

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
LEG	Aly Pennucci/48148	n/a

** 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 residential rental properties; amending Sections 7.24.020, 7.24.030, 7.24.040, 7.24.050, 7.24.060, 7.24.070, and 7.24.080 of the Seattle Municipal Code (SMC); adding new Sections 7.24.035, 7.24.036, 7.24.038, 7.24.110, 7.24.120, 7.24.130, 7.24.140, 7.24.150, 7.24.160, 7.24.170, 7.24.180, 7.24.190, 7.24.200, and 7.24.210 to the SMC; and repealing Section 7.24.090 of the SMC; all to limit the amount of security deposits and non-refundable move-in fees, to allow residential tenants to pay security deposits, non-refundable move-in fees, and last month’s rent in installments, and to establish enforcement provisions for Chapter 7.24.

Summary and background of the Legislation:

This legislation will limit the amount of a security deposit and non-refundable move-in fees that a landlord can charge a tenant to the amount of the first full month’s rent and will allow tenants to pay the security deposit, non-refundable move-in fees and last month’s rent in installments. In addition, this legislation adds authority for the Seattle Department of Construction and Inspections to enforce Chapter 7.24 and adds requirements for the return or retention of security deposits, requirements for move-in/move-out checklists and updates requirements for regulations that must be included in the summary prepared by SDCI and the required distribution of those summaries to tenants.

Moving costs can present a barrier to obtaining housing, particularly for renters with limited finances. Limiting the amount a landlord can charge for a security deposit may help reduce this barrier. Allowing a tenant to pay the move-in expenses in installments means that a tenant does not have to save the equivalent of three to four months’ rent prior to obtaining housing.

2. CAPITAL IMPROVEMENT PROGRAM

_____ This legislation creates, funds, or amends a CIP Project.

(If box is checked, please attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page.)

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:	Total Cost:

3. SUMMARY OF FINANCIAL IMPLICATIONS

Please check one:

- This legislation has direct financial implications.** (If the legislation has direct fiscal impacts (appropriations, revenue, positions), fill out the relevant sections below. If the financial implications are indirect or longer-term, describe them in narrative in the “Other Implications” section.)
- This legislation does not have direct financial implications.**
 (Please skip to “Other Implications” section at the end of the document and answer questions a-i.)

Budget program(s) affected:				
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2016	2017	2016	2017
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2016	2017	2016	2017
Positions affected:	No. of Positions		Total FTE Change	
	2016	2017	2016	2017
Other departments affected:				

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.
 (If this box is checked, please complete this section. If this box is not checked, please proceed to Revenues/Reimbursements.)

Fund Name and number	Dept	Budget Control Level Name/#*	2016 Appropriation Change	2017 Estimated Appropriation Change
TOTAL				

**See budget book to obtain the appropriate Budget Control Level for your department.*
 (This table should reflect appropriations that are a direct result of this legislation. In the event that the project/programs associated with this ordinance had, or will have, appropriations in other legislation please provide details in the Appropriation Notes section below. If the appropriation is not completely supported by revenue/reimbursements listed below, please identify the funding source (e.g. available fund balance) to cover this appropriation in the notes section. Also indicate if the legislation changes appropriations one-time, ongoing, or both.)

Appropriations Notes:

3.b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.
 (If this box is checked, please complete this section. If this box is not checked, please proceed to Positions.)

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2016 Revenue	2017 Estimated Revenue
TOTAL				

(This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Do the revenue sources have match requirements? If so, what are they?)

Revenue/Reimbursement Notes:

3.c. Positions

This legislation adds, changes, or deletes positions.
 (If this box is checked, please complete this section. If this box is not checked, please proceed to Other Implications.)

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2016 Positions	2016 FTE	Does it sunset? (If yes, explain below in Position Notes)
TOTAL							

* List each position separately

(This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.)

Position Notes:

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?**
No.

- c) **Does this legislation affect any departments besides the originating department?**
Yes, it is anticipated that SDCI will receive immediate and ongoing tenant call regarding move-in fees and other requirements of Chapter 7.24 that SDCI will not be responsible to enforce. SDCI Code Compliance staff will handle intake of cases, carry out case management, coordinate with inspectors, and manage enforcement action as necessary. The Department will monitor the workload and request additional staff resources for case management and inspectors if needed. In addition, it is anticipated that additional resources may be needed to develop and distribute educational and outreach materials.
- d) **Is a public hearing required for this legislation?** No
- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?** No
- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- g) **Does this legislation affect a piece of property?**
No
- h) **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 legislation is in alignment with the goals of the Race and Social Justice Initiative. It will particularly benefit lower income renters who may face barriers to obtaining housing because they are unable to save money needed for a security deposit, non-refundable move-in fees and last month's rent.
- i) **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.**
- j) **Other Issues:**

List attachments/exhibits below: