

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO 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 related to monitoring and inspecting vacant buildings for compliance with the requirements of the Housing and Building Maintenance Code; amending Sections 22.206.200 and 22.900F.010 of the Seattle Municipal Code to modify monitoring fees and monitoring program requirements.

Summary and background of the Legislation:

This bill would amend the Housing and Building Maintenance Code and sections of Ordinance 125704 and Ordinance 125727, which have yet to take effect, to modify inspection and monitoring fees and make clarifications to the Vacant Building Monitoring Program. The program is codified in Section 22.206.200 of the Seattle Municipal Code.

Ordinance 125727 amended the program to require enrollment of vacant buildings, which (1) have received a notice for violating the requirements for securing vacant buildings, (2) are located on a lot for which a master use permit or building permit application has been filed, or (3) are included on a list maintained by the police or fire departments of vacant buildings that have generated calls for dispatch.

Ordinance 125704 amended fees for monitoring vacant buildings to lower the cost of monitoring visits for those found to follow code requirements.

Amendments contained in this bill would:

- Modify fees for buildings found to meet the requirements of the code to better reflect the cost of the inspection to the Seattle Department of Construction and Inspections (SDCI); fees would change from \$171 to \$261;
- Allow buildings to no longer be enrolled in the program when there have been three, as opposed to four, consecutive inspections without violation; and
- Make other clarifying amendments to facilitate administration by SDCI.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ☐ Yes ☒ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes X No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The 2019 adopted budget appropriated \$457,000 and provided position authority for three new inspector positions to provide additional staffing for vacant building monitoring and inspections. The budget also appropriated \$105,000 for vehicle purchases and other start-up costs. These appropriations should be recoverable by inspection fees.

Estimating cost recovery from the program is inherently uncertain. Variables involved in determining cost-recovery include: (1) the condition of buildings inspected, (2) the number of buildings inspected, and (3) the rate of repayment for billed inspections. Using historical information on the condition of buildings inspected and assuming that 235 buildings are enrolled in the program annually, SDCI should achieve full cost recovery at a 45 percent repayment rate.

Changes in the bill would improve cost-recovery. However, they do not necessitate increased or decreased appropriations at this time due to uncertainty about how the program will scale and operate in its initial expansion year.

Is there financial cost or other impacts of *not* implementing the legislation?

No.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

The Seattle Department of Construction and Inspections administers the vacant building monitoring program.

b. Is a public hearing required for this legislation?

No

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

e. Does this legislation affect a piece of property?

No

f. 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 intended to address problems associated with poorly maintained vacant buildings. These buildings are currently distributed throughout the city but can be concentrated in areas undergoing redevelopment or areas with buildings in foreclosure. Property owners currently have an obligation to maintain vacant property.

The program would require more frequent inspections of problem properties with associated higher out-of-pocket costs to property owners. Higher costs would have a greater impact on lower-income property owners, which could include members of historically disadvantaged communities.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

NA

List attachments/exhibits below: