

Ordinance No. 120335

Council Bill No. 113614

The City of Seattle
Council Bill/Ordinance

AN ORDINANCE relating to the City's Comprehensive Residential Weatherization Program; establishing new income eligibility and amending Seattle Municipal Code Chapter 21.52 in connection therewith.

4/5/01 Energy
HELD

CF No. _____

Date Introduced:	<u>APR 2 - 2001</u>	
Date 1st Referred:	<u>APR 2 - 2001</u>	To: (committee) <u>Energy & Environmental Policy Committee</u>
Date Re - Referred:		To: (committee)
Date Re - Referred:		To: (committee)
Date of Final Passage:	<u>4-23-01</u>	Full Council Vote: <u>9-0</u>
Date Presented to Mayor:	<u>4-23-01</u>	Date Approved: <u>4-30-01</u>
Date Returned to City Clerk:	<u>5-1-01</u>	Date Published: <u>298</u> T.O. <input checked="" type="checkbox"/> F.T. <input checked="" type="checkbox"/>
Date Vetoed by Mayor:		Date Veto Published:
Date Passed Over Veto:		Veto Sustained:

4/19/01 Energy
HELD

4-23-01 Yasse

This file is complete and ready

Law Department

Law Dept. Review

WILLS

Council Bill/Ordinance sponsored by: _____

WILLS

Councilmember

Committee Action:

4/5/01 Energy and Environmental Policy Committee Meeting

HELD to 4/19/01 Mtg

4/19/01 Energy and Environmental Policy Committee Meeting

~~passed as amended~~ passed as amended
3-0 JC, PC, HW

(Handwritten initials)

4-23-01 Passed 9-0

This file is complete and ready for presentation to Full Council.

Committee: _____

(initial/date)

Law Department

(Handwritten initials)

No NIS

(Handwritten initials)

Law Dept. Review

OMP Review

City Clerk Review

Electronic Copy Loaded

Indexed

ORDINANCE 120335

1
2
3 AN ORDINANCE relating to the City's Comprehensive Residential Weatherization Program;
4 establishing new income eligibility and amending Seattle Municipal Code Chapter 21.52
5 in connection therewith.
6

7 WHEREAS, the City's Comprehensive Residential Weatherization Program is intended to
8 encourage the conservation of energy from all sources, reduce energy costs, and assure a
9 reliable source of energy for residents of Seattle and customers of the City Light
10 Department; and
11

12 WHEREAS, the dramatic rise in wholesale energy costs has meant substantially higher costs for
13 City Light and its customers; and
14

15 WHEREAS, City Light can avoid a portion of high wholesale power costs by promoting
16 conservation programs and implementing power-saving improvements; and
17

18 WHEREAS, the current income guidelines exclude certain low-income people from the
19 City's Comprehensive Residential Weatherization Program; **NOW, THEREFORE,**
20

21 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**
22

23 Section 1. SMC 21.52.210 is hereby amended to read as follows:
24

25 **SMC 21.52.210 Definitions.**

26 As used in this chapter, the following terms shall have the following meanings:

27 A. "Dwelling unit" means a room or rooms located within a building designed,
28 arranged, occupied, or intended to be occupied by not more than one (1) family with or without
29 roomers and boarders as living accommodations independent from any other family. The
30 existence of a food-preparation area within the room or rooms shall be evidence of the existence
31 of a dwelling unit.

32 B. "Electric heat" means permanently installed electric heat, which is the sole source of
33 space heating of the dwelling unit, or which is a partial source of space heating of the dwelling
34 unit, if at least thirty-five (35) percent of the reduction in energy consumption would be
35 electricity, as determined by The City of Seattle ("the City").

36 C. "Family" means any number of related persons; or not to exceed eight (8) non-related
37 persons; or not to exceed a total of eight (8) related and non-related, non-transient persons living
38 as a single nonprofit housekeeping unit, as distinguished from a group occupying a club, a
39 boarding, lodging, or rooming house, or fraternity, sorority, or group student house.

