements.

### Our Consensus-Driven Approach

- **Substantive Facilitation:** Uncommon Bridges is known for dynamic and substantive facilitation that guides the group toward a working consensus that everyone can accept. We develop real-time graphic displays, allowing everyone to know that they have been heard and helping the group build a common understanding of the current consensus and the next steps.
- **Individual Engagement:** In between meetings, we engage individual stakeholders in a safe environment for private discussion to identify individual must-haves and deal breakers, test tolerances for actions, and design upcoming group sessions. We encourage stakeholders to candidly express their thoughts and ask questions to build trust and ensure that group discussions address the most important issues.
- **Working Consensus:** We believe in outcome-driven consensus. This means that everyone has an opportunity to contribute, and a result emerges that everyone can accept. Tangible outcomes at every meeting keep people interested and engaged during the process and help participants build a sense of ownership over the final product. This, in turn, ensures that communication about outcomes begins immediately and continues into collaborative action.

Stakeholders from Capitol Hill discuss new business districts at a convening with the Office of Economic Development in the City of Seattle.



## QUALIFICATIONS

		Assess & Prioritize					Engage				Plan			Approve			
		Steering Committee	Needs Assessment	Compliance & Best Practices	Organizational Capacity	Strategic Planning	Outreach Strategy & Messaging	Survey	Key Ratepayer Outreach	Major University Adjacent	Public Meeting(s)	Ratepayer Work Group	Property Data Analysis	Assessment Methodology	Petitioning Support	Public Hearing	Council Process
Assessment District Formation	Ballard BIA (Seattle)	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆	◆	◆	◆	◆	◆
	SODO BIA (Seattle)	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆	◆	◆	◆	◆	◆
	Seattle Waterfront LID						◆	◆		◆	◆	◆	◆		◆	◆	◆
	Downtown Rochester BID (New York)						◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	
	Tacoma Hilltop BIA (Washington)	◆	◆		◆		◆	◆	◆		◆	◆	◆	◆	◆	◆	
	Vancouver Tower Mall BID (WA)						◆	◆									◆
	Downtown Indy Inc. (Indiana)	◆	◆	◆	◆	◆	◆	◆			◆		◆			◆	◆
	Seattle Manufacturing & Maritime Improvement Area	◆	◆	◆	◆	◆	◆	◆									
Telegraph BID (Berkeley, CA)	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆	◆	◆	◆	◆		
Assessment District Renew / Expand	Pioneer Square BIA (Seattle)	◆	◆	◆	◆		◆	◆	◆		◆	◆	◆	◆	◆	◆	◆
	Broadway BIA (Seattle)		◆	◆	◆		◆	◆	◆		◆	◆	◆	◆			◆
	Chinatown-International District BIA (Seattle)	◆	◆	◆	◆			◆		◆	◆	◆	◆				
	Downtown Everett BIA (WA)						◆	◆		◆	◆	◆	◆	◆	◆	◆	◆
	Eugene Downtown Services (Oregon)		◆	◆	◆		◆	◆	◆								
	U District Partnership (Seattle)	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
	Oakland (Pittsburgh)	◆	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆				◆
	Downtown Seattle/MID	◆	◆	◆	◆	◆	◆	◆	◆		◆	◆	◆	◆	◆	◆	◆
	Iowa City Downtown District (Iowa)	◆	◆	◆	◆	◆			◆				◆				
Coeur d'Alene (Idaho)	◆	◆		◆	◆	◆	◆			◆	◆	◆					
City Program	City of Seattle BIA Assistance Program		◆	◆	◆	◆	◆	◆		◆	◆	◆	◆				
	Portland Enhanced Services District Recommendations (Oregon)		◆	◆	◆				◆								
	Spokane BID Evaluation (Washington)		◆	◆	◆				◆		◆	◆					



# MORE THAN CLEANING STREETS: THE COMPREHENSIVE IMPACT OF DOWNTOWN SEATTLE'S MID

## CASE STUDY: METROPOLITAN IMPROVEMENT DISTRICT RENEWAL

In 1999 the Downtown community came together under the leadership of the Downtown Seattle Association (DSA) to form the Metropolitan Improvement District (MID). With support and funding from commercial and residential property owners within the MID boundaries, DSA provides an array of services to ensure a clean, safe and welcoming downtown for all. The downtown MID ratepayers and community members came together again in 2013 to request the City to renew the MID and it was renewed again in 2023.

As required by the City MID ordinance, a diverse advisory board of 35 property owners recommends an annual budget, program manager, and work plan, and provides ongoing input and oversight of MID programs. In addition to making sure downtown is clean, safe and a great place to live, work, and do business, the MID offers stability and employment, healthcare, and housing support to justice-involved individuals and those experiencing homelessness.

The MID is Washington's largest Business Improvement Area. Uncommon Bridges was the lead process, technical, and outreach consultant for renewal and expansion in both 2013 and 2023.

**Challenge:** The proposed expansion of the MID boundaries in 2013 (eventually a 30% increase in area and budget) was met by skepticism from bidders, especially condominium associations, who did not want to pay for services.

**Approach:** We led direct outreach to residential condominium associations throughout the district, especially in Belltown. In the end, the MID Renewal and Expansion garnered the support of ratepayers representing 62% of the assessment and received unanimous approval by the Seattle City Council.

**Renewal:** In 2023, recovery from the COVID pandemic and crises in homelessness, drug use, mental health, retail theft, and vandalism were at the top of everyone's minds. Skepticism about the MID's value from ten years earlier was replaced with enthusiastic support for renewal, a modest expansion in footprint, and a moderate expansion in budget. Petitioning went fast, with many long-time detractors signing on in support of the renewal.



**62%**  
ratepayer support

**Unanimous**  
support from City Council

<b>Location:</b> Seattle, Washington	<b>Est:</b> 1999
<b>Staff:</b> 51 FTE	<b>Term:</b> 10 Years
<b>Assessment:</b> \$18.06 million	<b>Total Budget:</b> \$19.3 million
<b>Service Area:</b> 1.17 sq miles, 285 sq blocks in 6 neighborhoods	

MID Business Plan:  
[MID 2023 - 2033 Business Plan](#)



# UNLOCKING BALLARD'S POTENTIAL: BIA RENEWAL AND EXPANSION

## CASE STUDY: BALLARD BUSINESS IMPROVEMENT AREA RENEWAL & EXPANSION

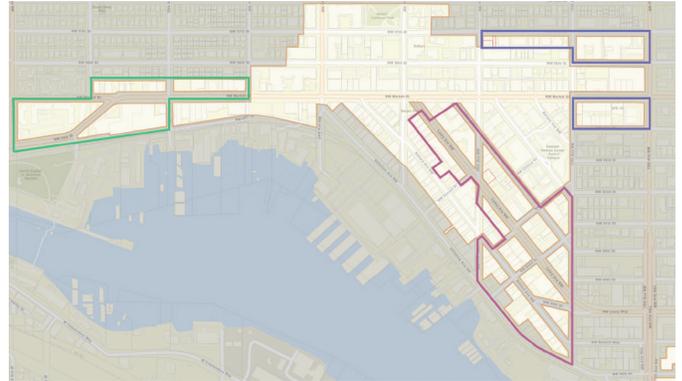
For nearly a century, the Ballard Chamber of Commerce served as a cornerstone of the Ballard community, fostering business growth and civic engagement. In 2017, the Chamber transformed into the Ballard Alliance, a non-profit organization administering the projects and programs of the Ballard Improvement Area. Driven by a vision to better serve the evolving needs of Ballard's businesses, residents, and property owners, the BIA was formed to provide a broader range of services and support to the neighborhood.

In 2024, the BIA was re-authorized with a modest expansion of its geographic boundary. Ballard's deep maritime roots and Nordic influences, with the backdrop of historical buildings and time-honored events, are embedded in the unique culture of Ballard today. The Ballard Alliance, through the work done on behalf of the BIA, plays a crucial role in preserving and promoting this unique culture, supporting local businesses, and fostering community initiatives that ensure Ballard remains a thriving, diverse, and economically vital Seattle neighborhood for residents, business owners, property owners, and visitors alike.

The Ballard BIA engaged the support and services of Uncommon Bridges to navigate the authorization of a new BIA ordinance through City Council.

**Challenges:** As residential assessments make up more than 40% of the Ballard district budget, the relationship with residential owners and tenants posed a particular challenge. Ballard has a popular nightlife scene, and balancing the interests of bars, restaurants, and retail was a challenge, as retail could not afford the same rents as restaurants.

**Approach:** After completing an organizational strategic plan in 2022, the Ballard Alliance was poised to renew its BIA to fund projects and initiatives for the Ballard business district. We spent significant time in rooms with developers, operators of apartment buildings, and resident advocates to get them to a place where they were not fighting the plan and assuring them that it would not price them out of the neighborhoods. We facilitated a series of key stakeholder meetings to reach consensus on the key elements of the updated BIA business plan. We also worked closely with staff and board leadership to support the Alliance through the BIA petitioning and Council process.



**25%**  
boundary expansion

**12 year**  
renewal cycle

**\$1.1M**  
nearly doubled assessment

<b>Location:</b> Seattle, Washington	<b>Term:</b> 12 years
<b>Est:</b> 2017	<b>Assessment:</b> \$1.097 million
<b>Staff:</b> 6 FTE	<b>Total Budget:</b> \$2.192 million
<b>Service Area:</b> 0.17 sq miles	

For more information online:  
[Ballard Alliance Strategic Plan](#)  
[BIA Renewal & Business Plan](#)



# FORGING A STRONG PARTNERSHIP BETWEEN A WORLD-CLASS UNIVERSITY AND ITS FRONT PORCH

## CASE STUDY: U DISTRICT STRATEGIC PLAN, BIA REINVENTION + RENEWAL

Uncommon Bridges was the primary facilitator, process lead, technical and outreach consultant for the reinvention and expansion of the U District BIA adjacent to the University of Washington main campus.

Passage of the BIA culminated a 3-year effort to re-imagine and vitalize the U District’s leadership to be more balanced among businesses, property owners, residents, the University, social service agencies, and faith communities. We served as facilitator and project manager for a process that led the U District Chamber of Commerce to reconfigure itself into the [U District Partnership](#), with a multi-disciplinary public-private board of directors.

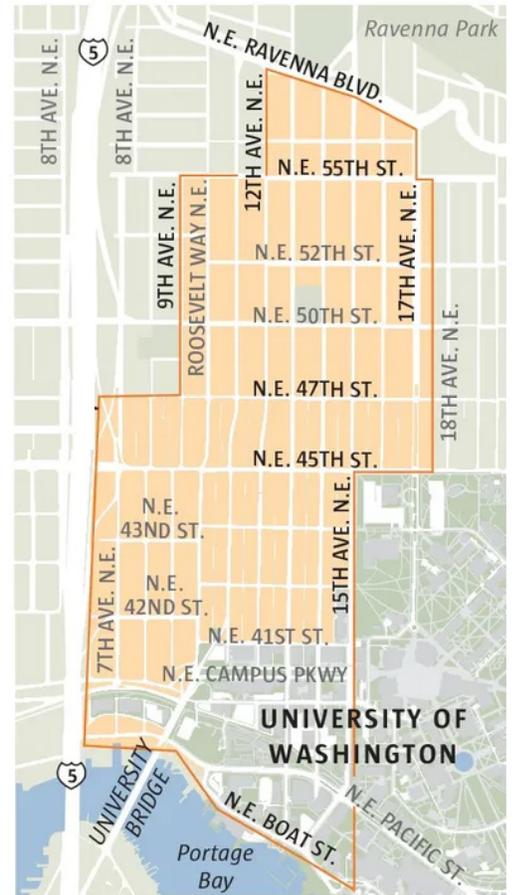
**Challenge:** Overcoming a long-standing antagonism between the business district and the university that gives it its name, economic foundation, and reason for being. Helping the University of Washington overcome significant barriers to growth, allowing for new housing, new classrooms, and a more desirable neighborhood for faculty and student recruitment.

**BIA Reinvention:** When Uncommon Bridges engaged with the U District in 2012, the University District Chamber of Commerce was in tough shape. It’s budget, programs, partnerships, and community reputation were in tatters.

**Approach:** This effort required a fine-grained, parcel-by-parcel analysis of who owns what and of individual motivations for the district. Using in-depth research, strategic communications, active facilitation, careful listening, and catalytic leadership, we helped the U District community craft a work plan and funding strategies tailored to local needs and ensured passage through the Seattle City Council in 2015.

**Results:** Over a 3-year process of engagement, partnership building, strategic planning, and district formation, we helped reinvent the organization as a thriving community-university partnership with a multi-million dollar budget, robust programming, and enviable national reputation.

**Renewal:** We helped the U District Partnership renew and expand the BIA in 202, achieving a \$2 million annual budget and a 12-year term.



**65%**  
ratepayer support

**Unanimous**  
support from City Council

BIA Business Plan online:  
[U District Partnership](#)

<b>Location:</b> Seattle, Washington	<b>Established:</b> 1996
<b>Term:</b> 12 Years	<b>Rinvented:</b> 2015
<b>Service Area:</b> 75 sq blocks	<b>Renewed:</b> 2020
<b>Staff:</b> 9 FTE	<b>Assessment:</b> \$2 million
	<b>Total Budget:</b> \$2.3 million



# ORGANIZING A VOICE FOR A PORT-ADJACENT DISTRICT IN TRANSITION

## CASE STUDY: SODO BUSINESS IMPROVEMENT DISTRICT & ORGANIZATIONAL DEVELOPEMNT

The SODO BIA represents a vibrant mixed industrial and commercial neighborhood south of downtown Seattle that includes the Port of Seattle and two major stadiums (Major League Baseball; National Football League; Major League Soccer).

**Challenge:** With almost no residential population, SODO long struggled to have an effective voice with elected officials, as it also contended with the myriad issues faced by urban districts everywhere. Compounding these challenges, their lack of voice made SODO an easy place to locate unpopular land uses with noise, smells, and challenging clientele.

In 2011, the once-vital SODO Business Association was fractured. With the neighborhood in transition from its historic manufacturing and industrial base toward office and service commercial, and logistics uses, property and business interests were also changing. Despite conversions of many properties (personified by COSTCO's first retail store and the world headquarters for Starbucks locating in a former Sears & Roebuck warehouse), many clung to the image of SODO in its traditional role. The Port of Seattle also worried about increasing traffic impeding freight movement to its shipping facilities.

**Approach:** The City of Seattle Office of Economic Development asked Uncommon Bridges (then BDS Planning & Urban Design) to assess the existing business association and help area property and business owners confront current realities and organize a sustainable response. Uncommon Bridges helped conceive and create the SODO Business Improvement District and then supported a renewal and expansion, facilitated a strategic plan for the newly formed BIA leadership organization, and subsequently conducted a racial equity in urban place management training for the board and staff.

**Formation, Renewal, Expansion:** Uncommon Bridges led formation of the SODO BIA in 2013, gaining City Council approval for long-term sustainable funding for place management. We provided technical and strategic guidance to the SODO BIA for reauthorization and expansion of their district in 2018, doubling their geography and budget. Uncommon Bridges is currently facilitating a strategic plan update, as well as providing technical and strategic guidance for reauthorization that is due at City Council in 2028.



**Advocacy**  
for a district in transition

**Doubled**  
service area & budget

Link to Plan: [SODO Strategic Plan](#)

<b>Location:</b> Seattle, Washington	
<b>Est:</b> 2013; expanded/renewed 2018	
<b>Service Area:</b> 950 acres	<b>Number of staff:</b> 7 FTE
<b>Assessment Term:</b> 10 Years	
<b>Assessment Total:</b> \$1.6 million	<b>Total Budget:</b> \$1.9 million

## METHODOLOGY

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### Task 1: Project Management

- **1.1 Time, Task & Budget Management**

We are committed to bringing the project in on time and on budget with high client satisfaction. Daily time sheets, financial record keeping, and regular client communication make this both possible and simple.

- **1.2 Bi-weekly Project Planning Check-ins**

We believe close communication with the client keeps everyone up to speed, avoid misunderstandings, and ensure efficient product delivery. Accordingly, we recommend regular calls between Uncommon Bridges and City project managers to review progress, schedules, outstanding tasks, and related issues. Bi-weekly calls are probably appropriate for this effort.

- **1.3 Core Team Coordination Meetings**

The Uncommon Bridges team will support the City's project manager in meetings with other city staff as needed. We budgeted this at 2-3 hours per month through 2026.

- **1.4 Leadership & Council Briefings**

The Uncommon Bridges team will provide briefings and presentations to City Council and other City leaders as requested. We have budgeted this at an average of 1-2 hours per month through 2026.

### Phase 1: Research, Education, & Feasibility Analysis

#### Task 2 – Research & Education — approximately 1 month

- **2.1 Internal Research**

Uncommon Bridges will work with the City's project manager to identify city departments and programs that might benefit from stronger business district organizations.

- **2.2 Internal Education (materials & presentations)**

Uncommon Bridges will prepare materials for and make presentations to city staff on the many different benefits, structures, programs, services, budgets, and funding mechanism of assessment districts for place management.

- **2.3 Local Organizational Landscape Analysis**

Uncommon Bridges will work with city staff to assess the array of existing organizations in Redmond that might serve as place management organizations for the Downtown, Overlake, and Marymoor districts.

- **2.4 Deliverable: Report & Recommendations**

Following the analysis above, Uncommon Bridges will prepare a succinct report on opportunities and challenges with business district formation in Redmond, including risk analysis and policy considerations, as well as recommendations on timeline and order of opportunity for forming new or further developing existing organizations in Redmond's urban centers.

#### Task 3 – Stakeholder Engagement & Visioning — approximately 1 month

- **3.1 Stakeholder Identification**

Uncommon Bridges will help city staff identify key external stakeholder to join conversations about further organizing business districts.

- **3.2 Study Trips**

Uncommon Bridges will organize and lead study trips to other business districts and BIDs in the Puget Sound region. We have extensive relationships with these organizations and a thorough understanding of their programs, structures, and funding, as well as their strengths and weaknesses. Likely candidates may include Everett, Edmonds, Tacoma, and Bellevue, as well as Ballard, SODO, and Pioneer Square in Seattle, among others.

- **3.3 Visioning Sessions**

Uncommon Bridges will facilitate joint City and stakeholder visioning sessions with each business district to consider various options for each urban center, including structures, pathways to formation, services and funding.

- **3.4 Deliverable: Report on Interest & Feasibility**

Uncommon Bridges will prepare a report on interest, feasibility and timeline for district organization formation in Redmond's urban centers.

**Task 4 – Preliminary Organizational Missions & Budgets — approximately 1 month**

- **4.1 Budget & Revenue Scenarios**

Based on the Visioning Sessions above, Uncommon Bridges will develop one or more budget and revenue scenarios for each of the three urban centers. We will use GIS mapping and analysis to evaluate property characteristics and ownership and explore assessment scenarios, as well as other options.

- **4.2 Organizational Analysis**

Based on the Visioning Sessions above, Uncommon Bridges will evaluate the readiness of the existing organizations in each urban center to take on assessment district formation. Analysis will include the existing organizational structure, participation, current programs, reputation, and stability over time.

- **4.3 Readiness Assessment**

Uncommon Bridges will summarize the above analyses into a readiness assessment of each urban center.

- **4.4 Deliverable: Recommendations on Readiness**

Based on all the above, Uncommon Bridges will provide the City of Redmond with professional recommendations on the readiness of each urban center for organizational development, management, funding, assessment district formation, and sustainability.

**Phase 2: Organizational Development & District Formation**

Assuming the City of Redmond decides to proceed with Phase 2, Uncommon Bridges is ready to provide consulting support as follows.

**Task 5 – Organizational Development & District Formation — 8 months or longer**

- **5.1 New Organizational Development**

Where appropriate as determined in Phase 1, Uncommon Bridges will work with the City and local stakeholders to form a new place management organization, including facilitation of a steering committee (and eventually a board of directors), incorporation with the State of Washington, application for tax status with the Internal Revenue Service, bylaws development, business plan, initial funding strategy, staff recruitment, and a workplan and timeline for BID formation.

- **5.2 Existing Organization Reorganization**

Where appropriate as determined in Phase 1, Uncommon Bridges will work with the City and local stakeholders to reorganize and strengthen existing organization(s), including technical assistance, training, board development, budgeting, bridge funding, program development, and a workplan and timeline for BID formation.

- **5.3 Business Improvement District Formation**

Once the urban center place management organizations are ready, Uncommon Bridges will work with them on forming a Business Improvement District to provide long-term stable funding. This will include comprehensive ratepayer analysis (again using GIS), assessment mechanism, boundary, ratepayer engagement, political navigation, program planning, and staffing needs, as well as navigation of the petitioning and City Council processes.

Note: As noted earlier, in our experience, formation of a Business Improvement District often takes 1-2 years or longer. We understand that the City's current timeline is for ten months, including both phases. We are prepared to proceed on that timeline, but want to be clear that it is likely to take a bit longer to get the districts organized, gain ratepayer consensus and support, and navigate the petitioning and City Council processes.

## PROJECT SCHEDULE

---

### Background & Grounding

To get up to speed on the realities, issues, and opportunities in Redmond, we will review existing documents provided by the City and investigate the dynamics of property and businesses in districts for consideration. Property analysis may be through examining data the City already has, and is likely also to include accessing the King County Assessor's property records. Business analysis may also be through City records but could also include direct field analysis. Cost Breakdown:

- Initial meeting and tour of the district(s) with City staff. (2x2 = 4 hours)
- Data review and analysis. (2+2-8 = 4-10 hours)
- Follow-up meeting with City staff to review findings (2x2 = 4 hours)
- **12-18 hours total** (depends on state of existing data)

### Internal Engagement: City Staff & Management

To prepare the City of Redmond for considering Business Improvement Areas as a local economic development tool, Uncommon Bridges will brief City staff on BIA basics and facilitate discussions of issues, opportunities, and potential policy requirements. Cost Breakdown:

- BIA 101 presentation for City staff. (2x2 = 4 hours)
- 1-on-1 follow-up discussions with key staff and management (4-8 hours)
- Facilitation and technical support as needed (6-20 hours)
- **12-32 hours total** (depends on number of 1x1 and group discussions)

### External Engagement: Business & Property Owners

We will work with City staff to identify a small group (5-10) of significant and influential stakeholders (especially potential ratepayers) educate and ascertain levels of interest in district formation. This should be a group of who knows their district well, have a major stake, and are respected by their peers. Ideally, this initial group will be individuals who are generally cooperative with community improvement efforts and inclined to cooperate with the City.

If (and only if) the BID effort proceeds, this group would meet several times to guide the process, consider options, craft a final proposal, and elicit support for that proposal among their peers. But this initial time estimate, we assume they will meet twice as a group before and after individual conversations with Uncommon Bridges. Cost Breakdown:

- BIA 101 presentation for with key stakeholders. (2x2 = 4 hours)
- 1-on-1 follow-up discussions with key stakeholders (4-8 hours)
- Follow-up meeting with key stakeholders to determine next steps (2x2 = 4 hours)
- **8-16 hours total** (depends on number of key stakeholders)

### Organizational Development

Organizational assessment and development for place management organizations is a core service for Uncommon Bridges. We have helped form, reorganize, grow, and/or reinvent scores of organizations to enable them to be effective district managers. This always includes an assessment of the organization's strengths, weaknesses, opportunities, and threats as we begin, and often includes ongoing facilitation, coaching, and/or direct management support.

For Redmond, this would include initial meetings with one or more possible district management organizations (such as an historical society, chamber of commerce, or business association), and potentially on-going support through BID formation and management. Cost Breakdown:

- Initial organizational assessment. (6 hours)

- Organizational development work plan development. (4 hours)
- On-going assistance. (4-8 hours/month or more)
- **10 hours + 4-8 hours/month** (depends on level of needed support)

**Project Coordination & Management**

We believe in hands-on project management in close communication with the client. Regular phone calls, in-person meetings, and e-mail communication keep everyone up to speed, avoid misunderstandings, and ensure efficient product delivery. We are committed to bringing projects in on time and on budget with high client satisfaction. Daily time sheets, financial record keeping, and regular client communication will make this possible.

For effective project management, we recommend regular calls between Uncommon Bridges and Redmond’s project manager to review progress, schedules, outstanding tasks, and related issues. Bi-weekly calls are probably appropriate for this effort. Cost Breakdown:

- Project Management. (1-2 hours / month)
- On-going Coordination & client check-ins. (2-3 hours / month)
- **3-5 hours/month** (depending on the pace and complexity of the work)

**PROJECT TEAM**

Our dedicated project team is ready to offer our deep bench of experience, expertise, and in-person support for your business district feasibility and formation. All of them will be available for the duration of your project.



**Jacqueline Robinette** (she/her) will serve as **Project Director**. Jacqueline is the Organizational Development Lead at Uncommon Bridges. She has led the facilitation of strategic plans for downtowns and assessment districts nationwide and specializes in guiding clients through complex challenges, building consensus, and developing clear, actionable plans. She is an expert in helping clients She holds a Master’s in Public Administration from the University of Washington.

**Selected Relevant Projects:**

- Telegraph BID 2025 Work Plan, 5-Year Strategic Plan, & BID Renewal Berkeley, CA
- NORCOM 911 – Strategic Plan, Bellevue, WA
- Tampa Downtown Partnership Strategic Plan
- Downtown Partnership of Baltimore Strategic Plan
- Seattle Office of Economic Development – BIA District Formation & BIA Policy & Tools Support
- Downtown Seattle Association, MID Update & State of the Arts & Culture Sector Facilitation
- Downtown Indy Inc. Strategic Plan
- DowntownDC BID Strategic Plan
- Downtown Ausitn Alliance Strategic Plan
- Iowa City Downtown District Strategic Plan & BID Renewal
- Chicago Loop Alliance Strategic Plan
- National Landing BID Organizational Development, Arlington, VA



**Brian Douglas Scott** (he/him) will serve as **Partner-in-Charge**. Brian’s 40+ year career has been all about building consensus toward vibrant and livable downtowns. Since founding the firm in 2009, Brian has led scores of strategic planning efforts for place management nonprofits in a dozen states and throughout the Pacific Northwest. Brian specializes in projects that call for his facilitation skills, political instincts, and focus on implementation. He’s twice served on the International Downtown Association board of directors and holds a Ph.D. in Urban Studies from Portland State University.

**Selected Relevant Projects:**

- Telegraph BID Work Plan, 5-Year Strategic Plan, & BID Renewal, Berkeley, CA
- NORCOM 911 – Strategic Plan, Bellevue, WA
- Downtown Seattle Association Strategic Plans & BIA Renewal
- Ballard Alliance Strategic Plan, Implementation, BIA Formation & Renewal
- Iowa City Downtown District Strategic Plan & BID Renewal
- Seattle BIA Renewals & Expansions for Capitol Hill, West Seattle, Chinatown / International District
- DowntownDC BID Strategic Plan
- Downtown Rochester Strategic Plan & BID Formation, Rochester, NY
- Downtown Everett (WA) BIA Renewals & Expansions
- City of Tacoma (WA) Business Improvement Areas Formation
- U District Strategic Plan, BID Formation & Renewal (Seattle)
- Oakland BID Renewal & Strategic Plan, Pittsburgh, PA



**Andrés Mantilla** (he/him) is a Partner at Uncommon Bridges and will serve as **Strategic Advisor**. He oversees the firm’s Policy and Program Development portfolio. He has 20 years of experience in facilitation, policy development, data analysis, and engaging diverse stakeholders and communities, including four years as the Director of the City of Seattle’s Department of Neighborhoods, leading community engagement and planning initiatives for the City. He was recently named Director of the Transition Team for Mayor-Elect Katie Wilson. Andrés holds a Bachelor’s Degree from University of California-Santa Barbara.

**Selected Relevant Projects:**

- Seattle Office of Economic Development BIA District Formation, Policy Support & Tool Development
- City of Tacoma Business Improvement Areas Formation
- Enhanced Service Districts, City of Portland
- Seattle Metropolitan Chamber of Commerce Membership Vision Survey
- City of Eugene – Downtown Services Strategic Plan
- Puget Sound Energy, Priority Framework
- Sound Industrial Association - Organizational Development and Foundational Documents
- Waterloo Greenway Strategic Plan
- Downtown Emergency Service Center Strategic Plan



**Skylar Benson** (she/her) will serve as **Project Manager** for this project. Skylar brings five years of experience supporting inclusive community building, program development, event planning, consensus facilitation, and strategic planning. She supports our firm across our business district portfolio with clients like the Seattle Office of Economic Development, the City of Portland, and the City of Tacoma. She holds a Bachelor’s Degree in biology from Boise State University.

## BUDGET

Uncommon Bridge proposes to deliver a deliverable to client based on the approach provided for \$130,000. We expect to negotiate details and contract terms to meet client’s needs. Our blended Rate across our experts is: \$210/hour.

PHASE / TIMELINE	ACTIVITIES	HOURS / FEE
<b>Project Management, Planning &amp; Leadership Communication</b>		
<b>Task 1: Project Management</b>	<ul style="list-style-type: none"> <li>1.1 Time, Task &amp; Budget Management</li> <li>1.2 Bi-weekly Project Planning Check-ins</li> <li>1.3 Core Team Coordination Meetings</li> <li>1.4 Leadership &amp; Council Briefings</li> </ul>	89 \$21,000
<b>PHASE 1: Research, Education, &amp; Feasibility Analysis</b>		
<b>Task 2: Research &amp; Education</b>	<ul style="list-style-type: none"> <li>2.1 Internal Research</li> <li>2.2 Internal Education (materials &amp; presentations)</li> <li>2.3 Local Organizational Landscape Analysis</li> <li>2.4 Deliverable: Report &amp; Recommendations</li> </ul>	46 \$10,000
<b>Task 3: Stakeholder Engagement &amp; Visioning</b>	<ul style="list-style-type: none"> <li>3.1 Stakeholder Identification</li> <li>3.2 Study Trips</li> <li>3.3 Visioning Sessions</li> <li>3.4 Deliverable: Report on Interest &amp; Feasibility</li> </ul>	62 \$13,000
<b>Task 4: Preliminary Organization Mission &amp; Budget Analysis</b>	<ul style="list-style-type: none"> <li>4.1 Budget &amp; Revenue Scenarios</li> <li>4.2 Organizational Analysis</li> <li>4.3 Readiness Assessment</li> <li>4.4 Deliverable: Recommendations on Readiness</li> </ul>	72 \$13,000
<b>PHASE 2: Organizational Development &amp; District Formation</b>		
<b>Task 5: Organizational Development &amp; District Formation</b>	<ul style="list-style-type: none"> <li>5.1 New Organizational Development</li> <li>5.2 Existing Organization Reorganization</li> <li>5.3 Business Improvement District Formation</li> </ul>	326 \$67,000
<b>Direct Expenses</b>	<ul style="list-style-type: none"> <li>Expense, expense</li> </ul>	\$6,000
<b>TOTAL PROPOSED FEE</b>		<b>\$130,000</b>

## CLIENT REFERENCES

### **Theresa Barreras**

Business Districts Manager  
City of Seattle, Office of Economic  
Development  
(206) 684-8090,  
[theresa.barreras@seattle.gov](mailto:theresa.barreras@seattle.gov)

RE: New BIA Exploration

### **Karl Lisle**

External Partnerships & Programs  
Manager  
City of Portland, Office of Management  
and Finance  
(503) 823-5876,  
[karl.lisle@portlandoregon.gov](mailto:karl.lisle@portlandoregon.gov)

RE: Portland Enhanced Service Districts

### **Debbie Bingham**

Economic Development Specialist  
City of Tacoma  
[debbie.bingham@cityoftacoma.org](mailto:debbie.bingham@cityoftacoma.org)  
Phone: 253.591.5117

RE: City of Tacoma Business  
Improvement Area Formation Services

### **Dan Eernisse**

Economic Development Director  
City of Everett  
[deernisse@everettwa.gov](mailto:deernisse@everettwa.gov)  
Phone: 425-257-8681

RE: Everett BIA Renewal

### **Mike Stewart**

Executive Director, Ballard Alliance  
206.784.9705,  
[mike@ballardalliance.com](mailto:mike@ballardalliance.com)

RE: Ballard Alliance Vision, Strategic  
Plan & BIA Renewal

Erin Goodman  
Executive Director SODO BIA  
206.294.3285  
[erin@sodoseattle.org](mailto:erin@sodoseattle.org)

RE: BIA Implementation &  
Reauthorization

### **Downtown Seattle: Metropolitan Improvement District Renewal**

“Uncommon Bridges managed stakeholder relationships very professionally and productively. We worked closely with them on the Seattle MID renewal (with several hundred property owners) and on the Pioneer Square BIA (with several hundred businesses). They did an outstanding job on both projects, facilitating discussions on challenging topics and leading a process where all parties had the opportunity for input.”

- Ryan Smith, Martin Smith Inc

### **DowntownDC BID**

“The team at Uncommon Bridges possesses valuable place management industry knowledge from across the country on business, placemaking, race, and equity. Hiring their firm affords you a national lens on your local challenges and adds a new dimension of expertise to your efforts.”

- Rachel Hartman, Chief Strategy Officer, DowntownDC BID

### **King County Executive Transition Committee**

“I’m so impressed with the way this event went today. From the moment I walked in, I felt the room was full of joy, energy, and opportunity. And because the event was so organized, the energy was able to flow into something productive.”

- **Girmay Zahilay**, King County Executive Elect, reflecting on Executive Transition Committee meeting that our team facilitated with 100 local leaders

# APPENDIX

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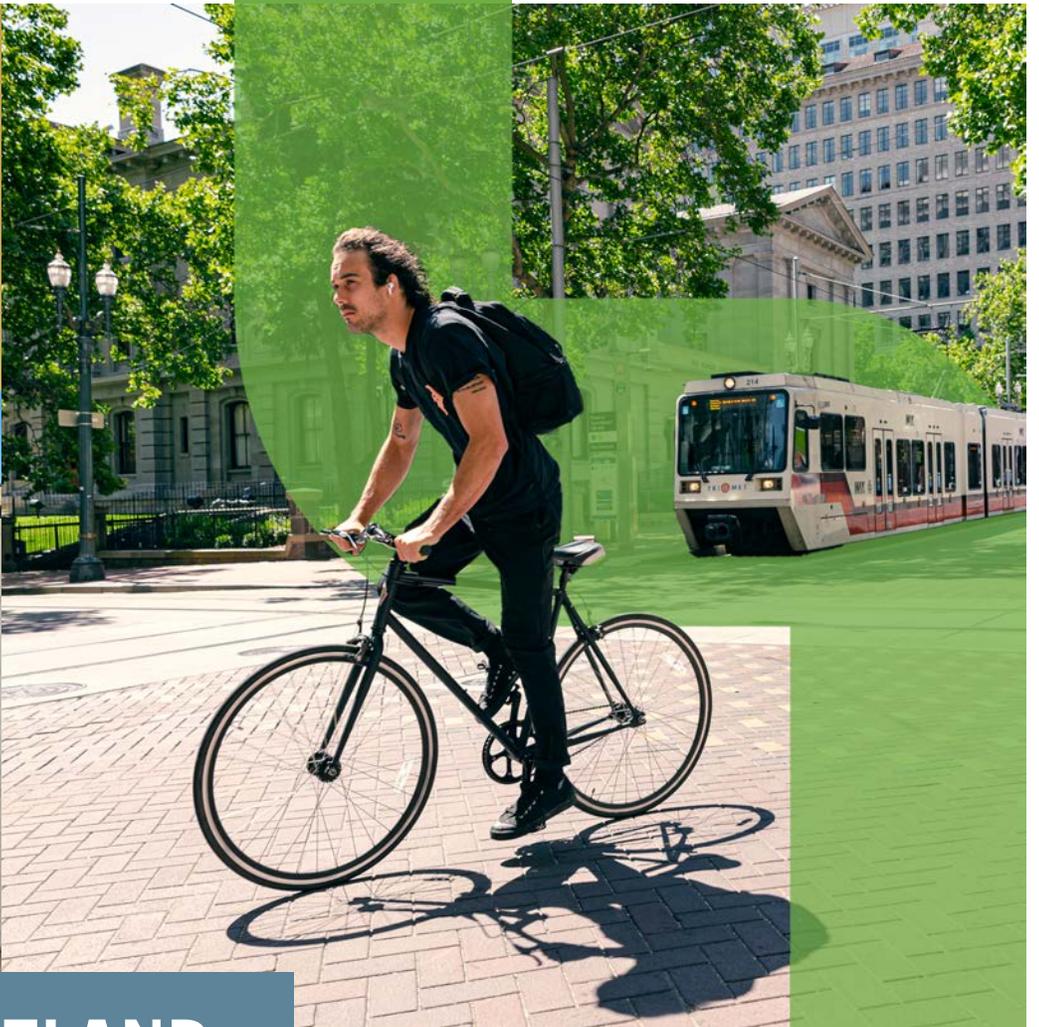
List of Contracts

## WORK SAMPLES

**Consultant's Name: Uncommon Bridges, Inc. November 2020 - November 2025**

- Alliance For Pioneer Square; Seattle, WA
- Ballard Alliance; Seattle, WA
- BHC Consultants, LLC; Seattle, WA
- City of Boise, ID
- City of Burien, WA
- Community Attributes Inc.; Seattle, WA
- Clackamas County, OR
- Downtown Everett Association; Everett, WA
- Downtown Long Beach Alliance; Long Beach, CA
- Downtown Partnership of Baltimore; Baltimore, MD
- Downtown Pasco Development Authority; Pasco, WA
- Downtown Seattle Association; Seattle, WA
- Downtown Spokane Partnership; Spokane, WA
- ECONorthwest; Portland, OR
- City of Everett, WA
- Georgetown BID; Washington, DC
- Greater Redmond Transportation Association; Redmond, WA
- City of Issaquah, WA
- King County, WA
- King County - Public Health; Seattle, WA
- King County E-911 Program Office; Kent, WA
- King County Sheriff's Office; Seattle, WA
- Local Initiatives Support Corporation; Seattle, WA
- City of Longview, WA
- City of Lynnwood, WA
- City of McMinnville, OR
- Mid-Willamette Valley Community Action Agency; Salem, OR
- Millionaire Club Charity; Seattle, WA
- National Development Council; Seattle, WA
- Oakland BID; Pittsburgh, PA
- City of Olympia, WA
- Pierce County, WA
- Polk County 911 Service Board; Des Moines, IA
- Port of Seattle; Seattle, WA
- City of Portland, OR
- Puget Sound Partnership; Seattle, WA
- City of Pullman, WA
- City of Salem, OR
- City of SeaTac, WA
- Seattle Foundation; Seattle, WA
- City of Seattle, WA, Department of Neighborhoods
- City of Seattle, WA
- Office of Economic Development
- Seattle Public Utilities; Seattle, WA
- SODO Business Improvement Area; Seattle, WA
- Spokane Housing Authority; Spokane, WA
- Spokane Regional Clean Air Agency; Spokane, WA
- Spokane Regional Emergency Communications (SREC); Spokane, WA
- Sound Industrial Alliance; Seattle, WA
- City of Tacoma, WA
- Tacoma Housing Authority; Tacoma, WA
- U District Partnership; Seattle, WA
- United Indians of All Tribes Foundation; Seattle, WA
- University of Chicago Urban Labs' Health Labs; Chicago, IL
- Valley Communications Center; Kent, WA
- City of Vancouver, WA
- Washington State Department of Commerce; Olympia, WA
- Washington Trust for Historic Preservation; Seattle, WA
- Washington Cities Insurance Authority; Tukwila, WA
- Welch-Comer Engineers; Coeur d'Alene, ID
- City of West Des Moines, IA
- WorkForce Central; Tacoma, WA

**Note:** Uncommon Bridges was doing business as BDS Planning Design until April 2024



**CITY OF PORTLAND**

# Enhanced Services District (ESD) **HANDBOOK**

**2024**



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# Introduction

**The City of Portland Enhanced Services Districts (ESDs)** are funding mechanisms that assess fees on property management in specified districts to help pay for business and community revitalization activities. Nationally, place management districts exist as funding vehicles for crucial placemaking and economic development organizations that provide services for the mutual benefit of district stakeholders. Place management districts go by many different names, including Business Improvement Districts (BIDs), Business Improvement Areas (BIAs), Economic Improvement Districts (EIDs), Community Benefit Districts (CBDs), Public Improvement Districts (PIDs), and so forth; in Portland, they are known as Enhanced Services Districts or ESDs.

There are many reasons to create a place management district. Most commonly, the districts are conceived, designed, and managed locally by those who are paying the assessments for their mutual benefit, with everyone in the district required to pay a share of the cost that is commensurate to individual benefit. These districts reflect that successful community and economic development is supported by local stakeholders collaborating toward shared goals and priorities.

National experience shows that place management districts like Portland's ESDs add value to urban environments, providing a wide variety of services: including leadership, public space management, planning and design, economy development, and policy and advocacy.



“The industry consists of **4000+** place management organizations globally with **2,500** in North America employing 100,000 people and paying **\$3 billion** in wages. On average, each organization provides **\$1.2 million** in services in their districts to help businesses thrive and to make the district a great place for workers, residents, and visitors.”

