Seatle City Council Select Budget Committee

Councilmember Budget Proposals| Tuesday, October 27, 2026

Seattle Department of Construction and Inspections (SDCI)

Number	Title	Sponsor	Packet Page
SDCI-001S-A-1	Request that SDCI report on options for maintaining core staffing	Rinck	2
SDCI-002-A-1	Restore 1.0 FTE Strategic Advisor 2 to SDCI for code development	Lin	4
SDCI-003-A-1	Increase SDCI by $500,000 GF (2027) for Tenant Services and impose a proviso	Hollingsworth	6

SDCI Related Amendments to Budget Legislation

Amendment # and Legislation Short Title (CB #)	Sponsor	Packet Page
Amendment 1 to SDCI Permit Fees Update ORD (CB 121310) *Exempt OH-funded buildings from the rental agreement regulation fee*	Foster	7

SEATTLE CITY COUNCIL

2027 STATEMENT OF LEGISLATIVE INTENT

V1

SDCI-001S-A

Request that SDCI report on options for maintaining core staffing

SPONSORS

Alexis Mercedes Rinck, Eddie Lin, Dionne Foster

CENTRAL STAFF SUMMARY

This Statement of Legislation Intent (SLI) would request that the Seattle Department of Construction and Inspections (SDCI) report on options for maintaining core staffing. The report should, at a minimum:

(1) Identify the minimum core staffing levels by cost center and job title;

(2) Identify current revenue surpluses or deficits for each cost center with contextual data on historic staffing levels and revenue / permit volumes;

(3) Recommend policies for when core staffing would be maintained through fee increases, as opposed to non-fee revenue supplementation;

(4) Recommend policies for when core staffing would be maintained through support from other fungible revenues, such as revenue to the General Fund; and

(5) Specify the types of activities, by cost center, that could be susceptible to subsidy from other fungible revenues.

SDCI's 2027 - 2028 Proposed Budget relies on fee increases and layoffs. The proposed permit fee increases are estimated to generate approximately $6.3 million in additional revenue to the Construction and Inspections Fund in each year of the biennium. The layoffs would result in approximately $6 million in salary savings in each year of the biennium. Fee increases and salary savings are intended to maintain core staffing levels to provide timely permit review and maintenance of regulatory 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 values decrease. Last year through SLI SDCI-004S-A the Council requested and received quarterly reporting on the health of the Construction and Inspections Fund.

The financial plan for the Construction and Inspections Fund indicates that SDCI has a core staffing reserve of $12 million in 2026. That reserve, even with the proposed fee increases and layoffs, would

SEATTLE CITY COUNCIL

2027 STATEMENT OF LEGISLATIVE INTENT

be drawn down to $8 million in 2027 and $1 million in 2028. Absent significant changes in permitting volumes and values, after 2028 the core staffing reserve would be depleted.

Responsible Council Committee(s): Land Use & Sustainability

DUE DATE: June 30, 2027

2027-2028 COUNCIL BUDGET ACTION

V1

SDCI-002-A

Increase SDCI by $210,000 Construction and Inspections Fund (2027) and $210,000 Construction and Inspections Fund (2028) and restore 1.0 FTE Strategic Advisor 2 to SDCI for code development

SPONSORS

Eddie Lin, Rob Saka, Dan Strauss

FINANCIAL SUMMARY

Fund	2027 Increase (Decrease)	2028 Increase (Decrease)
General Fund	$0	$0
Other Funds	$(210,357)	$(210,357)
Total Budget Balance Effect	$(210,357)	$(210,357)

CENTRAL STAFF SUMMARY

This CBA would increase proposed appropriations to the Seattle Department of Construction and Inspections (SDCI) by $210,000 in 2027 and $210,000 in 2028 and restore 1.0 FTE Strategic Advisor 2 for code development work. The 2027-2028 Proposed Budget would abrogate the position.

Maintaining the position would provide ongoing capacity for code and policy development.

ATTACHMENT: No

TRANSACTIONS - ONGOING

Dept	BSL	BCL	Year	Revenue	Expenditure
SDCI	Land Use & Engineering Services	48100-BO-CI-U2000	2027		$210,357
SDCI	Land Use & Engineering Services	48100-BO-CI-U2000	2028		$210,357

POSITIONS

Dept	BCL	Year	Position Title	Positions	FTE
SDCI	48100-BO-CI-U2000	2027	Strategic Advisor 2, General Government	1	1
SDCI	48100-BO-CI-U2000	2028	Strategic Advisor 2, General Government	1	1

2027-2028 COUNCIL BUDGET ACTION

2027-2028 COUNCIL BUDGET ACTION

V1

SDCI-003-A

Increase SDCI by $500,000 GF (2027) for Tenant Services and impose a proviso

SPONSORS

Joy Hollingsworth, Eddie Lin, Dionne Foster

FINANCIAL SUMMARY

Fund	2027 Increase (Decrease)	2028 Increase (Decrease)
General Fund	$(500,000)	$0
Total Budget Balance Effect	$(500,000)	$0

CENTRAL STAFF SUMMARY

This Council Budget Action (CBA) would increase proposed appropriations to the Seattle Department of Construction and Inspections by $500,000 GF in 2027 (one-time) for Tenant Services such as legal services, eviction defense, renter support and advocacy, and renters' rights education.

The Proposed Budget includes $2.5 million for tenant services, and is proposed to be funded entirely by JumpStart Payroll Expense Tax Fund. This amendment would increase the total budget for tenant services to $3 million, and the program would be funded by a combination of JumpStart and GF.

This CBA would impose the following proviso:

"Of the appropriations in the Seattle Department of Construction and Inspection's 2027 budget for the Compliance Budget Summary Level (SDCI - BO-CI-U2400), $500,000 is appropriated solely for tenant services and may be spent for no other purpose."

ATTACHMENT: No

TRANSACTIONS - ONE-TIME

Dept	BSL	BCL	Year	Revenue	Expenditure
SDCI	Compliance	00100-BO-CI-U2400	2027		$500,000

HB Harper
Select Budget Committee
Amendment 1 to CB 121310
10/20/2026
D1
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Amendment 1 Version 1 to CB 121310 - SDCI Fee Update Ordinance

Sponsor: Councilmember Foster

Cosponsors: Councilmember Lin and Councilmember Juarez

Exempting OH-funded units from fee assessment associated with regulating rental agreements and raising the fee on non-exempt units

Effect: This amendment would add an exemption to the new section assessing a rental agreement regulation fee. The amendment would exclude buildings containing units that receive funding by Office of Housing (OH) from paying the fee for implementation and administration of Chapter 7.24, rental agreement regulations. OH regulatory agreements include monitoring of rental agreements. The per unit rental agreement fee is increased $1 to offset this exemption, bringing the total fee to $12 every two years. This is a budget-neutral amendment.

Amend Section 44 of CB 121310 as follows:

Section 44. A new Chapter 22.900J of the Seattle Municipal Code is added to Subtitle IX of Title 22 as follows:

Chapter 22.900J Rental Agreement Regulation Fee

22.900J.010 Purpose

This Chapter 22.900J establishes the regulatory fee to cover the implementation and administration of the Rental Agreement Regulation Ordinance (Chapter 7.24).

22.900J.020 Fee

The fee to cover the implementation and administration of Chapter 7.24 is ~~$11~~$12 per rental housing unit required to be registered under Chapter 22.214, except for the following, which are excluded from the fee:

A. ~~excluding s~~Short-term rentals regulated under Chapter 6.600; and

B. Buildings with units funded, and monitored for compliance with regulatory agreements (including annual review of rental agreements), by the Office of Housing.

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Select Budget Committee
Amendment 1 to CB 121310
10/20/2026
D1

The fee is payable at the time the rental housing registration application or rental housing registration renewal application required by Chapter 22.214 is received by the Department.

DRAFT