

The City of Seattle

Ordinance _____

Council Bill _____

..title

An ordinance relating to leases; updating the Director of Finance and Administrative Services' authority to execute leases when the land is used for outdoor storage for any vehicle, or overnight respite areas for drivers; amending Section 3.127.020 of the Seattle Municipal Code.

..body

Recitals:

Ordinance 127423, passed by City Council in March 2026, expanded the authority of the Director of Finance and Administrative Services to execute leases up to 65,000 square feet without needing Council approval, if the site were to be used for transitional encampments.

The City could also use flexibility in executing leases for other purposes that serve the public good, such as storage for vehicles and areas where drivers, including those delivering freight to and from the Port of Seattle, can rest.

There may also be available and desirable sites that the City wants to lease for transitional encampments, storage of vehicles and rest areas that are in excess of 65,000 square feet. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. Section 3.127.020 of the Seattle Municipal Code, last amended by Ordinance 127423, is amended as follows:

* * *

C. All leases executed pursuant to the authority of Section 3.127.020 shall conform to the following provisions:

1. Rental payments for office space shall not exceed a rate of \$26 per square foot per year and the total square footage leased in any one calendar year shall not exceed 5,000 square feet for such space in any single building or other facility.

2. Rental payments for improved space other than office space shall not exceed \$10 per square foot per year, and the total square footage leased in any one rental agreement in any one calendar year shall not exceed 9,000 square feet for such space in any single building, structure, or other facility.

3. Rental payments for unimproved real estate, or land used for parking or open storage purposes shall not exceed \$6 per square foot per year, and the total square footage leased in any one rental agreement in any one calendar year shall not exceed 18,000 square feet for such space in any single building, structure, or other facility. However, ~~((if the unimproved real estate or land is being leased for transitional encampments governed by Section 23.42.054 or Section 23.42.056,))~~ the total square footage leased in any one rental agreement in any one calendar year shall not exceed ~~((65,000))~~ 100,000 square feet, and the price per square foot shall be as negotiated consistent with market rate if the unimproved real estate or land is being leased for:

a. Transitional encampments governed by Section 23.42.054 or
Section 23.42.056;

b. Outdoor storage for any vehicle, including recreational vehicles;
or

c. Overnight respite areas for drivers, such as truck tractor drivers.

4. The dollar amounts specified in subsections 3.127.020.C.1, 3.127.020.C.2, and 3.127.020.C.3 shall be adjusted annually beginning February 1, 2011 by the percentage change in the annual Consumer Price Index For All Urban Consumers (CPI-U), All Items, Seattle-Tacoma-Bellevue, WA Metropolitan Area (1982-84 = 100) for the preceding year as published by the U.S. Department of Labor, Bureau of Labor Statistics, or its successor; provided, that if the Consumer Price Index is discontinued or its base is changed, a comparable index shall be substituted.

5. The department or agency that is to occupy the premises to be leased shall have available to it sufficient funds to pay the Department of Finance and Administrative Services for its anticipated billing for the use of such space during the balance of the current budget year.

This ordinance shall take effect as provided by Seattle Municipal Code Sections
1.04.020 and 1.04.070.

Passed by the City Council and signed in open session in authentication of its
passage on _____.

President _____ of the City Council

_____ on _____.

Katie B. Wilson, Mayor

Attested on _____.

Scheereen Dedman, City Clerk

Seal

Summary and Fiscal Note

1. Legislation Summary

Department: LEG

Title: An ordinance An ordinance relating to leases; updating the Director of Finance and Administrative Services' authority to execute leases when the land is used for outdoor storage for any vehicle, or overnight respite areas for drivers; amending Section 3.127.020 of the Seattle Municipal Code.

Background: Ordinance 127423, passed by City Council in March 2026, expanded the authority of the Director of Finance and Administrative Services to execute leases up to 65,000 without needing Council approval, if the site were to be used for transitional encampments. This legislation would increase the FAS Director's flexibility to execute leases for outdoor storage for any vehicles and overnight respite areas for drivers, including truck drivers. It would also increase the FAS Director's authority to execute leases for sites being used for transitional encampments, parking and storage of vehicles and driver rest areas from 65,000 square feet to 100,000 square feet.

Summary Attachments: None

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

☐ Yes

☒ No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☐ Yes

☐ No

3a. Appropriations N/A

3b. Revenues/Reimbursements N/A

3c. Positions N/A

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts. N/A

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs? N/A

c. What financial costs or other impacts might happen if this legislation is not implemented? N/A

d. How might this legislation affect other City departments besides the one that proposed it? N/A

4. Other Impacts

a. Does this legislation require a public hearing?

☐ Yes

☒ No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

☐ Yes

☒ No

c. Does this legislation affect a piece of property?

No

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

People experiencing homelessness are disproportionately people of color. If the City leased land under this legislation to offer services to people experiencing homelessness, then there could potentially be benefit provided to people of color depending on program design.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation. N/A

3. What is the Language Access Plan for communicating with the public about this legislation? N/A

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer. N/A

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact. N/A

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress? N/A

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization? N/A