- International Downtown Association ([downtown.org](http://downtown.org))

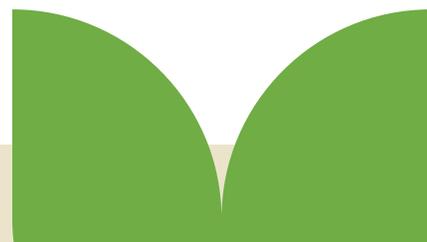
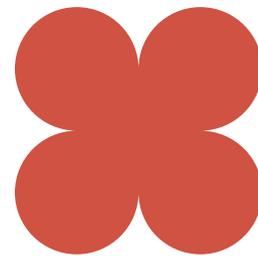
# Portland & Place Management

**Portland's Enhanced Services District program began in the late 1980s and matured in the 1990s, which was a time when Portland enjoyed a national reputation as a model for downtown revitalization, vitality, and livability. Similarly, Portland's first ESD was widely respected as a leading place management program.**

The ESD now known as Downtown Clean & Safe began in 1988 as an "Economic Improvement District" that was created by the Association for Portland Progress following state legislation (ORS 223.112). Along with the Grand Central Partnership in New York City, the downtown Portland Economic Improvement District was one of the first large (more than \$1 million annually) place management districts in the nation. The place management industry has grown substantially since then, with thousands of similar districts operating in every state and around the world.

Downtown Portland's initial district was modified in 1991 and again in 1994 in response to new statewide property tax limitations ([Ballot Measure 5](#)). The 1994 ordinance created the current structure of Enhanced Services Districts as fees on property management rather than assessments on property. Three such districts operate in Portland today.

In the early 2000s, the Association for Portland Progress merged with the Portland Metropolitan Chamber of Commerce to form the Portland Business Alliance. Today, the Portland Business Alliance is an affiliation of three highly synergistic corporate entities - including the Portland Metro Chamber, Downtown Clean & Safe District, and the Charitable Institute - that share a collection mission, vision and values.



# Place Management Best Practices

Since the place management industry emerged in the 1970s and 1980s, the International Downtown Association (IDA) has become its primary professional organization in the United States, Canada, and around the world.

IDA offers extensive professional networking, conferences, industry best practices, leadership and technical training, as well as professional certification. To define national best practices, it is worth noting that IDA's professional certification (Leadership in Place Management or LPM) relies on a 7-part curriculum, including Leadership; Organizational Management; Economic Development; Planning, Design, & Infrastructure; Policy & Advocacy; Public Space Management & Operations; Marketing, Communications, & Events.

As such, the best place management organizations excel in each of these areas, which can be characterized as follows:



 Learn more about at IDA at [downtown.org](https://www.downtown.org)



## Leadership

Successful place management organizations have high functioning executive leadership and staff, as well as an involved board of directors that represents private, nonprofit, and public interests in and around the district. The best place management organizations are both strong partners and independent counterpoints to local and regional governments. Place management organizations enhance, rather than replace public services and leadership; they also provide a consistent voice.



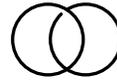
## Economic Development

Effective place management organizations are fervent proponents with steadfast focus on the success of their district. Successful organizations are active partners to local governments and other economic development organizations (like chambers of commerce, tourism promoters, and regional economic development councils).



## Policy & Advocacy

Place management organizations act as conveners. They facilitate information sharing as well as consensus building around advocacy efforts surrounding issues that matter to their ratepayers and community stakeholders. Successful organizations have a robust awareness of city process, policy, and programs, lending a powerful voice for district needs.



## Organizational Management

Successful place management organizations reflect the best of their private, public, and nonprofit constituencies. Their leadership and funding structure is transparent, diverse, representative, and sustainable. Internal and external policies are clear, inclusive, and ethical.



## Planning, Design, & Infrastructure

Planning, design, and infrastructure, of course, are primarily government responsibilities, but place management organizations are excellent champions for their places and adept partners with local government. Many place management organizations help create community consensus and support for planning, design, and infrastructure improvements, and some augment government planning processes and programs.



## Public Space Management & Operations

Place management organizations may be best known for public space management and operations. Many have assessment districts that pay for cleaning, hospitality, maintenance, and security services.



## Marketing, Communications, & Events

Place management organizations are also well known for marketing, communications, and events. Many of them manage substantial promotional programs, advertising campaigns, and community events of various scales.

# Purpose of this Document



**This ESD Handbook is meant to provide guidelines for establishing, renewing, expanding, or dissociating an ESD. It also provides a framework for best practices for district management and operations for ESDs, while providing the history, a snapshot of services, benefits, and funding sources for current districts.**

ESDs are governed by Chapter 6.06 District Property Management License of the Portland City Code and Charter. The first ESD, Downtown Clean and Safe, was established 1988. Portland currently has three ESDs: Downtown Clean and Safe, the Lloyd ESD (formed in 2001), and Central Eastside Together (formed in 2019).

ESDs are managed locally. Each district establishes a fee for property management based on an agreed upon district-wide formula. These fees are collected and used to fund locally determined services such as sidewalk cleaning, activation, business attraction, tourism, marketing, graffiti removal, and so forth for the benefit of the district. At the time of approval, the City of Portland enters into a contract with an ESD outlining fee type, ratepayers and establishes levels of base services the City will continue to provide to the ESD. This partnership is managed by the City's Enhanced Services District Coordinator (ESD Coordinator) who serves as a liaison between the City and ESDs and oversees all contracts. The ESD Coordinator is also tasked with supporting communities to establish, renew, expand, or dissociate ESDs throughout the city.



## To establish an ESD, interested districts must:

- Establish a voluntary Board of Directors composed of potential ratepayers that oversee and guide the proposed ESD and its District Management Association (DMA)
- Work with the ESD Coordinator and the City's Revenue Division (Revenue), to establish a workplan and budget to meet the needs of the ratepayers
- Hire a third-party non-profit [501(c)3 or 501(c)6] DMA to fulfill the work plan
- Along with the ESD Coordinator, Department of Revenue staff, and ESD Board of Directors present the proposed ESD and the proposed contract between the ESD and the City, to City Council for approval

Once approved, the ratepayers pay license fees directly to Revenue, who then release payment to the ESD's District Management Association for the work performed on behalf of the ESD's ratepayers.

ESDs are required to report their work to the City Council annually, regularly engage with their board and ratepayers, and be transparent in how fees collected are being allocated for services.

## Relevant case law includes:

### **Roseburg School District v. Roseburg 316 OR 374 (1993)**

Affirmed that fees for services are not taxes if they are not a direct consequence of owning property.

### **City of Portland v. Atwood 13 OTR 136 (1994)**

Affirmed the property license fee was not a tax as defined by the Oregon Constitution Article XI.

### **Knapp v. City of Jacksonville 342 OR 268 (2007)**

Re-affirmed that fees for services are not taxes if they are not a direct consequence of owning property.

### **Old City Lofts v. City of Portland 20 OTR 58 (2009)**

Re-affirmed property license fee is not a tax and affirmed fee can be applied to condominium property managers.



# Definitions

**Boundary:** A boundary defines the geographic benefit zone for the Enhanced Service District that will pay an assessment to receive enhanced services. All ratepayers within the boundary are required to pay their assessment and entitled to enhanced services.

**District Management Association (DMA):** The organization that administers the operations of the ESD. The DMA is recommended by the ESD Board of Directors to the City (i.e., Downtown Clean & Safe, Inc. and the Portland Metro Chamber; Lloyd ESD and Go Lloyd; Central Eastside Together and Central Eastside Industrial Council). The ESD Board of Directors approves an annual budget for use of ESD generated funds in alignment with the ESD ordinance. The DMA administers the funds in accordance with the approved budget through direct expenditures and/or contracts with service providers. The DMA's administration must comply with all applicable provisions of law, with all county and City resolutions and ordinances, and with all regulations lawfully imposed by the state auditor or other state agencies. City Code uses the term "Qualified Contractor" to refer to DMAs and states that they are 'non-profit corporations or other non-profit entities established by property owners or licensees in the District for the purpose of providing services that benefit the District'. (City Code 6.06.020 – [www.portland.gov/code/6/06/020](http://www.portland.gov/code/6/06/020))

**District Ratepayer / Advisory Board:** The City requires applicants to create an ESD Board to oversee operations of the funds, approve an annual budget for use of ESD generated revenues, and recommend a District Management Association. In its primary function, a ratepayer board oversees budget and performance as managed by an operating entity. The City's role is to administer assessment collections, financial accountability, and operating standards within the scope of the purposes stated in City Code Chapter 6.06.

**Engaged Property Manager / Ratepayer:** Those individuals, organizations or entities that are assessed, i.e. those that receive an assessment bill from the City and are within the district boundary. Individuals, organizations or entities that receive an increase in their lease rates or other contractual agreement with ratepayers because of the establishment of an ESD are not, for purposes of City policies, considered ratepayers, but can be considered beneficiaries.

**Enhanced Services District (ESD):** These districts provide funds for enhanced services beyond City basic services. The ESD program is governed by City Code Chapter 6.06 and established by the City Council with support from district property managers and stakeholders. Fees (also known as assessments) are collected by the City and distributed to a nonprofit District Management Association created to specifically contract services within the district. The City oversees programs provided by the enhanced districts to ensure they align with approved contracts, as well as City goals and standards.

**ESD Coordinator:** The partnership between the City and ESD District Management Association is managed by the City's Enhanced Services District Coordinator (ESD Coordinator) who serves as a liaison between the City and ESDs and oversees all contracts. The ESD Coordinator is also tasked with supporting communities to establish, renew, expand, or disassociate ESDs throughout the city.

**ESD Notification and Petition Validation Process:** Processes in which the ESD, and then the City notifies potential ratepayers of the ESD proposal and validates any official opposition by prospective ratepayers who do not favor the ESD proposal. The City expects the ESD (proposed or existing) to conduct prospective ratepayer outreach via mailings, public meetings, and one-on-one meetings with the goal of building broad support for the proposed action. Only after this has been done, and a formal letter has been received from the district board (proposed or existing), will the City send a letter/postcard to all potential ratepayers to notify them that the ESD proposal has been submitted to the City. The City will validate all official opposition from prospective ratepayers by verifying their parcel number and water bill account number. The City will then assign a value associated with each opposing prospective ratepayer based on what their annual assessment would be. If total opposition by ratepayers who would be responsible for more than 33% of revenues in the new district or expansion area formally object, the proposal will not move forward.

**Exempt Property:** Mass shelters and religious properties are typically exempt from ESD assessments. (City Code 6.06.020 – [www.portland.gov/code/6/06/020](http://www.portland.gov/code/6/06/020))

**Property Management License Fee (Assessment):** Any person engaged in property management activities within an ESD will pay a license fee for such activities covering each license year, or if registration is made after the beginning of a license year, then for the balance of the license year. The license fees prescribed are for the privilege of engaging in the activity of property management in an ESD and the revenues collected will be used to provide, through a qualified contractor (DMA), cleaning, security, crime prevention, business development, transportation, public policy, housing, and marketing and communications services, or any such services that benefit properties in the ESD. Essentially, this assessment is a fee that each ratepayer pays to support the programs funded by the ESD. The sum of all the individual assessments that ratepayers pay comprise the total yearly assessment of the ESD, and underwrite most, if not all, annual operating expenses. The total yearly assessment is unique to each ESD in Portland. (City Code 6.06.010 – [www.portland.gov/code/6/06/010](http://www.portland.gov/code/6/06/010))

**Ratepayer Classification:** Ratepayers that are grouped into categories either for purposes of applying a unique assessment rate or formula or for distinguishing a unique type or level of benefit. See examples online at [www.portland.gov/venues/enhanced-services-districts](http://www.portland.gov/venues/enhanced-services-districts)

**Stakeholder:** Individuals, organizations or entities that are located in, or have a direct interest in the boundaries of the district. Stakeholders can be ratepayers or non-ratepayers. They may include, but not be limited to, property owners, businesses, residents, government agencies, nonprofit agencies, service providers, and other institutions. For example, a district might have manufacturing businesses, retail and service businesses, a private school, nonprofit service providers, condo associations, residential property owners, commercial property owners, etc.

# Current Enhanced Service District Programs



**Central Eastside Together**



**Downtown Clean & Safe**



**Lloyd ESD**



Pioneer Courthouse Square, Downtown Clean & Safe ESD



# Central Eastside Together

The Central Eastside Industrial Council is a business association focused solely on the Central Eastside Industrial District's economic success, vitality, and livability. Central Eastside is hyper-local and intentionally focused on member businesses that make the District an incredible place to live, work, play, and stay. Central Eastside Together was formed in 2019 and has an annual assessment of \$1.2-1.5 million.

## Letter From the Executive Director

Thanks to the unwavering advocacy efforts of the Central Eastside Industrial Council and our district's passionate business and community leaders, the Central Eastside Together (CET) Enhanced Service District was unanimously supported and approved by the City Council in 2019. Since its inception, CET has emerged as a leader in addressing our community's most pressing needs through responsive and impactful programs.

The Central Eastside Together Enhanced Service District provides a unique opportunity for businesses to equitably and collectively maintain, improve, and promote our district. From vibrant district banners and signage to enhanced lighting, public art commissions, meticulous sidewalk cleaning, and improved safety through environmental design, CET actively supports economic development and neighborhood beautification. These efforts encourage livability, vitality, and a strong sense of community. CET staff and board members serve as ground-level advocates, community conveners, and dedicated program service providers for our neighborhoods.

Through Central Eastside Together, we embrace our collective responsibility to steward public investment for maximum community impact. This commitment furthers our mission to create a safer district, enhance the pedestrian experience, reinforce economic viability, and promote the Central Eastside—restoring vibrancy for all those who live, work, and play here.

CET's accomplishments and initiatives underscore the power of community-driven efforts, where our ESD has piloted new programs and services, partnered with the City to create vibrant districts for all, and continues to develop a framework for ESDs as a sustainable solution for community development and economic prosperity where local control and decision-making are at the center.

Together, we are building a brighter future for the Central Eastside. Thank you for your continued support and dedication to making our district a thriving, dynamic community.

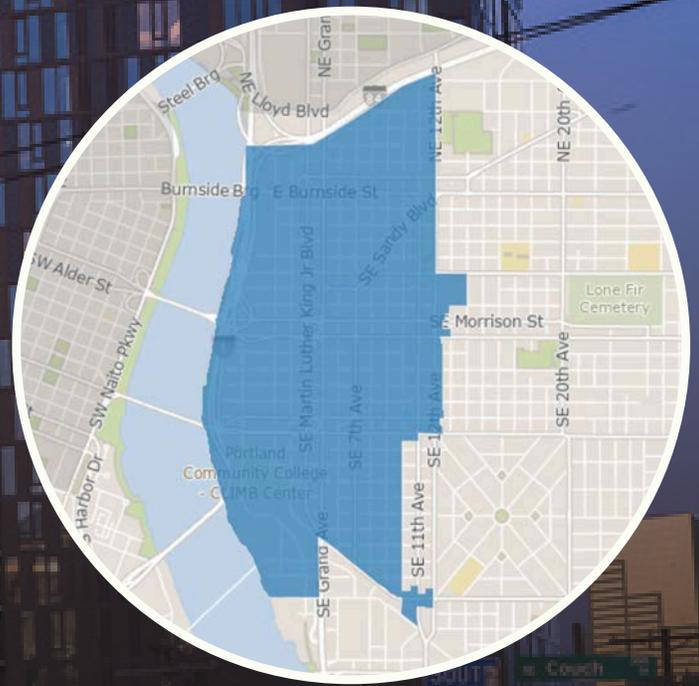


Carolyn Holcomb  
Executive Director, Central Eastside Together



## Central Eastside Together Programs Include:

- Cleaning
- Graffiti removal
- Ambassadors
- Mural preservation & development
- District enhancement



## Revenues

Total Revenues \$1,244,252

## Expenses

Private Security - Securitas	\$430,773
Cleaning - Central City Concern + Ground Score	\$241,000
District Enhancement	\$50,000
ESD Fees (Overhead, IT, ESD Coordinator)	\$102,900
Operations & Admin	\$81,785
Staff	\$174,471
<b>Total Expenses</b>	<b>\$1,180,929</b>

# Downtown Clean & Safe

The Downtown Portland Clean & Safe District provides enhanced services to the people, places and businesses within a core 213-block area of our central city. The district is one of the oldest, largest and most successful enhanced service districts in the nation. Downtown Clean & Safe was initially formed in 1988, most recently renewed in 2021, and has an annual assessment of \$5-8 million.

## Letter From the Executive Director

The oldest of the City of Portland's three Enhanced Service Districts, or ESD's, Downtown Portland Clean & Safe serves all who work, live and play in our 213-block service district in the heart of downtown Portland. Formed in 1988, we have worked to continually improve our programs and services to the ever-evolving business and community in our downtown core. An avid member and participating in the International Downtown Association, Clean & Safe is one of thousands of ESD's, or business improvement districts working diligently to provide clean, vibrant and thriving downtown and business areas.

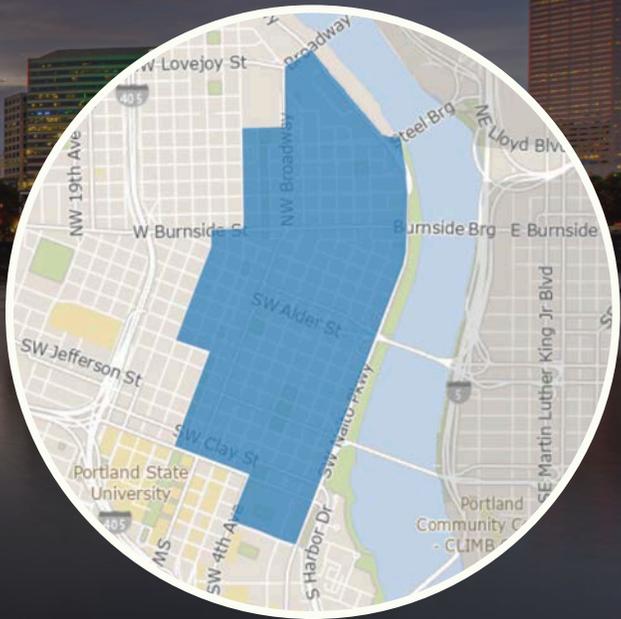
Our core service programs include providing public safety and janitorial services 24 hours a day, seven days a week. Complementing this is our street outreach program who work to provide basic and more complex social services and case management for some of our most vulnerable Portlanders. We take great pride in maintaining decades long partnerships with local and national vendors to provide a highly trained and supported group of state certified security officers and cleaners who work in often challenging situations and conditions.

Our janitorial program provides immediate and gainful employment opportunities for individuals recently released from incarceration and/or starting their journey of substance abuse recovery. These partnerships and opportunities are a shining example of lifting up individuals and organizations so everyone has an opportunity to thrive.

While clean and safe is core to our name and mission, we also offer and support a wide host of downtown retail programming and place making opportunities. Our retail and programs team provides programs such as annual "pop-up" shops allowing existing small businesses the opportunity to be in a brick-and-mortar location, a robust holiday lighting and event program illuminating over 700 trees and dozens of lighting installations, and yearly family friendly programming and events at local parks such as Director Park. Our downtown programs are dedicated to retail and business retention and recruitment.

Key to our success is the private-public partnership with the City of Portland. While Clean & Safe is funded through annually assessed fees paid by property owners located in our district, we maintain a formal, ten-year ESD contract with the City. This provides oversight, reporting metrics, and accountability for the fulfillment of the ESD's scope of work and also the City's responsibility to provide basic and essential City services related to public safety and livability.





## Revenues

Contract Income – Clean and Safe District Fees	\$6,214,758
Lighting District Fees	\$769,440
Contribution Income	\$130,000
Interest Income \$	- \$20,394
<b>Total Revenue</b>	<b>\$7,114,198</b>

## Expenses

<b>Total Personnel Expenses</b>	<b>\$ 1,242,133</b>
<b>Program (Direct) Expenses</b>	
Holiday Lights \$ 320,000	\$130,000
Interest Income \$	- \$20,394
Total Revenue	\$7,114,198
Cleaning / Maintenance	\$ 1,860,287
Crow Abatement	\$ 55,000
Private Security Contract	\$ 2,144,529
Public Security (PPB)	\$ 584,000
Technology	\$ 97,000
Mall (PMMI)	\$0
Marketing/Retail	\$ 22,500
Downtown Retail Advocate	\$ 110,000
Ambassadors	\$ 157,050
CHOW	\$ 75,000
Total Program (Direct) Expenses	\$ 5,425,366
<b>Operating Expenses</b>	<b>\$ 436,284</b>
City Processing Fee	\$ 159,690
ITS Cost Sharing Fee	\$ 55,904
ESD Coordinator Expense	\$ 64,446
Total Operating Expenses	\$ 716,324
<b>Total Expenses</b>	<b>\$ 7,383,823</b>

### Downtown Clean & Safe Programs Include:



- Cleaning
- Ambassadors
- Community Health Outreach
- Crow abatement
- Business support development
- Holiday lighting

We have seen and continue to explore new and updated projects and programming with the City of Portland and other government agencies to ensure our downtown Portland community is open, safe and accessible to all Portlanders and visitors.

We look forward to seeing you in downtown Portland!

