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Ordinance No. 109973

AN ORDINANCE relating to housing preservation, amending various sections of Chapter 22.210 of the Seattle Municipal Code (Ordinance 109220) to exempt certain housing units from the demolition fee requirement, authorizing the Director of the Department of Construction and Land Use to compute and publish the Housing Cost Index semi-annually, establishing the demolition license fee in the Metropolitan Business (BM) Zone, authorizing a replacement housing contract and bond, providing relocation assistance to certain tenants evicted prior to an owner's application for demolition license, and establishing penalties for violations.

6/16/81 - Hold until 6/17/81 - U.D.H.H.
 6/16/81 - Pass as amended - U.D.H.H.

COMPTROLLER
 FILE NUMBER

Council Bill No. 102352

INTRODUCED: JUN 8 - 1981	BY: HILDT
REFERRED: JUN 8 - 1981	TO: URBAN DEVELOPMENT HOUSING
REFERRED:	
REPORTED: JUN 22 1981	SECOND READING: JUN 22 1981
THIRD READING: JUN 22 1981	SIGNED:
PRESENTED: JUN 23 1981	APPROVED: JUN 30 1981
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PASSED OVER VETO:	VETO SUSTAINED:

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ORDINANCE 109923

AN ORDINANCE relating to housing preservation, amending various sections of Chapter 22.210 of the Seattle Municipal Code (Ordinance 109220) to exempt certain housing units from the demolition fee requirement, authorizing the Director of the Department of Construction and Land Use to compute and publish the Housing Cost Index semi-annually, establishing the demolition license fee in the Metropolitan Business (BM) Zone, authorizing a replacement housing contract and bond, providing relocation assistance to certain tenants evicted prior to an owner's application for a demolition license, and establishing penalties for violations.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 22.210.020 of the Seattle Municipal Code (Section 2 of Ordinance 109220) is hereby amended to read as follows:

22.210.020 Definitions.

As used in this chapter, the following words and phrases shall have the following meanings:

A. Above Market-Rate Housing: Any residential structure in which the prevailing monthly rent or mortgage payment exceeds or will exceed 120 per cent of the monthly federal Section 8 Fair Market Rent for comparable units in the Seattle area, as determined by the Director of the Department of Construction and Land Use.

~~((A-))~~ B. Agent: Any person, firm, partnership, association, joint venture, corporation or other entity or combination of entities who represent or act for or on behalf of another.

~~((B- Average Cost Rental Housing: Any housing unit which for a continuous period of five years or more will be rented at a rate equal to, or less than, the federal Section 8 Fair Market Rent for comparable units in The Seattle only as determined by The Department of Housing and Urban Development-))~~

1 C. Market Rate Existing Housing: Any residential structure
2 in which the prevailing rents, as determined by the
3 Director, have been between eighty percent (80%) of the
4 federal Section 8 Fair Market Rent and 120% of the
5 Section 8 Fair Market Rent for the 24 month period
6 preceding application for a demolition license.

7 D. Market-Rate Replacement Housing: Any housing units
8 which will be sold or which for a period of five years
9 or more will be continuously rented at a rate between
10 eighty percent (80%) of the federal Section 8 Fair
11 Market Rent and 120 per cent of the federal Section 8
12 Fair Market Rent for comparable units in the Seattle
 area.

13 E. Block: The entire property between three or more
14 intersecting or intercepting platted streets or between
15 a platted street and railroad right of way or a waterway
16 provided that such distance does not extend more than
17 four hundred feet on either side of a lot.

18 ((E-)) F. Change of Use: The conversion of any housing
19 unit from a residential to a non-residential use.

20 ((D-)) G. Demolition: The destruction of any housing unit.

21 ((E-)) H. Director: Means the Director of the Department of
22 Construction and Land Use or its successor department.

23 ((F-)) I. Housing Unit: Any dwelling unit, housekeeping
24 room or guest room, as defined by the Seattle Housing
25 Code (Ordinance 106319), which was not ordered vacated
26 and closed to entry by the Director of Construction and
27 Land Use pursuant to Chapter 5 of the Housing Code
28 prior to January 1, 1980; Provided, that any housekeeping
 or guest room which can be shown by the owner, to the
 satisfaction of the Director, to have been used as non-

1 residential lodging shall not be considered a housing
2 unit under this ordinance.

3 J. Low Cost Existing Housing - Any residential structure
4 in which the prevailing rents, as determined by the
5 Director, have been less than 80% of the federal Section
6 8 Fair Market Rent in the twenty-four month period
7 preceding application for a demolition license.

8 K. Low-Cost Replacement Housing: Any housing unit which
9 for a period of five years or more will be sold or rented
10 at a monthly rate less than eighty percent (80%) of the
11 federal Section 8 Fair Market Rent for comparable units
12 in the Seattle area.

13 ((G-)) L. Low Income Tenant: A tenant, as defined herein,
14 whose total household income and assets are at or below
15 the federal Section 8 Income Eligibility Standards as
16 determined by the Department of Housing and Urban
17 Development.

18 ((H-)) M. Net Residential Area: The total number of square
19 feet of living space in a building based upon the
20 interior dimensions of each housing unit and excluding
21 stairwells, halls, lounges and other common areas.

22 ((I-)) N. Non-required Parking Lot: Any parking spaces not
23 required by Title 24 of the Seattle Municipal Code (the
24 Zoning Ordinance) as accessory to a principal use nor
25 imposed as a mitigating measure pursuant to the State
26 Environmental Policy Act.

27 ((J-)) O. Notice: A written notice unless otherwise speci-
28 fied.

29 ((K-)) P. Owner: Any person, firm, partnership, association,
30 joint venture, corporation or other entity or combina-
31 tion of entities who undertakes the demolition of any

1 residential housing unit in the City of Seattle. The
2 term "owner" shall also include the owner's agent or
3 other person acting on the owner's behalf.

4 ((B-)) Q. Person: Any individual, corporation, partnership,
5 association or other legal entity.

6 ((M-)) R. Rental Unit: Any housing unit, as defined herein,
7 which is occupied pursuant to a lawful rental agree-
8 ment, oral or written, express or implied.

9 ((N-)) S. Residential use: The use of any housing unit
10 designed, arranged, intended, occupied, maintained,
11 leased, or rented as the primary residence of any
12 person.

13 ((O-)) T. Section 8 Housing: The Federal Government's Low
14 Income Housing Assistance Program as codified in Section
15 8 of the United States Housing Act of 1937, as amended,
16 42 U.S.C. 1437F.

17 ((P-)) U. Section 8 Fair Market Rent: The maximum monthly
18 rents, as determined periodically by the Secretary of
19 Housing and Urban Development, for units covered by
20 rental assistance contracts pursuant to Section 8 of
21 the United States Housing Act of 1937.

22 V. Subsidized Housing: A housing unit in which the occupant
23 receives a rent subsidy pursuant to the federal Section
24 8 Rent Subsidy Program, or a housing unit in which low
25 income tenants are not required to pay more than 25% of
26 their incomes for rent, and which will remain subsidized
27 for a period of 20 years or more.

28 ((Q-)) W. Tenant: Any person who occupies a housing unit
pursuant to a lawful lease or rental agreement, whether
oral or written, express or implied. Two or more
individuals who live together in a rental unit shall be

1 considered one tenant for purposes of this Chapter.

2 ((R-)) X. Use Permit: A use permit as described in and
3 required by Section 24.10.020 of The Seattle Municipal
4 Code.

5 Section 2. Section 22.210.030 of the Seattle Municipal
6 Code as last amended by Ordinance 109432, is further amended
7 to read as follows:

8 22.210.030 Application of Ordinance.

9 This ordinance shall apply to the demolition and change
10 of use of all housing units, as defined herein, in The City
11 of Seattle, including those demolished pursuant to any
12 order, decision or other action of the Director. No owner
13 shall cause the demolition or change of use of any housing
14 unit without first obtaining a Housing Demolition License.
15 Demolition or change of use of housing units which are the
16 subject of demolition proceedings or a demolition order but
17 which have not been demolished on the effective date of this
18 ordinance shall be subject to the terms of this ordinance;
19 provided, that demolition or change of use of housing units
20 shall not be subject to the terms of this ordinance where
21 the application therefor was filed prior to January 1, 1980,
22 or where the housing units were proposed for demolition or
23 change of use prior to January 1, 1980, but the filing of a
24 demolition permit application was delayed because of an
25 owner's good faith attempts to participate with the Department
26 of Construction and Land Use in meeting the housing provisions
27 of Chapter 25.04 of the Seattle Municipal Code, as required
28 by the Director of the Department of Construction and Land
Use. Any housing unit ordered demolished by the Director
because of damage caused by civil commotion, malicious
mischief, vandalism, tenant waste, natural disaster, or

1 other destruction beyond the owner's control shall not be
2 subject to the terms of this ordinance. This ordinance
3 shall not apply to the demolition or change of use of any
4 housing unit owned by the Seattle Housing Authority or any
5 public development authority or to the demolition or change
6 of use of a detached single family house which will be
7 replaced by a detached single family house.

8 Section 3. Section 22.210.050 of the Seattle Municipal
9 Code is hereby amended to read as follows:

10 22.210.050 License Requirements.

11 To receive a Housing Demolition License every owner
12 must:

- 13 A. Submit to the Director a statement, on a form to be
14 provided by the Director, certifying the number of
15 housing units to be demolished and the net residential
16 area to be lost by the demolition.
- 17 B. Submit a list containing the name of each tenant currently
18 residing in the structure to be demolished and a list
19 ~~((e))~~ containing the name and last known address of
20 each tenant who has resided in the structure during the
21 ~~((120))~~ 240 day~~((s))~~ period immediately preceding the
22 date of application, indicating those whose tenancies
23 which were terminated and the reason for each termination.
- 24 C. Submit written verification of compliance with the
25 tenant notice, eviction and relocation assistance
26 requirements of Sections .110, .120, .130, ~~((22-210-150~~
27 ~~and 22-210-160))~~ .140 of this Chapter.
- 28 D. Submit the Housing Demolition License fee as provided
in Sections .050 and .070, or enter into a contract for
replacement housing and post a bond for the amount of
the fee required by Section .070 of this chapter which

1 shall not be reduced for proposed replacement housing
2 pursuant to Sections .070E or.080 of this chapter.

3 E. Except in the case of a proposed change of use, secure
4 a use permit.

5 Section 4. Section 22.210.060 of the Seattle Municipal
6 Code is hereby amended to read as follows:

7 22.210.060 Housing Cost Index.

8 The Director shall compute and publish on January 15
9 and July 15 of each year a housing cost index for replacement
10 housing by multiplying the monthly federal Section 8 Fair
11 Market Rent for one bedroom walk-up rental units, ((as
12 determined by the Department of Housing and Urban Development))
13 by 240 (the number of months in twenty years) and dividing
14 the product by 600 (the number of square feet in the average
15 one-bedroom walkup apartment.) The resulting number shall
16 be the housing cost index.

17 Section 5. Section 22.210.070 of the Seattle Municipal
18 Code is hereby amended to read as follows:

19 22.210.070 Computation of Housing Demolition License
20 Fee.

21 A. The Housing Demolition License fee shall be computed by
22 multiplying the net residential area to be demolished by the
23 Housing Cost Index. The product of these numbers shall be
24 the replacement cost for the demolished or converted units.
25 When housing units are demolished or converted to a non-
26 residential use in Single Family Residence (RS), Residential
27 Duplex (RD), Multiple Residence Lowest Density (RM 1600),
28 Residence Waterfront (RW), General Industrial (IG), Manufacturing
 (M) or Heavy Industrial (IH) zones, as described in Title 24
 of the Seattle Municipal Code, owners shall pay a license
 fee of 3% of estimated replacement costs. When housing
 units are demolished or converted to a non-residential use

1 in a Multiple Residence Low Density (RM 800), Neighborhood
2 Business (BN), or an Intermediate Business (BI) Zone, as
3 described in Title 24 of the Seattle Municipal Code, owners
4 shall pay a license fee of 5% of estimated replacement
5 costs. When housing units are demolished or converted to a
6 non-residential use in any Multiple Residence High Density
7 Variable Height (RMV) or in a Multiple Residence High Density
8 (RMH) zone, as described in Title 24 of the Seattle Municipal
9 Code, owners shall pay a license fee of 13% of estimated
10 replacement costs. When housing units are demolished or
11 converted to a non-residential use in a General Commercial
12 (CG) or Community Business (BC) zone, owners shall pay a
13 license fee of 17% of estimated replacement costs. When
14 housing units are demolished or converted to a non-residential
15 use in a Metropolitan Commercial (CM), Metropolitan Commercial
16 Temporary (CMT), Metropolitan Business (BM) or Multiple-
17 Residence-Mixed Density (RM-MD) zone, as described in Title
18 24 of the Seattle Municipal Code, owners shall pay a license
19 fee of 20% of estimated replacement costs.

18 B. When not more than two ((~~adjacent single family~~
19 ~~houses~~)) structures containing not more than four housing
20 units and located on the same development site as described
21 in the use permit for development of the site are demolished
22 or changed to a non-residential use in ((RS₇ RD₇ RW₇
23 RM₇ IG₇ M₇ IH₇ BN₇ and BI)) any zone, no license fee shall
24 be required but all other provisions of this ordinance shall
25 apply. The four housing unit exemption shall apply only to
26 the first two structures demolished or changed to a non-
27 residential use in a block by an owner. Subsequent demolitions
28 or changes in use by the same owner in the same block shall
be subject to all of the requirements of this ordinance.

1 The number of units in a structure shall be determined by
2 the Director of the Department of Construction and Land Use.
3 Any structure containing not more than four housing units
4 which was created through the legal conversion of a structure
5 containing more than four housing units shall not be exempt
6 from the license fee if the conversion occurred less than
7 three years prior to the date of application for a demolition
8 permit or change of use permit.

9 C. The demolition or change of use of any residential
10 building, or portion thereof, which can be shown to the
11 Director's satisfaction to have been continuously vacant
12 since January 1, 1974 shall be exempt from the Housing
13 Demolition License fee but all other provisions of this
14 ordinance shall apply.

15 D. When more than two ((adjacent single family houses))
16 structures ((is)) are demolished or changed to a non-residential
17 use on the same site or in the same block, by an owner, the
18 license fee shall be computed based upon the total square
19 feet of housing demolished.

20 E. Any non-residential space in any structure which is
21 converted to residential use after August 24, 1980, shall be
22 exempt from the license fee requirement of this ordinance if
23 subsequently demolished or converted to a non-residential
24 use, but all other provisions of the ordinance shall apply.
25 Residential buildings or portions thereof which are classified
26 by the Director as above market rate housing pursuant to
27 Section .080 of this Chapter shall be exempt from the license
28 fee requirement of this ordinance but all other provisions
29 of this ordinance shall apply.

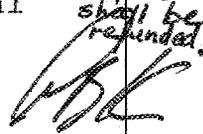
30 F. Any owner demolishing or changing the use of low cost
31 existing housing or market rate existing housing shall

1 either build replacement housing on a site or sites in The
2 City of Seattle or pay a license fee as required by this
3 ordinance. If the owner elects to pay the fee it shall be
4 paid prior to issuance of the license. Replacement housing
5 shall be under construction within three years from the date
6 of issuance of the license. Before receiving a license an
7 owner who will build replacement housing must state in
8 writing on a form to be provided by the Director the number
9 of square feet of replacement housing to be built and the
10 projected sale or rental price of the replacement housing.
11 The owner shall also post a bond for the full amount of the
12 license fee less any portion of the fee which is paid, but
13 with no reduction for proposed replacement housing, plus
14 interest for three years at the prime interest rate on the
15 date that the housing replacement statement is filed. If the
16 replacement housing is not under construction within three
17 years from the date of issuance of the license, the full
18 amount of the bond shall be forfeited and paid to The City
19 of Seattle.

20 Section 6. Section 22.210.080 of the Seattle Municipal
Code is hereby amended to read as follows:

21 22.210.080. Fee Reductions for Certain Replacement
22 Uses. The Housing Demolition License fee computed pursuant
23 to Section .070 of this Chapter shall be reduced when demolished
24 housing units are replaced by new housing units. When
25 demolished or converted housing units are replaced by ((subsidized))
26 low-cost replacement housing units, the net residential area
27 of demolished housing shall be reduced by subtracting from
28

The license fee of any owner who builds replacement housing within three years of issuance of the demolition license shall be re-computed based upon the square feet of replacement housing constructed and the difference between the fee paid by the owner and the recomputed fee shall be refunded.



