

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact:	CBO Contact:
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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 vacant building monitoring and nuisance abatement; amending Sections 22.204.030 and 22.206.200 of the Seattle Municipal Code.

Summary and Background of the Legislation:

The legislation amends the standards for maintenance and monitoring of vacant buildings in the Housing and Building Maintenance Code (HBMC). The legislation is intended to respond to an increase in the public nuisance and health and safety risks associated with vacant structures by raising standards and improving the effectiveness of vacant building monitoring.

The legislation strengthens minimum standards for materials used to secure vacant buildings from entry and requires vacant buildings to be kept free of graffiti. It also requires any building that receives a notice of violation to enter the vacant building monitoring program, rather than only those buildings which fail to correct a notice of violation by the compliance deadline. The legislation removes the requirement for police and fire to maintain a registry of properties that have generated calls for dispatch in order to refer them to SDCI for vacant building monitoring. The legislation provides SDCI with the authority to file a property lien to collect unpaid fees and charges assessed under the vacant building monitoring program. The bill also clarifies the definition of “vacated building”.

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?

SDCI has identified several potential but indeterminate cost and revenue impacts from adopting this legislation. Requiring any building that receives a notice of violation to enter the vacant building monitoring program is likely to result in an increase in the number of properties being enrolled in monitoring. Increased material standards and new graffiti requirements aim to reduce unlawful entries and targeting, which would reduce the number of buildings in the monitoring program. However, it may also result in additional properties failing to pass inspections, resulting in additional months on monitoring.

A net increase in the number of properties enrolled in monitoring and/or the number of months enrolled in monitoring would increase the total fee revenue associated with the program. While not anticipated, if the volume exceeds the capacity of SDCI’s existing team of inspectors, there would be additional labor costs to adequately staff the program.

The ability to file a property lien for unpaid charges and fees is intended to reduce delinquency and nonpayment related to the monitoring program, which would also result in additional revenue.

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

The vacant building monitoring program is currently operating at a deficit. Reducing delinquency and nonpayment of fees using lien authority is an important component in improving the overall financial sustainability of the program. A fee increase may also need to be considered.

3.a. Appropriations

 This legislation adds, changes, or deletes appropriations.

3.b. Revenues/Reimbursements

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

Anticipated Revenue/Reimbursement Resulting from This Legislation:

Fund Name and Number	Dept	Revenue Source	2023 Revenue	2024 Estimated Revenue
			TBD	TBD
TOTAL			TBD	TBD

Revenue/Reimbursement Notes:

As outlined above, SDCI expects that the authority to file property liens would likely add an indeterminate amount of revenue. The authority to file a property lien directly without having to secure a court order offers a more effective and expeditious route for collecting unpaid fees and abatement costs. While the maximum amount that can be collected as part of a tax lien is \$2,000, that often represents a sizeable portion of unpaid fees. Imposing or threatening to impose a lien may also result in greater voluntary compliance and full payment. While there are too many variables to make a confident estimate, it is likely that this policy change would result in additional revenue.

3.c. Positions

___ This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

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

No

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?

While the legislation concerns the maintenance and security of vacant buildings, it does not affect a specific piece of property.

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?

The legislation is intended to improve vacant building safety and security through changes to the vacant building monitoring program. Vacant buildings are typically distributed throughout the city but can become concentrated in areas undergoing redevelopment or areas with buildings in foreclosure. Property owners have an obligation to maintain vacant buildings.

The legislation could result in additional cost to the owners of vacant buildings if they fail to properly secure their property to the new standards proposed. Higher costs would have a greater impact on lower-income property owners, which can include members of historically disadvantaged communities. However, 74 percent of vacant building cases are properties that are going through redevelopment, which generally do not constitute lower-income property owners.

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.

This legislation does not impact climate change resiliency.

- 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.