



SDCI Annual Report



2019

Director: Nathan Torgelson

Budget: \$88.62 Million

Staff: 381

SDCI

at a

Glance

About Us

The Seattle Department of Construction and Inspections (SDCI) is responsible for the regulatory and compliance functions related to building and land use activities in Seattle. We are responsible for the development and administration of 17 policies and codes for public safety, environmental protection, land use, construction, and housing. We have an annual budget of \$89 million and 381 employees. You can find us on the 19th through 22nd floors of the Seattle Municipal Tower.

Nathan Torgelson

SDCI Director



Everyday SDCI employees are carrying out our purpose statement to help people build a safe, livable, and inclusive Seattle. It is my honor to continue to serve as Mayor Durkan's Director of SDCI and to serve the residents, permit applicants, tenants and landlords of Seattle.

2019 saw an unprecedented seventh year of record breaking permitting, building and rental unit inspections, code compliance cases, and inquiries from the public. As Seattle has grown in population and employment, we have been working hard to keep up with the demand in services that our Department provides. In 2019 we issued 53,166 permits, with over 6,700 building permit applications valued at \$4.2 billion, and issuance of \$4.6 billion worth of building permits. We received 853 Master Use Permit applications and issued 812. The net number of housing units permitted stayed strong at 10,205.

Thank you for your patience as we worked to stabilize our permit tracking system, Accela, and invested over \$2.5 million in improvements. We still have work to do but we are making progress. We hired thirteen new term-limited staff in our Land Use Division to address our backlog of Master Use Permits.

We work on huge projects and small. The Seattle Center Arena and the transformation of the Northgate mall site to a mixed-use development with 1,000 plus units of housing, retail and the new National Hockey League (NHL) practice facility will change the landscape of our city. We are working to streamline the accessory and detached accessory dwelling unit permit process, and through tiny house villages, modular units and affordable housing projects, we continue to work on permitting solutions

for Seattle's most vulnerable communities. The citywide Mandatory Housing Affordability (MHA) ordinance went into effect, clearing the way for collection of millions of dollars that will go into affordable housing production and affordable units developed on site. We have collected over \$43 million in payments and 54 on-site units have been committed.

We saw great attendance at our home fair events in South Seattle and Ballard in early 2019, where we held information sessions on earthquake preparedness and retrofitting, how to permit accessory and detached accessory dwelling units, and landslide awareness. We also greatly expanded our outreach to the tenant and landlord communities. Our Renting in Seattle phone line (206-684-5700) and web portal went live in early 2019, and our accompanying outreach program trained over 800 landlords through quarterly classes and other events. We reached over 800 tenants through city-and partner-sponsored events, and trained over 155 service providers in City tenant protections and resources. We have continually updated our material on a variety of SDCI programs into 13 written and 12 spoken languages for critical life-safety publications and 7 written and 6 spoken languages for important information for the community. We are emphasizing visual communication methods when we produce outreach and engagement material. Our new vacant building monitoring program kicked off on June 3rd, and we conducted more than 1,450 inspections and ordered or supervised more than 500 clean-up and/or closure actions in 2020.

Please let us know how we are doing. We look forward to serving you in 2020 as we continue to implement Mayor Dukan's progressive vision for a more affordable, inclusive, and vibrant Seattle.

Jenny A. Durkan City of Seattle Mayor



Over the last two years, together, we have taken bold actions to make our progressive values real in people's lives. Because of our shared actions and commitment, I can tell you today the state of our city is strong and resilient. As your Mayor, I work every day to translate our progressive values into real, concrete actions that make our residents' lives better, safer, and more just.

Seattle has grown so quickly that it sometimes feels like change happened to us instead of with us. People are worried about their place in our city and the future of their families. Working together, we have made a commitment to deliver more opportunities for housing and, since 2017, I'm proud to say with the help of SDCI, and our state and federal partners, we announced nearly \$1.5 billion in investments in more affordable housing.

But one truth remains: For both our low- and middle-income neighbors, we need more affordable housing in every part of our city and region. People who work in Seattle should be able to afford to live and stay in Seattle.

Together, we passed and implemented Mandatory Housing Affordability and pushed for more backyard cottages. We invested new resources in community-based organizations that are working to combat displacement.