1 the net residential area to be demolished the net number of
2 square feet of replacement (~~(subsidized)~~) low-cost housing
3 and the difference shall be multiplied by the housing cost
4 index to determine the license fee. When existing low-cost
5 rental housing is demolished or converted (~~(housing units~~
6 area)) and is replaced by market-rate replacement housing
7 units (~~(whose rents or monthly mortgage payments do not~~
8 exceed monthly Section-8 fair market rents for comparably
9 sized units in the Seattle area)), the (~~(license fee)~~)
10 net residential area of demolished housing shall be reduced
11 by subtracting from the net residential area to be demolished:
12 (a) 90% of the net number of square feet of market-rate
13 replacement housing which will continuously rent for a
14 period of five years or more at a rate equal to or less than
15 the federal Section 8 Fair Market Rents for comparable
16 units; and (b) 70% of the net number of square feet of
17 market-rate replacement housing which will rent at rates
18 greater than Section 8 Fair Market Rents but less than 120%
19 of Section 8 Fair Market Rents(=), up to an amount equal
20 to the net number of square feet being demolished. The
21 difference between the net number of square feet of demolished
22 housing and replacement housing shall be multiplied by the
23 housing cost index to determine the license fee. When
24 market-rate existing housing is demolished and is replaced
25 by market-rate replacement housing, the net residential area
26 of demolished housing shall be reduced by subtracting from
27 the net residential area to be demolished the number of
28 square feet of replacement housing and the difference shall
be multiplied by the housing cost index to determine the
license fee. When low-cost or market-rate housing units are
replaced by above market-rate housing units the (~~(license~~
fee)) net residential area of demolished housing shall be

1 reduced by subtracting from the net residential area to be
2 demolished 50% of the net number of square feet of replacement
3 housing, up to an amount equal to the net number of square
4 feet being demolished. The difference between the net
5 number of square feet of demolished housing and replacement
6 housing shall be multiplied by the housing cost index to determine
7 the license fee. ((When calculating fee reductions pursuant
8 to this section, the net residential area of demolished
9 housing shall not exceed the net residential area of
10 demolished housing.)) The Director shall classify housing to
11 be demolished as low cost, market rate or above market rate
12 based on the prevailing rental rates of the occupied units
13 in the structure to be demolished during the twenty-four
14 month period preceding license application for the demolition
15 license. In determining prevailing rental rates the Director
16 may exclude from consideration: 1) any units which rented
17 for substantially less than the majority of the units in the
18 building; and 2) any extraordinary rent increases for which
19 there is no reasonable, objective economic justification.
20 When an owner relocates the structure to be demolished to
21 another site in the City at his sole cost and expense, the
22 license fee shall be reduced by 100%. In all other cases
23 and whenever the housing replacement is not under construction
24 within three years following issuance of a Housing Demolition
25 License the full license fee as determined in Section 22.210.070
26 of this ordinance shall be required. ((If another use
27 permit is subsequently issued for the same site then the
28 license fee shall be recomputed based upon the proposed
new use.)) Replacement housing may be provided by the rehabilitation
of residential buildings which have been continuously vacant
since January 1, 1974. No housing which is financed in

1 whole or in part with City of Seattle general obligation
2 bond funds shall be considered replacement housing under
3 this section and no license fee reduction shall be permitted
4 for such housing.

5 Section 7. Section 22.210.120 of the Seattle Municipal
6 Code is hereby amended to read as follows:

7 Section 22.210.120. Relocation Assistance. Tenants
8 displaced by demolition or change of use shall receive from
9 the owner, at least five days before the date they are
10 required to vacate, a relocation assistance payment in the
11 following amount:

12 (a) Low income tenants shall receive \$1,000;

13 (b) Tenants whose household income exceeds 80% of
14 median household income but is less than 160%
15 thereof shall receive an amount not to exceed
16 \$1,000 calculated ((as follows:)) by multiplying
17 80% of the Seattle median household income for
18 households of comparable size by \$1,000 and
19 dividing the product by the tenant's actual household
20 income.

((80% of median household income	-X- \$1,000
Tenant's household income	+
Not to exceed \$1,000	-
	(=)

21 (c) Tenants whose household income exceeds 160% of
22 median household income shall receive no relocation
23 assistance payment.

24 Relocation assistance payments shall be in addition to the
25 refund of any deposits or other sums to which the tenant is
26 entitled. At the option of the owner or the tenant, relocation
27 assistance shall be paid in the form of excused rent payments.
28 Owners shall give each tenant written notice in advance of
his or her entitlement to relocation assistance in the form

1 of excused rent. Tenants who vacate prior to receiving full
2 relocation assistance in the form of reduced rents shall
3 receive, at least five days before the date they vacate, the
4 difference between the set off rent and their full relocation
5 entitlement. Each tenant claiming relocation assistance
6 shall submit to the owner, within 30 days of receipt of
7 notice of entitlement, a sworn, notarized statement, setting
8 forth the tenant's total annual gross income for the previous
9 calendar year and the total gross income for the current
10 year when the statement is submitted. The statement shall
11 be on the form provided by the Director and shall be delivered
12 to the tenants with the tenant notice required by Section
13 ((16)) 22.210.140 of this chapter. The owner may challenge
14 the income verification of any tenant by submitting proof to
15 the Director of income not disclosed by the tenant. Any
16 tenant who refuses to provide information regarding his or
17 her income when requested by the Director, or any tenant who
18 misrepresents any information regarding relocation benefits,
19 shall be denied relocation assistance. Any tenant evicted
20 for other than good cause, as provided in Section .110 of
21 this chapter, in the eight month period immediately preceding
22 an owner's application for a demolition license, shall be
23 entitled to relocation assistance as provided in this
24 section.

25 Section 8. Section 22.210.170 of the Seattle Municipal
26 Code is hereby amended to read as follows:

27 Section 22.210.170. Penalties. Violation of Sections
28 .030, .040, .050, ((.100)) .110, .120 or .140 of this chapter
or any deliberate attempt by an owner to evade application
of this Chapter, or any misrepresentation of a material fact
in any application or other writing required by this ordinance

(To be used for all Ordinances except Emergency.)

shall constitute violations subject to the provisions of Chapter 12A.01 and Chapter 12A.02 of the Seattle Criminal Code (Ordinance 102843), and any person convicted thereof may be punished by a civil fine or forfeiture not to exceed Five Hundred Dollars (\$500.00). Each day's violation of any provision of this ordinance shall constitute a separate offense.

Section 9. Any acts made consistent with the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 10. The Mayor shall review and report to the City Council on the implementation and operation of this ordinance and Ordinance 109220 within eighteen (18) months after its effective date. The City Council shall review and evaluate the Mayor's report and enact any necessary amendments to these ordinances.

Section 11. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 22nd day of June, 1981, and signed by me in open session in authentication of its passage this 22nd day of June, 1981.

[Signature]
President of the City Council.

Approved by me this 30th day of June, 1981.

[Signature]
Mayor.

Filed by me this 30th day of June, 1981.

Attest: *[Signature]*
City Comptroller and City Clerk.

(SEAL)

Published.....

By *[Signature]*
Deputy Clerk.

ORDINANCE

original

AN ORDINANCE relating to housing preservation, amending various sections of Chapter 22.210 of the Seattle Municipal Code (Ordinance 109220) to exempt certain housing units from the demolition fee requirement, authorizing the Director of the Department of Construction and Land Use to compute and publish the Housing Cost Index semi-annually, establishing the demolition license fee in the Metropolitan Business (BM) Zone, authorizing a replacement housing contract and bond, providing relocation assistance to certain tenants evicted prior to an owner's application for a demolition license, and establishing penalties for violations.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 22.210.020 of the Seattle Municipal Code (Section 2 of Ordinance 109220) is hereby amended to read as follows:

22.210.020 Definitions.

As used in this chapter, the following words and phrases shall have the following meanings:

A. Above Market-Rate Housing: Any housing unit which rents or sells at a rate greater than the monthly federal Section 8 Fair Market Rent for comparable units in the Seattle area, as determined by the Department of Housing and Urban Development.

((A-)) B. Agent: Any person, firm, partnership, association, joint venture, corporation or other entity or combination of entities who represent or act for or on behalf of another.

((B- Average Cost Rental Housing: Any housing unit which for a continuous period of five years or more will be rented at a rate equal to, or less than, the federal Section 8 Fair Market Rent for comparable units in The Seattle only as determined by The Department of Housing and Urban Development.))

1 C. Below Market Rate Existing Housing: Any residential
2 structure in which all units have been continuously
3 rented at rates between eighty percent (80%) of the
4 federal Section 8 Fair Market Rent and the Section 8
5 Fair Market Rent for the 24 month period preceding
6 application for a demolition license and in which fewer
7 than 20% of the units have been vacant in the twenty-
8 four month period.

9 D. Below Market-Rate Replacement Housing: Any housing
10 unit which for a period of five years or more will be
11 continuously rented at a rate between eighty percent
12 (80%) of the federal Section 8 Fair Market Rent and
13 the federal Section 8 Fair Market Rent for comparable
14 units in the Seattle area, as determined by the Department
15 of Housing and Urban Development.

16 E. Block: The entire property between three or more
17 intersecting or intercepting platted streets or between
18 a platted street and railroad right of way or a waterway
19 provided that such distance does not extend more than
20 four hundred feet on either side of a lot.

