

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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** 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 fees and charges for permits and activities of the Seattle Department of Construction and Inspections, related fees by other departments, and technical corrections; amending Sections 22.900C.010, 22.900D.090, 22.900D.100, 22.900D.150, and 22.900G.010 of the Seattle Municipal Code (SMC); and repealing Section 22.900E.060 of the SMC.

Summary and background of the Legislation:

This legislation revises a portion of SDCI's fees and charges beginning on January 1, 2021. The majority of SDCI's fees and charges were last revised effective January 1, 2020 based on the City of Seattle's Annual Wage Increase (AWI) for 2020, which was estimated at 4%. The proposed 2021 fee revisions include changes to electrical, refrigeration and furnace fees. SDCI has determined these cost centers have sufficient revenue streams warranting a decrease in fee levels. SDCI is also making a technical change to correct the placement of an existing fee, the Zoning Coaching fee, from Non-Hourly Land Use Fee to Miscellaneous Hourly Land Use Reviews, Research and Other Services. Finally, this legislation repeals an out-of-date Special Inspectors application registration fee.

SDCI is primarily fee-supported and its fees and charges are necessary to support SDCI's permitting operations. All fees collected by SDCI for processing SDCI's permits are used for that purpose, and the fee structure is reflective of the Seattle Municipal Code requirements to recover the cost of providing the permitting service. Similarly, other fees are set to recover the costs of certain code enforcement activities. This legislation will help ensure that the fees that SDCI collects are in line with the services provided.

Additionally, SDCI is making legislative changes on behalf of the Department of Neighborhoods (DON) for fees they collect which are located in Title 22. These changes include fee increases to align with SDCI's Land Use Hourly rate as well as CPI adjustments to fees that have not been adjusted for over 10 years. These changes will not have a revenue impact to SDCI. See response to Question 4.a.

Attachment A to this Summary and Fiscal Note, "SDCI Permit Fee and Charges proposed for 2021" provides a summary of all SDCI fees affected by this proposed ordinance, and proposed changes for 2021. Prior to proposing this legislation, these fees were reviewed to determine whether the cost of providing the service warrants a fee change, if improvements to the fee structure are necessary, or if new fees are required.

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

Appropriation change (\$):	General Fund \$		Other \$	
	2021	2022	2021	2022
	\$0	\$0	\$0	\$0
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2021	2022	2021	2022
	\$30,220	\$30,220	(\$430,000)	(\$428,719)
Positions affected:	No. of Positions		Total FTE Change	
	2021	2022	2021	2022
	0	0	0	0

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?
 No.

Is there financial cost or other impacts of *not* implementing the legislation?

Not implementing this legislation as proposed would create a situation where the revenues SDCI collects through fees would exceed the cost of providing permitting services.

3.a. Appropriations

This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

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

SDCI Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2021 Estimated Change in Revenue
Construction and Inspections Fund (48100)	SDCI	Boiler	\$0
Construction and Inspections Fund (48100)	SDCI	Building Development	\$0
Construction and Inspections Fund (48100)	SDCI	Electrical	(\$170,000)
Construction and Inspections Fund (48100)	SDCI	Elevator	\$0
Construction and Inspections Fund (48100)	SDCI	Land Use	\$0
Construction and Inspections Fund (48100)	SDCI	Noise	\$0
Construction and Inspections Fund (48100)	SDCI	Other Miscellaneous	\$0
Construction and Inspections Fund (48100)	SDCI	Refrigeration & Furnace	(\$260,000)
Construction and Inspections Fund (48100)	SDCI	Signs	\$0
Construction and Inspections Fund (48100)	SDCI	Site Review & Development	\$0
TOTAL			(\$430,000)

DON Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Dept	Revenue Source	2021 Estimated Change in Revenue
General Fund (00100)	DON	Major Institutions Fees	\$6,900
General Fund (00100)	DON	MUP/SEPA Fees	\$23,320
TOTAL			\$30,220

Is this change one-time or ongoing?

On-going.

3.c. Positions

This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

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

Yes. The legislation adjusts fees in Title 22 for the Department of Neighborhoods. Adjustments include an increase to the hourly project review fees charged by Historic Preservation staff from \$288 to \$394 to align with SDCI's current Land Use Review hourly

fee and to better capture the true cost of staff time incurred by DON. DON also increases the hourly fees charged by the Major Institutions/Schools team from \$100 to \$123 to account for CPI adjustments over the past 10+ years (the last fee increase was implemented in January 2009). The proposed changes will not have a revenue impact to SDCI.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

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

No.

e. Does this legislation affect a piece of property?

No.

f. 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?

By regularly reviewing fees, SDCI is able to ensure that the fees it sets appropriately cover the costs of the services it provides. After a thorough review and discovery of efficiencies in processes, SDCI is able to reduce fees in the proposed programs, making the application and permitting process more affordable to the community. Reducing permit fees in electrical, refrigeration and furnace will positively impact communities of color and historically disadvantaged communities, many of whom are small business owners. The DON increases do not result in a disproportionate or disparate impact for any customer, including customers from vulnerable or historic disadvantaged communities.

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 legislation does not include a new initiative or major programmatic expansion.

List attachments/exhibits below:

Summary Attachment A – SDCI Permit Fees and Charges Proposed for 2021