VACANT BUILDING MONITORING PROGRAM

STATUS REPORT

November 2020

Code Compliance Division
Compliant Hotline: 206-615-0808
Online Complaints: Seattle Services Portal

Background

In June 2019, the Seattle Department of Construction, and Inspections (SDCI) started a new Vacant Building Monitoring (VBM) program. See SMC Section 22.206.200 and 22.900F.010. The program came at the direction of the City Council as a modification to the then existing VBM program. Under the new ordinance, fees and the frequency of monitoring increased. The ordinance also authorized new staff who are paid by program fees.

The goal of the updated program was to decrease the number of vacant buildings in Seattle that deteriorate significantly; are occupied or vandalized by trespassers; accumulate junk, garbage and hazardous materials; and become a blight on the neighborhood.

In spring 2019, before starting the updated program, SDCI had between 40 and 50 properties enrolled in the VBM program. Two part time inspectors were assigned to the program. Complaints to SDCI about vacant buildings had been increasing for several years.

SDCI began implementing the new program in June 2019. To streamline the monitoring program, SDCI implemented upgrades to its Accela permit and complaint tracking system. Those updates were mostly complete in later 2019, although improvements to the billing system and management reports are still in process.
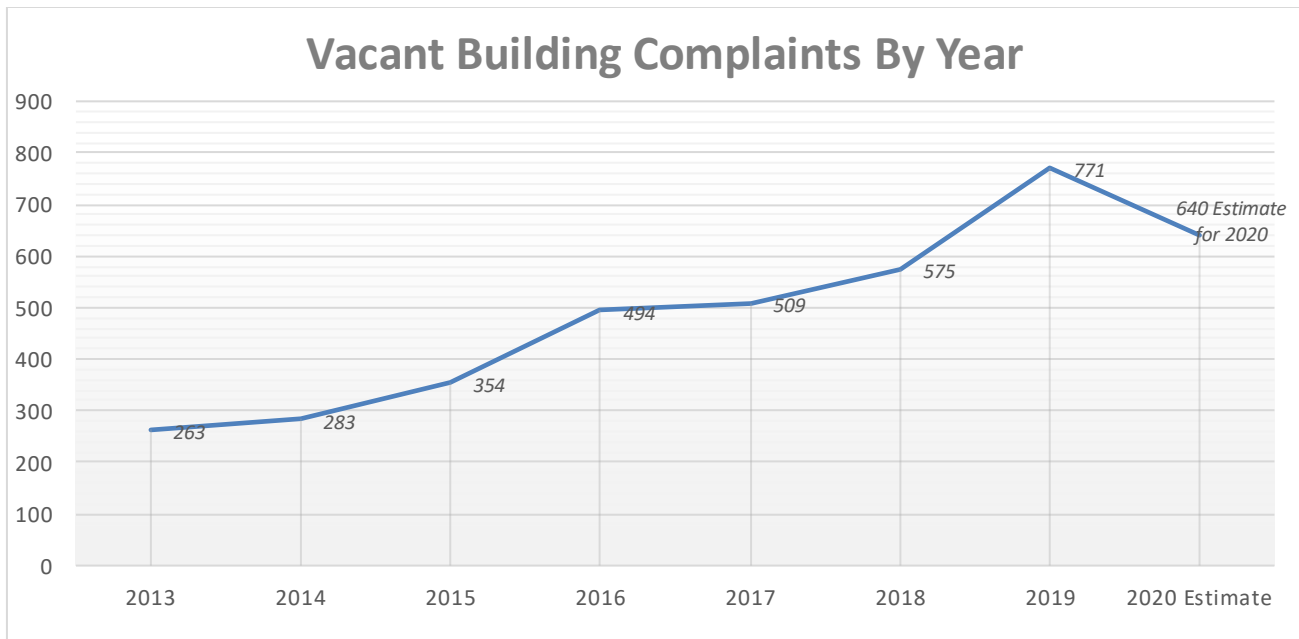
The department received good press coverage and complaints or calls from neighborhoods to alert SDCI about problem vacant buildings immediately increased. (See tables and graph below).

VB complaints created per month:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	34	37	45	30	78	55	53	52	67	55	29	40	575
2019	59	33	52	75	64	123	95	70	64	54	47	35	771
2020	58	59	34	59	84	40	46	53	31				*464 YTD*

Vacant Building Complaints by Year

2013	2014	2015	2016	2017	2018	2019	2020 *Estimate*
263	283	354	494	509	575	771	*640*

Vacant Building Complaints By Year

A line chart titled "Vacant Building Complaints By Year" with a vertical axis from 0 to 900 (in increments of 100) and a horizontal axis showing years 2013 through 2020 Estimate.

Year	Complaints
2013	263
2014	283
2015	354
2016	494
2017	509
2018	575
2019	771
2020 Estimate	640 Estimate for 2020

One key feature of the revised program is that all development projects with vacant buildings are required to be monitored for at least three months. After three consecutive months with no violations of the vacant building monitoring standards, buildings are removed from monitoring. If SDCI receives new complaints about the building, it will be placed back on monitoring if the owner or developer fails to quickly respond to a notice from SDCI or if the violation is a repeat violation within the one year of the prior notice.

Properties not in a development process that become neighborhood problems have an opportunity to avoid monitoring if the property owner responds promptly to notices from SDCI that the building or site needs attention. Although this saves money for the property owner, it leaves the surrounding neighborhood with the burden of watching vacant sites and reporting problems to SDCI.

Another way for projects to be added to the monitoring program is for the Seattle Police or Fire Departments to report a problem vacant building to SDCI. In those cases, the properties are added to the monitoring program for at least three months.

Performance

From June 1, 2019 through September 20, 2020 SDCI inspected approximately 1,804 properties under the Vacant Building Monitoring program. For problem sites, inspectors issued Notices of Violation for failure to meet exterior building and yard maintenance standards or Emergency Orders for buildings that were found open to entry. Properties that failed to comply with the notices or emergency orders were placed on monitoring. Properties tied to an active development project were also placed on monitoring, even if the sites met the minimum standards.

Since program commencement on June 1, 2019 through September 20, 2020, the Department has completed approximately 3,142 Vacant Building inspections. Properties in violation of the minimum standards usually require multiple inspections to ensure the site achieves compliance. Compliance means an open building must be secured to prevent unauthorized entry and that junk, garbage and overgrown vegetation are removed from yard areas. Sometimes a property owner completes the work. The inspectors occasionally rely on photos or videos submitted by a property owner to verify compliance and avoid the need for additional inspections. When property owners do not voluntarily comply with a notice or order, SDCI uses the Seattle Conservation Corps, a program of the Seattle Parks and Recreation Department, to do the work. Property owners are charged for any work performed using City resources.

A total of 1,095 properties have been placed on the monitoring program. If a site achieves three consecutive months with no violations of the minimum standards, then the property is removed from the monitoring list. Removal also happens when a building is demolished or if it is no longer vacant. As of Sept. 24, 2020, 233 properties were on the monitoring list. By contrast, in September 2019, 211 properties were on the active monitoring list.

The Department issued 405 Notices of Violation and Emergency Orders in 2019 to correct problems at vacant buildings. This compares to 251 in 2018. In 2020, due to COVID-19 and reduced inspections, a total of 208 notices and orders have been issued through September 24.

Complaints regarding Vacant Buildings have decreased following the initial surge at program inception but remain near historically high levels. (See tables above.)

Financial Review

The Vacant Building Monitoring program is designed to be self-supporting based on fees collected for the monitoring work. Charges for cleanup and closure work are billed back to the property owners. The Department has assigned three inspector positions to the monitoring program. In addition, other Code Compliance resources support the program by taking vacant building complaints and by investigating and following up on complaints identifying vacant building sites that are neighborhood problems but not in the monitoring program.

Expenditures for the program are on track, as projected for 2020. Labor costs through August totaled approximately $358,000, slightly underspending the appropriated budget for that time period of $387,000.

Total labor costs since program inception on June 1, 2019 through August 2020 were approximately $632,000. Monitoring fees billed out over this time period totaled approximately $600,000 starting June 1, 2019. This 5% variance is minor, and not unexpected given the reduced number of monitoring visits so far in 2020.

Because collections from accounts receivable typically lag expenditures, the program shows a negative cash balance to date when looking at revenue received from monitoring fees compared to labor costs. When accounting for the full year of 2019, collections are slightly higher and labor costs near the same because the General Fund supported most VBM program work prior to June 1, 2019.

VBM Inspection Fees 1/1/2019* to 8/31/2020

Year	Amount Invoiced	Revenue Rec'd	%
2019	$387,000	$181,000	47%
2020	$240,000	$108,000	45%
Total	**$627,000**	**$289,000**	**46%**

*As a baseline and for future comparative analyses, the table above includes fees billed and revenue received during all of 2019.

Moving Forward

As the program moves forward, we expect labor costs, monitoring fees and actual revenue to come into balance. The department can also pursue collections through a collections service. The program will monitor revenue and expenses into and through 2021. SDCI may make recommendations to the Mayor's Office and City Council for changes to the program depending on future performance.