40 D. "Household" means any individual living alone, or persons living together in a
41 dwelling unit.

42 E. "Low-income" means:



1 1. For owner-occupied (~~((households))~~) dwelling units: owner households
2 (~~((At))~~) at or below (~~((seventy (70)))~~) eighty (80) percent of the Seattle-Bellevue-Everett
3 Metropolitan Statistical Area ((Washington State Median)) median income adjusted for
4 household size as defined by the United States Department of Housing and Urban Development
5 (~~((Washington State Department of Revenue))~~);

6 2. For renter-occupied (~~((households))~~) buildings of one through four dwelling
7 units: renter households ((At)) at or below (~~((one hundred twenty five (125) percent of the~~
8 ~~federal poverty level))~~) sixty (60) percent of the Seattle-Bellevue-Everett Metropolitan Statistical
9 Area median income adjusted for household size as defined by the United States (~~((Office of~~
10 ~~Management and Budget.))~~) Department of Housing and Urban Development.

11 F. "R value" means the measure of resistance to heat flow through a material, expressed
12 in units of square feet times degrees Fahrenheit times hours per British thermal units ("BTU").
13 It is equal in value to the reciprocal of the thermal conductance.

14 G. "Superintendent" means the Superintendent of the City Light Department.

15 H. "Weatherization" means the installation of energy conservation measures, resulting
16 in a reduction of heat loss, as described in Section 21.52.220.
17 (Ord. 112608 § 1, 1985; Ord. 109675 § 2, 1981.)

18
19 Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its
20 approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after
21 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

22
23 Passed by the City Council the 23rd day of April, 2001, and signed by
24 me in open session in authentication of its passage this 23rd day of April, 2001.

25
26 Margaret Clapper
27 President of the City Council

28 Approved by me this 30th day of APRIL, 2001.

29
30 Paul Schell
31 Paul Schell, Mayor

32
33 Filed by me this 1st day of May, 2001

34
35 Janice E. Pappin
36 City Clerk

37 (SEAL)





City of Seattle

Paul Schell, Mayor

Executive Department - Office of Housing

Cynthia A. Parker, Director

MEMORANDUM

April 2, 2001

TO: The Honorable Margaret Pageler
President, Seattle City Council
Jim Compton, Councilmember
Richard Conlin, Councilmember
Jan Drago, Councilmember
Nick Licata, Councilmember
Richard McIver, Councilmember
Judy Nicastro, Councilmember
Peter Steinbrueck, Councilmember
Heidi Wills, Councilmember

FROM: Cynthia A. Parker, Director

SUBJECT: AN ORDINANCE to increase the weatherization income guidelines for single family homeowners and single family rental units for the Office of Housing's HomeWise Weatherization program funded by Seattle City Light.

Summary

The Office of Housing proposes to increase income limits for SCL-funded weatherization programs for **one to four unit** dwellings. We are requesting a change in income limits to more rapidly and more efficiently use the \$369,964 that is in the FY 2001 budget for this purpose, and potential increases in funds if the City receives additional weatherization funds from Bonneville Power Administration. OH has existing rehabilitation loan programs for 1-4 unit properties. We are proposing to increase the weatherization income limits from 125% of federal poverty level upward to conform to the overall OH affordability policy established in the Consolidated Plan. This would be a maximum of 80% of median for homeownership and 60% of median for rental, with the bulk of funds targeted to very low-income levels. Seattle City Light and the Seattle-King County Housing Development Consortium both support this change.

Alaska Building, 618 Second Avenue, 8th Floor, Seattle, WA 98104

Tel: (206) 684-0721, TDD: (206) 684-0274, Fax: (206) 233-7117, M/S 15-08-01

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The Honorable Margaret Pageler

April 2, 2001

Page 2 of 4

Background

The Seattle City Council authorized the city's low-income weatherization efforts in 1981. The purpose was to create programs that would allow energy savings through the use of conservation measures, particularly weatherization measures in electric space-heat residential buildings. Weatherization measures for both single-family and multi-family dwellings are funded by Seattle City Light (SCL), and administered by the Office of Housing's HomeWise Program. The program provides grants to weatherize the dwellings of low-income renters and homeowners so they would have the financial means to meet other household expenses other than heating.

When the city's weatherization programs began, eligible homeowners were allowed to have annual incomes of less than or equal to 90% of the average income in the SMSA. In 1985 the eligibility was significantly lowered to less than or equal to 70% of the state median income for homeowners and a provisions were added to provide weatherization for renters whose income was 125% of the federal poverty level or less.