21 E- F. Change of Use: The conversion of any housing unit
22 from a residential to a non-residential use.

23 B- G. Demolition: The destruction of any housing unit.

24 E- H. Director means the Director of the Department of
25 Construction and Land Use or its successor department.

26 F- I. Housing Unit: Any dwelling unit, housekeeping room
27 or guest room, as defined by the Seattle Housing Code
28 (Ordinance 106319), which was not ordered vacated and
closed to entry by the Director of Construction and
Land Use pursuant to Chapter 5 of the Housing Code

1
2 prior to January 1, 1980; Provided, that any housekeeping
3 or guest room which can be shown by the owner, to the
4 satisfaction of the Director, to have been used as non-
5 residential lodging shall not be considered a housing
6 unit under this ordinance.

7 J. Existing Low-Cost Housing - Any residential structure
8 in which any units have been rented at rates less than
9 80% of the federal Section 8 Fair Market Rent in the
10 twenty-four month period preceding application for a
11 demolition license.

12 K. Low-Cost Replacement Housing: Any housing unit which
13 for a period of five years or more will be rented at a
14 rate less than eighty percent (80%) of the federal
15 Section 8 Fair Market Rent for comparable units in the
16 Seattle area, as determined by the United States Department
17 of Housing and Urban Development.

18 G. L. Low Income Tenant: A tenant, as defined herein,
19 whose total household income and assets are at or below
20 the federal Section 8 Income Eligibility Standards as
21 determined by the Department of Housing and Urban
22 Development.

23 H. M. Net Residential Area: The total number of square
24 feet of living space in a building based upon the
25 interior dimensions of each housing unit and excluding
26 stairwells, halls, lounges and other common areas.

27 I. N. Non-required Parking Lot: Any parking spaces not
28 required by Title 24 of the Seattle Municipal Code (the
Zoning Ordinance) as accessory to a principal use nor
imposed as a mitigating measure pursuant to the State
Environmental Policy Act.

J. O. Notice: A written notice unless otherwise speci-
fied.

- 1
- 2 K- P. Owner: Any person, firm, partnership, association,
3 joint venture, corporation or other entity or combina-
4 tion of entities who undertakes the demolition of any
5 residential housing unit in the City of Seattle. The
6 term "owner" shall also include the owner's agent or
7 other person acting on the owner's behalf.
- 8 H- Q. Person: Any individual, corporation, partnership,
9 association or other legal entity.
- 10 M- R. Rental Unit: Any housing unit, as defined herein,
11 which is occupied pursuant to a lawful rental agree-
12 ment, oral or written, express or implied.
- 13 N- S. Residential use: The use of any housing unit
14 designed, arranged, intended, occupied, maintained,
15 leased, or rented as the primary residence of any
16 person.
- 17 O- T. Section 8 Housing: The Federal Government's Low
18 Income Housing Assistance Program as codified in Section
19 8 of the United States Housing Act of 1937, as amended,
20 42 U.S.C. 1437F.
- 21 P- U. Subsidized Housing: A housing unit in which the
22 occupant receives a rent subsidy pursuant to the federal
23 Section 8 Rent Subsidy Program, or a housing unit in
24 which low income tenants are not required to pay more
25 than 25% of their incomes for rent, and which will
26 remain subsidized for a period of 20 years or more.
- 27 Q- V. Tenant: Any person who occupies a housing unit
28 pursuant to a lawful lease or rental agreement, whether
oral or written, express or implied. Two or more
individuals who live together in a rental unit shall be
considered one tenant for purposes of this Chapter.

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2 R- W. Use Permit: A use permit as described in and
3 required by Section 24.10.020 of The Seattle Municipal
4 Code.

5 Section 2. Section 22.210.030 of the Seattle Municipal
6 Code as last amended by Ordinance 109432, is further amended
7 to read as follows:

8 22.210.030 Application of Ordinance.

9 This ordinance shall apply to the demolition and change
10 of use of all housing units, as defined herein, in The City
11 of Seattle, including those demolished pursuant to any
12 order, decision or other action of the Director. No owner
13 shall cause the demolition of any housing unit without first
14 obtaining a Housing Demolition License. Demolition of
15 housing units which are the subject of demolition proceedings
16 or a demolition order but which have not been demolished on
17 the effective date of this ordinance shall be subject to the
18 terms of this ordinance; provided, that demolition or change
19 of use of housing units shall not be subject to the terms of
20 this ordinance where the application therefor was filed
21 prior to January 1, 1980, or where the housing units were
22 proposed for demolition or change of use prior to January 1,
23 1980, but the filing of a demolition permit application was
24 delayed because of an owner's good faith attempts to participate
25 with the Department of Construction and Land Use in meeting
26 the housing provisions of Chapter 25.04 of the Seattle
27 Municipal Code, as required by the Director of the Department
28 of Construction and Land Use. Any housing unit ordered
demolished by the Director because of damage caused by civil
commotion, malicious mischief, vandalism, tenant waste,
natural disaster, or other destruction beyond the owner's

1 control shall not be subject to the terms of this ordinance.
2 This ordinance shall not apply to the demolition of any
3 housing unit owned by the Seattle Housing Authority or any
4 public development authority or to the demolition of a
5 detached single family house which will be replaced by a
6 detached single family house.

7 Section 3. Section 5 of Section 22.210.050 of the
8 Seattle Municipal Code is hereby amended to read as follows:
9 22.210.050 License Requirements.

10 To receive a Housing Demolition License every owner
11 must:

- 12 A. Submit to the Director a statement, on a form to be
13 provided by the Director, certifying the number of
14 housing units to be demolished and the net residential
15 area to be lost by the demolition.
- 16 B. Submit a list containing the name of each tenant currently
17 residing in the structure to be demolished and a list
18 of the name and last known address of each tenant who
19 has resided in the structure during the 120 days immediately
20 preceding the date of application, indicating those
21 whose tenancies were terminated and the reason for each
22 termination.
- 23 C. Submit written verification of compliance with the
24 tenant notice, eviction and relocation assistance
25 requirements of Sections .110, .120, .130, ((~~22.210.150~~
26 and ~~22.210.160~~)) .140 of this Chapter.
- 27 D. Submit the Housing Demolition License fee as provided
28 in Sections .050 and .070, or post a bond for the
amount of the fee as provided in Section .070;

1
2 E. Except in the case of a proposed change of use, secure
3 a use permit.

4 Section 4. Section 22.210.060 of the Seattle Municipal
5 Code is hereby amended to read as follows:

6 22.210.060 Housing Cost Index.

7 The Director shall compute and publish on January 15
8 and July 15 of each year a housing cost index for replacement
9 housing by multiplying the monthly federal Section 8 Fair
10 Market Rent for one bedroom walk-up rental units, as determined
11 by the Department of Housing and Urban Development, by 240
12 (the number of months in twenty years) and dividing the
13 product by 600 (the number of square feet in the average
14 one-bedroom walkup apartment.) The resulting number shall
15 be the housing cost index.

16 Section 5. Section 22.210.070 of the Seattle Municipal
17 Code is hereby amended to read as follows:

18 22.210.070 Computation of Housing Demolition License
19 Fee.

20 A. The Housing Demolition License fee shall be computed by
21 multiplying the net residential area to be demolished by the
22 Housing Cost Index. The product of these numbers shall be
23 the replacement cost for the demolished units. When housing
24 units are demolished in Single Family Residence (RS), Residential
25 Duplex (RD), Multiple Residence Lowest Density (RM 1600),
26 Residence Waterfront (RW), General Industrial (IG), Manufacturing
27 (M) or Heavy Industrial (IH) zones, as described in Title 24
28 of the Seattle Municipal Code, owners shall pay a license
fee of 3% of estimated replacement costs. When housing
units are demolished in a Multiple Residence Low Density (RM
800), Neighborhood Business (BN), or an Intermediate Business

1
2 (BI) Zone, as described in Title 24 of the Seattle Municipal
3 Code, owners shall pay a license fee of 5% of estimated
4 replacement costs. When housing units are demolished in any
5 Multiple Residence High Density Variable Height (RMV) or in
6 a Multiple Residence High Density (RMH) zone, as described
7 in Title 24 of the Seattle Municipal Code, owners shall pay
8 a license fee of 13% of estimated replacement costs. When
9 housing units are demolished in a General Commercial (CG) or
10 Community Business (BC) zone, owners shall pay a license fee
11 of 17% of estimated replacement costs. When housing units
12 are demolished in a Metropolitan Commercial (CM), Metropoli-
13 tan Commercial Temporary (CMT), Metropolitan Business (BM)
14 or Multiple-Residence-Mixed Density (RM-MD) zone, as described
15 in Title 24 of the Seattle Municipal Code, owners shall pay
16 a license fee of 20% of estimated replacement costs.

