



City of Seattle

Gregory J. Nickels, Mayor

Department of Planning and Development

Diane M. Sugimura, Director

MEMORANDUM

TO: Councilmember Sally Clark, Chair, PLUNC
Councilmember Tim Burgess
Councilmember Tom Rasmussen

FROM: Diane M. Sugimura

DATE: February 6, 2009

SUBJECT: Committee Briefing: DPD Monthly Report, February 11, 2009

Budget Challenges

As previously reported, permit activity has been slowing down. Inspection requests have significantly declined; we are seeing very few foundation inspections, which is a clear signal about new development. Workload has decreased; revenues have decreased. Consequently, the Department will be facing some layoffs in the near future.

Between 2004 and 2007, we saw a 61% increase in permit revenue. These were record years. During that time we added staff, hired consultants and initiated mandatory overtime to manage the volume. However, in 2008 we began to see a change in the number and type of permit applications which equated to a 16% drop in revenue from the previous year.

Anticipating further decreases in revenue, we eliminated 15 unfilled positions in our 2009 budget, left around 25 other positions vacant, eliminated overtime, and stopped using consultant services to review projects. By January it was clear this was still not enough.

Based on the type of permits under review and those coming in the door, we foresee an even bigger slowdown than originally anticipated in 2009. The national and local news seems to get worse each day. With about 85% of the department budget dependent on development fees, it is important to act now in an effort to sustain our ability to deliver basic services throughout the down cycle.

These are very difficult days in the department. We recognize the significant impact this will have on people's lives.



City of Seattle, Department of Planning and Development

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Some Industrial News

DPD, often in conjunction with OED, has been working with a number of industrial-related businesses as they locate or expand in Seattle. The following are examples from December and January –

- A food processing and distribution company that is based on the east coast, processes and distributes to various retailers from its Kent location. They have now located a site in Seattle to be used for processing as well as distribution.
- A metal recycling and salvage company is in the process of buying new equipment and expanding in-place at their 9.8 acre site on the Duwamish, plus an adjacent site. The expansion will allow for the installation of new sorting equipment which should decrease the amount of reusable material they send to the landfill.
- Two solid waste collection and recycling companies with new City contracts are both remodeling or expanding facilities to install a compressed natural gas station to fuel their fleet vehicles (as required by contract).
- A company that designs and installs HVAC controls is developing a new headquarters in an existing structure.
- DPD staff helped facilitate permitting for a company that designs and manufactures SPF rated clothing. The owner of their building dramatically increased the lease rate, so the company will be vacating their current building at the end of March. The company has purchased a new site where they will construct a new manufacturing building. This company also has a facility in Everett which they hope to close and consolidate once the new manufacturing building in Seattle is constructed.
- A design/build mechanical and electrical firm received a permit to expand their accessory offices at their Seattle headquarters to support their manufacturing use. This is expected to create 500 new jobs in Seattle over the next 2-3 years. DPD continues to work with them, as they also plan to obtain a permit to create a design/fabrication training facility.

Neighborhood Planning

We are making progress. After a slower start than ideal, we are now fully staffed and moving forward. Staff have been reaching out to and meeting with a variety of community organizations, and are finalizing the schedule for the first three hands-on SE Seattle community workshops in March. The interdepartmental team, with participation from a full range of City agencies, is meeting regularly to coordinate resources and information for the update and status report work. The Neighborhood Plan Advisory Committee (NPAC) has been formed and had its first two monthly meetings. With their charter completed and approved, they are underway with their work plan to provide a citywide perspective on neighborhood planning.

Ongoing Code Enforcement Actions in Roosevelt Area

We recently entered into a third settlement agreement with property owners in the Roosevelt area to either demolish or repair two homes, within a specified time period. This brings to six the number of homes with repeated code violations which are subject to such agreements. Two of these homes were demolished by the property owners last December; two more have a deadline for repair or demolition this summer; the most recent two must be repaired or demolished by November. In each of these settlement agreements if the owners do not

comply with the agreement, they are required to pay significant accrued penalties. In the most recent agreement, the penalty amount would be about \$250,000.

Recent and Upcoming Public Meetings and Events

- January 31: Roosevelt Neighborhood Planning Prioritization Meeting
Roosevelt Neighborhood Association and DPD
- February 8: Phinney Home Design and Remodel Fair
10:00 a.m. - 4:00 p.m. at 6532 Phinney Ave. N
DPD staff will provide code and permitting advice to the public
- February 9: Aurora Avenue Land Use Visioning and Urban Design Study Public Meeting
6:30 - 8:30 p.m. at Greenwood Senior Center, 525 N 85th St.
To discuss selection of preferred conceptual urban design plan
- February 17: Neighborhood Planning Advisory Committee Meeting
6:30 - 8:30 p.m. at City Hall, Bertha K. Landes Room
- Mid-March: MLK @ Holly (Othello), North Rainier and the North Beacon Hill
Neighborhood Planning Public Meetings

(Note: Please confirm specifics for the three SE Seattle Neighborhood Planning Workshops at: http://www.seattle.gov/dpd/Planning/Neighborhood_Planning/Overview/default.asp)