



SEATTLE CITY COUNCIL

Legislative Summary

CB 120643

Record No.: CB 120643

Type: Ordinance (Ord)

Status: Passed

Version: 3

Ord. no: Ord 126982

In Control: City Clerk

File Created: 08/02/2023

Final Action: 12/28/2023

Title: AN ORDINANCE relating to commercial tenancies; establishing limits on the maximum personal guaranty that may be included in or as a condition of commercial leases; and establishing limits on the value of a commercial lease’s required security deposit and/or letters of credit; and adding a new Chapter 6.104 to the Seattle Municipal Code.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Lewis

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Uploaded By: linda.diibon@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

Yes

No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Clerk	08/09/2023	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review. to the Council President's Office						
1	Council President's Office	08/10/2023	sent for review	Public Assets and Homelessness Committee			
	Action Text: The Council Bill (CB) was sent for review. to the Public Assets and Homelessness Committee						
1	City Council	08/15/2023	referred	Public Assets and Homelessness Committee			
1	Public Assets and Homelessness Committee	08/16/2023	discussed				
	Action Text: The Council Bill (CB) was discussed.						

1 Public Assets and Homelessness Committee 12/06/2023 pass as amended Pass

Action Text: The Committee recommends that City Council pass as amended the Council Bill (CB).
In Favor: 4 Lewis, Mosqueda, Herbold, Morales
Opposed: 0

1 City Council 12/12/2023 passed as amended Pass

Action Text: The Motion carried, the Council Bill (CB) was passed as amended by the following vote, and the President signed the Council Bill (CB):

Notes: ACTION 1:

Motion was made by Councilmember Morales, duly seconded and carried, to amend Council Bill 120643, Section 3, as shown in the underlined and strike through language below:

Section 3. The Office of Economic Development (OED) and the Department of Finance and Administrative Services (FAS) are requested to convene a stakeholder process to evaluate the impacts and effectiveness of this legislation. The process should include owners and lessors of commercial premises including members of the Building Owners & Managers Association (BOMA) and the Seattle Restaurant Alliance; operators of hotels and restaurants; ~~and~~ representatives of the Downtown Seattle Association, the Chamber of Commerce, and the National Association for Industrial and Office Parks (NAIOP); and neighborhood business owners who may be members of independent local affinity groups. OED and FAS should seek to ensure that stakeholders represent a diversity of racial and economic perspectives. Evaluating the effectiveness of this legislation should include an evaluation of the unique needs of businesses with leases of two years or less in duration and whether additional regulation of personal guaranties may be warranted for the tenant parties to such leases. In addition to evaluating the impacts and effectiveness of the legislation, the stakeholder group should provide feedback on the implementation of the legislation and submit any recommendations for amendments to the legislation, including an explanation of the rationale for those recommendations and their anticipated impacts.

The Executive should provide an initial written report including the evaluation, feedback, and recommendations to the Public Assets and Homelessness Committee, or successor committee, and the Central Staff Director by December 31, ~~2023~~ 2024. The Executive should provide reports annually thereafter.

ACTION 2:

Motion was made by Councilmember Nelson and duly seconded, to further amend Council Bill 120643 as presented on Attachment 5 to the Minutes with the exception of the July 28, 2024 report date.

The Motion failed by the following vote:
In Favor: 3 - Nelson, Pedersen, Strauss
Opposed: 5 - Juarez, Herbold, Lewis, Morales, Mosqueda

ACTION 3:

Motion was made by Councilmember Nelson and duly seconded, to further amend Council Bill 120643, to amend Section 1 by deleting finding O, as shown in the strike through language below, and relettering subsequent findings accordingly:

Section 1. The City Council finds and declares that:

~~O. Research for a 2016 doctoral dissertation analyzing personal guaranties across five types of loans found that, of respondents who had not met requirements for a personal guaranty or declined to provide one, 53 had to seek funding elsewhere, 36 percent could not pursue products or services, 28 percent had to forgo an expansion project, 27 percent could not hire additional staff, and 27 percent had to lay staff off.~~

The Motion failed by the following vote:
In Favor: 2 - Nelson, Pedersen
Opposed: 6 - Juarez, Herbold, Lewis, Morales, Mosqueda, Strauss

ACTION 4:

Motion was made and duly seconded to pass Council Bill 120643 as amended.

