



# City of Seattle

Edward B. Murray, Mayor

## Seattle Department of Planning and Development

Diane M. Sugimura, Director

### MEMORANDUM

**TO:** Councilmember Mike O'Brien, Chair PLUS Committee  
Councilmember Tim Burgess, Vice-Chair PLUS Committee  
Councilmember Nick Licata, Member  
Councilmember Sally Clark, Alternate

**FROM:** Diane M. Sugimura, Director 

**DATE:** February 23, 2015

**SUBJECT:** Department of Planning and Development (DPD) 2014 Year End Report

Thank you very much for working with us on many important issues this past year. As we continue our current work and add new issues to the list, I thought it would be helpful to take this time to provide a high level summary of this past year at DPD, as well as what we are seeing moving forward into 2015.

#### Development Activity

Permits by the Numbers: The fact that a lot of development is happening in the city is no surprise, as people are counting construction cranes, talking about our employment growth, as well as being concerned about our increasingly challenging housing issues – from the cost of housing, to how much is or is not being produced, to addressing the urgent issue of homelessness.

From the DPD permitting side, 2014 was another strong year of permitting activity. Just as a reminder, 2013 was a record year for development permits. In comparison, the number of building permit applications was higher in 2014 than 2013, but the value of those permits was a little lower. However, the value of issued permits was higher in 2014, indicating the strength of the development activity that is just getting started. We received over 46,000 applications in the various disciplines subject to DPD review. Over 9,000 of the applications were for building permits, representing a value \$3.77 billion compared with \$3.99 billion in 2013. The value of issued building permits was \$3.78 billion in 2014, which was higher than the \$3.12 billion the previous year.

The number of Master Use Permit applications rose to 822 compared with 687 in 2013, an increase of almost 20%. This is another indication of what is being planned for the future.

Electrical permit activity also remained very strong with over 24,700 permits issued compared to 22,609 in 2013. As would be expected, activity also remained strong in other areas such as side sewer, boilers, conveyance devices and mechanical equipment and systems. This workload continued to keep our inspection staff busy, but we have still been able to complete over 98% of building and electrical inspections within 24 hours of receiving the inspection request. While we have been able to maintain

this high response rate, the mix of projects including larger more complex projects together with the increased building permit issuance in 2014, is becoming a challenge for our electrical inspectors. We are seeing a struggle to maintain this schedule and keep up with other tasks such as following up on expired permits.

The *Priority Green* program was established in 2009-10 to encourage developers and designers to reach for a higher level of sustainability in exchange for an expedited permit process. This program has been used much more for residential development than non-residential. In an effort to encourage developers/designers to strive for even greater efficiencies, we raised the bar in 2014. We still saw an increase in both number and percentage of projects in the single family/townhouse category, but a decrease in both number and percentage of multifamily projects. Commercial numbers and percentage actually increased, but are still very low. At this time it appears that the residential developers are seeing the rewards of this program, and customers are valuing the green and energy efficiency.

Type of Construction	2010 Applications (percent)	2011 Applications (percent)	2012 Applications (percent)	2013 Applications (percent)	2014 Applications (percent)
Single Family / Townhouse	10 (5%)	32 (18%)	99 (29%)	151 (24%)	202 (28%)
Multifamily	*	10 (24%)	16 (19%)	38 (27%)	25 (18%)
Commercial	*	5 (7%)	2 (2%)	3 (2%)	6 (5%)
<b>Total</b>		47 (16%)	117 (22%)	192 (21%)	233 (23%)

\*Program started late in 2010.

The additional staff we have been able to hire in the past two years is making a difference in our ability to get applications reviewed, permits issued and inspections completed in a timely manner. However, we still have work to do in several review areas. In two areas we missed the target by a week, but in *Priority Green*, we missed our targets by two weeks. Given what appears to be a slight moderation in application volume and another year of experience for the new staff, we are expecting to see better performance to targets in 2015.

- 48 hour initial review (goal = 80%): 95%
- 2 week initial review (goal = 80%): 62%; 89% within 3 weeks
- 4 week initial review green\* residential (goal = 90%): 53%; 94% within 6 weeks
- 6 week initial review green\* non-res (goal = 90%): 43%; 95% within 8 weeks
- 8 week initial review (goal = 80%): 63%; 83% within 9 weeks
- 120 stop-clock days, MUP total review (goal = 80%): 86%
- 120-day construction total review (goal = 90%): 91%

\*Qualify for *Priority Green* program

**Residential Development:** Issued building permits included more than 7,475 net new housing units. In terms of actual construction, we had the highest year recorded over the past 20 years – 7,500 net new units completed. Over half of all new units were in urban centers – Downtown leading with 1,400 for the year, located in Belltown and Pioneer Square. Outside of urban centers, Ballard had the most of any urban village with over 700 units. There are still more than 14,000 units permitted but not yet built.

Electronic Plan Review: E- Plan continues to be working well and is favored by many applicants with about 80% of building and MUP permit applications coming in electronically. We continue to refine and enhance the system to allow more types of submittals, such as electrical, post-sub, and revisions, to be made electronically.

**City Planning**

This will be very brief for City Planning since we continue to send the PLUS Committee quarterly updates highlighting key activities in the work plan. The 4<sup>th</sup> quarter report was submitted January 9, 2015. The major activities that will continue into 2015 include the Comprehensive Plan annual update, and significant progress (Draft EIS and Plan this spring and Final EIS and Plan late in the year) on the Major Update to the Comprehensive Plan – *Seattle 2035*. Achieving race and social equity as we grow will be a major theme for the update and the community engagement process.

Two new work priorities in 2015 will require significant resources. One is the Housing Affordability and Livability Agenda (HALA). Staff from throughout the department – City Planning, Code Compliance and Operations – is involved with the Advisory Committee and at the Strategy Work Group levels. Once the recommendations are presented to Mayor Murray and to the Council, we will continue to help refine proposals and develop the Mayor’s recommendations. In the meantime, we are also working with Council on several housing-related pieces of legislation that will move forward independently of HALA. Another significant work program item is the review of the City’s Design Review program. We will soon be selecting a consultant to help us on the next stages of this review. A stakeholders’ group will be formed to help us with this important work.

And, in 2015 we will release our recommendations for the University District, Central District, Rainier Beach, and publish a draft urban design frameworks for Ballard. We will continue our work to encourage transit oriented development (TOD) along LINK light rail, and we are anxious to work with Council to final the Shoreline Master Plan update.

**Code Compliance**

The Code Compliance team has been working on a variety of high profile projects in addition to the usual enforcement complaint responses. The team responds to a variety of community concerns, including housing code violations, construction without permits, illegal uses, junk storage, unauthorized dwelling units, violations of the shoreline code, unsecured vacant buildings, and weeds and vegetation overgrowth. In 2014 the division received almost 16,000 calls and emails resulting in over 5,600 code violation complaints (more than a 10% increase). We also managed over 4,800 eviction or tenant relocation contacts. During this time, tenant relocation applications rose significantly to a total of 166 license applications, compared with 89 in 2013. A license may be for a single family house or a large apartment building, and each one may have many or a few or no households eligible for assistance. In 2014, assistance was provided to 148 low income households. The City’s portion (half) was about \$250,000. Thank you for supporting the additional staffing for this program in last year’s budget.

Year	Cases Created								TOTAL
	Const	Noise	Weeds	Land Use	HBMC*	Unfit/Vacant	Reloc/Evict	Other	
2011	445	8	156	914	262	157	111	4	2,057
2012	406	37	182	792	326	222	148	29	2,142
2013	385	24	238	895	360	230	151	8	2,291
2014	485	44	225	898	338	218	267	8	2,483

\*Housing, Building Maintenance Code

Alleviating problems with vacant buildings became a priority in 2014. DPD began work, in concert with other departments and private loan servicers, to better deal with the problem of squatters at vacant properties. We worked with City Light to ensure we have fair procedures for getting the power shut off in structures that have been repeatedly open to entry. We continue to strengthen ties with the Community Police Teams in all precincts, and are working with the Law Department to ensure we can move top priority cases quickly through the Municipal Court process when we need a court order to enter private property. DPD also participated in the Mayor's "Find It Fix It" neighborhood walks, to identify and resolve violations on a shortened timeline. The number of complaints about marijuana-related businesses increased to 20 in 2014, including both medical and recreational establishments. In the field, our inspectors expanded their use of mobile technology to address violations more quickly and to prepare for offering inspections as a service to customers under the Rental Registration and Inspection Ordinance program.

**Rental Registration and Inspection Ordinance (RRIO) Program:** We got off to a great start, registering 2,618 properties, representing more than 90,000 units or over half of the rental units in Seattle. This is a very high rate of compliance, with 90% of the first phase (10 units of more) registering on time, and others coming forward when given late notices or notices of violation. We currently have 23 properties (less than 1%) in the enforcement process for lack of registration. Based on anecdotal information from some property owners, this program is helping to improve living conditions where needed. We are pleased that our outreach work seems to have been effective. We also appreciate the assistance we've received from members of our stakeholders group who helped get the word out.

Some of the challenges that we are working on include improving the online registration system, and working with property owners whose properties are not able to meet RRIO standards. Our goal is to bring housing up to basic standards. We do not want to see people losing their housing due to current conditions, so we are spending a lot of time working with property owners.

Each quarter in 2015, a new group of property owners will be required to register (5-9 units, then 1-4 units). We are also continuing more extensive outreach to the small property owners. These are the ones that we anticipate will be the most difficult to find. We will also be starting inspections in March. Our staff are ready to perform these inspections as requested. There are also 21 private inspectors who have been through our training program and are now registered to conduct RRIO inspections. In addition, we are planning extensive outreach to renters on "why inspections" and "what to expect." This outreach will be particularly important for the most vulnerable populations who are not familiar with or not comfortable with government programs. We are working with the Department of Neighborhoods' Public Outreach and Engagement Liaisons, the Tenants Union, the Seattle Chinatown International District PDA, and the Seattle Neighborhood Group to expand the effectiveness of our outreach.

#### **Department Administration Division**

**Human Resources:** DPD's Human Resources unit continues to be extremely busy. In 2014, we completed 111 appointments, which included 38 promotions, 44 new hires, 18 temporary positions (of which 9 were interns) and 11 out-of-class opportunities. We currently have 18 recruitments in process. Hiring for Information Technology positions has been extremely challenging – at least two IT positions required a third round of recruiting in order to find the right person. We expect the number of recruitments to slow in the coming year, with the exception of hiring up for the Rental Registration and Inspection Program.

As we reported during the update on our RSJI work plan, we are very pleased with the progress we have made in workforce equity in new hiring and promotions. In 2014, we hired 27% people of color, and 43% women. Internal promotions stats were even better: 45% people of color and 56% women.

Information Technology: The department continues to work on upgrading its outdated permit system. Last year we launched the first phase with a new process with the RRIO program. In 2015 and into 2016, we are working on replacing our current permit and inspection tracking system. Our goals are to: 1) improve user interface for external customers and provide more online access to services and information; 2) improve permit tracking and workflow systems; 3) improve alignment with our electronic plan (E-Plan) submission and review program; 4) allow more use of mobile field technology for inspections; and 5) provide property and building data to inform processes, as well as DPD's long-range planning functions.