17 B. When not more than two ((adjacent single family
18 houses)) structures containing not more than four housing
19 units and located on the same development site as described
20 in the use permit for development of the site are demolished
21 or changed to a non-residential use in ((RS₇ RD₇ RW₇
22 RM₇ IG₇ M₇ IH₇ BN₇ and BI)) any zone, no license fee shall
23 be required but all other provisions of this ordinance shall
24 apply. The four housing unit exemption shall apply only to
25 the first two structures demolished or changed to a non-
26 residential use in a block by an owner. Subsequent demolitions
27 or changes in use by the same owner in the same block shall
28 be subject to all of the requirements of this ordinance.
The number of units in a structure shall be determined by
the Director of the Department of Construction and Land use.
Any structure containing not more than four housing units

1
2 which was created through the legal conversion of a structure
3 containing more than four housing units shall not be exempt
4 from the license fee if the conversion occurred less than
5 three years prior to the date of application for a demolition
6 or change of use permit.

7 C. The demolition or change of use of any residential
8 building, or portion thereof, which can be shown to the
9 Director's satisfaction to have been continuously vacant
10 since January 1, 1974 shall be exempt from the Housing
11 Demolition License but all other provisions of this ordinance
12 shall apply.

13 D. When more than two ((adjacent single family houses))
14 structures is are demolished or changed to a non-residential
15 use on the same site or in the same block, by an owner, the
16 license fee shall be computed based upon the total square
17 feet of housing demolished.

18 E. Any non-residential space in any structure which is
19 converted to residential use after August 24, 1980 shall be
20 exempt from the license fee requirement of this ordinance if
21 subsequently demolished or converted to a non-residential
22 use, but all other provisions of the ordinance shall apply.
23 Residential buildings in which all units have been continuously
24 rented at rates in excess of Section 8 Fair Market Rents for
25 the twenty-four month period immediately preceding application
26 for a demolition license and in which 20% or fewer of the
27 units have been vacant in the twenty-four month period, shall
28 be exempt from the license fee requirement of this ordinance
but all other provisions of this ordinance shall apply.

F. Any owner demolishing or changing the use of a residential
structure in which any unit has rented for less than Section

1
2 8 Fair Market Rents shall either build equivalent replacement
3 housing on a site or sites in The City of Seattle equal to
4 the net number of square feet of housing converted or demolished
5 or pay the license fee required by this ordinance. If the
6 owner elects to pay the fee it shall be paid prior to issuance
7 of the license. Replacement housing shall be under construction
8 within three years from the date of issuance of the license.
9 Before receiving a license the owner must state in writing
10 on a form to be provided by the Director the number of
11 square feet of replacement housing to be built and the
12 projected sale or rental price of the replacement housing. The
13 owner shall also post a bond in the amount of the license
14 fee or any portion thereof which is not paid plus interest
15 for three years at a rate of 5% below the prime interest
16 rate on the date that the housing replacement statement is
17 filed. If the replacement housing is not under construction
18 within three years of issuance of the license, the full
19 amount of the bond shall be forfeited and paid to The
20 City of Seattle.

21 Section 6. Section 22.210.080 of the Seattle Municipal
22 Code is hereby amended to read as follows:

23 22.210.080. Fee Reductions for Certain Replacement
24 Uses. The Housing Demolition License fee computed pursuant
25 to Section .070 of this Chapter shall be reduced when demolished
26 housing units are replaced by new housing units. When
27 demolished housing units are replaced by ((subsidized))
28 low-cost replacement housing units, the license fee shall be
reduced by subtracting from the net residential area to be
demolished the number of square feet of net replacement ((subsidized))
low-cost housing. When existing low-cost rental housing is
demolished ((housing-units-are)) and is replaced by below

1
2 ~~market-rate replacement housing units ((whose-rents-or~~
3 ~~monthly-mortgage-payments-do-not-exceed-monthly-Section-8-fair~~
4 ~~market-rents-fer-comparably-sized-units-in-the-Seattle-area)) ,~~
5 the license fee shall be reduced by subtracting from the net
6 residential area to be demolished 90% of the net number of
7 square feet of replacement housing(=), up to an amount equal
8 to the net number of square feet being demolished. When
9 below market-rate existing housing is demolished and is
10 replaced by below market-rate replacement housing, the
11 license fee shall be reduced by subtracting from the net
12 residential area to be demolished the number of square feet
13 of replacement housing. When low-cost or below market-rate
14 housing units are replaced by above market-rate housing
15 units the license fee shall be reduced by subtracting from
16 the net residential area to be demolished 50% of the net
17 number of square feet of replacement housing, up to an
18 amount equal to the net number of square feet being demolished.
19 When calculating fee reductions pursuant to this section,
20 the net residential area of replacement housing subtracted
21 from the net residential area of demolished housing shall
22 not exceed the net residential area of demolished housing.
23 The rental rate category for the demolished housing shall be
24 determined by the Director based on the rental rates of the
25 occupied units in the structure to be demolished for the
26 twenty-four month period preceding license application,
27 using the lowest monthly rate per unit. When an owner relocates
28 the structure to be demolished to another site in the City at

1 his sole cost and expense, the license fee shall be reduced
2 by 100%. In all other cases and whenever the housing replacement
3 is not under construction within three years following
4 issuance of a Housing Demolition License the full license
5 fee as determined in Section 22.210.070 of this ordinance
6 shall be required. If another use permit is subsequently
7 issued for the same site then the license fee shall be
8 recomputed based upon the proposed new use. Replacement
9 housing may be provided by the rehabilitation of residential
10 buildings which have been continuously vacant since January
11 1, 1974.

11 Section 7. Section 22.210.120 of the Seattle Municipal
12 Code is hereby amended to read as follows:

13 Section 12. Relocation Assistance. Tenants displaced
14 by demolition or change of use shall receive from the owner,
15 at least five days before the date they are required to
16 vacate, a relocation assistance payment in the following
17 amount:

- 17 (a) Low income tenants shall receive \$1,000;
18 (b) Tenants whose household income exceeds 80% of
19 median household income but is less than 160%
20 thereof shall receive an amount calculated as
21 follows:

22
$$\frac{80\% \text{ of median household income}}{\text{Tenant's household income}} \text{ (X } \$1,000$$

23
$$\text{Not to exceed } \$1,009; \text{ ($$

- 23 (c) Tenants whose household income exceeds 160% of
24 median household income shall receive no
25 relocation assistance payment.

26 Relocation assistance payments shall be in addition to the
27 refund of any deposits or other sums to which the tenant is
28 entitled. At the option of the owner or the tenant, relocation

1 assistance shall be paid in the form of excused rent payments.
2 Owners shall give each tenant written notice in advance of
3 his or her entitlement to relocation assistance in the form
4 of excused rent. Tenants who vacate prior to receiving full
5 relocation assistance in the form of reduced rents shall
6 receive, at least five days before the date they vacate, the
7 difference between the set off rent and their full relocation
8 entitlement. Each tenant claiming relocation assistance
9 shall submit to the owner, within 30 days of receipt of
10 notice of entitlement, a sworn, notarized statement, setting
11 forth the tenant's total annual gross income for the previous
12 calendar year and the total gross income for the current
13 year when the statement is submitted. The statement shall
14 be on the form provided by the Director and shall be delivered
15 to the tenants with the tenant notice required by Section
16 ((16)) 22.210.140 of this chapter. The owner may challenge
17 the income verification of any tenant by submitting proof to
18 the Director of income not disclosed by the tenant. Any
19 tenant who refuses to provide information regarding his or
20 her income when requested by the Director, or any tenant who
21 misrepresents any information regarding relocation benefits,
22 shall be denied relocation assistance. Any tenant evicted
23 for other than good cause, as provided in Section .110 of
24 this chapter, in the eight month period immediately preceding
25 an owner's application for a demolition license, shall be
26 entitled to relocation assistance as provided in this section.

24 Section 8. Section 22.210.170 of the Seattle Municipal
25 Code is hereby amended to read as follows:

26 Section 22.210.110. Penalties. Violation of Sections
27 .030, .040, .050, ((.100)) .110, .120 or .140 of this chapter
28 or any deliberate attempt by an owner to evade application
of this Chapter, or any misrepresentation of a material fact

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in any application or other writing required by this ordinance shall constitute violations subject to the provisions of Chapter 12A.01 and Chapter 12A.02 of the Seattle Criminal Code (Ordinance 102843), and any person convicted thereof may be punished by a civil fine or forfeiture not to exceed Five Hundred Dollars (\$500.00). Each day's violation of any provision of this ordinance shall constitute a separate offense.

(To be used for all Ordinances except Emergency.)

Section...9... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the.....day of....., 19,
and signed by me in open session in authentication of its passage this.....day of
....., 19

President.....of the City Council.

Approved by me this.....day of....., 19

Mayor.

Filed by me this.....day of....., 19

Attest:.....
City Comptroller and City Clerk.

(SEAL)

Published..... By..... Deputy Clerk.

