

Seattle City Council Select Budget Committee
Councilmember Budget Proposals | Wednesday, October 29, 2025

Seattle Department of Construction and Inspections (SDCI)

Number	Title	Sponsor	Packet Page
SDCI-001-A-1	Increase SDCI by \$1 million GF to restore reductions to tenant services contracts	Rinck	2
SDCI-002-A-1	Increase SDCI by \$192,000 of Construction and Inspections Fund and 1.0 FTE Strategic Advisor 1 for a permit expeditor	Strauss	3
SDCI-003S-A-1	Request that SDCI and OPCD report on process and schedule for prioritizing mandatory regulatory changes	Solomon	4
SDCI-004S-A-1	Request that SDCI report quarterly on the health of the Construction and Inspections Fund	Solomon	6

2026 COUNCIL BUDGET ACTION

V1

SDCI-001-A

Increase SDCI by \$1 million GF to restore reductions to tenant services contracts

SPONSORS

Alexis Mercedes Rinck, Rob Saka, Mark Solomon

BALANCING SUMMARY

Fund	2026 Increase (Decrease)	2027 Increase (Decrease)
General Fund	\$(1,000,000)	
Total Budget Balance Effect	\$(1,000,000)	

CENTRAL STAFF SUMMARY

This Council Budget Action (CBA) would increase appropriations to the Seattle Department of Construction and Inspections (SDCI) by \$1 million GF on an ongoing basis to restore funding for tenant services grants and contracts to 2024 levels.

The 2024 Adopted Budget appropriated \$2.4 million to SDCI for contracts and grants with tenant services organizations that provide education for landlords and tenants on the City's regulations, outreach, case management, eviction legal defense, and other services for tenants and landlords. The 2026 Proposed Budget would appropriate approximately \$1.6 million for tenant services grants and contracts. These grants and contracts are distinct from appropriations to the Human Services Department (HSD) for rental assistance, for which the 2026 Proposed Budget would appropriate \$11.4 million.

ATTACHMENT: No

TRANSACTIONS - ONGOING

Dept	BSL	BCL	Year	Revenue	Expenditure
SDCI	Compliance	00100-BO-CI-U2400	2026		\$1,000,000

2026 COUNCIL BUDGET ACTION

V1

SDCI-002-A

Increase SDCI by \$192,000 of Construction and Inspections Fund and 1.0 FTE Strategic Advisor 1 (term limited) for a permit expeditor

SPONSORS

Dan Strauss, Mark Solomon, Alexis Mercedes Rinck

BALANCING SUMMARY

Fund	2026 Increase (Decrease)	2027 Increase (Decrease)
General Fund	\$0	
Other Funds	\$(192,000)	
Total Budget Balance Effect	\$(192,000)	

CENTRAL STAFF SUMMARY

This Council Budget Action (CBA) would add \$192,000 in Construction and Inspections Fund and 1.0 FTE Strategic Advisor 1, for a period of two years, to the Seattle Department of Construction and Inspections (SDCI) to act as permit expeditor for small business first-time applicants and special projects.

SDCI currently has 1.0 FTE Strategic Advisor 1 who acts as a permit expeditor. This proposed increase would expand capacity for small business assistance and special projects.

ATTACHMENT: No

TRANSACTIONS - ONGOING

Dept	BSL	BCL	Year	Revenue	Expenditure
SDCI	Customer Success	48100-BO-CI-U2100	2026		\$192,000

POSITIONS

Dept	BCL	Year	Position Title	Positions	FTE
SDCI	48100-BO-CI-U2100	2026	Strategic Advisor 1, Engineering and Plans Review	1	1.0

2026 STATEMENT OF LEGISLATIVE INTENT

V1

SDCI-003S-A

Request that SDCI and OPCD report on process and schedule for prioritizing mandatory regulatory changes

SPONSORS

Mark Solomon, Rob Saka, Alexis Mercedes Rinck

CENTRAL STAFF SUMMARY

This Statement of Legislative Intent (SLI) requests that the Seattle Department of Construction and Inspections (SDCI) and the Office of Planning and Community Development (OPCD) provide a report to the Council that identifies how current and future legislation for mandated changes to regulations will be prioritized, developed, and transmitted to the Council for action prior to statutory deadlines.

