

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>Executive Contact/Phone:</b>
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 amending Sections 7.24.020, 7.24.030, 7.24.040, 7.24.050, and 7.24.060 of the Seattle Municipal Code (SMC); and adding new Sections 7.24.035 and 7.24.036 to the SMC; to limit the amount of security deposits and non-refundable move-in fees for residential rental properties and to allow residential tenants to pay security deposits, non-refundable move-in fees, and last month’s rent in installments.

**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. In addition, the legislation will allow tenants to pay the security deposit, non-refundable move-in fees and last month’s rent in installments.

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:**

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**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.)

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

**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.)

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

*\*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:**

<b>Fund Name and Number</b>	<b>Dept</b>	<b>Revenue Source</b>	<b>2016 Revenue</b>	<b>2017 Estimated Revenue</b>
<b>TOTAL</b>				

(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)
<b>TOTAL</b>							

\* 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. The Seattle Department of Construction and Inspection (SDCI). SDCI's Code Compliance Division may see some increase in questions from landlords and tenants about this provision that could be covered by existing staff that respond to questions about other regulations included under Chapter 7.24 Rental Agreement Regulation Ordinance.

- 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:**