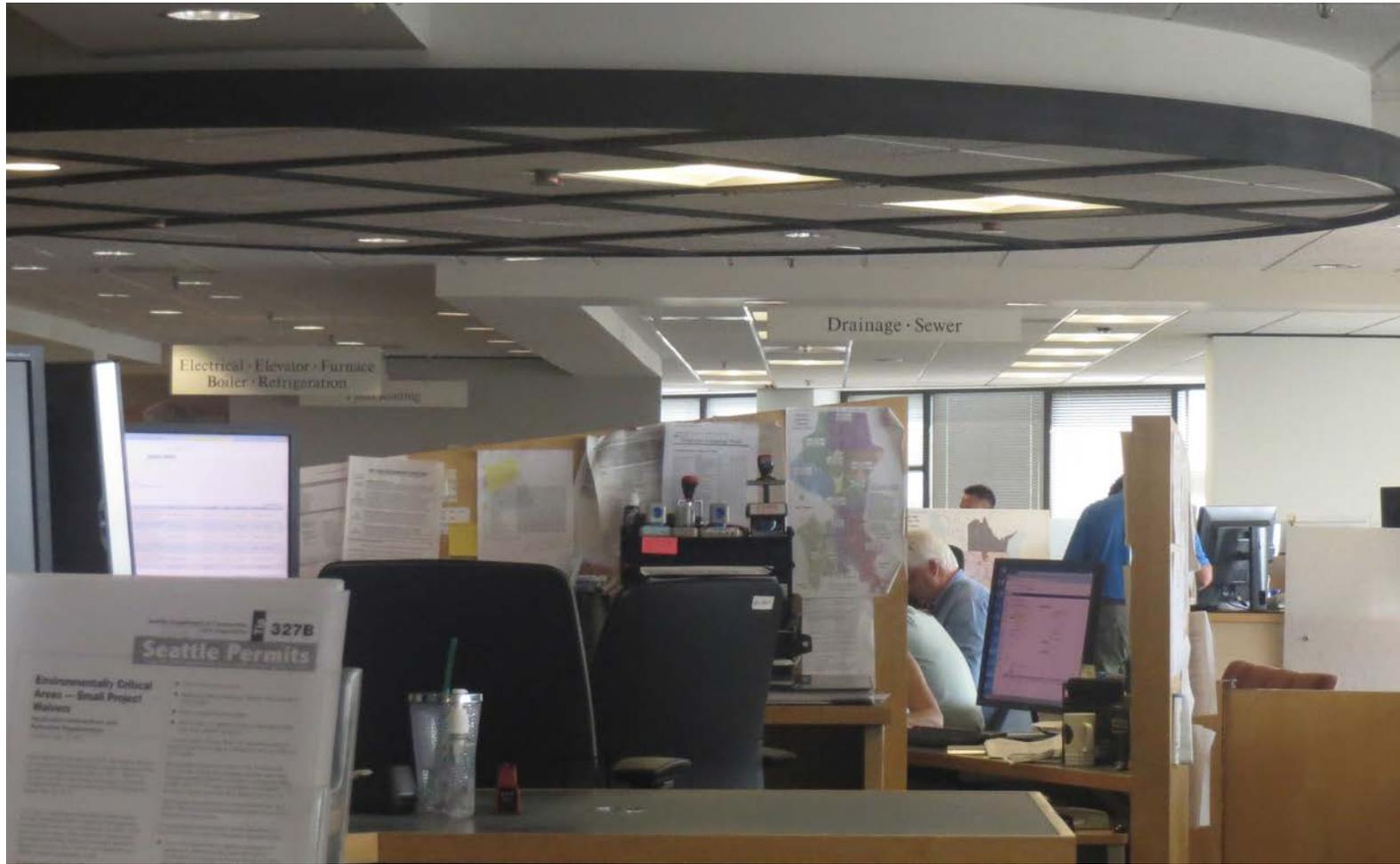
Another area where we have made progress is treating the people who live and work in this great city as

customers by delivering better basic city services. SDCI has been a pioneer in the implementation of new permitting software which will continue to streamline City services through integration across multiple departments.

Here in Seattle, small businesses provide nearly 200,000 jobs. That is like four Amazons. Supporting these key businesses is critical and is why within days of becoming Mayor, I created the City's first-ever Small Business Advisory Council.

Working with those small business owners, I asked the City to study some specific ways that we could break down barriers for Seattle's small businesses and help them thrive in our growing, yet increasingly unaffordable city. Through this effort, SDCI has committed to providing a Small Business Permit Liaison as a dedicated resource for businesses so they can make more informed decisions before signing a lease. This resource will assist in preparing their permit applications and streamline permitting so business owners can open their doors sooner.

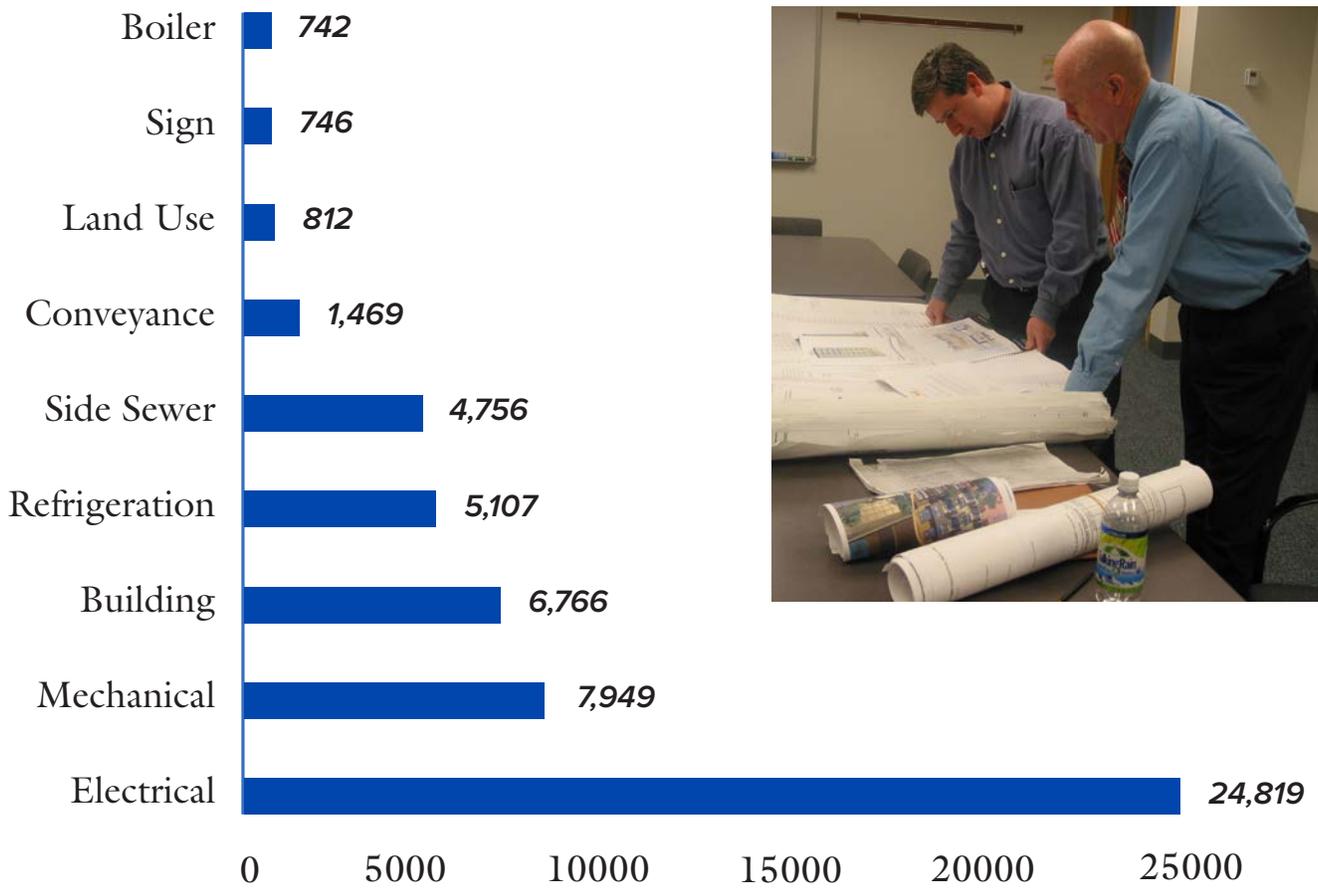
In this 21st century, America's cities must be livable, vibrant, and connected places. SDCI has been critical in this effort by maintaining design standards, issuing permits, and enforcing tenant protections for our most vulnerable populations.



Permits

Permitting activity remained very strong in 2019 with over 6,700 building permit applications valued at \$4.2 billion, and over 6,700 issued building permits valued at about \$4.6 billion. 2016-2019 have been the four largest recorded volume and value totals in the last 20 years, even when adjusted for inflation. The \$4.6 billion value of issued permits is an indication that construction activity continues to be strong. The combination of back-to-back years of extremely high volume and high value (i.e., project complexity) makes it an ongoing challenge to meet our review and inspection targets. However, the additional staff we hired over the past few years are trained and helping get the work accomplished as efficiently and effectively as we can. We are currently making progress on drilling down on the backlogs created by these successive years of high demands. In 2019, we received 853 Master Use Permit applications. The net number of units permitted stayed strong at 10,205 in 2019. The volume of electrical permits remained high, with the number of applications in 2019 at about 24,000. Permitting remained strong again for boilers, conveyance devices, mechanical equipment and systems, and side sewers. All of the permitting activity continued to keep our construction inspection groups very busy. We conducted 98% of building and electrical inspections within 24 hours of receiving the inspection request.

Issued Permits



 Total Permits Issued
53,166

 Value of Building Applications
\$4.2 Billion

 Net Number of Units Issued
10,205

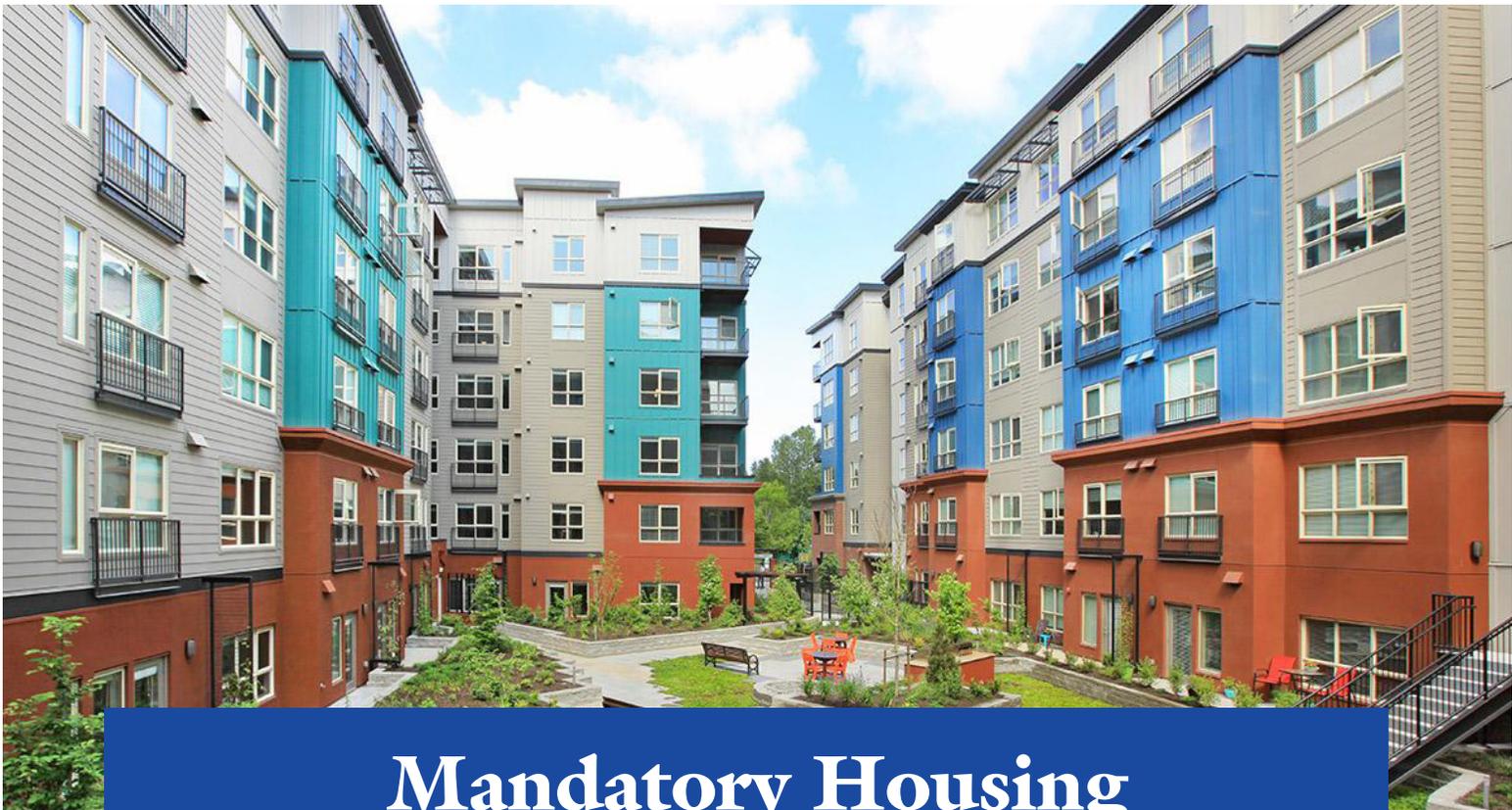
 Value of Building Permits Issued
\$4.6 Billion



Mandatory Housing Affordability

In 2019, the city-wide MHA legislation was adopted, implementing affordable housing requirements in urban villages throughout the city. The legislation included rezones in urban villages and other areas to increase height and density.

MHA contributions in 2019 include performance (in residential units) and payment (dollars to be awarded to affordable housing projects).