For a number of years, these lower income limits were workable. Now, the eligible pool of homes is currently too small to readily meet the program's conservation goals. In addition, the drastic increase in housing prices has reduced the number of clients in the extremely low-income ranges. The city's weatherization programs have already served many of the properties occupied by income eligible households.

The key benefits to the client are:

- No cost for measures or for installation
- Lower heating bills
- Increased comfort
- Improved property value without property tax increase

Current Production

The average amount spent per unit on the LIEP program is \$3900 for single family. The average spent on multi-family programs is \$1503. In 1999 the program served 99 single-family units of which 30 were rental units. In 2000, the program served 45 single-family units of which 9 were rental units.



The Honorable Margaret Pageler

April 2, 2001

Page 3 of 4

As the number of single family units dropped to 45 in 2000, the number of multi-family units increased to 708. In large part this decline in single family units was a result of current income limits being too low to allow a sufficient pool of eligible homeowners. OH was able to use LIEP funds by shifting to more multi-family units. However, multifamily units achieve lower conservation benefits per unit.

Proposed Action

The Office of Housing proposes to increase the income guidelines for single family homeowners from 70% of the state median to 80% of the area median. This would increase the guidelines from \$21,112 to \$35,150 for a single person. We also propose to increase the guidelines for renters in one - four family units from 125 % of the federal poverty level to 60% of the area median. This would increase the guidelines from \$10,438 to \$27,660. The attached income guideline chart reflects the income guidelines for homeowners and rentals proposed by the Office of Housing.

The number of single-family units weatherized has steadily decreased over the last four years. The Office of Housing believes this decrease is directly related to the current income guidelines. Rents in the city have increased by 38% and the income guidelines have only increased by 16% since 1994. Increasing the income guidelines would allow us to increase our production for single family units. If the income guidelines were to increase our production goals would be met and additional energy savings achieved.

Anticipated Energy Savings

If the single family LIEP Program met its 2001 goal of weatherizing 100 units, an estimated 183,900-kilowatt hours of electricity would be saved. This is significantly more than the 82,755 kWh saved by the program in 2000. Low income guidelines have forced the Weatherization program to focus on multi-family projects during recent years, and this change will allow us to continue to actively serve single-family projects. Since single-family projects save more energy per unit, this focus will increase energy savings for the region while putting an additional \$120 into the pockets of each low-income family served.

Fiscal Impact

OH does not propose an increase in resources from Seattle City Light for the weatherization activity, so there would be no fiscal impact on SCL due to this change.



The Honorable Margaret Pageler

April 2, 2001

Page 4 of 4

Marketing

The Office of Housing will use a number of marketing avenues to promote the new guidelines. These include local newspapers, participating in community events, and staffing the Neighborhood Service Centers.

With the recent increase in Rate 27 guidelines the Office of Housing will be able to provide more weatherization measures to these clients.

The Office of Housing works closely with the Seattle Housing Authority to provide weatherization measures for high rise sites and garden communities. Seattle Housing Authority has approximately 700 Section 8 vouchers that are used in privately owned, small rental units, most of which use electric heat. Their income guidelines for rental assistance are 50% of the area median income. Increasing these guidelines would allow for weatherization measures for these units.

Other Benefits

Weatherization has always worked closely with the Energy Assistance Program (EAP). If a client applies for energy assistance, he is referred to the Weatherization program to determine if the home is properly weatherized. It is not cost effective to provide reduced electric rates to homes without insulation and air leaking through the windows and doors. Weatherization measures would reduce the amount of energy assistance needed.

Using higher income limits for the single-family weatherization on owner occupied units would make the weatherization income limits similar to the income limits used for the OH HomeWise home repair loans. Having similar income limits would greatly improve the prospects for "joint" projects, where homeowners could combine repair loans with weatherization work. This would improve homeowner options. Since the Office of Housing is already administering home repair loans, it would require minimal additional administration to also weatherize these homes occupied by low-income residents.