Mark Wells  
**Executive Director,**  
**Downtown Portland Clean & Safe**

# Lloyd ESD

The Lloyd Enhanced Services District (ESD) was established in 2001 to encourage growth and ensure the continued health and development of, and pride in, the Lloyd neighborhood by making it a better place to live, work, and visit. In 2023, the ESD was successfully renewed with an annual assessment of \$0.6-0.7 million, which includes a transportation program led by Go Lloyd and the Lloyd EcoDistrict. This program collaborates with neighborhood stakeholders to promote prosperity, environmental quality, and social welfare.

## Letter from the Executive Director

Enhanced Services Districts (ESDs) are coalitions of property owners and managers united by their vision of a prosperous neighborhood business district. These ESDs pool their collective resources to maintain, improve, and promote economic development in their communities through a City-authorized, equitable revenue generation model. Funds are reinvested in the neighborhood by offering services beyond those provided by the City. These may vary by district, but typically focus on cleaning, safety, livability, advocacy, and events.

ESDs act as a collective voice for their communities, advocating for the programs, projects, and initiatives that the neighborhood values. ESDs provide an opportunity to localize decision-making regarding specific improvements and services in affected neighborhoods. They are managed by a board of directors, made up of ratepayers (property owners/managers, residents, and employers), whose goal is to promote and enhance their district.

We are so appreciative of ESDs and the value they bring to their ratepayers. The ESD in the Lloyd neighborhood has more recently prioritized

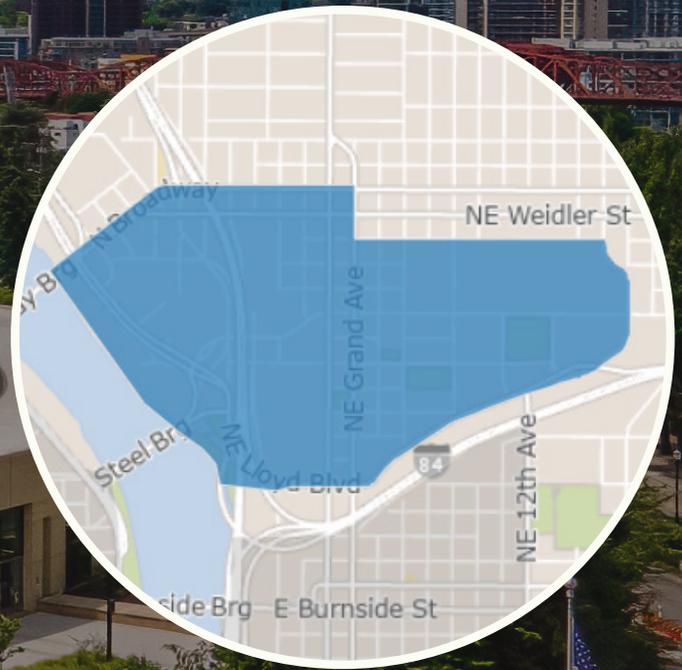


cleaning services but has long valued less traditional programs like transportation access for employees and residents provided through a transportation management association (Go Lloyd), and a program that promotes sustainable and resilient business practices along with community-building events (Lloyd EcoDistrict).

Equipped with a stable funding source, ESDs can invest in community priorities that benefit ratepayers in the district. ESDs enable neighborhoods to secure additional necessary services to reinforce what the City provides. Though each ESD is an independent organization with a localized decision-making process, we regularly collaborate with each other on common issues all of our neighborhoods face. Additionally,

## Lloyd ESD Programs Include:

- Go Lloyd Transportation Mgmt.
- Lloyd EcoDistrict
- Trash Collection
- Neighborhood/Community Association
- Holladay Street Landscaping
- Neighborhood Advocacy & Promotion



we partner with the City to find innovative ways to make each of our communities extraordinary and welcoming to all.

Portland currently has three ESDs that offer services, manage their districts, and provide a voice for their communities. This handbook is a snapshot of those ESDs, including their

Owen Ronchelli  
Executive Director, Lloyd ESD



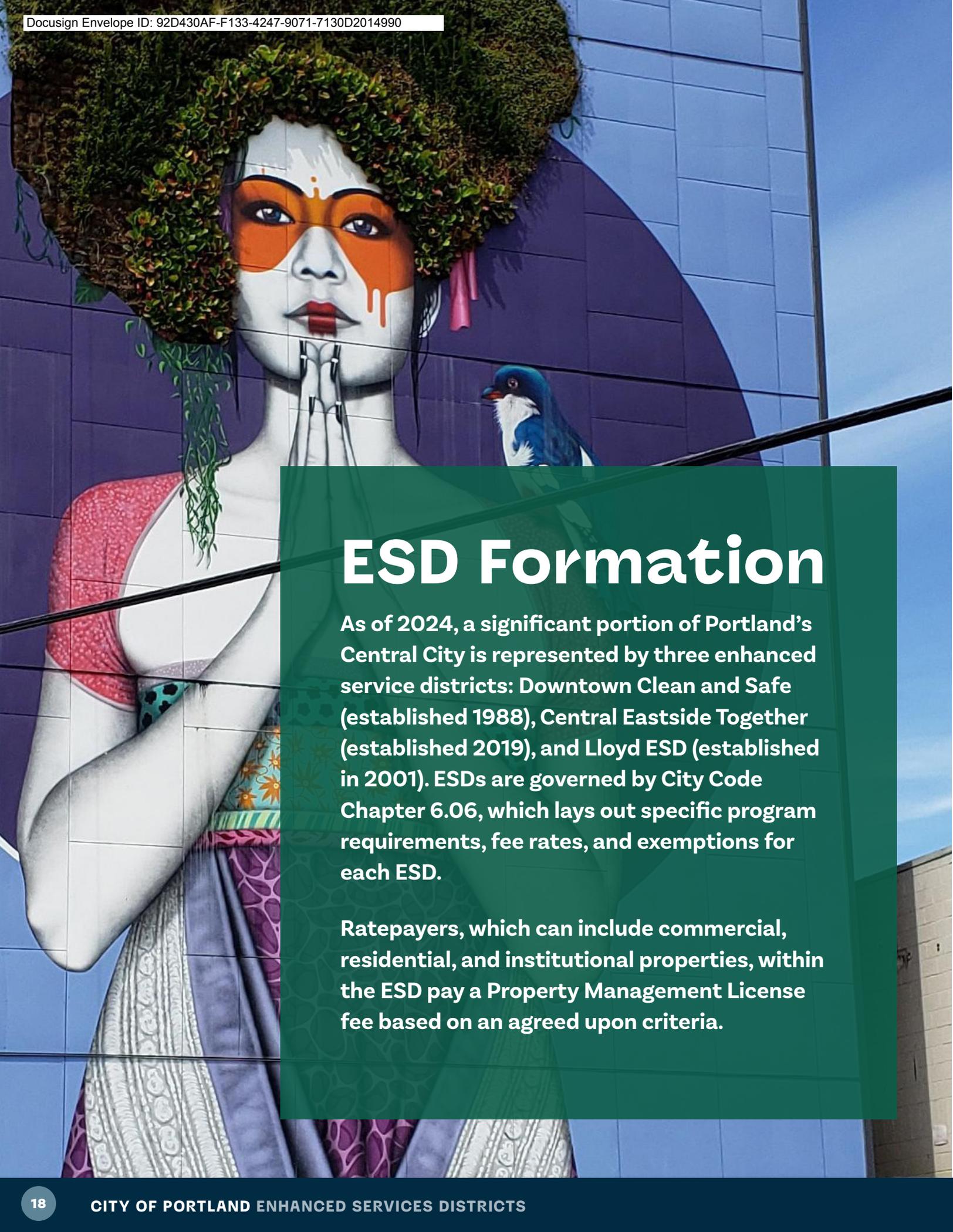
## Revenues

Existing Revenue Collected (current rates)	\$540,966
Estimated Assessment Increase: rates adjusted for inflation; caps increase	\$128,034
<b>Total Projected Revenue (via Dept. of Revenue)</b>	<b>\$669,000</b>

## Expenses

### Programs

Trash for Peace	\$0
Go Lloyd	\$207,030
Lloyd EcoDistrict	\$160,000
Lloyd Community Association*	\$20,000
Holladay landscape islands	\$16,995
Special projects	\$25,750
Existing/New Org Operations Consulting	\$7,725
Organizational Expenses	\$6,798
ESD Administrative Support	\$14,336
Executive Director (part-time)	\$80,000
Marketing & Communications staff person	\$0
Potential New Programs Cleaning & Ambassadors: (2) bike cleaners, (1) graffiti abatement	\$181,245
Right 2 Dream Too Rest Area Operations (50%)	\$15,000
Graffiti Removal Reimbursement Grants to business owners	\$20,000
<b>Total Expenses</b>	<b>\$734,879</b>



# ESD Formation

As of 2024, a significant portion of Portland's Central City is represented by three enhanced service districts: Downtown Clean and Safe (established 1988), Central Eastside Together (established 2019), and Lloyd ESD (established in 2001). ESDs are governed by City Code Chapter 6.06, which lays out specific program requirements, fee rates, and exemptions for each ESD.

Ratepayers, which can include commercial, residential, and institutional properties, within the ESD pay a Property Management License fee based on an agreed upon criteria.

## Forming or Expanding an ESD

Business districts interested in forming an ESD must begin with a group of interested ratepayers within a proposed boundary. Working collaboratively, and through significant outreach and engagement with impacted stakeholders, prospective ESDs must determine a suitable formula to determine a fee for the management of qualified properties. Once approved, this fee applies district-wide.

The group proposing a new or modified ESD shall complete an ESD Checklist and submit the required application materials to the ESD Coordinator for formal review. Proponents shall complete the following steps when preparing to present a ESD proposal to the City Council:

### Classification of Ratepayers

- Boundaries
- Formula and Fee Methodology
- Services and Programs
- Budget
- ESD Workplan
- Organizational Structure & Management
- District Management Association
- Outreach and Ratepayer Support

The City Council will consider formation of an ESD only after significant potential ratepayer outreach and engagement is completed. For the City to approve a formation or renewal of an ESD, proponents must demonstrate to the City that there is not active disapproval for the proposed action that represents more than 33% of the total assessed value from the proposed ESD.

Typically, the City Council approves ESDs for ten-year life cycles that are governed by five-year contracts, which are also approved by City Council. These contracts are overseen by the ESD Coordinator and outline the district property management license structure, the projected annual operating budget, and roles and responsibilities. City Council must approve these contracts every five years. At the end of the ESD's lifecycle, the ESD is required to go through a "sunset review," followed by a "renewal," process if that ESD wishes to be extended for another ten-year life cycle.

### Motivations to Forming an ESD

ESDs provide district-wide and district-specific enhanced services that are beyond the basic services the City of Portland provides. Assessment dollars that are collected from the district must be spent within the boundary, and budget use is determined by the ratepayers and approved by the City. This is unique to place management district funding and unlike taxes collected and used via the city.

### Establishing a Ratepayer Board

Each ESD shall form a ratepayer board to adopt bylaws, approve budgets and provide policy and programming direction to staff and the DMA. Boards are also responsible for approving annual reports, approving documents required by the City, and providing guidance to the DMA to ensure the ratepayer services are delivered. Boards should be made up of ratepayers representing the district and should be largely proportional to ratepayer types that that make up the district. ESDs should be aware of the diversity of its district. Ratepayer boards should be comprised of varying sizes, types, locations, and classifications of businesses, property owners, or representatives.

## Outreach and Engagement

The City recommends a robust outreach and engagement process for the formation or expansion of an ESD. Proponents can work with the ESD Coordinator on ideas of how to engage potential ratepayers. ESD proponents should conduct discussions with potential ratepayers within the proposed ESD boundary to understand support and opposition. ESD proponents are required to mail or distribute packets to new/ existing ratepayers outlining the rationale for establishing, renewing or modifying an ESD along with a clear description of the proposed or refined rate structure, residential caps, and proposed services. ESD should also provide a proposed boundary map, workplan and budget to potential ratepayers. The City also that at least one public meeting be held with potential ratepayers and that the ESD proponents be available for one-on-one meetings with stakeholders.

## Transparency

The City requires ESD to meet certain transparency standards in how the organization meets with its ratepayers, community and broader stakeholders. See the table below to better understand current transparency requirements as well as suggestions on how to engage with ratepayers and stakeholders.

### REQUIRED

- ✓ Develop and broadly share annual report with ratepayers and stakeholders.
- ✓ Provide annual report to City Council.
- ✓ Establish a financial management system that allows the tracking and documentation of all expenses incurred in carrying out District programs.
- ✓ Make financial reports and statements available to ESD Coordinator on a quarterly basis and upon request.
- ✓ Provide tracking measures on all programs to the ESD Coordinator on a quarterly basis.

### RECOMMENDED

- ✓ At least one public meeting per year where ratepayers are invited to learn about ESD governance, budget and programs.
  - ✓ Regular mailers, newsletters or communication with ratepayers on ESD work.
  - ✓ Creating one-pager outlining mid-year ESD successes and updates.
  - ✓ Posting founding documents, rate structure, etc., on website.
- Hold ratepayer board meetings at least quarterly. Ratepayer board meeting dates, agendas and minutes on a public website.

## Equity

The City of Portland's Racial Equity Toolkit directs the City to assess equity impacts of City actions that benefit or burden communities of color. Through this work the City recommends ESDs to think through the impacts of proposed services on all stakeholders. The City also encourages a diverse set of voices and interests to be included on the Board of Director including but not limited to residential, legacy businesses, institutional, religious partners, and small commercial owners. We also suggest ESDs to engage in robust and regular conversations with all stakeholders including non-ratepayers to understand needs and better inform programs. The City encourages thoughtful consideration of staff diversity as well as diversity in subcontractors to provide goods and services.

ESDs should work with the ESD coordinator to better understand the City's ongoing equity and social justice efforts and to access toolkit materials.

## Boundaries

A boundary map must be determined and provided to the City to form, renew or modify an ESD. Boundary maps determine where services will be provided, and which ratepayers are responsible for the ESD fee. Formal boundaries are described in City Code and set as part of formation and renewal.

Proponents need to describe how all ratepayers within the proposed boundaries are receiving or will receive benefits related to their assessment. Boundary markers are typically included streets and roads or other natural barriers that can be reasonably defined. The boundaries should also specify if properties adjoining both sides of a street are included. If only the properties on one side of the street are included, the boundaries can be set at the midpoint of the street.

For the City to approve an expansion and/or boundary change of an existing ESD, the ESD must demonstrate to the City that there is not active disapproval for the proposed action that represents more than 33% of the total assessed value from the proposed expansion or new boundary area. Ratepayers who collectively contribute 33% or more of the total assessed value of the proposed new boundary area can prevent the expansion of an ESD by submitting written opposition directly to the City of Portland's Enhanced Services District Coordinator (ESD Coordinator) 30 days prior to the first council hearing slated to hear testimony on the expanding or changing of ESD boundaries. Ratepayers wishing to provide written opposition must also provide their business name, parcel number, and water billing account number associated with their specific proposed property management license fee so the City can verify they are the correct decision maker responsible for paying that specific property management license fee.



## Property Management License Fees

Rate Structures are determined via local preference. Proponents can work with the City's ESD coordinator and the Revenue Division to understand fee assumptions. ESDs must determine a suitable formula to set a fee for the management of qualified properties. Once an ESD is established, any persons engaged in property management activities within the defined District is required to pay a license fee unless otherwise exempt by ordinance or by laws of the State of Oregon.

Licenses fees are for the privilege of engaging in the activity of property management in the District. No physical license is provided.

### Typical fee structures include formulas based on:

- Land square footage
- Building square footage
- Assed value of improvements
- Square feet of improvements
- Annual rates for residential condos or rental apartments

### Rate Caps

Proponents may consider annual caps on types of ratepayers or type of assessment. When considering caps proponents should weigh impacts on budget, ability to provide services, ratepayer support, and length of district period.

### Inflation and Annual Escalators

The City recommends that proponents include considerations for inflation or annual escalators as part of their budget assumptions. This allows the organization to plan for rising costs of programming, staff,s and other operations.



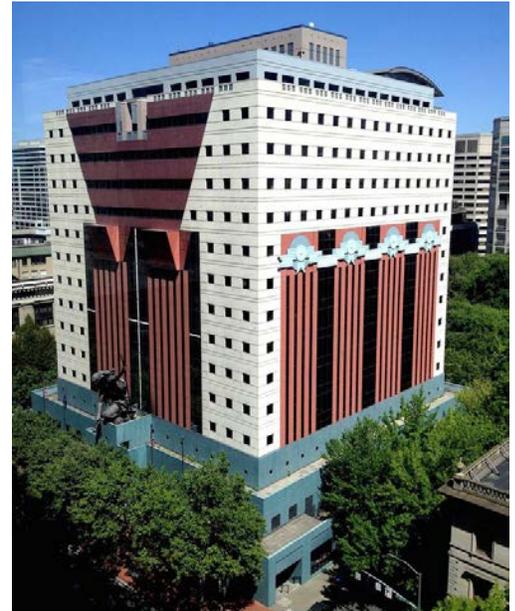
## City Roles, Fees, and Support

The City also provides program oversight and guidance to ESDs as well as ensures that fees are collected, and contract obligations are met.

As part of its agreement with ESDs, the City will enter into a basic service agreement with each district that delineates the ongoing services the City intends to provide in the district after the ESD is formed. These services are tracked by the ESD Coordinator and reported to the DMA quarterly. ESDs are also required to provide quarterly reports to the ESD coordinator describing services delivered.

The City is responsible for the annual collection of license fees from businesses and distributing the dollars to the approved DMA. The City will prepare and provide notice of the fee to each ratepayer. This information will include, amount of license fee being charged, including data and the formula being used to arrive at this amount, activities being performed in the district and any exemptions that apply. The City will also handle any appeals from ratepayers. Appeals must be received from ratepayers 30 days after the notice from Revenue is mailed.

The City will provide collection services for each ESD for a fee of 2% of the total District License Fee billings for each year. The City will deduct its fees from the License Fees collected. In addition to the 2% fee, an allocation of direct overhead charges will be deducted to arrive at the net License Fee revenues payable to each ESD. ESDs agrees to partially fund the City of Portland Enhanced Services District Coordinator position during the City of Portland's fiscal year, roughly 1%.



## Dissolution

Ratepayers who collectively contribute 33% or more of the total assessed value of an ESD can request dissolution of district and elimination of the license fee by submitting written opposition directly to the City of Portland's Enhanced Services District Coordinator (ESD Coordinator). Ratepayers must provide their business name, parcel number, and water billing account number associated with their specific property management license fee so the City can verify they are the correct decision maker responsible for paying that specific property management license fee.

## Renewal / Expansion

The City of Portland's Enhanced Services District (ESD) Petition Packet guides districts that are renewing or expanding their district. For more details on current requirements, please refer to the ESD Petition Packet ([www.portland.gov/venues/enhanced-services-districts](http://www.portland.gov/venues/enhanced-services-districts)).

The City reserves the right to continue the fee until any city debt and pledge obligations are recovered.



## Central Eastside Together ESD





**Central Eastside Together**  
[centraleastside.together.org](http://centraleastside.together.org)



**Downtown Clean & Safe**  
[downtownportland.org](http://downtownportland.org)



**Lloyd ESD**  
[lloyd.pdx.org](http://lloyd.pdx.org)



**City of Portland**  
**Devin Reynolds, ESD Coordinator**  
[Devin.reynolds@portlandoregon.gov](mailto:Devin.reynolds@portlandoregon.gov)



**Uncommon Bridges**  
Report produced by Uncommon Bridges  
[uncommonbridges.com](http://uncommonbridges.com)



**CITY OF PORTLAND**  
**ENHANCED SERVICES DISTRICT HANDBOOK**

(This text was used for a website that was distributed to the community.)

## **Hilltop Business Improvement Area Information**

Since 2022, a dedicated group of businesses, property owners, community leaders, non-profits, and residents has spent nearly 24 months collaborating to create a comprehensive plan for the Hilltop BIA. Together, they've developed a budget, identified essential services, and defined a boundary to ensure the Hilltop community remains vibrant, thriving, and well-supported.

### **What is a BIA?**

Business Improvement Areas (BIAs), authorized under **RCW Chapter 35.87A**, are critical tools for revitalizing business districts. They provide a locally controlled, sustained funding mechanism for community enhancements and business development. As Hilltop continues to grow, the BIA will offer a cohesive approach to address challenges and capitalize on new opportunities for the neighborhood.

### **Proposed Function of the Hilltop BIA**

The Hilltop BIA is structured to support our diverse community through direct, immediate services and investments. The program will respond to direct stakeholder feedback, tackling the most urgent needs, including:

- **Clean & Beautification Services**
- **Hospitality & Outreach Services**
- **Marketing Services**
- **Administration Support**
- **Activation Services**
- **Business Support Services**
- **Legacy Business Grant Fund**

Through these efforts, the Hilltop BIA will advocate for the community, collaborating with the City of Tacoma to ensure Hilltop remains clean, safe, and welcoming. The Hilltop BIA will also serve as a voice for residents and businesses on key policy issues, including transit, transportation, public safety, and development.

## Petition to Establish the Hilltop BIA

The Hilltop community is petitioning the City of Tacoma to establish a six-year Parking and Business Improvement Area within the defined Hilltop boundaries. If approved, this proposal will create Tacoma’s [second BIA](#), following over two years of planning and community engagement.

The petition includes:

1. **Boundary Definition** – outlining the Hilltop BIA service area
2. **Assessment Formula** – detailing how fees will be calculated and applied to property owners
3. **Business Plan** – specifying services, programs, and budget

### Assessment Formula: How the Hilltop BIA Will Be Funded

The Hilltop Business Improvement Area will be funded through special assessments on properties within the BIA boundary. These assessments ensure a fair contribution from those who benefit directly from BIA services, including improvements in safety, cleanliness, business support, marketing, and activation programs.

Assessments will apply to:

- **Commercial properties**
- **Multifamily residential properties** with four or more units
- **Mixed-use properties** (both residential and commercial)
- **Nonprofit-owned properties**

Standard Rate	$(\text{Value Rate} \times \text{TAV}/\$1,000) + (\text{Lot SF Rate} \times \text{Lot SF})$	<i>\$0.60 (Value Rate)</i> <i>\$0.14 (Lot SF Rate)</i>
Residential Ceiling	Units x Ceiling Rate	<i>\$65 per unit/yr</i>
Subsidized housing ceiling	Units x Ceiling Rate	<i>\$30 per unit/yr</i>

**Least Value Assessment (LVA):** Where applicable, ensures the lowest possible assessment based on the standard formula or applicable ceilings

**Non-Profit Rate:** A 25% reduction to the standard rate is applied when Total Appraised Value and Total Taxable Value are not equal, and Total Taxable Value = 0

For each subsequent year of the Hilltop Improvement Area assessment (2026 -2032), the following may be factored in, per the board’s request:

- An increase to each property’s annual assessment by the local Consumer Price Index, no more than 6%
- A recalculation of the assessment based on the current Pierce County Assessor’s data is needed to determine if net building square footage changes from one year to the next.

**Oversight**

The **Hilltop BIA Ratepayer Board** will oversee assessments and all operations. The board includes representatives from:

- North and South-end property owners
- Property owners within the City-defined business district
- Hospital and community groups
- Hilltop Neighborhood Business District Association
- Four at-large property owners (residential or commercial)

This governance ensures transparency, accountability, and equitable use of all BIA funds.

**Proposed Use of BIA Funds**

The Hilltop BIA budget totals **\$604,777.19**, allocated to key services:

<b>Service Area</b>	<b>Cost</b>	<b>% of Budget</b>
Clean & Beautification	\$139,098.75	23%
Hospitality & Outreach	\$127,003.21	21%
Business Support	\$90,716.58	15%
Activation	\$72,573.26	12%
Marketing	\$78,621.03	13%
Administration	\$66,525.49	11%

Legacy Business Grant Fund	\$30,238.87	5%
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**Key Initiatives Include:**

- **Clean & Welcoming Services:** Litter pickup, graffiti removal, pressure washing, hospitality ambassadors, partnerships with local service providers
- **Marketing:** District promotion, business outreach, wayfinding to local businesses
- **Activation Services:** Street fairs, public space improvements, coordinated public art, park activations
- **Business Support:** Technical assistance, legacy business grants, retail recruitment, policy advocacy, data analysis
- **Administration Support:** Partnership coordination, contract management, and collaboration with the City of Tacoma

The Hilltop BIA is committed to hiring **locally** for up to 70% of contracted services, prioritizing **BIPOC** and **WMBE** providers within Hilltop and the Greater Tacoma Area.

**Next Steps: What Happens Now?**

The Hilltop BIA is a structured, locally driven funding mechanism designed to ensure a thriving business district, stronger community connections, and a brighter economic future. Here’s what to expect in the coming months:

**Petition Circulation**

Petitions are circulated to over 200 property owners within the proposed BIA boundaries. Once property owners representing 60% of the assessed value return signed petitions, they will be submitted to the City of Tacoma for consideration.

**City Review and Ordinance Process**

After receiving the petitions, the City will:

1. Review the submitted petitions
2. Introduce an ordinance to formally create the Hilltop BIA
3. Present the ordinance to the Economic Development Committee for consideration, followed by review by the full Tacoma City Council

4. Hold a public meeting and provide opportunities for public comment.

### **Grounding Period and First Board Nominations**

If the ordinance is approved, the City will open the application process for the first Hilltop BIA Board of Directors application period, which will remain open for one month. Key steps include:

- The Economic Development Committee will review board applications
- Selected candidates will be referred to the full City Council for appointment
- This process applies only to the first BIA board

The City of Tacoma has committed to a **6-month community grounding period** to ensure a strong foundation for the Hilltop BIA. During this period:

- Ratepayer board member applications and selections will be finalized
- A **nonprofit organization** will be selected or established to administer BIA operations
- **Year-one services and programs** will be developed
- **Bylaws** for the BIA Ratepayer Board will be created.

This structured approach ensures that the Hilltop BIA begins operations with strong governance, clear priorities, and a framework for effectively serving the community.

For more information, please visit our **Google Drive** or email us at [HilltopBIA@gmail.com](mailto:HilltopBIA@gmail.com). The shared drive has been publicly available and updated throughout the duration of this effort.



Proposed Boundary Definition of Hilltop BIA

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

Note: Uncommon Bridges was previously known as BDS Planning & Urban Design.

**RACIAL EQUITY, ANTI-DISPLACEMENT POLICIES, AND “MIDDLE HOUSING” RECOMMENDATIONS FINAL CONSOLIDATED REPORT**

City of Redmond

***Draft Recommendations Prepared by  
BDS Planning and Urban Design;  
BHC Consultants***

***June 21, 2023***



Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

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## EXECUTIVE SUMMARY

### BACKGROUND

The State of Washington has a housing deficit. Redmond is no exception. The Department of Commerce estimates the state will need an additional [1.1 million homes](#) over the next 20 years to meet demand. **For Redmond, this results in 20,000 additional units that need to be added between 2019 and 2044.**

Additionally, the City of Redmond faces a lack of housing diversity. According to Redmond’s [Housing Needs Assessment](#), less than 1% of housing units were middle housing types, such as duplexes, triplexes, fourplexes, and townhomes. To address the statewide shortage of housing, the state legislature has passed several bills in the past three years, including [HB 1110 during the 2023 session](#). **This Bill mandates that fourplexes be allowed on most residential lots** and for residences within one-quarter mile of major transit, or if the developer provides two additional affordable units, six units per lot must be allowed.

Lastly, **many residents are unable to access and/or maintain stable housing in Redmond.** One quarter of Redmond’s residents pay more than 30% of their household income on housing. Elderly and young adult populations face the greatest burden. Additionally, 89% of Redmond’s local workforce lived outside of the city in 2017.<sup>1</sup> In some cases, the legacies of present day housing instability and unaffordability see their roots tied to a web of discriminatory housing policies, practices and other general cultural pressures of disenfranchisement in King County and Redmond’s history.

### PROJECT PURPOSE

In response to these housing challenges and their intersecting issues, BDS Planning and Urban Design (BDS) and BHC Consultants (BHC) were hired through the Washington Department of Commerce’s Growth Management grants to develop middle housing and anti-displacement strategies for Redmond. Displacement is defined as a process that forces a household to move from its community because of conditions beyond its control. Displacement may fall into one of three categories:

- *Physical displacement:* Households are directly forced to move for reasons such as eviction, foreclosure, natural disaster, or deterioration in housing quality.
- *Economic displacement:* Households are compelled to move by rising rents or costs of home ownership like property taxes.
- *Cultural displacement:* Residents are compelled to move because the people and institutions that make up their cultural community have left the area.<sup>2</sup>

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<sup>1</sup> City of Redmond, Housing Needs Assessment, 2020.

<sup>2</sup> Department of Commerce. “Guidance to Address Racially Disparate Impacts.” Washington State Department of Commerce, 2023. <https://deptofcommerce.app.box.com/s/1I217I98jattb87qobtw63pkplzhxege>.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

This report intends to communicate a set of recommendations and strategies that strive to bridge the relationship between middle housing options as a means for addressing racially disparate impacts related to housing access and affordability in Redmond.

This is a consolidated body of work inclusive of racial equity analysis, a public engagement report, and recommended middle housing code and policy changes.

### **MAJOR THEMES & OUTCOMES**

Across the threefold analysis described above, the following major themes best describe the balance of Redmond’s context and its opportunities to address racial equity and anti-displacement in and with middle housing policies:

- The presence and/or absence of documented historical racism and discrimination cannot alone justify the level of attention needed to address present day racially disparate impacts
  - An equitable and culturally inclusive response to addressing racially disparate impacts necessitates an approach that tackles histories of racism, building of community relationships & power, and housing policy updates together.
- Redmond is a desirable yet costly place to live with simultaneous experiences of wealth and meaningful housing/income instability.
- Racial equity, anti-displacement policies, and middle housing recommendations should:
  - Consolidate residential zones to meet new state law and address the housing deficit.
  - Create complete and culturally responsive neighborhoods. Exclusive single-family neighborhoods have long been a tool of discrimination in housing. Allowing more flexibility in uses, as well as housing types, enables more culturally responsive neighborhoods in response to this legacy.
  - Change permitting procedures. While land and material costs impact housing affordability, so too does review timelines and procedures. Creating more flexibility and streamlining, where possible, types of housing, could increase reduce burdens to supplying middle housing.
  - Enhance equity in housing and zoning processes to address past and present harms. Allowing more housing types and diversity does not erase displacement pressures. Continuing and enhancing anti-displacement policies is essential to mitigating further displacement. Implementing inclusive outreach is essential to this to better identify policies and programs that meet the specific needs for communities at risk of displacement.
- Ongoing community engagement should support the City’s planning for prioritization and implementation of recommendations

## **RACIAL EQUITY ANALYSIS REPORT**

In 2021, the Washington State Legislature passed HB1220 which amended the Growth Management Act in statute RCW 36.70A.020(4) requiring communities to “encourage affordable housing” and to “plan for and accommodate” housing affordable to all income levels.<sup>3</sup>

Additionally, the update requires jurisdictions to adopt a new housing element that identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing; and seeks to implement changes to address and begin to undo such impacts and harms.

This section of this consolidated Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations report responds to the relationship of these updated requirements as referenced within the supporting Washington State Middle Housing Grant Program.

This section is organized according to the following subsections:

- History of Redmond’s Racially Exclusive and Discriminatory
- Land Use and Housing Practices
- Findings of Racially Disparate Impacts in Redmond
- Next Steps and Best Practice Recommendations

## **HISTORY OF REDMOND’S RACIALLY EXCLUSIVE AND DISCRIMINATORY LAND USE & HOUSING PRACTICES**

Throughout the 20<sup>th</sup> century, the practice of urban planning explicitly and implicitly disrupted the ability of Black, Indigenous, and other communities of color to thrive in place.

With emphasis on the past 100 years, urban planning and policies related to housing, land use, transportation, etc. have compounded the impacts of harms experienced by diverse communities already felt across racist citizenship, education, criminal justice, and other societal institutions since the 1700s and beginnings of the United States of America.

This subsection seeks to describe some of these exclusionary urban planning and housing practices within Redmond and its likely connected communities. A brief description of each practice along with information about associated local impacts (not exhaustive) in Redmond and the surrounding area is provided. These practices, along with other social dynamics, contributed to racial segregation, systemic barriers to homeownership opportunities for people of color, and exclusion from wealth generating opportunities through homeownership for people of color.

Note – the information presented below represents only those histories that show a documented relationship with Redmond and may not account for the complete breadth of impacts experienced by communities present at the time. Such practices were common not only in the Seattle metro area but also across the country. So, even though there may not be documented instances of some of

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<sup>3</sup> Washington State Legislature. *Emergency Shelters and Housing – Local Planning and Development*. Engrossed Second Substitute House Bill 1220. 67<sup>th</sup> Legislature., 2021 Regular Session

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

these practices occurring in Redmond, it certainly does not mean that it never occurred there or that Redmond was impervious to the prevailing discriminatory practices and racist attitudes of that time.

Practice	Description	Local Impacts
<p><b>Exclusionary Zoning (1910s – Present)</b></p>	<p>After race-based zoning was ruled unconstitutional (1917), many cities began to legally use zoning as a tool to covertly exclude certain populations (e.g. low-income households, racial minorities) from certain areas. Exclusionary practices in single-family zoned areas became more prevalent, which included: minimum lot size requirements, floor area requirements, large setbacks, and exclusion of multi-family housing.<sup>4</sup></p>	<p>Racist sentiments and exclusionary practices made their way into neighborhood and housing development throughout the region. Restrictive covenants, redlining, and other practices and conditions exacerbated these disparate impacts.</p> <p>Currently, Redmond has high housing costs and lacks housing diversity, which makes finding housing difficult or unattainable to some people who need or prefer to rent housing or who can only afford lower-cost housing types for ownership.<sup>5</sup> In a recent housing survey, people of color reported greater barriers to both renting and buying in Redmond: “More than half said they couldn’t find a place they could afford, nearly one-third said they had trouble with down payments/financing, and 16% cited discrimination.”<sup>6</sup></p>
<p><b>Racially Restrictive Covenants (1926 – 1948)</b></p>	<p>Racially restrictive covenants, enforceable contracts used by developers, prohibited the sale or rental of property to certain racial minorities and religious groups (e.g. Blacks, Asians, Jewish). These covenants became a widespread instrument used in</p>	<p>Based on preliminary estimates of the number of subdivisions with racially restrictive covenants, 20 subdivisions in cities contiguous with Redmond restricted residence by race. Ames Lake and Weber’s point, both on the eastside outside of Redmond, restricted their</p>

<sup>4</sup> Washington State Department of Commerce. “Guidance to address racially disparate impacts: Updating your housing element to address new requirements.” WA Dept. of Commerce. Accessed June 16, 2023. <https://deptofcommerce.app.box.com/s/1I217I98jattb87qobtw63pkplzhxege>.

<sup>5</sup> City of Redmond, Housing Needs Assessment, 2020.

<sup>6</sup> “Redmond Housing Strategy Questionnaire: Survey Response Report.” City of Redmond, 2021. [https://www.redmond.gov/DocumentCenter/View/25990/Housing\\_Survey\\_Responses\\_Report](https://www.redmond.gov/DocumentCenter/View/25990/Housing_Survey_Responses_Report).

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	the 1920's until they were declared unenforceable in 1948.	ownership to “those of the Caucasian race”. <sup>7</sup>
<b>Federal Mortgage Discrimination &amp; Redlining (1934 – 1968)</b>	<p>During the New Deal era, a federal agency was created to provide mortgage assistance to homeowners and would-be homeowners: the Home Owners' Loan Corporation (HOLC). HOLC created "residential security" maps (evaluating perceived lending risk) in which lines were drawn around and rated neighborhoods in larger metropolitan areas across the U.S. as better or worse for housing investments.</p> <p>Properties in neighborhoods with people of color or economically disadvantaged conditions were deemed as riskiest based on these HOLC maps; consequently, people living in these "risky" or "riskiest" neighborhoods were denied access to housing loans by lending institutions (i.e. redlined).<sup>8</sup></p>	<p>Neighborhoods rated best for housing investments were typically in affluent White suburbs; one of eight criteria for a higher rating was if deed and zoning restrictions were in place to sufficiently protect a neighborhood from certain racial and social groups and incompatible land uses (e.g. multifamily housing).</p> <p>The Seattle metro area includes examples of HOLC maps and associated redlining (e.g. Seattle, Tacoma).<sup>9</sup> Redlining contributed to extremely low homeownership rates in neighborhoods of color, creating a generations-long barrier to wealth building.</p> <p>A 1975 report by the <i>Central Seattle Community Council Federation</i> titled “Redlining and Disinvestment in Central Seattle: How the Banks are Destroying our Neighborhoods” found that disinvestment in Seattle’s Central Area possible contributed to helping the suburbs: “Ratios of deposits to loans in the Central branch banks was 24%, according to the report; in suburban bank baks the ratio was 97%.”<sup>10</sup></p>
<b>Urban Renewal &amp; Transportation</b>	From the 1950s – 1970s, the federal government provided significant funding for “urban renewal” projects across the U.S.	During this time, various urban renewal and transportation infrastructure projects were federally funded in King County; major transportation projects included

<sup>7</sup> Seattle Civil Rights and Labor History Project. “Racial Restrictive Covenants.” University of Washington. Accessed June 9, 2023. <https://depts.washington.edu/civilr/covenants.htm>.

<sup>8</sup> “Guidance to address racially disparate impacts.”

<sup>9</sup> Robert K. Nelson, LaDale Winling, Richard Marciano, Nathan Connolly, et al., “Mapping Inequality,” American Panorama, ed. Robert K. Nelson and Edward L. Ayers, accessed June 18, 2023, <https://dsl.richmond.edu/panorama/redlining/>

<sup>10</sup> Seattle Municipal Archives. “Redlining in Seattle”. City of Seattle. Accessed June 20, 2023, <https://www.seattle.gov/cityarchives/exhibits-and-education/online-exhibits/redlining-in-seattle>

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<p><b>Infrastructure (1950s – 1990s)</b></p>	<p>This practice allowed cities to use funds to improve areas they had deemed “blighted.” Due to patterns of deliberate underinvestment, redlined areas were more likely to be deemed as “blighted”, and therefore slated for renewal.</p>	<p>Interstates 5 and 90.<sup>11</sup> Projects implemented as part of these programs often led to disproportionate impacts to low-income and minority communities. Such impacts included displacement, reinforced segregation (e.g. physical barriers via highways), loss of community relations, and further impoverishing communities.<sup>12</sup></p>
<p><b>Suburbanization (1950s – 1990s)</b></p>	<p>The construction of the national highway system accelerated the population growth of suburban cities at the expense of central cities. Most people migrating from central cities to the suburbs were White, leading to a description of this migration as “White flight.” Fueling this “White flight” were racially restrictive covenants, redlining, racially-based federal housing incentives post WWII (G.I. bill), and a prevailing racist culture.<sup>13</sup></p>	<p>The national highway system accelerated population growth in the suburbs of east and south King County. Also, the original opening of the 520 Bridge in 1963 and subsequent improvements to this facility contributed to suburbanization. Moreover, mandatory school integration ordinances in King County fueled “White flight” to Eastside communities.<sup>14</sup></p>
<p><b>Gentrification &amp; Displacement (1970s – Present)</b></p>	<p>Displacement occurs when housing or neighborhood conditions force residents to move. Gentrification occurs when previously disinvested in and/or low-income neighborhoods experience higher-income residents move-in and increase housing costs.<sup>15</sup> Historical</p>	<p>Redmond is growing at a faster rate than King County as a whole, and its local housing market has not kept pace with increased demand. Redmond’s “housing costs and rental rates have skyrocketed.”<sup>16</sup></p> <p>Based on PSRC’s displacement risk map, 3 of the approximately 12 census tracts</p>

<sup>11</sup> Digital Scholarship Lab, “Renewing Inequality,” American Panorama, ed. Robert K. Nelson and Edward L. Ayers, accessed June 18, 2023, <https://dsl.richmond.edu/panorama/renewal/#view=-2820.35/-984.31/18&viz=map&city=seattleWA&loc=12/47.6080/-122.3230>

<sup>12</sup> “Guidance to address racially disparate impacts.”

<sup>13</sup> King County. “King County Countywide Planning Policies Housing Chapter: Resources for Documenting the Local History of Racially Exclusive and Discriminatory Land Use and Housing Practices.” King County.

<sup>14</sup> “King County Countywide Planning Policies Housing Chapter”

<sup>15</sup> “King County Countywide Planning Policies Housing Chapter”

<sup>16</sup> City of Redmond, Housing Action Plan, 2021.

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	<p>patterns of disinvestment, discriminatory practices, economic development and urban renewal projects, along with regional economic and housing market pressures have set the stage for gentrification and displacement.</p>	<p>that make up most of City limits in Redmond is considered “moderate risk.”<sup>17</sup> Older buildings and homes are at risk of redevelopment and/or renovation, which can potentially increase rents.<sup>18</sup></p>
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Prior to the 19<sup>th</sup> and 20<sup>th</sup> century, impacts related to colonialism and fractured treaties with Indigenous People and Black Exclusion Laws in Oregon Territory have acted to shape the foundational basis for White settler entitlement over land occupation and access. Additional ethnic and other discriminatory practices compounding these implications in King County and Washington include Chinese exclusion and “Alien” Land Laws<sup>19</sup> and Japanese Internment.

Other anecdotes of racist ideas and culture practiced in Redmond prominently includes the establishment of the Redmond lodge for the paramilitary Silver Shirt Legion founded by known Hitler supporter and national figure William Dudley Pelley.<sup>20</sup> The land dedicated for the lodge was donated to Dudley by Redmond residents Ruby and Arthur Johnson.<sup>21</sup> Though the lodge stood until the late 1980s and is no longer present, remnants tied to this history remain, as the namesake of Arthur Johnson is the current name of known park on the east side of the City.