Mandatory Housing Affordability Contributions



Units Committed

54



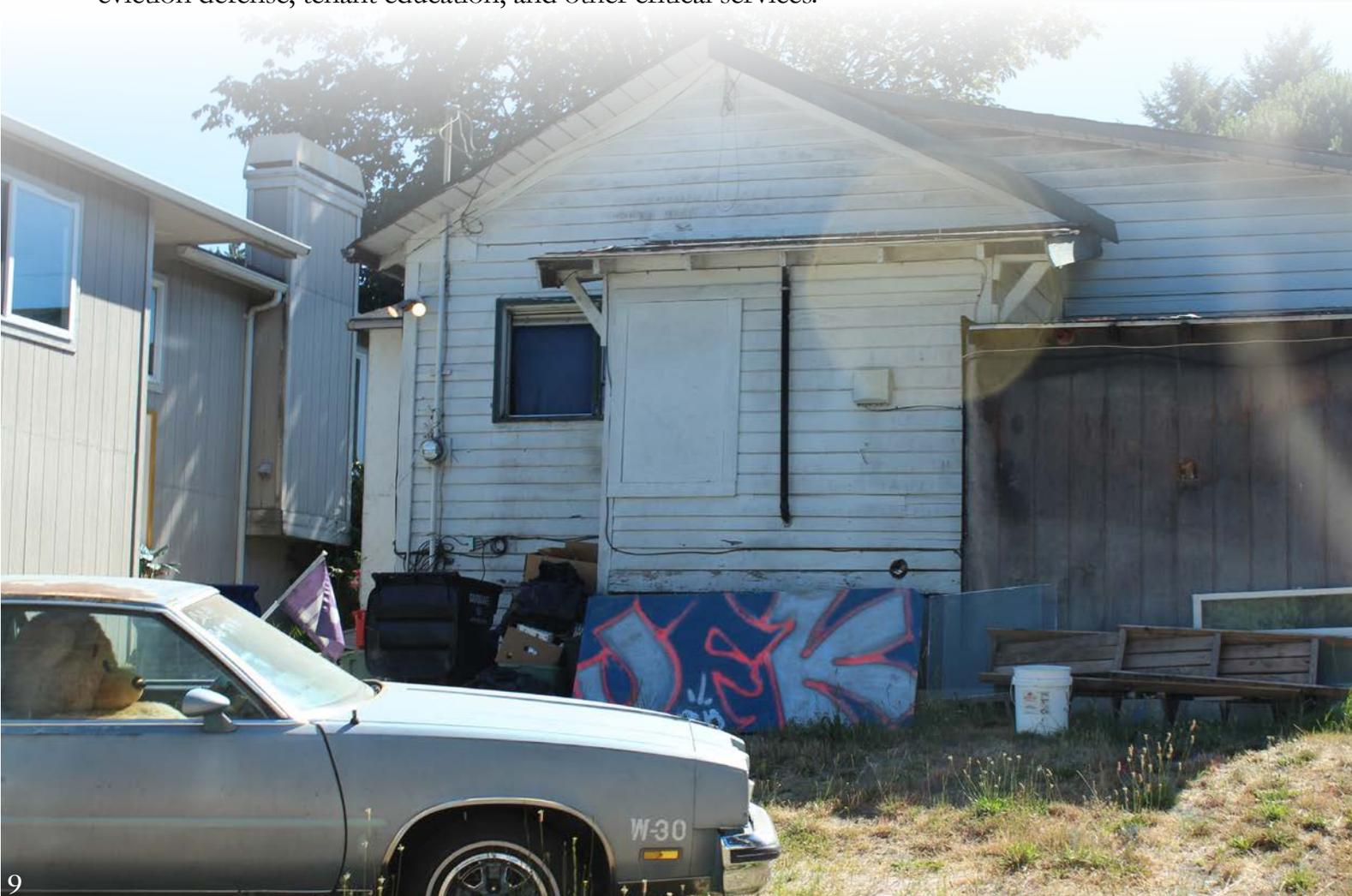
Payment Collected

\$43,422,308.21

Units are considered “committed” when the related building permit is issued.
Funds are considered “collected” when the related building permit is issued.