We have discussed this proposal with Seattle City Light and the Housing Development Consortium of Seattle-King County. They support this recommendation. If you need additional information, please feel free to contact Bill Rumpf at 615- 1577 or Robin Finley at 684-0354.

cc: Saroja Reddy



Margaret Carter - Weatherization Huidelines title

From: Saroja Reddy
To: Margaret Carter
Date: 3/28/2001 12:01 PM
Subject: Weatherization Huidelines title
CC: Theresa Dunbar

WILLS

113614

APR - 1 2001

Energy &
Environmental
Policy Committee

Margaret, I need to put this title on the referrals agenda for Monday. The CB should be referred to the Energy and Environmental Policy Committee. The legislation is to be sponsored by Heidi Wills. The jacket is currently in LAW being reviewed. Thanks

Here is the title:

AN ORDINANCE relating to the City's Comprehensive Residential Weatherization Program; establishing new income eligibility and amending Seattle Municipal Code Chapter 21.52 in connection therewith.

No disk



Fiscal Note Template

Each piece of legislation that is financial in nature requires a fiscal note. The fiscal note should be drafted by department staff and should identify operating, capital, revenue, and FTE impacts of the legislation. After preparation by departmental staff, the City Budget Office will review and make necessary revisions before transmittal to Council.

Department: Office of Housing	Contact Person/Phone: Robin Finley/4-0354	CBO Analyst/Phone: Thomas Dunlap/6-9120
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Legislation Title:

AN ORDINANCE relating to Comprehensive Residential Weatherization Program establishing new income eligibility and amending the Seattle Municipal Code Chapter 21.52 in connection therewith.

Summary of the Legislation:

Under current law, the income eligibility guideline for the City's Comprehensive Residential Weatherization Program for owner-occupied households (one to four unit dwellings) at or below seventy (70) of the Washington State Median income adjusted for household size. For renter-occupied households incomes must be at or below one hundred twenty-five (125) percent of the federal poverty level.

This legislation would change the income eligibility guidelines for owner-occupied dwelling units to eighty (80) percent of the Seattle-Bellevue-Everett Metropolitan Statistical Area median income. Income guidelines for renter-occupied buildings of one through four dwelling units would be set at sixty (60) percent of the Seattle-Bellevue-Everett Metropolitan Statistical Area median income as defined by HUD.

Background (Include justification for the legislation and funding history, if applicable):

Currently, the Office of Housing (OH) administers the City's Comprehensive Residential Weatherization Program. Increasing income limits for SCL-funded weatherization programs for buildings of **one to four** dwelling units will allow OH to more rapidly and more efficiently use the \$369,964 that is in its FY 2001 budget. In addition, there may be potential increases in funds if the City receives additional weatherization funds from Bonneville Power Administration. OH has existing rehabilitation loan programs for 1 through 4 unit properties. Increasing the weatherization income limits for renter-occupied buildings *single family households* of one through four units from 125% of federal poverty level upward is in conformance with the overall OH affordability policy established in the Consolidated Plan. The bulk of funds targeted to very low-income



levels. Seattle City Light and the Seattle-King County Housing Development Consortium both support this change.

In 2000 OH provided weatherization measures to forty-five (45) single family households, nine (9) of which were single family rentals. OH believes the decrease in units is directly related to the income guidelines. With the increase in guidelines we anticipate an increase in production of 100% or 90 units with current staffing levels. We will use current marketing strategies to promote these guidelines. These strategies include local newspaper advertising, direct mailing, staffing community events and Neighborhood Service Centers.

In addition SHA, a strong partner in our weatherization program, has approximately 700 Section 8 voucher units with private landlords who may participate in the weatherization program. These tenants have incomes at or below 50% of the area median income.

Rate 26 and 27 customers will be another source for weatherization. With the recent increase in Rate 27 clients, the weatherization program will be better able to serve these customers.

Public Private Partnership Review Status: N/A

Is the legislation subject to public hearing requirements? No

Fiscal Sustainability Issues (related to grant awards):

Estimated Expenditure Impacts:

FUND (List # and/or Account)	2000	2001	2002
Seattle City Light	\$172,469	\$369,964	\$379,326
TOTAL	\$172,469	\$369,964	\$379,326

One-time \$ _____ On-going \$ _____

Estimated Revenue Impacts:

FUND (List # and/or Account)	2000	2001	2002
TOTAL			

One-time \$ _____ On-going \$ _____

Estimated FTE Impacts: None



FUND	2000	2001	2002
TOTAL			

Full Time _____ # Part Time _____ # TES _____

Do positions sunset in the future? If yes, identify sunset date?

