SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to street and sidewalk use; amending the Street Use Permit Fee Schedule authorized by Section 15.04.074 of the Seattle Municipal Code.

Summary and background of the Legislation: This legislation updates the "Schedule A" permit fees, authorized through SMC 15.04.074, as assessed by the Seattle Department of Transportation Street Use Division. The new rates will be effective March 31, 2016. Permit fees are being restructured primarily for construction-type activities. Permit issuance fees for permits requiring no plan review will be reduced from $146 to $138. All other permit issuance fees (except public space activity fees) will increase from $146 to $305. Issuance fees for public space activity permits will remain at $146 pending further evaluation in 2016. All plan review and inspection time will be billed at an hourly rate of $196. The current structure has a $172/ hour rate and was last adjusted in 2011, and is collected on all Street Use services conducted related to the review and inspections of a permit. The department will evaluate the appropriateness of the new hourly review and inspection rate in 2016 and may request adjustment for future years.

Lastly, this legislation implements a new rate structure that aligns the interest of the City and the community's values to incentivize complete and comprehensive plan submittals from applicants and quality and timely construction activities in the field. Applicants who are not prepared, generally submit plans and do work that is substandard will see higher permit fees as these costs are a direct result of more time billed by staff to complete the work. Well-prepared applicants will see the lowest possible permit costs as additional staff time is not needed to coordinate plan review and inspections.

2. CAPITAL IMPROVEMENT PROGRAM

____ **This legislation creates, funds, or amends a CIP Project.**

3. SUMMARY OF FINANCIAL IMPLICATIONS

__X__ **This legislation has direct financial implications.**

Budget program(s) affected:				
Estimated $ Appropriation change:	**General Fund $**		**Other $**	
	2015	**2016**	**2015**	**2016**
	$0	**$0**	**$0**	**$11.04M**
Estimated $ Revenue change:	**Revenue to General Fund**		**Revenue to Other Funds**	
	2015	**2016**	**2015**	**2016**
	$0	**$0**	**$0**	**$8.5M**
Positions affected:	**No. of Positions**		**Total FTE Change**	
	2015	**2016**	**2015**	**2016**
				36
Other departments affected:	Primarily SPU, SCL and other departments that obtain SU Permits			

3.a. Appropriations

_X__ This legislation adds, changes, or deletes appropriations.

Fund Name and number	Dept	Budget Control Level Name/#*	2015 Appropriation Change	2016 Estimated Appropriation Change
Transportation Operating Fund (10310)	SDOT	Right of Way Management	$0	$11.04 M
TOTAL			**$0**	**$11.04 M**

See budget book to obtain the appropriate Budget Control Level for your department.

Appropriations Notes:
The department has submitted for consideration, a 2016 Budget Issue Paper (SDOT-112) to account for the impact of this rate change which will be incorporated into SDOT's 2016 Proposed Budget package.

3.b. Revenues/Reimbursements

__X__ This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2015 Revenue	2016 Estimated Revenue
Transportation Operating Fund (10310)	SDOT	Permit Issuance, Plan Review and Inspection Fees	$0	$8.5M
TOTAL			**$0**	**$8.5M**

Revenue/Reimbursement Notes:
The department has submitted for consideration, a 2016 Budget Issue Paper (SDOT-112) to account for the impact of this rate change which will be incorporated into SDOT's 2016 Proposed Budget package.

3.c. Positions

___ **This legislation adds, changes, or deletes positions.**

4. OTHER IMPLICATIONS

a) Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?
No.

b) Is there financial cost or other impacts of not implementing the legislation?
Rates have not been adjusted since 2011. This rate adjustment will assist the department move closer to achieving the goal of full cost recovery on the Street Use permit issuance, plan review and inspection business. Failing to adjust fees will result in continued imbalance and increase subsidy from the Street Use Cost Center.

c) Does this legislation affect any departments besides the originating department?
Primarily, this change affects SPU and SCL and all departments and external customers that obtain SU permits. SDOT is delaying implementing issuance fee changes that affect SPU and SCL (and all other utilities), pending more outreach and aligning rate capacity with those groups in 2016.

d) Is a public hearing required for this legislation?
No.

e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
No.

f) Does this legislation affect a piece of property?
No.

g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?
This rate change will lower the cost of some permits that typically affect smaller businesses and residents. Prior to this point, those permits likely subsidized larger, more complex permits for larger scale development. Maintaining this service as a fee-supported activity eliminates the need for a subsidy from taxes and general fund sources, which are funding sources for social programs.

h) **If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**
No. While program improvements will be made on a continuous basis, this is needed to support current and likely forecast activity and support the goals and deliverables of the Move Seattle initiative.

i) **Other Issues:** None.

List attachments/exhibits below: None.