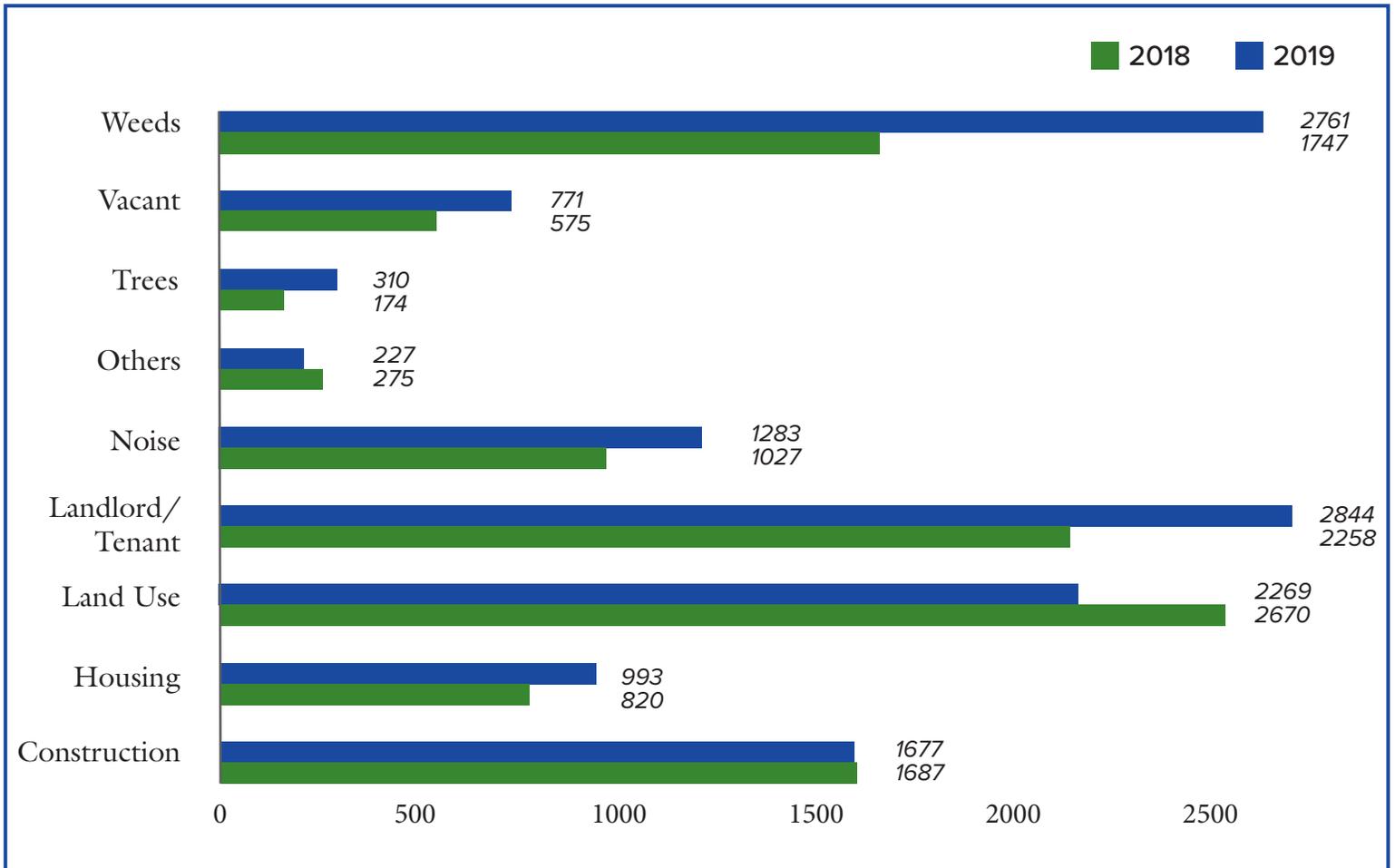
Code Compliance

The Code Compliance team helps resolve complaints on community safety and quality-of-life issues including landlord-tenant relations, conditions in rental housing, construction without permits, unauthorized uses, junk storage, illegal tree cutting, and vacant buildings. The volume of complaints and cases continues to increase, reflecting increases in development, population, and the accompanying pressures on properties and neighborhoods. Total complaints were up 17% over 2018 and have more than doubled since 2013. Code Compliance expanded its vacant building monitoring program in 2019, responded to 771 vacant building complaints, and reinstated an interdepartmental workgroup with the Seattle Police, Fire, Utilities, Neighborhoods, and Law Departments. The Code Compliance team continues to promote its Renting in Seattle website, enforce a wide range of tenant protection regulations, and lead landlord and tenant education and outreach programs. Over 33,000 properties, with nearly 160,000 units, are now registered in the Rental Registration and Inspection Ordinance (RRIO) program and nearly half the properties have completed and passed inspection. In 2019 Code Compliance took on a new program working with non-profit tenant services providers and distributed nearly \$700,000 to support eviction defense, tenant education, and other critical services.



Complaint Types

Complaints 2018 & 2019



Total Complaints



13,135

Tenant Relocation License Applications



112

Households Receiving Emergency Relocation Assistance Based on Housing Code Violations



16

Low-Income Households Receiving Relocation Assistance



155



Department A

The Administration Division is responsible for accounting, administrative support, budget, change management, finance, facilities and fleets management, human resources, organizational development, and liaison with Seattle IT for all of SDCI. The division also provides leadership to a departmental Champions team that leads strategic initiatives and employee engagement projects, as well as providing coordination for training initiatives, employee development, appreciation programs, and charitable giving.

The division welcomed a new Director in 2019. The Director launched into organizational development that aligns staff and workplans to maximize deliverables based on support needed throughout the department.

In 2019, we updated our Fee Subtitle for implementation in 2020 that keeps our fees in line with cost of living adjustments. The Fee Subtitle includes further changes to the land use hourly rate that completes a multi-year effort to align our fees with our cost of business. The land use hourly rate, which had not been adjusted for inflation from 2000-2016, is now fully caught up with inflation. Neither electrical nor refrigeration fees were increased from the 2019 rates, as analysis showed they are currently at sufficient levels to fully support the cost of business.

Finance and Accounting continues to provide daily accounting and professional financial management to all SDCI programs. Finance ensures the long-term financial stability of SDCI by leading the budget process, monitoring cost center revenues and expenditures, and ensuring that fees are charged, collected, and used for appropriate purposes. They also make certain that SDCI fees are scaled appropriately. Accounting will ensure that SDCI meets Generally Accepted



Administration

Accounting Principles (GAAP) requirements, will prepare the City Annual Financial Report (CAFR) on a quarterly basis starting in 2020, and will continue to translate new City Financial Management Policy (CFMP) and lead accounting operations in compliance with Citywide policies including internal controls.

We continued to hire critical positions, fill vacant pockets, and promote staff at a quick pace due to continued high demand for permitting services in the city and due to staff retirements. Human Resources staff conducted several training sessions in non-biased hiring practices, ran 60 recruitments, on-boarded 51 new employees, and promoted 44 current employees in 2019. In addition, the HR unit welcomed two Seattle Youth Employment Program interns during the summer months and oversaw an ambitious and rewarding program for them.