Other Issues (including long-term implications of the legislation):

1. Weatherization Measures Complement Rate Reduction. City Council recently approved an increase in income limits for the Rate 27 low-income rate assistance program. Increasing the weatherization income limits will enable OH to better achieve conservation measures in units occupied by low-income households, so that there will be efficient use of the lower-priced energy.

2. Increased Energy Savings. Single-family projects save more energy per unit than larger multifamily buildings, thus this change in buildings with 1-4 dwelling units will increase energy savings for the region while putting an average savings of \$120 into the pockets of each low-income family served.

3. Administrative Efficiency. Last year, OH combined the weatherization program and home repair programs to increase administrative efficiency and enable a more holistic approach to home repair. The very low weatherization income guidelines currently set at 125% of federal poverty level make it difficult for this to occur. By matching the income limits used to the same limits used in the HomeWise home rehab loans and for OH low-income rental properties, the energy conservation measures can be meshed more seamlessly with the existing OH programs.



STATE OF WASHINGTON – KING COUNTY

--SS.

130996
City of Seattle, Clerk's Office

No. FULL ORD.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:120335 ORDINANCE

was published on

05/09/01

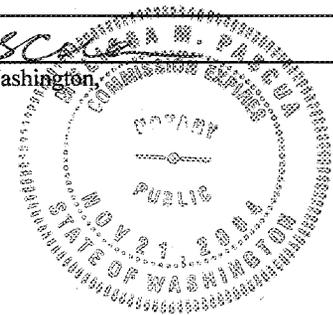
Opel Stedman

Subscribed and sworn to before me on

05/10/01

Melissa M Pascoe
Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication



State of Washington, King County

City of Seattle

ORDINANCE 120335

AN ORDINANCE relating to the City's Comprehensive Residential Weatherization Program; establishing new income eligibility and amending Seattle Municipal Code Chapter 21.52 in connection therewith.

WHEREAS, the City's Comprehensive Residential Weatherization Program is intended to encourage the conservation of energy from all sources, reduce energy costs, and assure a reliable source of energy for residents of Seattle and customers of the City Light Department; and

WHEREAS, the dramatic rise in wholesale energy costs has meant substantially higher costs for City Light and its customers; and

WHEREAS, City Light can avoid a portion of high wholesale power costs by promoting conservation programs and implementing power-saving improvements; and

WHEREAS, the current income guidelines exclude certain low-income people from the City's Comprehensive Residential Weatherization Program; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. SMC 21.52.210 is hereby amended to read as follows:

SMC 21.52.210 DEFINITIONS.

As used in this chapter, the following terms shall have the following meanings:

A. "Dwelling unit" means a room or rooms located within a building designed, arranged, occupied, or intended to be occupied by not more than one (1) family with or without roomers and boarders as living accommodations independent from any other family. The existence of a food-preparation area within the room or rooms shall be evidence of the existence of a dwelling unit.

B. "Electric heat" means permanently installed electric heat, which is the sole source of space heating of the dwelling unit, or which is a partial source of space heating of the dwelling unit, if at least thirty-five (35) percent of the reduction in energy consumption would be electricity, as determined by The City of Seattle ("the City").

C. "Family" means any number of related persons; or not to exceed eight (8) non-related persons; or not to exceed a total of eight (8) related and non-related, non-transient persons living as a single nonprofit housekeeping unit, as distinguished from a group occupying a club, a boarding, lodging, or rooming house, or fraternity, sorority, or group student house.

D. "Household" means any individual living alone, or persons living together in a dwelling unit.

E. "Low-income" means:

1. For owner-occupied (households) dwelling units: owner households (A1) at or below (seventy (70)) eighty (80) percent of the Seattle-Bellevue-Everett Metropolitan Statistical Area (Washington State Median) median income adjusted for household size as defined by the United States Department of Housing and Urban Development (Washington State Department of Revenue);

2. For renter-occupied (households) buildings of one through four dwelling units: renter households (A2) at or below (one hundred twenty-five (125)) sixty (60) percent of the Seattle-Bellevue-Everett Metropolitan Statistical Area median income adjusted for household size as defined by the United States (Office of Management and Budget.) Department of Housing and Urban Development.