SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
LEG	Venkataraman/4-5382	

* 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 relocation assistance for economically displaced tenants; requiring the payment of economic displacement relocation assistance to households that are vacating a housing unit after receiving notice of a rent increase of ten percent or more or of less than ten percent where the cumulative effect for the household's tenancy is ten percent or more; and adding a new Chapter 22.212 to the Seattle Municipal Code.

Summary and background of the Legislation: This legislation is intended to assist tenants who move to a new housing unit with the costs of relocation (ie. first and last month's rent, security deposits, etc.) when they leave their current housing unit because the rent will increase ten percent or more. A landlord would be required to pay three times the amount of monthly housing costs per household for each moving household.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes __X__ No

If yes, please fill out the table below and 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. If no, please delete the table.

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?

If so, describe the nature of the impacts. This could include increased operating and maintenance costs, for example.

The primary departments impacted by this legislation will be the Seattle Department of Construction and Inspections (SDCI) and the Hearing Examiner.

For SDCI to administer the relocation assistance program, which includes answering calls from tenants and landlords about their new rights; receiving and making determinations about applications; receiving payments from landlords and making payments to household representatives, including refunds, on the timelines set out in the legislation, they will likely need more resources and staffing capacity. The preliminary estimate to set up a new functionality for Accela and associated IT infrastructure to handle applications and payments is $1.3 million and will likely require between 6 and 9 months to stand up. In addition, to

make determinations and complete applications, as well as ensure sufficient cashier capacity to get funds out the door on the timelines in the legislation, SDCI will need at least 1.5 FTE for a code compliance analyst. Lastly, provision of notices and outreach materials in translated languages as required by the legislation will likely require $20,000. These estimates are likely to be refined further.

Based on estimating caseload as similar to cases heard under the tenant relocation assistance ordinance, the Hearing Examiner should be able to absorb additional cases with its current capacity. However, if caseloads exceed 10-15 cases annually, they will need to reassess potential impacts on capacity and may require additional resources and staff.

Is there financial cost or other impacts of *not* implementing the legislation?
Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs or consequences.
If tenants cannot save up the appropriate amount of funds to allow them to move to a different housing unit when their rent increases by ten percent or more, they may fall into homelessness. Increasing the numbers of people experiencing homelessness in Seattle may increase the amount of spending the City does for that purpose.

4. OTHER IMPLICATIONS

a. **Does this legislation affect any departments besides the originating department?**
If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.).
Yes – SDCI will be administering this program and enforcing it. The Hearing Examiner will be handling appeals. Financial and staffing impacts are described above in the response to Question 3.

b. **Is a public hearing required for this legislation?**
If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned/required in the future?
No

c. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.
No

d. **Does this legislation affect a piece of property?**
If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.
No

e. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged**

communities? What is the Language Access plan for any communications to the public?

If yes, please explain how this legislation may impact vulnerable or historically disadvantaged communities. Using the racial equity toolkit is one way to help determine the legislation's impact on certain communities. If any aspect of the legislation involves communication or outreach to the public, please describe the plan for communicating with non-English speakers.

Historically disadvantaged communities are already at a disproportionate risk of housing instability. This legislation will enhance housing stability for renters when they move in response to a rent increase of ten percent or more.

f. Climate Change Implications

1. **Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

   Please provide a qualitative response, considering net impacts. Are there potential carbon emissions impacts of not implementing the proposed legislation. Discuss any potential intersections of carbon emissions impacts and race and social justice impacts, if not previously described in Section 4e.

   No

2. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

   Describe the potential climate resiliency impacts of implementing or not implementing the proposed legislation. Discuss any potential intersections of climate resiliency and race and social justice impacts, if not previously described in Section 4e.

   No

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).

This answer should highlight measurable outputs and outcomes.

NA

List attachments/exhibits below:

Template last revised: December 1, 2020

Economic Displacement Relocation Assistance Program

SDCI Prepared IT Cost Estimates for Fiscal Note for Proposed Legislation

To support implementation of the Economic Displacement Relocation Assistance program, SDCI will use their existing permitting software called Accela. This new program will require significant enhancements to Accela to support business processes for staff and user experiences for customers. Initial scoping of the program based on the draft ordinance includes a set of record types in the Accela platform to manage tenant activities, including applications, appeals, extension requests, withdrawals, and refunds, as well as owner activities, including making payments, requesting refunds, and appeals. The solution will track key turnaround times identified in the ordinance for SDCI staff, such as notifying the owner of a tenant application within five days of receipt, and ensuring payments are made by the owner to the tenant within seven days of receiving the notice. The solution will also support SDCI staff tasks including reviewing and approving tenant applications, requesting additional information, calculating payment amounts, tracking payments and refunds[1], and enforcement.