**FINDINGS OF RACIALLY DISPARATE IMPACTS IN REDMOND**

Given the historical context of *documented* racial history in Redmond’s housing and other land use practices, the purpose of this subsection is to describe a modern-day cross-section of relative housing outcomes.

NOTE – it is important to understand that the presence or absence of documented discriminatory housing practices does not alone determine the level of response or attention required to address modern racially disparate impacts in housing. The reason for this is two-fold:

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<sup>17</sup> Puget Sound Regional Council. “Displacement Risk Mapping.” Accessed June 18, 2023. <https://psregcncl.maps.arcgis.com/apps/MapSeries/index.html?appid=1769d732e3de4905ba0bf5ffaf75f602>

<sup>18</sup> City of Redmond, Housing Action Plan, 2021.

<sup>19</sup> Grant, Nicole. “White Supremacy and the Alien Land Laws of Washington State”. *The Seattle Civil Rights & Labor History Project*. Accessed June 19,2023. [https://depts.washington.edu/civilr/alien\\_land\\_laws.htm](https://depts.washington.edu/civilr/alien_land_laws.htm)

<sup>20</sup> *When the ‘American Hitler’ Came to Washington | Mossback’s Northwest*, 2018. <https://www.youtube.com/watch?v=mqMWngthj3M>.

<sup>21</sup> DAHP. “Silver Shirt Legion Hall; Johnson, Arthur and Ruby House.” DAHP, 1985. 46742.

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1. It is often difficult to identify or know of historical records detailing narratives from the perspectives of impacted communities. We must acknowledge that our understanding of history likely includes a deficit of records that were not documented or retained; and
2. Many communities – to this day – will cite lore or other beliefs to explain how and why populations did or do not interact with the housing market. As legacies of cultural racism and discrimination created new economic realities, communities With such caveats recognized, the following information reflects the existing findings of racially disparate impacts in Redmond.

**Total Population Redmond and King County**

Race / Ethnicity	Redmond Count Estimate	% Redmond Population Estimate	% King County Population Estimate
American Indian and Alaska Native	124	0.2%	0.4%
Asian	24,953	36.7%	18.2%
Black or African American	1,069	1.6%	6.4%
Native Hawaiian and other Pacific Islander	155	0.2%	0.7%
White (alone)	33,396	49.1%	58.2%
Other Race	349	0.5%	0.4%
Two or more races	2,725	4%	5.7%
Hispanic or Latino (of any race)	5,188	7.6%	9.8%
<b>Total</b>	<b>67,959</b>	<b>99.9%</b>	

Source: Washington RDI Data Toolkit, 2023

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

**Redmond Median Income, 2021**

The 2021 American Community Survey 5-year estimates the Median Household Income in Redmond to be **\$147,006**. A breakdown by race/ethnicity:

Race / Ethnicity	White (alone)	Black or African American	American Indian & Alaska Native	Asian	Native Hawaiian and other Pacific Islander	Two or more races	Hispanic or Latino (of any race)
Median Income (dollars)	126,836	124,416	n/a	174,762	n/a	128,631	96,356

Source: 2021 ACS 5-Year Estimates Table S1903

**Redmond five year change in households by income and race, 2014-2019**

The data in this section describes the difference in median household income by race between 2015 and 2020. For the purposes of this detailing, the Washington State RDI Data Toolkit organizes Area Median Income (AMI) bands as such:

- Extremely Low-income (≤30% AMI)
- Very Low-income (30-50% AMI)
- Low-Income (50-80% AMI)
- Moderate Income (80-100% AMI)
- Above Median Income (>100%)

For the purposes of this analysis, “middle incomes” will be used to refer to the source data values associated with incomes between 30 – 100% AMI.

	All Households	White (alone)	Black or African American	American Indian & Alaska Native	Asian	Native Hawaiian and other Pacific Islander	Hispanic or Latino (of any race)
%change Above Median Income (2015 – 2020)	1.17	1.04	0.77	n/a	1.57	n/a	0.89

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

%change “Middle Incomes” (2015 – 2020)	0.99	0.91	1.01	n/a	1.50	n/a	0.67
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*Source: Washington RDI Data Toolkit, 2023*

Across this information, it is apparent that overall median income in Redmond is relatively unchanged since 2015 with a modest increase in the highest tier of income earners.

When examining for racial/ethnic categories, only Asian households have seen an increase in both “middle” and high incomes. Black or African American and Hispanic households have seen a decrease in median incomes with the latter seeing a substantial dip in middle incomes. Comparatively, white households, though relatively stable, have seen a decrease in middle incomes.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

**Other Household Characteristics**

Race / Ethnicity	0-30% AMI	31-50% AMI	51-80% AMI	81-100% AMI	>100% AMI	Renter	Owner	Cost or Severely-Burdened*
All Households	8%	7%	6%	6%	73%	50%	50%	23%
American Indian and Alaska Native	n/a							
Asian	5%	3%	3%	5%	84%	52%	48%	13%
Black or African American	18%	21%	0%	2%	59%	73%	27%	37%
Native Hawaiian and other Pacific Islander	n/a							
White (alone)	9%	8%	8%	7%	68%	45%	55%	27%
Two or more races	11%	5%	15%	4%	65%	70%	30%	17%
Hispanic or Latino (of any race)	8%	6%	20%	5%	61%	73%	27%	24%

\*Cost or Severely-Burdened: combined households whose housing costs amount to 30% or greater of income  
 Source: 2020 Census Data

**RACIALLY DISPARATE IMPACTS SUMMARY**

The brief picture of household characteristics, income, and homeownership across available racial/ethnic data points shows evidence of some racially disparate impacts in Redmond.

Of the data available, the demographic picture demonstrates Redmond to be a community that is predominantly white and Asian; representing ~ 86% of the total population combined. Within these demographics, Asian households in Redmond appear to be higher-income earners with a closer split on homeownership. These trends have been increasing in this direction for the past couple of decades. Information suggests this picture is largely reflective of the recruitment patterns of engineering and other tech industry jobs such as Microsoft which boomed in the 1990s and saw a wave of immigrant and domestic recruitment of South Asian people. By 2017, Redmond, among the

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

King County Eastside suburbs, had the highest percentage of working residents who are employed in computer and mathematical occupations in the country, even ousting Silicon Valley.<sup>22</sup>

Between 2010 and 2020 Redmond’s Asian population nearly doubled. This trend suggests such wealth and stability among this community is more recent – aligning with engineering and tech industry recruitment cycles – as opposed to long-standing households holding onto wealth. Though some first-person accounts hesitate against the understanding of Asians and Indians in Redmond falling to the “model minority” archetype:

*“ We should also not forget that this is an area with a very large working-class community of South Asians ... that community never gets talked about because we tend to tell the high-tech success model minority stories”* <sup>23</sup>

For white populations, there are far greater gaps and variations. Simultaneously, while white households in Redmond experience some of the higher ends of income bands and homeownership, they also make up for a significant proportion of the population meaningfully struggling with housing costs. This information suggests that when accounting for more than race, some of the greatest contributors to housing unaffordability and displacement have been economic.

Nonetheless, disparities and impacts in Redmond cannot be entirely justified by solely economic factors. The populations most significantly experiencing the brunt of rising costs, widening income earnings, and high levels of housing instability comparatively are Black/African American and Hispanic/Latino communities.

When accounting for historical contexts, it is reasonable to assert that Redmond has always been a largely white city. Throughout its history as a predominantly white community, variations in classes have been most related to suburbanization, white flight, and local industry impacts. For communities of color, there is little evidence to suggest that there have been long-standing households; which in some part is a result of direct exclusionary practices. The economic impacts of the past 15 years in Redmond have *greatly* shaped the picture of displacement and gentrification.

Given the historical context and present day profile – as presented above – it is apparent that when populations in Redmond have either 1) a long history in Redmond or 2) have moved into the area with high incomes, then they are more likely to be less impacted by such market changes.

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<sup>22</sup> Balk, Gene. “Diversity surges on the Eastside, especially in Microsoft’s hometown, but stalls in Seattle”. Seattle Times, December 17, 2018. Accessed June 19, 2023. <https://www.seattletimes.com/seattle-news/data/diversity-surges-on-the-eastside-especially-in-microsofts-hometown-but-stalls-in-seattle/>

<sup>23</sup> Iyer, Nalini, Interview by Radke, Bill. “‘Four raisins in a rice bowl’ no more”. KUOW, published January 16, 2019. Accessed June 19, 2023. [kuow.org/stories/how-has-the-indian-community-in-the-puget-sound-changed-over-time](http://kuow.org/stories/how-has-the-indian-community-in-the-puget-sound-changed-over-time)

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

### **NEXT STEPS & BEST PRACTICES RECOMMENDATIONS**

As the City of Redmond continues to make clear, a multi-pronged approach to addressing racially disparate impacts is necessary to be tackled alongside policies addressing housing unaffordability and access issues. Over the course of its history, whether directly or indirectly, Redmond’s use of exclusionary land use practices such as zoning, racially restrictive covenants, and development restrictions have likely contributed to disproportional benefit/harms more so than not.

Middle housing, though not a singular solution to issues of affordability and responding to housing market pressures, could support access to housing stability for communities who are seeing their competitive buying power in Redmond decreasing.

For the purposes of ongoing progress across these issues, Redmond should emphasize engagement with under/misrepresented communities and consider progressive recommendations to chip away at existing policies that limit the potential of bridging racial and economic gaps. The following two sections of this report describe best practices and recommendations to address these items.

Beyond what is detailed in this report, it is clear that – while not exhaustive – more consistent and available quantitative data is needed to understand the broader explicit and covert relationships between race, income, and housing. It is especially important to acknowledge that data for American Indian/Alaska Native and Native Hawaiian and other Pacific Islander is significantly underrepresented. Such information should be deliberately collected to reflect on the complete extent of racially disparate impacts for groups which otherwise regularly experience deficits and barriers to benefits.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

# PUBLIC ENGAGEMENT REPORT

Equitable and targeted public engagement should serve as the cornerstone contributor to the inquiry and analysis regarding complex planning proposals. Where the City of Redmond chooses to validate race and social equity as important considerations to evaluate its planning policies/practices, so too then should public engagement. Through thoughtful and deliberate engagement, the City of Redmond can best gather perspectives, collaborate on ideas, and vet potential solutions regarding Middle Housing and other housing policy recommendations’ relationship to racial equity and anti-displacement measures.

As the City of Redmond set out to center public engagement as part of the development of this report’s recommendations, it contracted with BDS Planning to serve as lead. Critical to this process included compensated co-leadership and advice from local community based organizations (CBOs) to reflect on gaps and identify other opportunities for impacted community feedback and insights on process suggestions. As is detailed below, the City of Redmond, in conjunction with its ARCH partners agreed for local CBO *Eastside For All* (EFA) to lead on the joint middle housing engagement.

This section is organized according to the following subsections:

- Redmond Middle Housing Engagement Process Overview
- Preliminary Engagement Outcomes (Eastside For All)
- Lessons Learned & Next Steps

## REDMOND MIDDLE HOUSING ENGAGEMENT PROCESS OVERVIEW

In collaboration with City of Redmond staff, BDS Planning developed a framework and approach to targeted and equitable engagement of Redmond’s most underrepresented and impacted communities. The framework and outline for the engagement process followed a process later documented as part of the Department of Commerce’s “Talking Race for Planners Toolkit”.<sup>24</sup>

The framework includes:

1. Research & Understand History
2. Define Intended Outcomes
3. Recognize Dynamics
4. Engage the community through equitable approaches and practices

### **1. Research & Understand History**

The foreground of any engagement effort begins with a preliminary research exercise to explore questions like:

- What histories occurred within its local communities?
- How have these histories – or their legacies – impacted current conditions?

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<sup>24</sup> Nuñez, Ishmael. “Talking Race for Planners”. Washington Growth Management Services., May 24<sup>th</sup>, 2023. Accessed June 20, 2023. <https://deptofcommerce.app.box.com/s/hen7osms0qbl23hv4jay52foqth4eo97>

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

- What documented sources of information exist – or do not exist – that describe these histories or their impacts?
- What other sources of information could help to better understand and/or validate the relationship between historical and current conditions?

Through this study, it is evident that documented histories of discrimination are relatively sparse, and do not seem to directly justify current conditions related to housing.

From what is and was known at the outset of this effort, the project team sought to prioritize Black/African American, Latino and Spanish Speaking, and Native communities as the focus for engagement.

### **2. Define Intended Outcomes**

The pursuit of evaluated and updated policies to address housing access and affordability is an appropriate endeavor for the City of Redmond. As has, and will continue to be mentioned in this report, middle housing policies alone will not suffice to solve these issues with emphasis on improving racial equity and anti-displacement.

Though not entirely rooted in historical circumstances, the City of Redmond should define intended outcomes for such evaluation and progress around what future conditions it seeks to influence.

Redmond remains a costly yet desirable place to live and by way of its circumstances is exclusionary to a diversified range of households and their needs. In order to mitigate ongoing barriers for certain communities of Color – including those underrepresented in data – the City of Redmond should reasonably explore and implement policies to address race and other socioeconomic disparities where possible.

The goals for the engagement were to create buy-in and sustainable relationships with the City of Redmond and community based organizations. The CBOs, in partnership with the City of Redmond, have an opportunity to help shape the housing development and address further displacement in Redmond.

### **3. Recognize Dynamics**

When seeking to unearth such histories and/or current racialized experiences, it is important to acknowledge the power the City holds as a government institution.

The City should leverage and utilize its privilege and historical power to boldly learn new truths and share such a platform with communities who have been most impacted by harms.

As directed by the Department of Commerce, the City of Redmond allocated a portion of funding toward compensation of local community based organizations for their collaborative leadership in the delivery of the work and what long-term relationship building might look like.

The City of Redmond should then acknowledge, that as trust and relationships are built with community, the City is the best positioned to respond to community needs where appropriate. Engaging in a cycle of shared problem solving supported by City infrastructure, resources, and power will best set the city up for a healthy and reciprocal relationship with impacted communities.

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### **4. Engage the Community through Equitable Approaches and Practices**

For the purposes of this effort, the BDS team proposed an approach coupling CBO partnership with targeted small-group activities. The process was outlined as such:

a) Identify Community Based Organizations

Leveraging existing contacts and relationships, conduct one-on-one conversations to understand relevant organization’s interests, capacity, and networks to serve as a contracted partner organization.

b) Community Partner Recruitment

BDS, and the City of Redmond will contract with CBOs as connectors to ethnic groups and convening affinity groups. CBO representatives would serve as trusted advocates between the City and the communities they serve and/or are a part of. Preferences would be expected for bridging across cultural, linguistic, and other ethnic needs.

c) CBO-led Community Engagement

Citywide outreach strategy to gather insights on challenges that communities are experiencing in addition to investments they prefer.

d) Affinity Group Sessions

Up to 5 sessions organized around populations or interests for intimate discussions on housing challenges and reactions to possible solutions.

e) Post Engagement Synthesis

Information validation and synthesis with CBO partners to ground and fill in any outstanding gaps from the affinity-based engagement. Staff recommendations would serve to validate community preferences with an emphasis on implementation.

Following progression of these steps, Eastside for All was identified as the anchor community partner and would eventually sign a contract with ARCH to pool together engagement capacity and mitigate redundancies across similar work of Eastside communities related to middle housing.

As part of this arrangement, Eastside for All took on leadership of all engagement planning, strategy, and coordination. Information from their engagement effort is referenced below, but otherwise, its final product is titled: *Missing Middle Housing: Tell Your City; Engagement Report for A Regional Coalition for Housing and East King County Partner Cities* and should be crosswalked with the recommendations in this report.

### **PRELIMINARY ENGAGEMENT OUTCOMES (EASTSIDE FOR ALL)**

The analysis presented here is generated from source data provided by Eastside For All as part of its *Missing Middle Housing: Tell Your City; Engagement Report for A Regional Coalition for Housing and East King County Partner Cities* report.

Where possible, BDS Planning filtered the source data to isolate for Redmond-based participants (n=101) across EFA coordinated community meetings and survey respondents.

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- 48% of respondents said they are renters, 35% are homeowners, and the remaining either live with others, in a mobile home, are in transitional housing, are unhoused, or have some other living arrangement.
- Household income bands of respondents is broken down as such:
  - 20% of households make less than \$25,000
  - 18% of households make between \$25,000 - \$50,000
  - 9% of households make between \$50,000 - \$75,000
  - 10% of households make between \$75,000 - \$100,000
  - 7% of households make between \$100,000 - \$150,000
  - 26% of households make more than \$150,000 and more than \$200,000

*Consistent with the information above, there is a deficit of households with “middle income” earnings roughly between \$50,000 - \$150,000 using the above values as a reference*

- Race/Ethnicity breakdown of respondents is as such:
  - 11% Black or African American
  - 31% Asian (East and South Asian)
  - 23% Latino/Hispanic
  - 30% White, (including Western/Eastern European) non-Hispanic
  - 1% Indigenous/Native Alaskan
- Approximately 33% of respondents indicated they are not able to afford to live in the city they want. 47% indicated they are able.
  - Approximately 47% of respondents indicated a preference to exclusively live in a City other than Redmond would they be able to afford it. Most of these responses indicated Bellevue as a preferred destination.
- 54 % of respondents indicated that they have had to move in the past due to high costs of renting and/or owning a home.
  - For respondents that indicated they moved for financial reasons, most have done so in the past three years since 2020.
- 18% of households indicated experiencing bias or discrimination in housing
- 60% of respondents indicate their support for having middle housing options in Redmond – even if it is financially beyond reach at the moment.

In addition to these data points, BDS Planning conducted a handful of initial community/cultural stakeholder interviews at the outset of this process. These insights include:

- Affordability is a top priority for communities
- Language access and barriers impact the ability for immigrant and refugee communities to participate in City feedback
- City of Redmond participation in community-led activities is minimal and not proactive
- There is a relevant relationship between minoritized communities, housing instability, and other pressures affecting living conditions

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

- Organizations attention on addressing housing challenges usually aimed at lowest income bands. Many people are very housing insecure.

## **LESSONS LEARNED & NEXT STEPS**

There are clear threads of connection among historical information and local community conversations to suggest that while racially disparate impacts in Redmond are creating polar experiences for and within communities. Within similar racial/ethnic populations, we can see segments of the community experience the highest end of wealth and housing stability in a similar frequency as there are segments of the community experiencing high barriers.

Given the resultant process and engagement outcomes, the consulting team suggests the following next steps to build on this initial engagement and fortify long-standing relationships.

- Maintain and evolve partnership with Eastside for All to include collaboration on Redmond-specific activities.
- Establish personal contacts with broader community service organizations.
- Identify and invest in City representatives that can maintain consistent visibility, access, and contacts with community.
- Conduct targeted engagement effort to best understand opportunities for population progression into middle-income bands.
- Round out engagement picture by engaging large foreign-born and other non-English dominant speaking communities.

## MIDDLE HOUSING CODE AND POLICY CHANGES REPORT

### PURPOSE

The purpose of this section is to recommend middle housing and anti-displacement policies in support of achieving housing goals and implementing HB 1110. The following recommendations aim to address the following grant objectives:

- Identifies local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing, including Zoning; Disinvestment; Infrastructure
- Identifies and implements policies and regulations to address and begin to undo racially disparate impacts, displacement, and exclusion in housing caused by local policies, plans, and actions;
- Identifies areas that may be at higher risk of displacement from market forces that occur with changes to zoning development regulations and capital investments;

### SUMMARY OF OPTIONS

This report provides four categories of policy options. The Policy Options are evaluated against each other in the policy evaluation matrix on page 36.

1. Consolidate residential zones to meet new state law and address the housing deficit.
2. Create complete and culturally responsive neighborhoods.
3. Change permitting procedures.
4. Instill equity in housing and through anti-displacement policies.

Where possible, these recommendations balance providing guidance on tools that the City can leverage with the relationship of adjacent but very important approaches to address racial equity and anti-displacement.

The policy options proposed in this document do not provide specific guidance on drafting new development regulations but rather provide a policy framework as well as specific guidance for drafting new development regulations. Furthermore, community discussions and outreach have been led by a community-based organization consultant, Eastside for All.

While these recommendations consider some community input that has been gathered thus far, guidance from this report should be crosswalked with EFA’s engagement outputs. **Moreover, we recommend that the City of Redmond engage with community populations as a result of these recommendations to vet ideas and identify priorities prior to implementation.**

## RECOMMENDATIONS

### 1. CONSOLIDATE RESIDENTIAL ZONES: POLICY APPROACHES

Redmond is proposing consolidating zones to both increase housing diversity and choices and satisfy HB 1110 middle housing requirements. The zoning changes would combine:

- R-1 through R-8 into a Neighborhood Residential zone
- R-12 through R-30 into a new Neighborhood Multifamily zone

The policy options in this section ask the question, how should these zones be regulated to address the following key issues, in addition to housing supply and state compliance?