Human Resources was involved in numerous projects and programs in support of the City's Race and Social Justice Initiative. We represented SDCI on the Workforce Equity Planning and Advisory Committee who conducted racial equity toolkits on the implementation of citywide surveys on Employee Engagement and Exiting city employment. We served on the Mayors Interdepartmental Team for Anti-Racial discrimination and Sexual Harassment resulting in the establishment and opening of the Employee Ombud Office and the new Investigations Unit, completion of a Citywide Values Statement, gave input on other Citywide Leadership training projects, new Personnel Rules on Harassment and Discrimination, the definition of "misconduct" and new SDHR Communities of Practice. We continue to update and enhance SDCI's hiring process training to include more on implicit bias and equity best practices. We are prioritizing succession planning that will be a core

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New Permit Tracking System

SDCI partnered with Seattle IT to continue making improvements to our permitting related technology, primarily providing stabilization and continuous improvement in Accela. 2019 highlights include:

1. Issuance improvements; streamlining the process from the application's last review approved to ready for issue status.
2. Phased permitting improvements which renamed and clarified phased reviews and documents to better align and track phases in review and approvals.
3. Enhancements to separate out Demolition Permits as stand-alone records so that they may be issued independently from the related Building Permit. This greatly assisted with Vacant Building Monitoring and with reducing Police and Fire demands for trespasser concern. Demolition Permit issuance was reduced from up to 4 months, to 2 weeks from application to permit issuance.
4. Added functionality to allow Rental Registration and Inspection Ordinance (RRIO) private inspectors to submit inspection results online which dramatically reduced SDCI staff processing time.
5. Updates to Seattle Services Portal Status Dates to clarify Main Reviews Task is the target date for the cycle, while Sub-Task

Reviews are internal target dates per review location. This greatly increases the ability for an applicant to understand their permit status.

6. Major progress was made on updating and expanding the public facing Shaping Seattle web application to show current permitting activity – projects requiring Design Review and projects not requiring Design Review. Launch of this critical, rebuilt application is scheduled for release by Q2 of 2020.
7. Ongoing enhancements to Mandatory Housing Affordability/Incentive Zoning (MHA/IZ) and Vacation Building Monitoring (VBM) to increase efficiencies, reduce errors, and provide reporting were accomplished. This work included quarterly reporting on MHA and IZ programs and functionality to support unit distribution tracking across affordable housing programs in post-occupancy. (Note: MHA/IZ data will be displayed in Shaping Seattle for applicable projects.)
8. SDCI and Seattle IT were successful in gaining approval for additional positions in IT to provide long-term support of continuous improvement and response to new legislative requirements as permanent positions, rather than temporary and contractor project-based staff. These positions will be added in 2020.



H ighlights



Pre-Approved Plans for Detached Accessory Dwelling Units

To help more residents own and rent detached accessory dwelling units (DADUs), the City is reviewing submissions from architects, designers, and builders for plans that will be pre-approved for construction permits.

Mayor Jenny A. Durkan directed City staff to select plans for pre-approval to make the process to design and permit DADUs faster, easier, cheaper, and more predictable. Homeowners choosing a pre-approved plan will pay reduced permit fees and get their permit faster than with the conventional process.

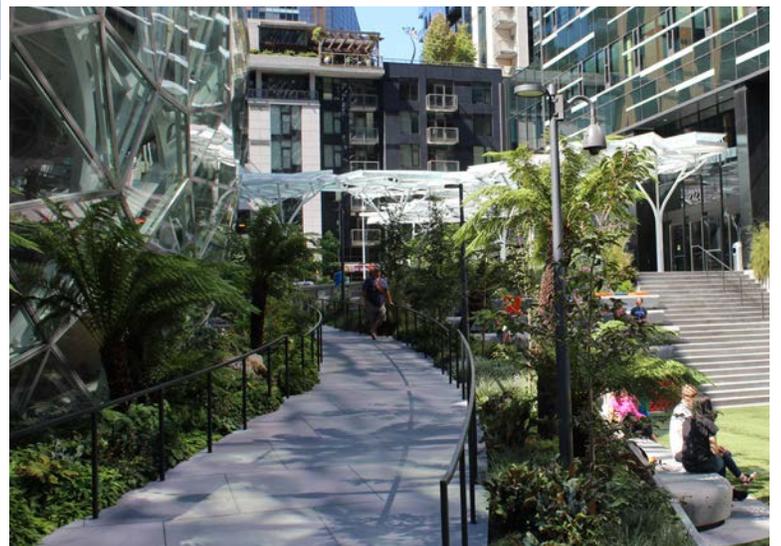
Designers and builders submitted DADU designs that fulfilled the criteria and followed the submission requirements. A selection committee will review submissions and identify 6-10 plans that SDCI permitting staff will pre-approve for compliance with certain structural codes. We hope to have the plans available for use Summer of 2020.