In Favor: 6 Council President Juarez, Councilmember Herbold, Councilmember Lewis, Member Morales, Member Mosqueda, Councilmember Pedersen
Opposed: 2 Council President Nelson, Member Strauss

- | | | | | |
|---|---------------------|------------|---|------------|
| 3 | City Clerk | 12/18/2023 | submitted for | Mayor |
| | | | Mayor's signature | |
| | Action Text: | | The Council Bill (CB) was submitted for Mayor's signature. to the Mayor | |
| 3 | Mayor | 12/28/2023 | returned unsigned | |
| | Action Text: | | The Council Bill (CB) was returned unsigned. | |
| 3 | Mayor | 12/28/2023 | returned | City Clerk |
| | Action Text: | | The Council Bill (CB) was returned. to the City Clerk | |
| 3 | City Clerk | 12/28/2023 | attested by City Clerk | |
| | Action Text: | | The Ordinance (Ord) was attested by City Clerk. | |
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STATE OF WASHINGTON -- KING COUNTY

--SS.

424041

No. 126979,80,81,82,83,84

CITY OF SEATTLE, CLERKS OFFICE

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.

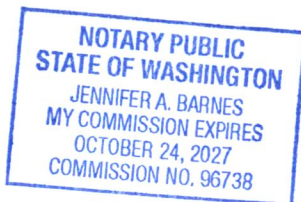
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:TITLE ONLY ORDINANCES

was published on

01/10/24

The amount of the fee charged for the foregoing publication is the sum of \$162.81.



01/10/2024

[Handwritten Signature]
Subscribed and sworn to before me on

[Handwritten Signature]
Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

Title Only Ordinances

The full text of the following legislation, passed by the City Council on December 12, 2023, and published below by title only, will be mailed upon request, or can be accessed at <http://seattle.legistar.com>. For information on upcoming meetings of the Seattle City Council, please visit <http://www.seattle.gov/council/calendar>.

Ordinance 126979

Council Bill 120674

AN ORDINANCE relating to land use and zoning; amending Section 23.76.029 of the Seattle Municipal Code to allow applicants for or holders of certain Master Use Permits approved for issuance between March 1, 2020 and December 31, 2026 to have their Master Use Permits expire in six years; and making other minor amendments to the procedure for expiration and renewal of Master Use Permits.

Ordinance 126980

Council Bill 120675

AN ORDINANCE relating to land use and zoning; amending Section 23.50A.008 of the Seattle Municipal Code to modify the maximum size of use limit for medical services uses in the portion of the Duwamish Manufacturing Industrial Center (MIC) east of Airport Way S.

Ordinance 126981

Council Bill 120719

AN ORDINANCE relating to Seattle Parks and Recreation; authorizing the Superintendent of Parks and Recreation to grant and convey utility easements under portions of Magnolia Park, Magnolia Boulevard, Ursula Judkins Viewpoint Park, and Smith Cove Park to the King County Wastewater Treatment Division for the purposes of operating a Combined Sewer Overflow pipeline, and to accept payment therefor; and finding that the grant of a permanent subsurface easement meets the requirements of Ordinance 118477, adopting Initiative 42.

Ordinance 126982

Council Bill 120643

AN ORDINANCE relating to commercial tenancies; establishing limits on the maximum personal guaranty that may be included in or as a condition of commercial leases; and establishing limits on the value of a commercial lease's required security deposit and/or letters of credit; and adding a new Chapter 6.104 to the Seattle Municipal Code.

Ordinance 126983

Council Bill 120712

AN ORDINANCE amending Section 5 of Ordinance 125761 to establish new appointment terms for the Central Waterfront Oversight Committee and create additional positions on the Committee to expand representation.

Ordinance 126984

Council Bill 120658

AN ORDINANCE relating to sidewalk construction and pedestrian mobility improvements; adding a new Section 15.70.040 to the Seattle Municipal Code.

Date of publication in the Seattle Daily Journal of Commerce, January 10, 2024.

1/10(424041)