1 the net residential area to be demolished the net number of
2 square feet of replacement ((~~subsidized~~) low-cost housing
3 and the difference shall be multiplied by the housing cost
4 index to determine the license fee. When existing low-cost
5 rental housing is demolished or converted ((~~housing units~~
6 ~~area~~)) and is replaced by market-rate replacement housing
7 units ((~~whose rents or monthly mortgage payments do not~~
8 ~~exceed monthly Section-8 fair market rents for comparably~~
9 ~~sized units in the Seattle area~~)), the ((~~license fee~~))
10 net residential area of demolished housing shall be reduced
11 by subtracting from the net residential area to be demolished
12 90% of the net number of square feet of market-rate replacement
13 housing((-)), up to an amount equal to the net number of
14 square feet being demolished. The difference between the
15 net number of square feet of demolished housing and replacement
16 housing shall be multiplied by the housing cost index to
17 determine the license fee. When market-rate existing housing
18 is demolished and is replaced by market-rate replacement
19 housing, the net residential area of demolished housing
20 shall be reduced by subtracting from the net residential
21 area to be demolished the number of square feet of replacement
22 housing and the difference shall be multiplied by the housing
23 cost index to determine the license fee. When low-cost or
24 market-rate housing units are replaced by above market-rate
25 housing units the ((~~license fee~~)) net residential area of
26 demolished housing shall be reduced by subtracting from the
27 net residential area to be demolished 50% of the net number
28 of square feet of replacement housing, up to an amount equal
to the net number of square feet being demolished. The
difference between the net number of square feet of demolished
housing and replacement housing shall be multiplied by the

1 housing cost index to determine the license fee. ((When
2 calculating fee reductions pursuant to this section,
3 the net residential area of demolished housing shall
4 not exceed the net residential area of demolished housing.))
5 The Director shall classify housing to be demolished as low
6 cost, market rate or above market rate based on the prevailing
7 rental rates of the occupied units in the structure to be
8 demolished during the twenty-four month period preceding
9 license application for the demolition license. In determining
10 prevailing rental rates the Director may exclude from consider-
11 ation: 1) any units which rented for substantially less
12 than the majority of the units in the building; and 2) any
13 extraordinary rent increases for which there is no reasonable,
14 objective economic justification. When an owner relocates
15 the structure to be demolished to another site in the City
16 at his sole cost and expense, the license fee shall be
17 reduced by 100%. In all other cases and whenever the housing
18 replacement is not under construction within three years
19 following issuance of a Housing Demolition License the full
20 license fee as determined in Section 22.210.070 of this
21 ordinance shall be required. ((If another use permit is
22 subsequently issued for the same site then the license fee
23 shall be recomputed based upon the proposed new use.)) Replacement
24 housing may be provided by the rehabilitation of residential
25 buildings which have been continuously vacant since January
26 1, 1974. No housing which is financed in whole or in part
27 with City of Seattle general obligation bond funds shall be
28 considered replacement housing under this section and no
license fee reduction shall be permitted for such housing.

Section 7. Section 22.210.120 of the Seattle Municipal Code is hereby amended to read as follows:

1 Section 22.210.120. Relocation Assistance. Tenants
2 displaced by demolition or change of use shall receive from
3 the owner, at least five days before the date they are
4 required to vacate, a relocation assistance payment in the
5 following amount:

6 (a) Low income tenants shall receive \$1,000;

7 (b) Tenants whose household income exceeds 80% of
8 median household income but is less than 160%
9 thereof shall receive an amount not to exceed
10 \$1,000 calculated ((as follows:)) by multiplying
11 80% of the Seattle median household income for
12 households of comparable size by \$1,000 and dividing
13 the product by the tenant's actual household
14 income.

14 ((80% of median household income (-X-\$1,000
15 Tenant's household income +
16 Net to exceed \$1,000 (-))

17 (c) Tenants whose household income exceeds 160% of
18 median household income shall receive no relocation
19 assistance payment.

20 Relocation assistance payments shall be in addition to the
21 refund of any deposits or other sums to which the tenant is
22 entitled. At the option of the owner or the tenant, relocation
23 assistance shall be paid in the form of excused rent payments.
24 Owners shall give each tenant written notice in advance of
25 his or her entitlement to relocation assistance in the form
26 of excused rent. Tenants who vacate prior to receiving full
27 relocation assistance in the form of reduced rents shall
28 receive, at least five days before the date they vacate, the
difference between the set off rent and their full relocation
entitlement. Each tenant claiming relocation assistance
shall submit to the owner, within 30 days of receipt of

1 notice of entitlement, a sworn, notarized statement, setting
2 forth the tenant's total annual gross income for the previous
3 calendar year and the total gross income for the current
4 year when the statement is submitted. The statement shall
5 be on the form provided by the Director and shall be delivered
6 to the tenants with the tenant notice required by Section
7 ((16)) 22.210.140 of this chapter. The owner may challenge
8 the income verification of any tenant by submitting proof to
9 the Director of income not disclosed by the tenant. Any
10 tenant who refuses to provide information regarding his or
11 her income when requested by the Director, or any tenant who
12 misrepresents any information regarding relocation benefits,
13 shall be denied relocation assistance. Any tenant evicted
14 for other than good cause, as provided in Section .110 of
15 this chapter, in the eight month period immediately preceding
16 an owner's application for a demolition license, shall be
17 entitled to relocation assistance as provided in this section.

18 Section 8. Section 22.210.170 of the Seattle Municipal
19 Code is hereby amended to read as follows:

20 Section 22.210.170. Penalties. Violation of Sections
21 .030, .040, .050, ((.100)) .110, .120 or .140 of this chapter
22 or any deliberate attempt by an owner to evade application
23 of this Chapter, or any misrepresentation of a material fact
24 in any application or other writing required by this ordinance
25 shall constitute violations subject to the provisions of
26 Chapter 12A.01 and Chapter 12A.02 of the Seattle Criminal
27 Code (Ordinance 102843), and any person convicted thereof
28 may be punished by a civil fine or forfeiture not to exceed
Five Hundred Dollars (\$500.00). Each day's violation of any
provision of this ordinance shall constitute a separate
offense.

(To be used for all Ordinances except Emergency.)

Section 9. Any acts made consistent with the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 10. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the day of, 19, and signed by me in open session in authentication of its passage this day of, 19

President of the City Council.

Approved by me this day of, 19

Mayor.

Filed by me this day of, 19

Attest: City Comptroller and City Clerk.

(SEAL)

Published By Deputy Clerk.

Affidavit of Publication

STATE OF WASHINGTON KING COUNTY—SS.

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

Ordinance No. 109973

was published on July 8, 1981

B. Blair
Subscribed and sworn to before me on

July 8, 1981

Richard C. Lewis
Notary Public for the State of Washington,
residing in Seattle.

ORDINANCE 109973

AN ORDINANCE relating to housing preservation, amending various sections of Chapter 22.210 of the Seattle Municipal Code (Ordinance 109210) to exempt certain housing units from the demolition fee requirement, authorizing the Director of the Department of Construction and Land Use to compute and publish the Housing Cost Index semi-annually, establishing the demolition license fee in the Metropolitan Business (BM) Zone, authorizing a replacement housing contract and bond, providing relocation assistance to certain tenants evicted prior to an owner's application for a demolition license, and establishing penalties for violations.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 22.210.020 of the Seattle Municipal Code (Section 2 of Ordinance 109220) is hereby amended to read as follows:

22.210.020 Definitions.

As used in this chapter, the following words and phrases shall have the following meanings:

A. Above Market-Rate Housing: Any residential structure in which the prevailing monthly rent or mortgage payment exceeds or will exceed 120 per cent of the monthly federal Section 8 Fair Market Rent for comparable units in the Seattle area, as determined by the Director of the Department of Construction and Land Use.

((A+)) B. Agent: Any person, firm, partnership, association, joint venture, corporation or other entity or combination of entities who represent or act for or on behalf of another.

((B+)) C. Average Cost Rental Housing: Any housing unit which for a continuous period of five years or more will be rented at a rate equal to, or less than, the federal Section 8 Fair Market Rent for comparable units in the Seattle area as determined by the Department of Housing and Urban Development.

C. Market Rate Existing Housing: Any residential structure in which the prevailing rents, as determined by the Director, have been between eighty percent (80%) of the federal Section 8 Fair Market Rent and 120% of the federal Section 8 Fair Market Rent for the 24 month period preceding application for a demolition license.

D. Market-Rate Replacement Housing: Any housing units which will be sold or which for a period of five years or more will be continuously rented at a rate between eighty percent (80%) of the federal Section 8 Fair Market Rent and 120 per cent of the federal Section 8 Fair Market Rent for comparable units in the Seattle area.

E. Block: The entire property between three or more intersecting or intercepting platted streets or between a platted street and railroad right of way or a waterway provided that such distance does not extend more than four hundred feet on either side of a lot.

