

2022 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
SDCI	007	C	001

Budget Action Title: Add \$145,000 GF to SDCI for consultant support for a rental market study

Ongoing: No Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Dan Strauss

Council Members: Lisa Herbold, Tammy Morales, Alex Pedersen, Andrew Lewis

Staff Analyst: Ketil Freeman

Council Bill or Resolution:

Date		Total	LH	TM	KS	AP	DJ	DS	AL	BC	LG
	Yes	0									
	No	0									
	Abstain	0									
	Absent	0									

Summary of Dollar Effect

See the following pages for detailed technical information

	2022 Increase (Decrease)	2023 Increase (Decrease)
General Fund		
General Fund Revenues	\$0	
General Fund Expenditures	\$144,814	
Net Balance Effect	\$(144,814)	
Total Budget Balance Effect	\$(144,814)	

Budget Action Description:

This Council Budget Action would add \$144,814 GF to the Seattle Department of Construction and Inspections (SDCI) for consultant support for a rental housing market study that analyzes the current submarkets within the city boundaries of Seattle and how they have changed and are projected to continue to change over time, including an analysis of how ownership, rent levels, demolitions, new construction, lease up rates, and vacancy rates of residential rental units have changed, using the best available demographic and economic data sources, including the King County Tax Assessor ownership records, the State of Washington Secretary of State for details on ownership entities, U.S. Bureau of the Census, U.S. Department of Housing and Urban Development, information from SDCI's Rental Housing and Inspection Ordinance program, and surveying firms such as CoStar and YARDI.

SDCI administers regulations applicable to rental property owners and provides assistance to landlords and tenants in navigating City regulations. In the last ten years Seattle's rental market has changed and

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grown and the nature and type of rental property ownership has also changed. Formerly, the City could monitor changes in the rental market by submarket, building age, number of units, rental rates, and other characteristics through a subscription to a firm that conducted periodic surveys of Seattle area landlords. That firm, Dupre & Scott, closed in 2018.

This Council Budget Action would add consultant resources to SDCI to conduct a study of the current rental housing market, how it has changed over time, and how ownership of rental housing has changed and is projected to change. The study would examine the nature of ownership of rental properties and categorize owners by the total number of rental units owned and in service within the city boundaries of Seattle. Results from the study could inform modifications to current regulatory programs, creation of systems to maintain the currency of data, and the type and manner of outreach that SDCI provides to landlords and tenants. This action would assist with policy development, stakeholder group staffing including small landlords, and development and monitoring of programs to mitigate economic and physical displacement of lower income households, consistent with the goals and policies of Resolution 31870.

The study should be completed, and the report delivered to the Land Use and Neighborhoods Committee or successor committee and the City Council Central Staff Director, by the end of the Second Quarter of 2022.

Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
1	Add funding to SDCI for a rental market study		0	0	SDCI - CI000	SDCI - BO-CI-U2400 - Compliance	00100 - General Fund	2022	\$0	\$144,814