- Housing is generally unaffordable for those making less than the area median income (AMI) of \$108,600.<sup>25</sup>
- Redmond lacks housing diversity in its types of housing. The majority of Redmond’s housing is single-family residential and apartment building types.
- Development regulations limit, and in some cases prohibit, middle housing types. For example, existing R-4 and R-6 zoning requires distance between duplexes.
- Redmond’s development patterns and land use regulations make car ownership a de facto requirement in many neighborhoods. Corner stores and small-scale neighborhood commercial opportunities require a neighborhood process and land use changes to be developed in residential zones.

#### **Policy Option 1.A Form-Based Code**

Traditional zoning regulations limit types of land use in a zoning district. A form-based code approach allows a variety of different uses in a building or on a property but regulates the built form for conformance with the desired neighborhood scale and design.

This approach would deregulate land uses and instead regulate the building massing and form. Form-Based Codes can be designed and implemented in a variety of ways to achieve community design objectives. For example, Form-Based Codes may require larger buildings to provide setbacks to ensure neighboring structures are not impacted by shade. Or, it may require that the frontage of the building provide transparency and have entrances certain feet from the public right-of-way. The case study, below, describes how a Form-Based Code is applied in Kirkland.

#### **Case Study: Form-Based Code in Kirkland, WA**

To support the vision for Sound Transit’s regional transit investment (new Bus Rapid Transit Station) in Kirkland for a redeveloped interchange at NE 85th St and I-405, Kirkland adopted a Station Area Plan that holistically aims to leverage and maximize the investment to encourage an equitable, mixed-use, and sustainable transit-oriented community. To support this Plan (first phase), Kirkland adopted a Form-Based Code in 2022 that focuses on *regulating districts*,

<sup>25</sup> City of Redmond, Housing Needs Assessment, 2020.

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*frontage types, street types, and districtwide standards.* These four complementary elements work together to support the implementation of this vision.

**MASSING AND DEVELOPMENT DENSITY**

**Height and Floor Area**

<b>A</b> Base Maximum Allowed Height	Refer to Regulating Plan
<b>B</b> Bonus Maximum Allowed Height	Refer to Regulating Plan
<b>C</b> Maximum Floor Plate (per building)	Between 45'-75': 35,000 GSF Between 75'-125': 25,000 GSF Above 125': 20,000 GSF

**Setbacks and Tower Separation**

<b>H</b> Upper Story Street Setbacks	At 75': 15' setback At 125': 30' setback
<b>I</b> Tower Separation	60'
<b>J</b> Maximum Facade Width	160'
<b>K</b> Minimum Facade Break Width	15'
<b>L</b> Minimum Facade Break Depth	5'

**GROUND FLOOR DESIGN AND ENTRY**

<b>Ground Floor Design</b>	
<b>A</b> Minimum Street Level Story Height	15'
<b>B</b> Facade Transparency	75%
<b>C</b> Max Street Level Facade Width	65'
<b>Entrances</b>	
Location	Required on primary street-facing frontage
Entry Transparency	80%

**PUBLIC REALM**

<b>D</b> Front Setbacks (Min, Max)	0', 15'
<b>E</b> Sidewalk Cafes/ Amenity Zone	Min depth 7', up to 10' additional setback allowed
<b>F</b> Corner Design	300 GSF required within property line at corners where two intersecting streets are a combination of major thoroughfare, main street, or neighborhood mixed use
<b>G</b> Ground Floor Parking Setback	25'

The image on the left shows development standards for commercial mixed-use districts; the image on the right shows frontage standards for retail and active uses.

*Regulating districts* define primary characteristics of overall building form (e.g. lot parameters, height, and permitted uses). *Frontage types* provide design regulations for private property frontages (e.g. ground floor design, café and amenity zones), the types of which are defined based on street type designation. *Street types* provide a cohesive design direction for improvements to private and public right of way (e.g. sidewalks, road widths, streetscapes). *Districtwide standards* concerning parking, public space, and landscaping requirements (and others) are consistent throughout the regulating districts to support the vision and objectives of the Station Area Plan.<sup>26</sup>

Moreover, the Form-Based Code includes an Incentive Zoning Program, which provides additional development capacity above the allowed base height zoning in exchange for providing amenities with a clear public benefit. Among the list of eligible amenities is affordable housing; more

<sup>26</sup> City of Kirkland, “Form-Based Code for the NE 85th Street Station Area Plan,” in Kirkland Zoning Code Chapter 57, (Kirkland: City of Kirkland, 2022).

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

specifically, commercial development contributions (fee-in-lieu) to affordable housing. As part of the second phase of the Station Area Plan, Kirkland is working to finalize affordable housing requirements by Spring 2023 as well as expand on the Form-Based Code.<sup>27</sup>

### Pros

- De-regulates use types
  - Potential to promote greater mixed uses and complete neighborhoods. By de-regulating uses, property owners and builders have greater flexibility to provide different residential and businesses that would complement each other through a market-based approach.
  - Provision of affordable housing is prioritized in the Incentive Zoning Program, which helps to mitigate displacement potential. Also, the Station Area Plan includes a community benefits policy framework, in which maximizing affordable housing options is identified as a priority community benefit.<sup>28</sup>
- Form-Based Code supports other city-wide housing initiatives that aim to address supply and affordability issues (e.g. inclusionary zoning requirements).

### Cons

- Could require complex design standards to translate the FBC into approved building design, thereby excluding smaller, locally-owned contractors.
- Unclear of whether community development contributions to affordable housing will be directed to meet the greatest impact for affordability.
- Perhaps there are additional opportunities to expand the list of eligible amenities under the Incentive Zoning Program that further prioritize development of affordable housing as well as other equity considerations.

### ***Policy Option 1.B Deregulation in the consolidated zones.***

This option would de-regulate uses and housing types in the consolidated zones, reduce lot size and parking restrictions, and instead set a density level. This is a free market approach, enabling the market to address housing supply issues and allow neighborhood commercial services through permitted use changes. Practically, for Redmond, this would mean allowing more uses in the zones by right. Development would still be regulated through various dimensional standards, parking requirements, and landscaping.

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<sup>27</sup> City of Kirkland, “NE 85th Street Station Area Plan,” City of Kirkland Washington, 2023, <https://www.kirklandwa.gov/Government/Departments/Planning-and-Building/Code-and-Plan-Amendment-Projects/NE-85th-Street-Station-Area-Plan#panel-1-1>.

<sup>28</sup> City of Kirkland, “4.0 Community Benefit Strategies,” in NE 85th Street Station Area Plan, (Kirkland: City of Kirkland, 2022), 110-111.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

### Case Study: Reducing Regulations to Encourage Infill in Houston, TX

Houston, Texas, does not have a zoning code. In other words, they do not regulate uses in a traditional permitted use table. However, certain uses are still regulated to mitigate nuisances. For example, junk shops, slaughterhouses, and uses that have impacts to the community are not allowed within certain distances of residential areas and schools. Furthermore, the City still regulates development through a series of ordinances including, but not limited to:

- Subdivision platting, minimum lot sizes, and development
- Parking requirements
- Hazardous uses and tower regulations
- Landscaping and historic preservation

In 1998, the city reduced the minimum lot size from 5,000 square feet to 3,500. With the lack of zoning regulation and the liberalization of lot size restrictions, an estimated 25,000 infill housing units were developed over 20 years.<sup>29</sup>

As a result of this regulatory regime, the city has been able to mitigate increasing housing costs with increasing demands, as supply has better kept pace with demand through infill.<sup>30</sup>

#### Pros

- Allows greater development flexibility and predictability, encouraging supply.
- Enables the city to regulate potential negative impacts directly through code, rather than indirectly by regulating density and land use.
- By creating more flexibility, more builders will be able to enter the market. This opens the door to a variety of builders serving a diversity of markets, potentially opening the gates for more culturally responsive housing.

#### Cons

- May not address middle housing directly, as housing development will be driven by the market rather than guided through policy. For example, to maximize profits, housing development may continue to skew towards one- and two-bedroom units to fit more units per square foot.
- While it encourages supply to meet housing demands, which keeps costs lower, it does not guarantee affordability for lower-income earning brackets.

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<sup>29</sup> Gray, M Nolan, and Adam A Millsap. “Subdividing the Unzoned City: An Analysis of the Causes and Effects of Houston’s 1998 Subdivision Reform.” *Journal of Planning Education and Research*, 2020.

<sup>30</sup> Hamilton, Emily. “Want More Housing? Ending Single-Family Zoning Won’t Do It.” *Bloomberg.Com*, July 29, 2020. <https://www.bloomberg.com/news/articles/2020-07-29/to-add-housing-zoning-code-reform-is-just-a-start>.

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- Does not effectively promote and advance racial equity goals.<sup>31</sup> Deregulation alone would not undo racial discriminatory impacts from zoning and land use.

### **Policy Option 1.C. Zone consolidation**

This option consolidates zones to meet the minimum requirements of the new state law on middle housing, HB 1110. Two zones would be created from the existing residential zones: Neighborhood Residential and Neighborhood Multi-Family. This consolidation would simplify zones with fewer changes to the permitted use tables except where necessary to meet state requirements. This would perpetuate existing issues surrounding residential areas of Redmond—lack of affordability and segregated uses that hinder cohesive neighborhoods with diverse services. However, it would be a more moderate change with less staff time to implement.

#### Pros

- Consistent with the approach of the other zoning designations.
- Less of a change than the other options.
- Encourage more diverse housing stock by allowing new options for developers

#### Cons

- Does not address inherent shortcomings that accompany a traditional zoning approach with segregated uses. For example, it does not encourage compact, culturally responsive, and resilient neighborhoods that are connected with services. While this addresses compliance with updated state housing law, the opportunity to do a more “complete” update might have to wait for a later date.

### **Policy Option 1.D. Combination approach.**

This option would involve a combination of approaches 1.A through 1.C. For example, Form-Based Code could be applied to arterials or collectors, while a traditional land-use approach with greater flexibility for different types of uses allowed along local streets. The benefit of this approach is that it would harness the strengths of the different options. However, it could create more complexity in how the zoning map is applied instead of having one approach.

## Implementation Recommendations

Regardless of the chosen policy path for updating zoning designations, there are a few key recommendations that would apply to any of the above.

- Allow greater density 20-minute walk from downtown. Downtown already has a variety of uses and businesses that could serve nearby residential areas. Encourage more density closer to these services.

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<sup>31</sup> Qian, Zhu. “Shaping Urban Form without Zoning: A Case Study of Houston,” 2009. <https://oaktrust.library.tamu.edu/handle/1969.1/ETD-TAMU-3253>.

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- Parking requirements increase the costs of residential development. Consider reductions in required on-site parking wherever feasible.
- Allow greater flexibility in the permitted use tables in the consolidated zones. Currently, the tables prohibit certain use types in residential zones (see Table 21.04.030A above). These limitations result in segregated uses and increased car dependency. Notable categories are food-related retail and commercial uses, postal services, and neighborhood-scale medical offices and clinics. Without allowing more mixed uses and with increased housing capacity, Redmond’s neighborhoods will continue to seem disjointed and lack overall cohesion. Additionally, it would increase pressure to drive to these services in other zones, increasing traffic volumes and parking demand.

## 2. CREATE COMPLETE AND CULTURALLY RESPONSIVE NEIGHBORHOODS

Exclusive single-family development and zoning have been used to exclude Black, Indigenous, and people of color from housing opportunities.<sup>32</sup> To address this racist legacy, this report provides options to create more “complete neighborhoods” that are more culturally responsive and resilient to allow more small business opportunities. Providing more flexibility in allowable uses in exclusively residential neighborhoods has the potential to encourage small-scale businesses, cultural institutions, and income-generating opportunities to reduce both residential and business displacement pressures.

The options in this section should be considered as complements to the policy path chosen in *Section 1, Consolidate Residential Zones*. Currently, Redmond’s residential subdivisions face inward and away from each other, hindering a cohesive public realm.

### ***Policy Option 2.A Allow more Retail and Commercial Uses by Right in Residential Neighborhoods***

Currently, retail sales are not permitted in residential zones (See RZC Table 21.04.030A below). While the City of Redmond allows these uses in Neighborhood Commercial zones, or “nodes,” neighborhoods or developers would need to petition for a zoning change to obtain more flexibility. Allowing small-scale, corner-store retail in residential zones by right could provide more opportunities for goods and services in residential zones with fewer restrictions to start up such an endeavor. Impacts from commercial uses could be effectively mitigated by the scale of the use. For example, a small corner or convenience store could be allowed, but a larger grocery store would not be.

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<sup>32</sup> Rothstein, Richard. *The Color of Law: A Forgotten History of How Our Government Segregated America*. Reprint edition. New York London: Norton, 2018.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

Table 21.04.030A Comprehensive Allowed Uses Chart: Residential Zones <sup>1, 2</sup>																					
Online Users:											R12,										
Click on District Abbreviation to											UR	RA5	R1	R3	R4, R5	R6	R8	RIN	R18, R20,	MDD3	NDD1
View Map -->											R30										
General Sales or Service																					
Retail sales	N	N	N	N	N	N	N	N	N	N	N										
Marijuana retail sales	N	N	N	N	N	N	N	N	N	N	N										
Business and service	N	N	N	N	N	N	N	N	N	N	N										
Food and beverage	N	N	N	N	N	N	N	N	N	N	N										

**Policy Option 2.B Amend the Home Business Code to allow garage businesses or Accessory Commercial Units (ACUs), where feasible.**

Redmond’s Home Business Code allows for businesses within residential areas. These can include anything from a local music teacher to a family day care facility. This policy option would amend the code to allow garages to be converted into small-scale commercial and retail opportunities for the neighborhood.

Because Home Businesses are required to be virtually invisible in the context of the residential neighborhood, certain commercial uses are not feasible. For example, Redmond’s Zoning I Code states:

**RZC 21.08.340.C.6 - Maintaining Residential Character.** The business shall be conducted in a manner which is consistent with the residential use in the zone where it is located. Alterations and operations that have potential to impact residential uses include but are not limited to exterior alteration of the property, expansion of parking, construction, creation of a separate entrance, the use of color, materials, lighting, signs (other than on the applicant’s vehicle), exterior storage of materials, goods or merchandise, or by the emission of sound, electric interference, vibration, dust, glare, heat, smoke, odors or liquids.

This standard means a small-scale, neighborhood cafe would not be allowed to display a sign to list beverages. Relaxing these standards to allow greater flexibility would enable opportunities for small-scale commercial opportunities and local business development.

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Specifically, to allow this, the Home Business code would be amended to provide an exception to on-site parking requirements for home business (RMC 21.08.340.C.9). To mitigate any impacts—such as street parking impact—the City may include the following conditions for approval:

- Parking is currently provided in a garage;
- On-street parking is already available; and
- The garage is converted into a home business/corner store.

As an alternative to updating the Home Business code, a separate use could be created to allow “Accessory Commercial Units” (ACUs). An ACU would be similar to an Accessory Dwelling Unit (ADU), except it would serve a commercial use rather than a residential one.

### Case Study: Allowing Accessory Commercial Units (ACUs)

Accessory Commercial Units (ACUs) provide opportunities for locally sourced economic development. They can provide opportunities for a neighborhood cafe, salon, or deli in a neighborhood where residents would otherwise have to travel further to for services. Not only do they provide an opportunity to enable small, neighborhood-scale commercial opportunities, but they also reduce the barriers to entry for new local businesses. A prospective business owner or entrepreneur could pilot their business out of their own home, without needing to sign a lease for a retail storefront.



[Image source: Google Maps] An ACU salon space in Santa Paula, CA

### 3. CHANGE PERMITTING PROCEDURES

To support housing production, these policy options would make it easier to permit housing. The policy options in this section consider the following key issues:

- Permitting process is currently slow. This prevents additional housing units from being added, contributing to housing deficits.
- Development currently favors larger mixed-use and multi-family construction, providing development opportunities for a small number of larger developers.
- Local, smaller developers could benefit from regulations and procedures that allow for smaller, simpler construction techniques. Opening the door to a larger pool of developers could allow developers to build for their target markets, leading to housing development that is more culturally responsive to the needs of broader communities.
- Current zoning requirements set up inconsistencies between densities allowed via attached dwelling units and the density restrictions set by the underlying zone. Internal inconsistencies of this kind are not easy for local developers to understand and navigate.
- Adoption of new Washington State legislation in 2023 has opened up new opportunities for accessory dwelling units.

#### ***Policy Option 3.A: Pre-approve ADU designs (pilot program)***

Pre-approved designs for accessory dwelling units (ADUs) can reduce permit approval times and save on construction costs. Coordination with community-based organizations could provide insight into culturally appropriate design considerations. The City could test a few designs and site parameters through a pilot program.

#### **Case Study: Pre-Approved ADU Plans in the Cities of Olympia, Lacey, and Tumwater**

These cities have pre-approved four ADU plans that are compliant with building health and safety codes. A variety of design finishing choices are available so that homeowners can match design elements of the ADU to those of the primary residence. The size of the pre-approved ADUs range from about 480 to 800 square feet, appropriate for occupancy of between one and four people.

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**480 sq. ft. Studio**



- Approximately 20' x 24'
- Best Suited for 1-2 people
- Roof and window styles can be customized (see style guide for options)

**600 sq. ft., One Bedroom**



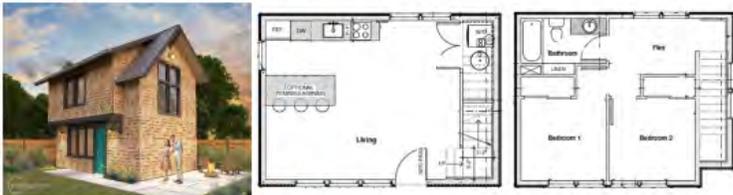
- Approximately 30' x 20'
- Best Suited for 1-2 people
- Roof and window styles can be customized (see style guide for options)

**800 sq. ft., Two Bedroom Rambler**



- Approximately 30' by 30'6"
- Best Suited for 1-4 people
- Roof and window styles can be customized to reflect primary house

**800 sq. ft., Two Bedroom Two-Story**



- Approximately 19' x 24'
- Best Suited for 1-4 people
- Roof and window styles can be customized to reflect primary house

[Image source: City of Olympia] Examples from the City’s pre-approved design handout.

Pros

- Allows greater development flexibility and predictability, encouraging supply.
- By reducing costs and process barriers, more builders may be able to enter the market.
- Lower construction costs can lead to lower housing costs.
- This style of ADU may not directly address Redmond’s need for family housing, but ADU’s might provide additional flexibility for Redmond populations to age in place, vacating larger, affordable homes if they can make the move to smaller ones in the same community.
- Pre-approved designs could be provided as guides to support development regulations, rather than being directly codified, allowing the guides to be more easily updated over time.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

### Cons

- Pre-approved designs may or not be feasible, based on a lot’s specific dimensions. While providing a variety of options could mitigate this, it may not resolve all issues of a site’s condition.
- If pre-approved designs are codified, the development community has expressed concern that “unmarketable” designs could remain in the code longer than desirable. If trends in housing shift, pre-approved designs could lag consumer choice and become less profitable over time if they don’t sell as quickly as custom designed ADUs.

### ***Policy Option 3.B: Reduce permit times and design standards for middle and multi-family housing***

This option includes revising design standards to both become compliant with HB 1293, as well as expand revisions to ensure that middle and multifamily housing developments do not face greater burdens in design review. Design review can add both time and cost to development.

### **Case Study: Washington State [House Bill 1293](#)**

This is a new state law that was passed by the Washington State legislature in 2023. The law states that design requirements must be “clear and objective” for review of building exteriors. It also prohibits jurisdictions from requiring more than one public meeting for design review purposes.

## **4. INSTILL EQUITY IN HOUSING AND THROUGH ANTI-DISPLACEMENT POLICIES**

Reducing displacement pressures involves two key elements:

- Preserve and enhance opportunities for community members to remain in the city. This can be accomplished by providing financial incentives or by preserving the existing affordable housing stock .
- Ensure inclusive and consistent outreach and engagement. Direct and inclusive outreach can connect community members at risk of displacement to programs that reduce displacement pressure. Additionally, it is impossible for the City to anticipate all displacement pressures at once. Providing the community a voice in policy would be more effective at reducing displacement risk by providing resources that best meet community needs.

### ***Policy Option 4.A: Increase Diversity, Equity, and Inclusion Outreach Capacity.***

The City of Redmond has one position for a Diversity, Equity, and Inclusion (DEI) Manager. However, one position does not encourage continuity of services and coordination between the city and community. Much of the benefits from such a role comes out of long-term relationship building. Having more staff to do this work would ensure resilience of service if there is staff turnover.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

Moreover, a *trusted advocate* model honors the ability and knowledge of leaders from a wide spectrum of cultural, ethnic, and racial identities and experiences, including immigrant and refugee communities, as experts on what their community needs to thrive. Trusted advocate programs are most successful when overlapped with civic education, leadership, workforce development, and capacity building. Such programs should be compensated and have been known as Community Liaisons or Community Consultants.