((E+)) F. Change of Use: The conversion of any housing unit from a residential to a non-residential use.

((E+)) G. Demolition: The destruction of any housing unit.

((E+)) H. Director: Means the Director of the Department of Construction and Land Use or its successor department.

((E+)) I. Housing Unit: Any dwelling unit, housekeeping room or guest room, as defined by the Seattle Housing Code (Ordinance 106319), which was not ordered vacated and closed to entry by the Director of Construction and Land Use pursuant to Chapter 5 of the Housing Code prior to January 1, 1980; Provided, that any housekeeping or guest room which can be shown by the owner, to the satisfaction of the Director, to have been used as non-residential lodging shall not be considered a housing unit under this ordinance.

J. Low Cost Existing Housing - Any residential structure in which the prevailing rents, as determined by the Director, have been less than 80% of the federal Section 8 Fair Market Rent in the twenty-four month period preceding application for a demolition license.

K. Low-Cost Replacement Housing: Any housing unit which for a period of five years or more will be sold or rented at a monthly rate less than eighty percent (80%) of the federal Section 8 Fair Market Rent for comparable units in the Seattle area.

((E+)) L. Low Income Tenant: A tenant, as defined herein, whose total household income and assets are at or below the federal Section 8 Income Eligibility Standards as determined by the Department of Housing and Urban Development.

((E+)) M. Net Residential Area: The total number of square feet of living space in a building based upon the interior dimensions of each housing unit and excluding stairwells, halls, lounges and other common areas.

((E+)) N. Non-required Parking Lot: Any parking spaces not required by Title 24 of the Seattle Municipal Code (the Zoning Ordinance) as accessory to a principal use nor imposed as a mitigating measure pursuant to the State Environmental Policy Act.

((E+)) O. Notice: A written notice unless otherwise specified.

((E+)) P. Owner: Any person, firm, partnership, association, joint venture, corporation or other entity or combination of entities who undertakes the demolition of any residential housing unit in the City of Seattle. The term "owner" shall also include the owner's agent or other person acting on the owner's behalf.

((E+)) Q. Person: Any individual, corporation, partnership, association or other legal entity.

((E+)) R. Rental Unit: Any housing unit, as defined herein, which is occupied pursuant to a lawful rental agreement, oral or written, express or implied.

((E+)) S. Residential use: The use of any housing unit designed, arranged, intended, occupied, maintained, leased, or rented as the primary residence of any person.

((E+)) T. Section 8 Housing: The Federal Government's Low Income Housing Assistance Program as codified in Section 8 of the United States Housing Act of 1937, as amended, 42 U.S.C. 1427F.

((E+)) U. Section 8 Fair Market Rent: The maximum monthly rents, as determined periodically by the Secretary of Housing and Urban Development, for units covered by rental assistance contracts pursuant to Section 8 of the United States Housing Act of 1937.

V. Subsidized Housing: A housing unit in which the occupant receives a rent subsidy pursuant to the federal Section 8 Rent Subsidy Program, or a housing unit in which low income tenants are not required to pay more than 25% of their income for rent, and which will remain subsidized for a period of 20 years or more.

((E+)) W. Tenant: Any person who occupies a housing unit pursuant to a lawful lease or rental agreement, whether oral or written, express or implied. Two or more individuals who live together in a rental unit shall be considered one tenant for purposes of this Chapter.

((E+)) X. Use Permit: A use permit as described in and required by Section 24.10.020 of the Seattle Municipal Code.

Section 2. Section 22.210.030 of the Seattle Municipal Code as last amended by Ordinance 109432, is further amended to read as follows:

22.210.030 Application of Ordinance.

This ordinance shall apply to the demolition and change of use of all housing units, as defined herein, in the City of Seattle, including those demolished pursuant to any order, decision or other action of the Director. No owner shall cause the demolition or change of use of any housing unit without first obtaining a Housing Demolition License. Demolition or change of use of housing units which are the subject of demolition proceedings or a demolition order but which have not been demolished on the effective date of this ordinance shall be subject to the terms of this ordinance; provided, that demolition or change of use of housing units shall not be subject to the terms of this ordinance where the application therefor was filed prior to January 1, 1980, or where the housing unit was proposed for demolition or change of use prior to January 1, 1980, but the filing of a

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Demolition permit application was delayed because of an owner's good faith attempts to participate with the Department of Construction and Land Use in meeting the housing provisions of Chapter 25.04 of the Seattle Municipal Code, as required by the Director of the Department of Construction and Land Use. Any housing unit ordered demolished by the Director because of damage caused by civil commotion, malicious mischief, vandalism, tenant waste, natural disaster, or other destruction beyond the owner's control shall not be subject to the terms of this ordinance. This ordinance shall not apply to the demolition or change of use of any housing unit owned by the Seattle Housing Authority or any public development authority or to the demolition or change of use of a detached single family house which will be replaced by a detached single family house.

Section 1. Section 22.210.050 of the Seattle Municipal Code is hereby amended to read as follows:

22.210.050 License Requirements.

To receive a Housing Demolition License every owner must:

- A. Submit to the Director a statement, on a form to be provided by the Director, certifying the number of housing units to be demolished and the net residential area to be lost by the demolition.
- B. Submit a list containing the name of each tenant currently residing in the structure to be demolished and a list ((a)) containing the name and last known address of each tenant who has resided in the structure during the ((b)) 30 day(s) period immediately preceding the date of application, indicating those whose tenancies which were terminated and the reason for each termination.
- C. Submit written verification of compliance with the tenant notice, eviction and relocation assistance requirements of Sections .110, .120, .130, ((.140-.160)) and ((.170-.180)) .140 of this Chapter.
- D. Submit the Housing Demolition License fee as provided in Sections .050 and .070, or enter into a contract for replacement housing and post a bond for the amount of the fee required by Section .070 of this chapter which shall not be reduced for proposed replacement housing pursuant to Sections .070E or .080 of this chapter.
- E. Except in the case of a proposed change of use, secure a use permit.

Section 4. Section 22.210.060 of the Seattle Municipal Code is hereby amended to read as follows:

22.210.060 Housing Cost Index.

The Director shall compute and publish on January 15 and July 15 of each year a housing cost index for replacement housing by multiplying the monthly federal Section 8 Fair Market Rent for one bedroom walk-up rental units, ((as determined by the Department of Housing and Urban Development)) by 140 ((the number of months in twenty years)) and dividing the product by 600 ((the number of square feet in the average one-bedroom walkup apartment.)) The resulting number shall be the housing cost index.

Section 5. Section 22.210.070 of the Seattle Municipal Code is hereby amended to read as follows:

22.210.070 Computation of Housing Demolition License Fee.

A. The Housing Demolition License fee shall be computed by multiplying the net residential area to be demolished by the Housing Cost Index. The product of these numbers shall be the replacement cost for the demolished or converted units. When housing units are demolished or converted to a non-residential use in Single Family Residence (RS), Residential Duplex (RD), Multiple Residence Lowest Density (RM 150R), Residence Waterfront (RW), General Industrial (IG), Manufacturing (M) or Heavy Industrial (IH) zones, as described in Title 24 of the Seattle Municipal Code, owners shall pay a license fee of 3% of estimated replacement costs. When housing units are demolished or converted to a non-residential use in a Multiple Residence Low Density (RM 50R), Neighborhood Business (NB), or an Intermediate Business (I) zone, as described in Title 24 of the Seattle Municipal Code, owners shall pay a license fee of 5% of estimated replacement costs. When housing units are demolished or converted to a non-residential use in any Multiple Residence High Density

Variable Height (RV) or in a Multiple Residence High Density (RMH) zone, as described in Title 24 of the Seattle Municipal Code, owners shall pay a license fee of 13% of estimated replacement costs. When housing units are demolished or converted to a non-residential use in a General Commercial (CG) or Community Business (BC) zone, owners shall pay a license fee of 17% of estimated replacement costs. When housing units are demolished or converted to a non-residential use in a Metropolitan Commercial (CM), Metropolitan Commercial

Temporary (CMT), Metropolitan Business (MB) or Multiple-Residence-Mixed Density (RM-MD) zone, as described in Title 24 of the Seattle Municipal Code, owners shall pay a license fee of 20% of estimated replacement costs.

B. When not more than two ((adjacent single family houses)) structures containing not more than four housing units and located on the same development site as described in the use permit for development of the site are demolished or changed to a non-residential use in ((RS, RM, RW, RM, 16, M, IH, BN, and BI)) any zone, no license fee shall be required but all other provisions of this ordinance shall apply. The four housing unit exemption shall apply only to the first two structures demolished or changed to a non-residential use in a block by an owner. Subsequent demolitions or changes in use by the same owner in the same block shall be subject to all of the requirements of this ordinance. The number of units in a structure shall be determined by the Director of the Department of Construction and Land Use. Any structure containing not more than four housing units which was created through the legal conversion of a structure containing more than four housing units shall not be exempt from the license fee if the conversion occurred less than three years prior to the date of application for a demolition permit or change of use permit.

C. The demolition or change of use of any residential building, or portion thereof, which can be shown to the Director's satisfaction to have been continuously vacant since January 1, 1974 shall be exempt from the Housing Demolition License fee but all other provisions of this ordinance shall apply.

D. When more than two ((adjacent single family houses)) structures ((a)) are demolished or changed to a non-residential use on the same site or in the same block, by an owner, the license fee shall be computed based upon the total square feet of housing demolished.

E. Any non-residential space in any structure which is converted to residential use after August 24, 1980, shall be exempt from the license fee requirement of this ordinance if subsequently demolished or converted to a non-residential use, but all other provisions of the ordinance shall apply. Residential buildings or portions thereof which are classified by the Director as above market rate housing pursuant to Section .080 of this Chapter shall be exempt from the license fee requirement of this ordinance but all other provisions of this ordinance shall apply.

F. Any owner demolishing or changing the use of low cost existing housing or market rate existing housing shall either build replacement housing on a site or sites in the City of Seattle or pay a license fee as required by this ordinance. If the owner elects to pay the fee it shall be paid prior to issuance of the license. Replacement housing shall be under construction within three years from the date of issuance of the license. Before receiving a license an owner who will build replacement housing must state in writing on a form to be provided by the Director the number of square feet of replacement housing to be built and the projected sale or rental price of the replacement housing. The owner shall sign post-dated checks for the full amount of the license fee less a portion of the fee which is paid, but with no reduction for proposed replacement housing, plus interest for three years at the prime interest rate on the date that the housing replacement statement is filed. If the replacement housing is not under construction within three years from the date of issuance of the license, the full

amount of the bond shall be forfeited and paid to the City of Seattle. ~~Section 22.210.080 of the Seattle Municipal Code is hereby amended to read as follows:~~

Section 22.210.080. Fee Reductions for Certain Replacement

22.210.080. Fee Reductions for Certain Replacement
Hous. The Housing Demolition license fee computed pursuant to Section .070 of this Chapter shall be reduced when demolished housing units are replaced by new housing units. When demolished or converted housing units are replaced by ((substituted))

low-cost replacement housing units, the net residential area of demolished housing shall be reduced by subtracting from the net residential area to be demolished the net number of square feet of replacement ((substituted)) low-cost housing and the difference shall be multiplied by the housing cost index to determine the license fee. When existing low-cost rental housing is demolished or converted ((housing units area)) and is replaced by market-rate replacement housing units ((whose rents or monthly mortgage payments do not exceed monthly Section-8 fair market rents for comparably sized units in the Seattle area)), the ((license fee)) net residential area of demolished housing shall be reduced by subtracting from the net residential area to be demolished:

(a) 90% of the net number of square feet of market-rate replacement housing which will continuously rent for a period of five years or more at a rate equal to or less than the federal Section 8 Fair Market Rents for comparable units; and (b) 70% of the net number of square feet of market-rate replacement housing which will rent at rates greater than Section 8 Fair Market Rents but less than 120% of Section 8 Fair Market Rents(+1), up to an amount equal to the net number of square feet being demolished. The difference between the net number of square feet of demolished housing and replacement housing shall be multiplied by the housing cost index to determine the license fee. When market-rate existing housing is demolished and is replaced by market-rate replacement housing, the net residential area of demolished housing shall be reduced by subtracting from the net residential area to be demolished the number of square feet of replacement housing and the difference shall be multiplied by the housing cost index to determine the license fee. When low-cost or market-rate housing units are replaced by above market-rate housing units the ((license fee)) net residential area of demolished housing shall be reduced by subtracting from the net residential area to be demolished 50% of the net number of square feet of replacement housing, up to an amount equal to the net number of square feet being demolished. The difference between the net number of square feet of demolished housing and replacement housing shall be multiplied by the housing cost index to determine the license fee. ((When calculating fee reductions pursuant to this section, the net residential area of demolished housing shall not exceed the net residential area of demolished housing.))

The Director shall classify housing to be demolished as low cost, market rate or above market rate based on the prevailing rental rates of the occupied units in the structure to be demolished during the twenty-four month period preceding license application for the demolition license. In determining prevailing rental rates the Director may exclude from consideration: 1) any units which rented for substantially less than the majority of the units in the building; and 2) any extraordinary rent increases for which there is no reasonable, objective economic justification. When an owner relocates the structure to be demolished to another site in the City at his sole cost and expense, the license fee shall be reduced by 10%. In all other cases and whenever the housing replacement is not under construction within three years following issuance of a Housing Demolition License the full license fee as determined in Section 22.210.070 of this ordinance shall be required. ((If another use permit is subsequently issued for the same site than the license fee shall be recomputed based upon the proposed new use.)) Replacement housing may be provided by the rehabilitation of residential buildings which have been continuously vacant since January 1, 1974. No housing which is financed in whole or in part with City of Seattle general obligation

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bond funds shall be considered replacement housing under this section and no license fee reduction shall be permitted for such housing.

Section 7. Section 22.210.120 of the Seattle Municipal Code is hereby amended to read as follows:

Section 22.210.120. Relocation Assistance. Tenants displaced by demolition or change of use shall receive from the owner, at least five days before the date they are required to vacate, a relocation assistance payment in the following amount:

- (a) Low income tenants shall receive \$1,000;
- (b) Tenants whose household income exceeds 80% of median household income but is less than 160% thereof shall receive an amount not to exceed \$1,000 calculated ((as follows)) by multiplying 80% of the Seattle median household income for households of comparable size by \$1,000 and dividing the product by the tenant's actual household income.

((80% of median household income	(\$1,000)
Tenant's household income	÷
Not to exceed \$1,000)
- (c) Tenants whose household income exceeds 160% of median household income shall receive no relocation assistance payment.

Relocation assistance payments shall be in addition to the refund of any deposits or other sums to which the tenant is entitled. At the option of the owner or the tenant, relocation assistance shall be paid in the form of excused rent payments. Owners shall give each tenant written notice in advance of his or her entitlement to relocation assistance in the form of excused rent. Tenants who vacate prior to receiving full relocation assistance in the form of reduced rents shall receive, at least five days before the date they vacate, the difference between the set off rent and their full relocation entitlement. Each tenant claiming relocation assistance shall submit to the owner, within 30 days of receipt of notice of entitlement, a sworn, notarized statement, setting forth the tenant's total annual gross income for the previous calendar year and the total gross income for the current year when the statement is submitted. The statement shall be on the form provided by the Director and shall be delivered to the tenants with the tenant notice required by Section ((16)) 22.210.140 of this chapter. The owner may challenge the income verification of any tenant by submitting proof to the Director of income not disclosed by the tenant. Any tenant who refuses to provide information regarding his or her income when requested by the Director, or any tenant who misrepresents any information regarding relocation benefits, shall be denied relocation assistance. Any tenant evicted for other than good cause, as provided in Section .110 of this chapter, in the eight month period immediately preceding an owner's application for a demolition license, shall be entitled to relocation assistance as provided in this section.

Section 8. Section 22.210.170 of the Seattle Municipal Code is hereby amended to read as follows:

Section 22.210.170. Penalties. Violation of Sections .030, .040, .050, ((.100)) .110, .120 or .140 of this chapter or any deliberate attempt by an owner to evade application of this Chapter, or any misrepresentation of a material fact in any application or other writing required by this ordinance shall constitute violations subject to the provisions of Chapter 12A.01 and Chapter 12A.02 of the Seattle Criminal Code (Ordinance 102843), and any person convicted thereof may be punished by a civil fine or forfeiture not to exceed Five Hundred Dollars (\$500.00). Each day's violation of any provision of this ordinance shall constitute a separate offense.

Section 9. Any acts made consistent with the authority of this ordinance but prior to its effective date are hereby ratified and confirmed.

Section 10. The Mayor shall review and report to the City Council on the implementation and operation of this ordinance and Ordinance 109220 within eighteen (18) months after its effective date. The City Council shall review and evaluate the Mayor's report and enact any necessary amendments to these ordinances.

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Section 1. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 25th day of June, 1981,
and signed by me in open session in authentication of its passage this 25th day of

June, 1981. *[Signature]*
President of the City Council

Approved by me this 30th day of June, 1981.

[Signature]
Mayor

Filed by me this 30th day of June, 1981.

[Signature]
City Comptroller and City Clerk

By *[Signature]*
Deputy Clerk

Publication ordered by TIM HILL, Comptroller and City Clerk.

Date of Official Publication in the Daily Journal of Commerce, Seattle, July 9, 1981. (C-784)