Design, development, and implementation of the proposed solution will be complex[2] and is expected to take approximately nine (9) months to fully implement. Every effort will be made to take an iterative approach to design and development to begin implementing manual and partially automated solutions as quickly as possible if the legislation moves forward. These timelines will need to be extended if the approvals process for key technical solutions within IT and Purchasing are delayed or the requests are not approved.

Since the Economic Displacement Relocation Assistance program will be serving the City's housing vulnerable populations, user experience research and design expertise is included in the cost estimates. These experts will collaborate with the development team and SDCI subject matter experts to work directly with targeted customer groups on the design of the new program with an RSJI lens. Work would include user studies aimed at making the software more friendly for mobile devices, exploring ways to support non-English speakers, and providing insight on how to reach and make the process accessible for tenants who may be eligible but do not have the privilege of accessing technology easily.

Due to Seattle IT capacity and resource constraints, work on this proposal will be done almost entirely by IT consultants hired by SDCI. SDCI has an existing added capacity consultant team that has knowledge and experience with the SDCI instance of Accela. This team has designed and developed other Accela enhancements based on new legislation such as the Vacant Building Monitoring program. If for some reason these consultants are not available, the estimated timeline could potentially be at risk.

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[1] Current refund processes are manual and time consuming. Depending on the popularity of this new program, it is unlikely that the turnaround times in the draft legislation can be met. Automation and streamlining of the refund and cancellation process is one of SDCI's critical Accela backlog items. It was one of the reasons a 2021 supplemental BIP request was submitted to extend this added capacity Accela team through the end of this year. New work on this legislation is competing directly with this refund/cancellation work for the work on this team along with 50 other large critical enhancements.

[2] Complexity of the implementation is partially due to analysis required for understanding how this new program relates to existing tenant assistance programs from technical, staffing, and user experience perspectives.

The proposed estimate includes software for a possible e-sign integration and Zen Desk[3] agent subscriptions. These software capabilities are included because of the identified required documents in the application process like affidavits and the increased customer service needs on SDCI's Property Owner and Tenant Assistance team. Based on a high-level review of the known requirements, this project is estimated to cost approximately $1.25 million.

Accela Enhancements: New Program	
Consultant - Project Manager	$208,980
Accela Developer	$214,785
UI/UX Developer	$143,190
UX Researcher (20hrs/wk)	$119,970
UX Designer (20hrs/wk)	$143,190
Business Systems Analyst	$168,345
Report Developer	$56,115
Quality Assurance	$168,345
Contract Staff Total	*$1,222,920*
e-Sign Integration	$18,000
Zen Desk - 7 agent subscriptions	$12,600
Software Total	*$30,600*
Grand Total: 9 months	*$1,253,520*

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[3] Zendesk is part of a budget proposal submitted by SDCI for modernizing customer support. This estimate includes the need for additional agent licenses to support this new proposed program. Modernization means moving from manual, siloed voice and email experiences to integrated support via multiple channels including "answerbots", live chat, and video chat, email, and voice. SDCI is working with Seattle IT on how Zendesk overlaps and complements current Seattle IT Unified Communications and Contact Center projects happening in late 2021 and throughout 2022.

1. Expected program development timeline: 9 months
2. Projections and time estimate are based on using consultants with knowledge of SDCI and A
3. Includes costs for usability and delivery centered design
4. Includes costs for ZenDesk licensing

GRAND TOTAL: 9mos	Rate	Hrs/Month	%
Accela Enhancements: New Program			
City Staff			
Business Analyst	$94.00	172	0%
QA	$100.52	172	0%
Contract Staff			
Consultant - Project Manager	$135.00	172	100%
Accela Developer	$185.00	172	75%
UI/UX Developer	$185.00	172	50%
UX Researcher (20hrs/wk)	$155.00	86	100%
UX Designer (20hrs/wk)	$185.00	86	100%
Business Systems Analyst	$145.00	172	75%
Report Developer	$145.00	172	25%
QA	$145.00	172	75%
Software			
eSign Integration			
Zen Desk - 7 agent subscriptions			

ccela

Total Months	
9	**$1,253,520.00**
	$0.00
$0.00	$0.00
$0.00	$0.00
	$1,222,920.00
$208,980.00	$208,980.00
$214,785.00	$214,785.00
$143,190.00	$143,190.00
$119,970.00	$119,970.00
$143,190.00	$143,190.00
$168,345.00	$168,345.00
$56,115.00	$56,115.00
$168,345.00	$168,345.00
	$30,600.00
$18,000.00	$18,000.00
$12,600.00	$12,600.00