Pre-approved plans will be displayed in an online gallery with images, description, and information about the designer. Homeowners can browse the gallery, choose a design, and connect with its designer to proceed with the necessary steps to permit the DADU on their site. Builders must still acquire permits and inspections related to zoning, site preparation, utility connections, and other site-specific requirements.

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Design Review

The Design Review legislative changes that occurred in mid 2018 have been smoothly integrated into our daily procedures. We continue to see more projects fall under the Administrative Design Review track, relieving pressure on the eight Design Review Boards' calendars. Staff increases over the past year have helped to expand staff resources to grow our capacity. Our partnership with the Department of Neighborhoods continues, as they manage the community outreach requirement for all projects subject to Design Review. DON has provided tremendous resources to applicants as they navigate this new requirement. To date, 302 projects have completed the community outreach, 133 of which are located in mapped Equity Areas where the outreach was adjusted to respond to specific demographics of that community. We continue to work closely with the Office of Housing on the design review of affordable housing projects that are now subject to the Administrative Design Review process. We continue to build our coordination with the Office of Planning and Community Development (OPCD) as they develop and adopt design guidelines used by board and staff review of projects. In 2019, we participated in the Seattle Design Festival for the third time and held a People's Choice in Urban Design Awards competition to acknowledge design excellence in buildings that have been constructed over the past two years. Finally, we are working to manage and adapted the specifics of the Design Review projects to the implementation of the Accela permit tracking system.



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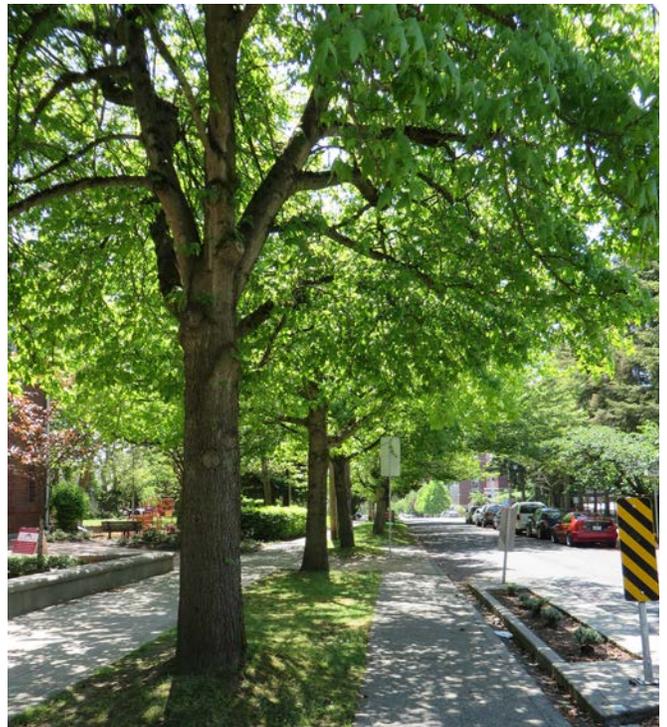
Highlights

Electric Vehicle Charging

On May 8, 2019, Mayor Durkan signed the Electric Vehicle (EV) Readiness legislation into law. The new rules went into effect on June 7, 2019.

The new rules require new development that includes off-street parking to provide power outlets for EV charging. This is part of the Drive Clean Seattle initiative and was included in Mayor Jenny Durkan's 2018 Climate Action Strategy as one of her 12 priority climate actions. This will save substantial costs on future charging station installation, reduce barriers to owning electric vehicles, and help reshape our transportation systems for a fossil fuel-free future.

Research shows that access to convenient charging is a key factor in someone's decision whether to buy an electric vehicle. EVs are typically charged at home, at work, or at publicly-accessible charging stations located in neighborhoods or business districts or along highway corridors. Installing the necessary infrastructure to support EV charging after a building has been constructed can be cost prohibitive. As such, there is a need to help ensure that buildings are designed to include some amount of charging infrastructure. This concept is known as "EV readiness".



Trees

We saw continued public interest in illegal tree removal. We received 310 complaints, issued 49 Notices of Violation and collected \$112,200 in tree penalties in 2019. We have been working closely with the Office of Sustainability and Environment to improve departmental coordination, strengthen enforcement, and adopt new rules and regulations to improve and expand protections for Seattle's urban trees and canopy coverage.

Contact SDCI

Applicant Services Center	684-8850
Community Engagement	684-8880
Construction Permit Review	684-8950
Code Compliance Division	615-0808
General Department Information	684-8600
Land Use Planners, Construction Inspection	684-8860
Licensing and Testing	684-5174
Microfilm Library	233-5180
Office of the Director	684-8899
Public Resource Center	684-8467
Rental Registration and Inspection Ordinance Helpline....	684-4110
Side Sewer Program	684-8860
Site Development Services	684-8860
Technical Code Development.....	233-3892
Renting in Seattle.....	684-5700

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