



Legislation Text

File #: CB 118404, Version: 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE requiring owners of certain low-income housing to notify the Office of Housing and the Seattle Housing Authority of the owner's proposed sale of that housing; establishing penalties; and adding a new Chapter 22.907 to the Seattle Municipal Code.

WHEREAS, The City of Seattle (City) is experiencing significant economic growth that is fueling job creation and population growth that is leading to a shortage of rental housing affordable to households with income under 80 percent of area median income (AMI); and

WHEREAS, existing multifamily buildings provide affordable housing options for households at or below 80 percent of AMI; and

WHEREAS, because of the economic growth, Seattle is becoming a very attractive market for investors desiring to purchase existing, affordable multifamily buildings; and

WHEREAS, the purchase of existing affordable multifamily buildings by new owners can result in rent increases due to the purchase and related property upgrades that may accompany such purchases; and

WHEREAS, the City's Office of Housing may purchase or work with housing developers to purchase existing buildings in order to preserve affordable housing units; and

WHEREAS, providing advance notice of an owner's desire to sell an existing, affordable multifamily building gives the City time to evaluate and prepare a potential purchase and sale offer for such a building;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new Chapter 22.907 is added to the Seattle Municipal Code as follows:

22.907 Sale of Low-Income Housing

22.907.030 Notice of proposed sale of low-income housing

Owners of a multifamily rental housing building having five or more housing units , any one of which rents for an amount that is affordable to households at or below 80 percent of area median income, as median income was most recently determined by the United States Department of Housing and Urban Development for the Seattle metropolitan statistical area, as adjusted for household size, shall notify the Office of Housing and the Seattle Housing Authority of the owner’s intent to sell the building. The notice shall be in writing and include the owner’s name, phone number, and the address of the rental housing building that will be listed for sale. The notice shall be mailed no later than 60 days prior to the building being listed with any real estate listing service or advertised for sale either in a printed newspaper or on website. For the purposes of this Section 22.907.030, a building is “listed” when an owner has signed a listing agreement with a real estate agent. Owners of a multifamily rental housing building having five or more housing units who are otherwise required by law or agreement to notify the Office of Housing of the owner’s intent to sell or transfer the building and who have provided such notice are exempt from the notice requirement prescribed by this Section 22.907.030.

22.907.100 Penalties

The Director of the Department of Planning and Development may impose a civil penalty in an amount up to but no more than \$500.00 on any person who fails to notify the Office of Housing of the owner’s intent to sell as required by Section 22.907.030.

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2015, and

signed by me in open session in authentication of its passage this

_____ day of _____, 2015.

President _____ of the City Council

Approved by me this ____ day of _____, 2015.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

Monica Martinez Simmons, City Clerk

(Seal)