OPCD and SDCI share responsibility for developing changes to land use regulations to respond to state and federal mandates. Generally, SDCI develops regulations related to regulatory programs administered by the department, such as Design Review; technical code changes that facilitate administration, such as changes contained in the biannual land use code omnibus bill; and changes to environmental regulations, such as the Shoreline Code and Environmentally Critical Areas Ordinance. OPCD, generally, develops regulations related to area-wide planning efforts and broad Growth Management Act-based mandates, such as implementation of the middle housing requirements.

In recent years, both departments have failed to meet statutorily imposed deadlines for state and federal mandates. For example, the Mayor and OPCD did not transmit legislation to amend the Comprehensive Plan and implement the requirements of HB 1110, related to middle housing, until three months after the December 31, 2024, deadline for action on the Comprehensive Plan by the City. Similarly, SDCI has yet to transmit permanent legislation implementing the requirement of HB 1293, which requires that local design review programs meet state requirements. The state deadline for implementation of that mandate was June 30, 2025. Some delays have been caused by factors outside of either department's control, such as SEPA appeals to the City Hearing Examiner. Others appear to reflect prioritization decisions by the Executive that ignore state-mandated deadlines.

Failure to meet deadlines for mandatory changes to regulations can create confusion for applicants and the public, who may detrimentally rely on the current requirements in the City's Land Use Code without knowing that some may have been statutorily preempted. Additionally, the State Legislature has increasingly included provisions in its legislation that include penalties for jurisdictions that do not meet the legislated timeline. Not meeting these deadlines may carry legal or financial risks to the City.

Responsible Council Committee(s): Land Use

DUE DATE: March 31, 2026

2026 STATEMENT OF LEGISLATIVE INTENT

2026 STATEMENT OF LEGISLATIVE INTENT

V1

SDCI-004S-A

Request that SDCI report quarterly on the health of the Construction and Inspections Fund

SPONSORS

Mark Solomon, Dan Strauss, Alexis Mercedes Rinck

CENTRAL STAFF SUMMARY

This Statement of Legislation Intent (SLI) would request that the Seattle Department of Construction and Inspections (SDCI) report quarterly on permit volumes, construction values, workload, and reserve fund balances. Where information is available, reports should distinguish permit revenue, staffing, and reserve balances by cost center. The Council intends to make future fee adjustments based on workload and the health of the Construction and Inspections Fund, including its reserves.

SDCI's 2026 Proposed Budget relies on an approximately 18 percent fee increase, which would be applicable to construction and land use permits. The proposed increase is estimated to generate approximately \$8.2 million in revenue to the Construction and Inspections Fund in 2026. That revenue would help maintain staffing levels to ensure timely permit review and maintenance of regulatory services. Generally, past fee increases have reflected inflationary adjustments and increased labor costs associated with approved labor contracts, not adjustments to maintain core services.

SDCI's budget for permitting services relies almost exclusively on revenue from fees charged for those services. To address construction volatility, SDCI relies on two structural budgetary mechanisms: (1) contingent Budget Authority, which allows the department to increase staffing without first getting Council authorization, up to an approved limit, when permit application volumes increase; and (2) a core staffing reserve to maintain trained staff and institutional knowledge when permit application volumes and value decrease.

The financial plan for the Construction and Inspections Fund indicates that SDCI has a core staffing reserve of \$22 million in 2025. That reserve, even with the proposed fee increase, would be drawn down to \$12 million in 2026 and \$7 million in 2027. Without the fee, the core staffing reserve would be nearly completely drawn down in 2026, which, depending on economic conditions, could force SDCI to lay-off core staff during the year.

Responsible Council Committee(s): Land Use

DUE DATE: March 31, 2026