



SEATTLE CITY COUNCIL
CENTRAL STAFF

Council Bill 119537: Notice of Intent to Sell (NOIS) Policy

TRACI RATZLIFF
COUNCIL CENTRAL STAFF

HOUSING, HEALTH, ENERGY AND WORKERS' RIGHTS COMMITTEE
JULY 11, 2019

Summary of Proposed Changes Included in CB 119537

- ❖ Expands notice requirement to Multi-Family (MF) buildings with two or more housing units
- ❖ Increases notice period from 60 to 90 days
- ❖ Requires building owner to submit signed declaration to City
- ❖ Requires building owner to prominently post notice in building being sold

Summary of Proposed Changes Included in CB 119537, cont.

- ❖ Requires building owner receiving unsolicited offer to issue notices within two days
- ❖ Prohibits building owner from executing PSA until 90 days after the required notices issued
- ❖ Increases penalty from \$500 to \$2,000 for failure to comply with notice provisions

Proposed Amendments to CB 119537

1. Tiered Notice Requirement
2. Evaluation by City Auditor
3. Workshops to Facilitate Building Sales
4. Strategies to Monitor/Enforce Compliance; Ongoing Stakeholders Group

Amendment 1. Tiered Notice Requirement

	MF Building Size: 2 – 4 units	MF Building Size: 5 + units
Statement of Interest in Purchasing Building by Tenant (or Tenant group), Non-Profit Housing Developer, Seattle Housing Authority (SHA)*	Due 15 days after Owner issues NOIS	Due 30 days after Owner issues NOIS
Submittal of documentation by Tenant (or Tenant group) of financial ability to purchase building**	Due 15 days after Statement of Interest Submitted	Due 15 days after Statement of Interest Submitted
Submittal of offer to purchase building by Tenant (or Tenant group), Non-Profit Housing Developer, SHA***	30 days <u>after</u> Statement of Interest is submitted	90 days <u>after</u> Statement of Interest is submitted

*If no statement of interest is submitted, owner is free to list/sell building

**If documentation is not submitted building, owner is free to list/sell building

***If offer is not submitted or offer is submitted but not accepted, owner is free to list/sell building

Amendment 2. Evaluation by City Auditor

The City Auditor, in cooperation with OH, will evaluate MF building owners compliance with notice requirements.

Evaluation will occur in August 2021 - two years after adoption of new requirements.

Report will be submitted to City Council by December 30, 2021.

Amendment 3. Workshops to Facilitate Building Sales

Office of Housing (OH) facilitates workshops to discuss supporting sales of buildings to interested parties.

Participants in workshops would include:

- ❖ Tenant groups
- ❖ Non-profit housing developers
- ❖ Community organizations
- ❖ Housing financiers
- ❖ Realtors and Brokers
- ❖ Owners of rental housing

Amendment 4. Strategies to Monitor/Enforce Compliance; Ongoing Stakeholders Group

OH requested to develop strategies to monitor & enforce the ordinance.

OH will provide report to City Council by September 30, 2019 including strategies and cost to implement.

OH requested to convene ongoing stakeholders group to:

- ❖ Create inventory of vulnerable buildings that could be sold; and
- ❖ Develop broader system of resources to support tenants purchase of buildings

Questions?

Traci Ratzliff

Seattle City Council Central Staff

Traci.ratzliff@seattle.gov