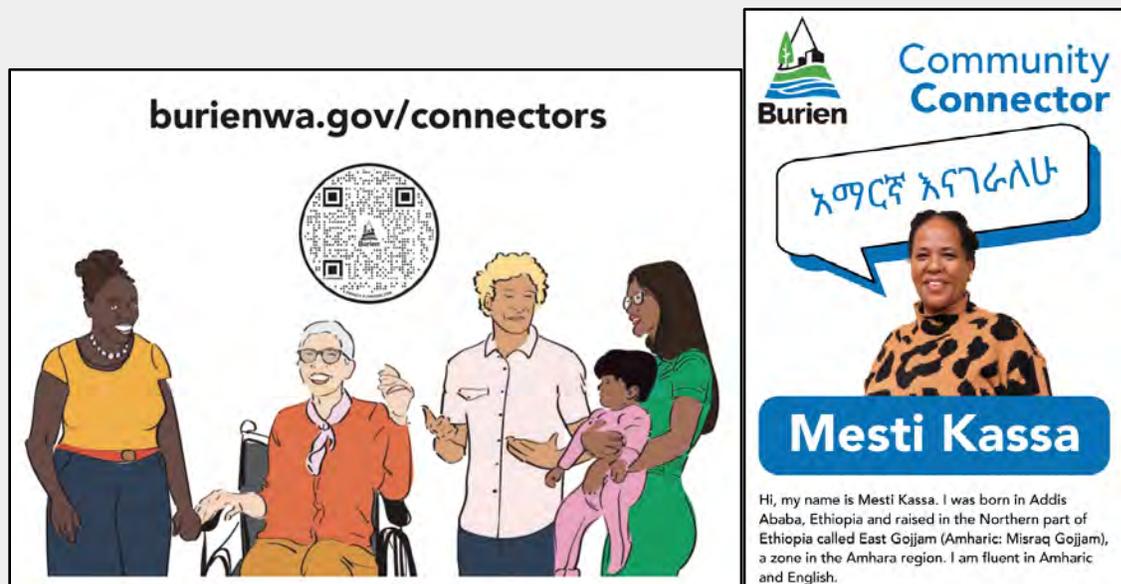
Through such an initiative the City of Redmond can maximize on the multi-pronged approach necessary to address racial disparities, elevate community involvement, and tackle housing affordability together. This approach can serve to better evaluate and produce new policies and regulations targeted at anti-displacement whether through middle housing, or other means.

### Case Study: Community Connectors Program in Burien, WA

The Burien Community Connectors program works with trusted leaders from Burien’s diverse communities to connect more people to civic planning processes. In the first cohort, Connectors from Spanish, Amharic and Vietnamese communities were recruited to the program. Burien’s Community Connectors are compensated and work with City staff to advise on engagement plans and program development, conduct outreach and engagement, create events, interact with ethnic media and other community media outlets, provide interpretation, and translate materials as needed.

The benefits of a trusted advocate model like the Community Connectors program is that it allows the City to build stronger relationships with non-English speaking communities connecting them to resources and gathering information on how City programs impact their communities.

In Burien, the Community Connectors program launched in tandem with the promotion of the City’s “Shape Your City” engagement campaign tied to updates to the Comprehensive Plan, a new Transportation Master Plan, and an update to the Parks, Recreation and Open Space Plan.



## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

*Highly visible and graphic communication materials are used in Burien to request applicants for recruitment and promote its connectors.*

### **Policy Option 4.B: Expand funding and opportunities for Community Land Trusts (CLTs) to be implemented**

Land costs are one of the most expensive items for providing housing. For example, a senior household living in a small, single-family residence could be displaced as property taxes increase due to land costs, while the home itself depreciates. Or a younger household looking to purchase a home but cannot due to high land costs may need to look to other cities. CLTs can be particularly valuable in preserving existing affordable housing stock by controlling the land in perpetuity.

Controlling these costs by acquiring the land through a non-profit ownership structure can substantially increase affordability and reduce displacement pressures. ARCH has an existing Housing Trust Fund that targets incomes 80% or less Area median Income (AMI). However, demand for this program has outstripped funding. ARCH estimates that they will receive \$21 million in funding requests for potential pipeline projects over the next three years. However, the program only has around \$3 million budgeted to go towards such projects.

### **Policy Option 4.C: Explore a Guaranteed Basic Income program for Redmond residents based on housing cost burden.**

Economic inequality has risen across the U.S.<sup>33</sup> Rising housing costs have only exacerbated these differences. This approach aims to reduce these burdens for Redmond residents by addressing the source issue—the lack of financial resources to afford housing. While housing vouchers address some of these gaps, despite illegality, housing discrimination still occurs for voucher holders.<sup>34</sup> Providing payments could resolve this issue. Furthermore, providing direct funding for housing could prevent further displacement of Redmond residents struggling to afford to live and work in the city—considering affordability is a key issue identified through outreach efforts, providing funding to reduce these burdens may have a direct impact in reducing displacement pressures.

However, such a program would be a change in approach from existing city programs and may involve tradeoffs and startup costs to best implement. Additionally, providing such assistance does not alleviate housing cost increases due to insufficient supply.

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<sup>33</sup> Mitchell, Travis. “Trends in Income and Wealth Inequality.” Pew Research Center’s Social & Demographic Trends Project, January 9, 2020. <https://www.pewresearch.org/social-trends/2020/01/09/trends-in-income-and-wealth-inequality/>.

<sup>34</sup> Vesoulis, Abby. “How Housing Voucher Programs Can Hurt the Low-Income Families They’re Designed to Help.” *Time*, February 20, 2020. <https://time.com/5783945/housing-vouchers-discrimination/>.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

**Case Study: Growing Resilience in Tacoma**

The City of Tacoma is currently piloting a Guaranteed Basic Income Program. While the complete impact assessment is not going to be completed until summer 2024, preliminary results have shown that 23% of the payments were spent on food and groceries and 12% on housing costs. For one such participant, the “dream of buying a house she can one day pass down to her grandson finally feels achievable.”<sup>35</sup> Given housing stability and intergenerational wealth is often tied with homeownership, the implications of this impact could extend beyond the life of the pilot program.

**Policy Options 4.D and 4.E: Continue and expand the Inclusionary Zoning and Multifamily Property Tax Exemption (MFTE) programs.**

The City’s Housing Action Plan recommended expanding and improving both the MFTE and Inclusionary Zoning programs to increase housing production. Particular recommendations noted in the Action plan were to expand the areas where MFTE could be used in the city. With the consolidation of zones to allow more diverse housing types and options, ensuring that the MFTE program expands alongside will help ensure that new housing is not only built, but is affordable.

**Policy Options 4.D and 4.E: Continue and expand the Inclusionary Zoning and Multifamily Property Tax Exemption (MFTE) programs.**

The City’s Housing Action Plan recommended expanding and improving both the MFTE and Inclusionary Zoning programs to increase housing production. Recommendations noted in the Action Plan were to expand the areas where MFTE could be used in the city. With the consolidation of zones to allow more diverse housing types and options, ensuring that the MFTE program expands alongside will help ensure that new housing is not only built but is affordable.

**Policy Option 4.F Support Homeownership Programs for Wealth Generation and Equity**

Homeownership is important to generating wealth. However, racial disparities in ownership persist throughout the country.<sup>36</sup> Reducing these disparities through both existing programs and expanding opportunities with increases in middle housing supply has the potential to reduce such disparities and displacement pressures among Black and Indigenous and other communities of color in Redmond. ARCH conducts a Downpayment Assistance Loan Program that should be supported and continued to this effect. Additionally, with the passage of HB 1110 HB 1337 and the implications for more housing supply and ownership opportunities, this report recommends pursuing incentives to encourage affordable homeownership opportunities to this effect. Specifically,

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<sup>35</sup> Yoon-Hendricks, Alexandra. “How Tacoma’s Yearlong Guaranteed Income Experiment Fared.” The Seattle Times, January 5, 2023. <https://www.seattletimes.com/seattle-news/how-tacomas-yearlong-guaranteed-income-experiment-fared/>.

<sup>36</sup> Snowden, Brandi. “Racial Disparities in Homeownership Rates.” National Association of Realtors, March 3, 2022. <https://www.nar.realtor/blogs/economists-outlook/racial-disparities-in-homeownership-rates>.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

- Provide incentives for middle housing applications that guarantee affordable homeownership opportunities. For example, if an ADU or duplex development guarantees that the unit will be guaranteed affordable, the city will fast track the proposal or provide financial relief. Affordability could be guaranteed through covenants. Coordinate with ARCH on presiding and facilitating such sales and covenants.
- Pursue and explore incentives and grant and funding opportunities to expand downpayment assistance programs.

## Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

**POLICY ANALYSIS TABLE****METHODS**

## Evaluation Criteria

To evaluate potential impact of the policy options and recommendations, this report uses a multi-criteria evaluation method. Criteria were selected based on the grant objectives and city and community input. The criteria are:

- **Reduced racially disparate impacts.** Selected based on grant objectives.
- **Fosters middle housing supply.** Selected based on grant objectives.
- **Increases housing affordability.** This criterion acknowledges that while increasing housing supply can impact affordability in the long term, just allowing more housing types and supply does not inevitably mean that new units will be more affordable.
- **Encourages complete, culturally responsive neighborhoods.** Complete neighborhoods encourage a variety of uses. Ensuring that neighborhoods are connected to services can encourage more culturally responsive institutions and businesses in zones modeled after exclusionary principles.
- **Evidence of impact.** Has this policy option been implemented before? Is it the best practice option for the issues at hand?
- **Policy complexity.** How easy would the policy be to implement? Are there significant trade-offs?

## Scoring

The policy options are evaluated against one another in the following matrix using a three-tiered system: low, moderate, and high potential impact. The scores are informed by both case studies, historical impact and precedent, and how relevant the policy option is to address the underlying key issues affecting the criterion.

- **Low** impact. The policy will likely have a low positive impact on achieving the criterion objective. For example, for the racially disparate impact criterion, if an aspect of the policy has shown that similar policies have ignored addressing displacement pressures, it would receive a low score.
- **Moderate** potential impact. The policy will likely have a moderately positive impact on meeting the criterion.
- **High** potential impact. The policy will likely have a high positive impact towards or plays a vital role in, meeting the criterion.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

**POLICY ANALYSIS TABLE**

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/ connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
<b>1. Consolidate SF Zones into one R8 Zone</b>							
1.A	Form-Based Code Approach	<b>Moderate.</b> Allowing more diverse uses does not undo past injustices. However, it does facilitate other solutions to ensure greater inclusion and equity in housing.	<b>High.</b> By regulating form and not uses and density, more housing types would be allowed.	<b>Low.</b> While increasing potential for greater housing supply would reduce housing costs in the long run, it does not guarantee affordable housing in the short term.	<b>High.</b> A Form-Based approach would provide specific regulations on the size and locations of development to encourage a more cohesive and connected public realm.	<b>High.</b> Form-Based Codes have been implemented in various US communities since 1982.	<b>Moderate.</b> Redmond would need to identify what form elements they would want to regulate and how form design standards can mitigate any foreseen impacts from the change.
1.B	De-regulatory Approach	<b>Moderate.</b> Removing zoning restrictions does not undo past injustices.	<b>Moderate.</b> Allowing more flexibility to build different types of housing could	<b>Low.</b> While increasing potential for greater housing supply would	<b>Moderate.</b> While this approach would allow greater uses and flexibility in	<b>Moderate.</b> While shown effective in Houston to encourage housing supply to	<b>Moderate.</b> While this approach would mean loosening restrictions and

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
		However, it does facilitate other solutions to ensure greater inclusion and equity in housing.	support middle housing production.	reduce housing costs in the long run, it does not guarantee affordable housing in the short-term.	neighborhoods to establish local retail opportunities within shorter distances, without regulation walkability may not be addressed.	meet demand, it has not been widely used in other places.	red tape, it would also mean accounting for unforeseen consequences of the change. For example, would deregulation mean greater commercial capacity and result in fewer housing units?
1.C	Zoning consolidation	<b>Low.</b> Regulating land uses has historically had little impact on addressing racially disparate zoning practices.	<b>High.</b> Redmond currently does not have a large supply of middle housing types due to lack of permission in code. Allowing	<b>Low.</b> Existing land use regulations have not been able to adjust fast enough for Redmond to accommodate the housing supply	<b>Low.</b> The current approach to regulating uses has proven inadequate to encourage complete neighborhoods. As	<b>Low.</b> This regulatory framework separates uses and constraints housing supplies.	<b>High.</b> This policy option would require the least amount of planning to implement.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
			middle housing types by right is a vital step before any supply can be added.	demand. This has contributed to increasing housing unaffordability in the city.	a result, subdivisions appear disjointed from one another. Neighborhoods lack walkability and nearby services/retail to support them		
1.D	Combination approach. For example, FBC on arterials and main corridors, with a more relaxed land use based approach on local streets.	<b>Moderate.</b> Removing zoning restrictions does not undo past injustices. However, it does facilitate other solutions to ensure greater inclusion and equity in housing.	<b>High.</b> This change would target providing greater flexibility for middle housing types.	<b>Moderate.</b> This approach could focus on ensuring lower barriers to housing affordability and lower cost production through streamlined development regulations.	<b>High.</b> This approach could use Form-Based Approaches and overlays to target walkability, connectivity, and complete neighborhoods	<b>High.</b> Many existing Form-Based approaches do not apply to whole areas of a city, but rather certain places where it has been identified to be most effective.	<b>Moderate.</b> This approach could reduce the burden of implementation by accounting for existing practices, while providing flexibility and design standards in others. However, designing the

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
							program would involve staff efforts to draft the best mix of policy approaches.
<b>2. Create complete neighborhoods</b>							
2.A	Allow more Retail and Commercial Uses by Right in Residential Neighborhoods	<b>Moderate:</b> Could open pathways for neighborhood patterns that are more culturally responsive.	NA	<b>Moderate:</b> Allowing a property to provide housing in addition to family income generation could assist with affordability and reduce residential and business displacement pressures.	<b>High.</b> Allowing scale-appropriate commercial opportunities in residential zones reduces the need for residents to travel longer distances to purchase everyday items or essential services.	<b>High.</b> Allowing small-scale commercial opportunities in residential areas is a long standing practice, both in the US in older neighborhoods and internationally.	<b>High.</b> This change would involve amending the permitted land use tables to allow more uses in residential zones.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
2.B	Amend the Home Business Code to allow garage businesses or Accessory Commercial Units (ACUs), where feasible.	<b>Moderate.</b> Allowing greater flexibility may reduce displacement pressures by allowing economic development opportunities for those wishing to start a business, by reducing overhead costs by seeding those businesses in current residences.	NA	NA	<b>High.</b> Allowing a greater mix of uses encourages more “third places”, making residential neighborhoods	<b>Moderate.</b> Garage businesses and Accessory Commercial Units have been implemented in both Seattle and Portland. Seattle made it easier for garage businesses to run in response to the pandemic to encourage local businesses and reduce displacement	<b>Moderate.</b> This policy would be implemented similar to an ADU program, however for commercial uses. However, considering curb and on-site parking requirements to ensure feasibility would involve some impact analysis.
<b>3. Change the Permitting Process</b>							

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
3.A	Pre-approved ADU designs (pilot program)	<b>Low.</b> New construction is unlikely to be affordable. Pre-approved designs may not be directly responsive to cultural needs.	<b>Low.</b> Pre-approved designs (or a test pilot program) will likely need to be smaller scale and less complex than what might typically be considered middle housing.	<b>Low.</b> Even if time can be shaved from the design process, new ADU construction is unlikely to be affordable in the short term. It could allow for faster ADU development, which would chip at overall housing deficits	<b>Low.</b> An increase in ADUs would diversify housing options in each neighborhood.	<b>Low..</b> Pre-approved ADU programs are relatively new, thus evidence of impact is as yet undetermined. However, they have been implemented in other cities from Olympia/Lacey, Seattle, Eugene and Bend, OR.	<b>Moderate.</b> The city would need to fund architects and coordinate with them to design ADUs that would work for various, “typical” neighborhoods in Redmond.
3.B	Reduce permit times and design standards for middle and	<b>Moderate.</b> Allowing middle and multi-family housing to be built faster will not	<b>High.</b> Developers who want to build middle and multi-family housing could benefit from	<b>Moderate.</b> Faster permitting times could result in some increased affordability.	<b>Moderate.</b> An increase in middle and multi-family housing would diversify housing	<b>High.</b> Cities with fewer permit requirements and design standards tend to have	<b>Moderate.</b> While some design standards and processes need to be streamlined

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
	multi-family housing	undo past injustices. However, it does facilitate other solutions to ensure greater inclusion and equity in housing.	inside guidance and reduced permit times.	Mostly, however, new construction is unlikely to be affordable in the short term.	options in each neighborhood.	greater housing production	per updated state law (HB 1293), ensuring that design processes are optimized to provide both oversight and ease of use may take code testing and trial and error.
<b>4. Instill Equity in Housing and through Anti-Displacement Policies</b>							
4.A	Expand the Community Liaison/DEI Staff Program	<b>High.</b> Providing more staff connections directly to the community increases representation in decisions and city	NA	<b>Moderate.</b> Staff could play an active role in providing resources to community	NA	<b>High.</b> This program has been effective in bridging the gap between community voices	<b>High.</b> This would expand an existing program.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
		processes. This results in more inclusive processes.		members facing housing burdens.		and city staff and processes	
4.B	Expand funding and opportunities for Community Land Trusts (CLTs) to be implemented	<b>Moderate.</b> CLTs can be programmed to alleviate racially disparate impacts in housing. However, it can be dependent on the program’s design and implementation. For example, some CLT’s focus on housing for seniors.	NA. CLTs can be designed for various housing typologies.	<b>High.</b> Controlling for the cost of land can have a high impact in maintaining housing affordability.	NA	<b>High.</b> CLTs have been a proven to be effective in both preserving existing affordable housing and expanding affordable ownership opportunities	<b>High.</b> This would expand an existing program.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/ connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
4.C	Explore a Guaranteed Basic Income program for Redmond residents based on housing cost burden.	<b>High.</b> Addresses racially disparate impacts by providing financial tools to reduce economic inequity by race for residents who are in Redmond. (Would not be able to assist those who have already been displaced from Redmond)	NA	<b>High.</b> High land values and increasing housing costs have made it unaffordable for many of Redmond’s workers to afford to live in the city. A UBI would directly address the key issue of inadequate funds to afford housing.	NA	<b>Low.</b> While there have been UBI pilot programs and studies, there has not been a program with long-term implementation.	<b>Low.</b> This program would involve creating a funding mechanism and completing a study to ensure the benefit would be sufficient enough to address the problems.
4.D	Continue and expand the Inclusionary Zoning Program	<b>Moderate.</b> IZ programs have potential to reduce displacement pressures.	NA	<b>High.</b> IZ programs require a certain number of units to be affordable, or by providing a fee to support	NA	<b>Moderate.</b> IZ programs are known to be effective in providing support for different	<b>High.</b> This would expand an existing program.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
				affordable housing		incomes. It can also encourages mixes of incomes in one residential building rather than increasing housing segregation by income. However, fee-in-lieu can sometimes result in paying the fee rather than supplying the housing	
4.E	Continue and expand the City’s Multifamily Property Tax Exemption (MFTE) program	<b>Moderate.</b> MFTE programs could reduce racially disparate housing burdens and reduce	NA	<b>High.</b> MFTE programs are known to be effective in providing support	NA	<b>High.</b> MFTE programs are known to be effective in providing support for different	<b>High.</b> This would expand an existing program.

Racial Equity, Anti-Displacement Policies, and “Middle Housing” Recommendations

	Policy Option	Reduces racially disparate impacts	Fosters middle housing supply	Increases housing affordability	Encourages complete neighborhoods (mix of uses, increased walkability/connectivity)	Evidence of impact. Has there been a proof of concept? Is it a known best practice approach?	Policy Complexity. How easy would it be to implement? What are the tradeoffs?
		displacement pressure. However, since it is a race-neutral program, it does not immediately address wealth distribution imp		for different incomes.		incomes. It can also encourages mixes of incomes in one residential building rather than increasing housing segregation by income	
4.F	Support Homeownership Programs for Wealth Generation and Equity	<b>High.</b> Providing homeownership assistance can reduce the racial gaps in homeownership.	NA	<b>Moderate.</b> Reduce the burdens of entry for homeownership increases affordability. However, homeownership can provide other barriers to affordability	NA	<b>Moderate.</b> This would be an expansion of existing programs while programming new ones to target homeownership opportunities through middle housing.	<b>Moderate.</b> This would be an expansion of existing programs while programming new ones to target homeownership opportunities through middle housing.

### Certificate Of Completion

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Intermediary Delivery Events	Status	Timestamp
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Notary Events	Signature	Timestamp
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<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>
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