

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
Legislative	Amy Gore/206.386.9107	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: A RESOLUTION regarding Initiative 135 concerning developing and maintaining affordable social housing in Seattle; authorizing the City Clerk and the Executive Director of the Ethics and Elections Commission to take those actions necessary to enable the proposed Initiative Measure to appear on the February 14, 2023, ballot and the local voters' pamphlet; requesting the King County Elections Director to place the proposed Initiative Measure on the February 14, 2023, ballot; and providing for the publication of such proposed Initiative Measure.

Summary and Background of the Legislation: This resolution carries out the City Council's duty under Seattle City Charter Article IV, Section 1 to transmit for ballot placement any voter-proposed initiative for which the petition received a sufficient number of signatures.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes X 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?

If passed by voters, I-135 would impose two requirements on the City:

1. Fund the salary and benefits of the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) for 18 months along with limited in-kind support; and
2. Conduct a feasibility study whenever considering the sale or gift of public land.

Using the City Budget Office's position cost estimation tool, the estimated annual cost of salary and benefits for two executive staff positions for 2023 is slightly below \$500,000. Because Section 12 of I-135 requires the City to support the employee costs of the CEO and CFO for 18 months, the City could potentially be required to provide nearly \$750,000 toward the startup of the Public Developer, plus other in-kind startup costs, such as office space and supplies. It is possible salary and benefit costs could be pro-rated to reflect the hiring timelines for the two positions. Nothing would prohibit the City from providing additional

support, though I-135 does not require it. Funding currently provided to existing PDAs cannot fulfill the requirements laid out in Section 12.

Section 13 of I-135 requires the preparation of a feasibility study to consider transferring public lands to the Public Developer. This requirement could be incorporated into existing policies. Current City Council policy, as established in [Resolution 31829](#) and [Resolution 31837](#), and the City's procedures for evaluation of reuse and disposal of the City's real property require the prioritization of affordable housing development when disposing of surplus City property. The prescriptions of I-135's Section 13 could be addressed by adding to those procedures that the evaluation must assess the feasibility of transferring the property to the Public Developer. I-135 does not require that real property be transferred to the Public Developer or give priority to the Public Developer over other agencies, including the Office of Housing or nonprofit developers.

Are there financial costs or other impacts of *not* implementing the legislation?

The City Council is required under Seattle City Charter Article IV, Section 1 to transmit for ballot placement any voter-proposed initiative for which the petition received a sufficient number of signatures.

3.a. Appropriations

 N This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

 N This legislation adds, changes, or deletes revenues or reimbursements.

3.c. Positions

 N This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

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

The City would be required to provide nearly \$750,000 toward the startup of the Public Developer, plus other in-kind startup costs, such as office space and supplies. This would likely require some degree of support from a City Department, likely Facilities and Administrative Services or Office of Housing.

b. Is a public hearing required for this legislation?

No

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

No

d. Does this legislation affect a piece of property?

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?

None

f. Climate Change Implications

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

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.

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)?

Not Applicable

Summary Attachments: