

SUMMARY and FISCAL NOTE*

| Department: | Dept. Contact/Phone: | CBO Contact/Phone: |
|--|----------------------------------|---------------------------------|
| Office of Sustainability & Environment | Christine Bunch/ 206-615-1633 | Akshay Iyengar/ 206-684-0716 |

** 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 taxation; delaying the effective date of the heating oil tax on heating oil service providers under Chapter 5.47 of the Seattle Municipal Code; and delaying the date of the Office of Sustainability and Environment’s first annual heating oil tax program status report.

Summary and background of the Legislation:

Ordinance 125934 was passed in 2019, imposing a heating oil tax to take effect on September 1, 2020. Because of economic concerns as a result of the COVID-19 crisis and based on feedback from community organizations, the Office of Sustainability and Environment (OSE) is proposing to delay the effective date of the tax to September 1, 2021.

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? X Yes No

| Appropriation change (\$): | General Fund \$ | | Other \$ | |
|--------------------------------|-------------------------|---------|------------------------|------|
| | 2020 | 2021 | 2020 | 2021 |
| | | | | |
| Estimated revenue change (\$): | Revenue to General Fund | | Revenue to Other Funds | |
| | 2020 | 2021 | 2020 | 2021 |
| | (595,357) | 788,175 | | |
| Positions affected: | No. of Positions | | Total FTE Change | |
| | 2020 | 2021 | 2020 | 2021 |
| | 0 | 0 | | |

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 | 2020 Revenue | 2021 Estimated Revenue |
|----------------------|------|---------------------------------|------------------|------------------------|
| General Fund 00100 | OSE | Tax on sale of home heating oil | (595,537) | 788,175 |
| TOTAL | | | (595,537) | 788,175 |

Is this change one-time or ongoing?

One-time, with annual updates to projected revenues & expenditures.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
Office of Housing (OH) will be implementing the low-income conversions and tax revenue will be funding these conversions. OSE will have an MOU with OH for this work.
- 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?**
Delaying this tax is responsive to community concerns about adding additional financial burden to low- to middle-income households already impacted by the economic downturn caused by COVID-19. OSE will communicate the program changes via a postcard to all Seattle residents with oil-heated homes. The card will include an in-language statement providing a phone number to call for help getting the information translated.

- 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)?**

N/A

List attachments/exhibits below: