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**Council Bill Number:** 113513

**Ordinance Number:** 120220

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AN ORDINANCE relating to Seattle Public Utilities, Seattle City Light, and the Human Services Department; authorizing new rate assistance programs for low-income households that are not directly billed for any City utility services; and amending the Seattle Municipal Code in connection therewith.

**Status:** Passed As Amended

**Note:** Third quarter 2000 salary ordinance

**Vote:** 7-0 (Excused: Drago, McIver)

**Date filed with the City Clerk:** 2000/12/19

**Date of Mayor's signature:** 2000/12/12 ([about the signature date](#))

**Date introduced/referred to committee:** 2000/12/04

**Committee:** Full Council

**Sponsor:** WILLS

**Committee Recommendation:** Pass

**Index Terms:** UTILITY-RATES, LOW-INCOME, CITY-LIGHT, SEATTLE-PUBLIC-UTILITIES,

**Electronic Copy:** [PDF scan of Ordinance No. 120220](#)

**Reference:** Amending: Ord 120081

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**Text:**

AN ORDINANCE relating to Seattle Public Utilities, Seattle City Light and the Human Services Department; authorizing new rate assistance programs for low-income households that are not directly billed for any City utility services; and amending the Seattle Municipal Code in connection therewith.

WHEREAS, the City of Seattle supports affordable housing efforts and providing assistance to low-income residents; and

WHEREAS, SMC Chapter 20.76 authorizes a program of credits to partially offset billings for water, wastewater, drainage, and solid waste services for qualified low-income households, and sets forth the basis for qualification for, and the method of delivering, such credits; and

WHEREAS, SMC 21.49.040 authorizes Seattle City Light to assist low-income households in paying for the cost of electricity by providing a credit on electric bills, but provides no assistance to otherwise eligible households that are not directly billed for electricity service; and

WHEREAS, with regard to low-income households that are not directly billed for any utility service, the current City programs under SMC Chapter 21.49 and 21.76 are not designed to, or in practice do not, adequately provide utility low-income rate assistance; and

WHEREAS, Ordinance 119530 established a pilot program to provide low-income rate assistance for electricity services to households that reside in buildings owned and operated by not- for-profit corporations and are not directly billed for any City utility service, but whose rent payments reflect the costs of such utility service; and

WHEREAS, the pilot program resulted in rents for low income households that were three percent to eight percent less than they would have been without the credit; and

WHEREAS, the City desires to make the pilot program an on- going method of providing utility rate assistance to low-income households; Now, Therefore,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. A new section 21.49.045 is added to the Seattle Municipal Code to read as follows:

21.49.045 Electricity service credit program

A. Electricity service credits shall be granted to not-for- profit corporations that own residential buildings, request such credits and meet the following criteria:

- (i) Income Eligible Households, as defined in SMC 21.76.050.C, are among the residents of the building for which the credit is sought;
- (ii) residents are not directly billed for electricity service but pay for electricity in their rent;
- (iii) the building for which the credit is sought is located within the Seattle City Light service territory;
- (iv) the building owner agrees to reduce the rent payment due from each Income Eligible Household residing in such building in an amount equal to the electricity service credit attributable to such Eligible Household; and
- (v) the building owner annually reports the actual rent reductions during the previous year and certifies that it shall make the rent reductions described in (iv) during the next year.

B. No electricity service credit shall be issued unless the building owner agrees to report the information requested when and in the form requested by the Human Services Department (HSD) and otherwise to meet all requirements set forth by HSD for participation in the electricity service credit program. In the event that a building owner ceases to meet the requirements set forth herein, the Director of HSD shall advise City Light to cease to provide electricity service credits to such building owner.

C. The Superintendent of Seattle City Light shall determine a credit for each Income Eligible Household, which shall be 50% of the estimated average per unit charge based on the actual historical electric usage for the building in question (excluding common areas) and current electric rates. The electricity service credit provided to the building owner shall equal the amount so determined multiplied by the number of Income Eligible Households within the building in question. The electricity service credits shall not be redeemable for cash, and shall be honored by the City only when applied to the City account through which the building owner pays for electricity services provided to Income Eligible Households.

Section 2. Section 21.76.050 of the Seattle Municipal Code is amended to read as follows:

SMC 21.76.050 Method of receiving credit.

Qualified persons receiving drainage, wastewater, water, or solid waste ~~or street utility~~ services shall receive credits in the amounts prescribed for in Section 21.76.040 or in equivalent amounts should the billing period be other than monthly; provided, that no qualified person shall receive or accept utility credits to more than one (1) utility bill for the same billing period. The credits shall be made as follows:

A. For qualified persons who receive a drainage, wastewater, water, or solid waste ~~or street utility~~ bill directly, the proper credit amount shall be made on the bill as a reduction to the amount which would otherwise be payable.

B. For qualified persons who do not receive a drainage, wastewater, water, or solid waste or ~~street utility~~ bill directly, but who may pay such utility charges indirectly as part of their rental payment, the proper credit shall be made in the manner determined by the Director of ~~the Human Services Department and the Director of Seattle Public Utilities,~~ which may include ~~ing,~~ but is not limited to:

1. A reduction in the amount otherwise payable on the ~~light electricity service~~ bills of those qualified persons who do not receive drainage, wastewater, water, solid waste or ~~street utility~~ bills but who do receive an electricity services ~~light utility~~ bill;

2. The issuance of credit vouchers in the names of qualified persons, provided that the credit vouchers shall not be redeemable ~~ed for~~ in cash and shall be honored by the City only when applied to the account through which utility services received by the qualified person are paid;

3. The issuance of combined utility credits in the name of each not-for-profit corporation that owns a residential building, requests such credits, and meets the following criteria:

(i) Income Eligible Households, as defined in SMC 21.76.050.C, are among the residents of the building for which the voucher is sought;

(ii) residents are not directly billed for any City utility service but pay for such service in their rent;

(iii) the building for which the credit is sought receives retail service from Seattle Public Utilities;

(iv) the building owner agrees to reduce the rent payment due from each Income Eligible Household residing in such building in an amount equal to the combined utility credits a such Eligible Household; and

(v) the building owner annually reports the actual rent reductions during the previous year and certifies that it shall make the rent reductions described in (iv) during the next year.

C. Combined utility credits shall not be redeemable for cash, and shall be honored by the City only when applied to the City utility account through which the building owner pays for utility services provided to Income Eligible Households. No combined utility credit shall be issued unless the building owner agrees to report the information requested when and in the form requested by the Human Services Department (HSD) and otherwise to meet all requirements set forth by HSD for the certification of the combined utility credit program. In the event that a building owner ceases to meet the requirements set forth herein, the Director of HSD shall advise City Light and/or Seattle Public Utilities to cease to provide combined utility credits to such building owner.

D. An "Income Eligible Household" means any person or related persons who: a) lease a dwelling unit in a residential building in the City of Seattle that is owned by a not-for-profit corporation and b) who meet the income qualifications under SMC 21.76.030.A1 - A4. The unit may have its own bathroom and/or cooking facility or share bathrooms and/or cooking facilities with other units. Based on the requirements contained in SMC Chapter 21.76 and those developed by the Director of HSD, participating building owners will determine, on an annual basis, the eligibility of households for rent reduction.

E. For purposes of this Section 21.76.050, "combined utility credit" means the reduction in the amount otherwise payable for water, drainage and wastewater or solid waste services on behalf of Income Eligible Households.

Section 3. All acts taken pursuant to the authority of this ordinance but prior to its effective date are ratified, approved and confirmed.

Section 4. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2000, and signed by me in open session in authentication of its passage this \_\_\_\_ day of \_\_\_\_\_, 2000. \_\_\_\_\_ President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2000. \_\_\_\_\_ Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2000. \_\_\_\_\_ City Clerk

12/11/00 Lowincomeord Ver. 3