

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

..title

AN ORDINANCE relating to Seattle Public Utilities; amending the title of Chapter 21.76 and Sections 21.76.010, 21.76.020, 21.76.030, 21.76.040, 21.76.050, and 21.76.060 of the Seattle Municipal Code to clarify eligibility rules for the Utility Discount Program to allow tenants of federally subsidized housing with utility allowances to participate in the program, to clarify the manner of providing rate credits for tenants that pay utility costs indirectly through rent, and to update and modify certain program provisions.

..body

WHEREAS, since 1975, Seattle Public Utilities has offered qualified low-income residential utility customers discounted water, wastewater, drainage, and solid waste rates through the Utility Discount Program; and

WHEREAS, the 2014 Mayor's report, "Strengthening the Utility Discount Program," has a goal to improve utilization of and increase enrollment in the Utility Discount Program by qualified customers; and

WHEREAS, Seattle City Light and Seattle Public Utilities have coordinated efforts to review current federally subsidized housing utility allowance policies and programs to confirm that participation in the Utility Discount Program would assist those qualified low-income customers with paying costs of utility services provided by the City and that allowing these tenants to participate in the Utility Discount Program would meet the goals of City Light, SPU, and the Mayor; and

WHEREAS, Seattle Public Utilities also recommends updating and modifying certain provisions authorizing the Utility Discount Program to be consistent with current practices;  
NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The title of Chapter 21.76, last amended by Ordinance 124801, of the Seattle Municipal Code is amended as follows:

**Chapter 21.76 (~~(Low Income Rate Credits)~~) Utility Discount Program and  
Emergency Assistance for Qualified Low-Income Utility Customers**

Section 2. Section 21.76.010 of the Seattle Municipal Code, last amended by Ordinance 122174, is amended as follows:

**21.76.010 - (~~(Low Income Rate Credit Program)~~) Utility discount program for low-income utility customers established—Purpose—Administration (~~(=)~~)**

A. (~~(A program for credits to partially offset the billings for)~~) The City has established a utility rate discount program to assist qualified low-income residential utility customers with the costs of utility services provided by the City, including water, wastewater, drainage, and solid waste (~~(, and street)~~) utility services (~~((for qualified low income customers is established in order to provide necessary support for the poor and infirm. Such reductions are intended to offset recent rate increases for such utilities))~~) . Rate discounts are available to qualified low-income residential utility customers in accordance with this chapter.

B. The (~~(Human Services)~~) Department is authorized and directed to administer the program, (~~(and in such connection may promulgate)~~) including promulgating administrative regulations from time to time in the manner provided in the Administrative Code (Seattle Municipal Code Chapter 3.02) and entering into cooperative agreements to carry out the intent and purpose of this chapter in consultation with the City Light and Human Services Departments, where appropriate. Customer compliance with program rules is a condition for initial or ongoing eligibility for the utility rate discount program.

Section 3. Section 21.76.020 of the Seattle Municipal Code, enacted by Ordinance 104472, is amended as follows:

**21.76.020 - Definitions ((-))**

~~((As used in this chapter, the words and terms “duplex dwelling,” “dwelling unit,” “multiple dwelling” and “single family dwelling” and “townhouse dwelling” shall have the meanings set forth in Article 3 of the Zoning Code (Ordinance 86300).))~~ Reserved.

Section 4. Section 21.76.030 of the Seattle Municipal Code, last amended by Ordinance 122903, is amended as follows:

**21.76.030 - ~~((Low Income Rate Credit Qualification.))~~ Utility discount program qualification**

A. ~~((To implement the program provided for in Section 21.76.010, water))~~ Water, wastewater, drainage, and solid waste ((credits shall be issued to each household that is directly served by the City’s water, drainage, wastewater or solid waste)) rate discounts are available for residential utility services provided by the City upon satisfactory proof that a member of the household is billed ((by City Light or)) directly for utility services provided by the Department and receives a bill from Seattle Public Utilities or a third party biller, ((or, if not so billed, has resided for a period of not less than ninety (90) consecutive days in a rental unit in which the amount of a Seattle Public Utilities rate increase affects the amount of rent charged)) or the household pays for utility services provided by the Department indirectly through its rent and is either billed by City Light for its electric utilities or the building owner of the household’s residence has entered an agreement under subsection 21.76.050, and:

1. Receives Supplemental Security Income pursuant to 42 USC Sections 1381 through 1383; or

2. Has income that when combined with the ~~((annual))~~ income of all household members does not exceed ~~((seventy (70)))~~ 70 percent of the Washington State median income for the number of individuals in the household as computed annually by the ~~((state))~~ State or the City ~~((; or))~~ .

~~((3. — Notwithstanding household income, requires medical life support equipment which utilizes mechanical or artificial means to sustain, restore or supplant a vital function, and which uses a disproportionate amount of water or generates a disproportionate amount of solid waste, provided that the rate assistance issued on the basis of this qualification shall be limited to water and wastewater service where a significant proportion of the water use is for medical purposes or limited to solid waste service where a significant proportion of the solid waste is generated from medical purposes.))~~

B. Applicants shall ~~((verify such))~~ provide the information ~~((, and shall provide such other data as is deemed appropriate))~~ upon forms and in the manner ~~((determined))~~ required by the ~~((Human Services Department))~~ program rules to certify their eligibility for low-income rate discounts. Customer eligibility for the program may also be established from eligibility information provided by low-income service providers receiving federal, state, or local funding and subject to annual compliance monitoring by the granting authority, if the providers have entered into agreements with the City regarding the provision and use of the eligibility information. Such agreements do not limit the City's right to request additional information from the customer or to verify the customer's eligibility information.

Section 5. Section 21.76.040, last amended by Ordinance 124801, is amended as follows:

**21.76.040 - ~~((Low-income rate credits))~~ Rate discounts**

A. Drainage, wastewater, and water. ~~((Persons qualified by the Human Services Department as eligible recipients of low-income utility credits provided for in Section 21.76.010 (eligible recipients) shall be granted low-income billing credits))~~ Certified low-income residential utility customers ("Certified customers") will receive rate discounts (or credits) in the following amounts:

1. Wastewater. ~~((Eligible recipients))~~ Certified customers billed directly ~~((by))~~ for Seattle Public Utilities ~~((for))~~ wastewater services ~~((and residing in single-family dwellings shall))~~ will receive a rate discount equal to 0.5 times the total current wastewater volume charge. ~~((Eligible recipients not billed directly by Seattle Public Utilities for wastewater services))~~ Certified customers who pay for wastewater services indirectly through rent shall

Effective <del>((Date))</del> <u>date</u>	Single-family and duplex <u>dwellings</u>	Multifamily dwellings
<del>((January 1, 2015))</del>	<del>(((\$25.46 per month))</del>	<del>(((\$17.76 per month))</del>
January 1, 2016	\$26.38 per month	\$18.41 per month
January 1, 2017	\$26.40 per month	\$18.42 per month
January 1, 2018	\$26.72 per month	\$18.65 per month

receive the following rate credits based on dwelling type and consistent with Section 21.76.050:

At the time of a change to the wastewater volume charge described in Section 21.28.040, the Director of Seattle Public Utilities shall calculate new credits ~~((based on dwelling type))~~ for ~~((eligible recipients))~~ certified customers ~~((not billed directly by Seattle Public Utilities))~~ who pay for wastewater services indirectly through rent. The rate credit for ~~((Single-family))~~ single-family and duplex customers shall be 0.5 times the wastewater volume ~~((rate))~~ charge multiplied by 430 cubic feet (4.3 CCF), which is typical single-family residential sewer billed consumption.

The rate credit for ~~((Multifamily))~~ multifamily dwelling customers shall be 0.5 times the wastewater volume charge multiplied by 3.0 CCF, which is typical multifamily sewer billed consumption.

2. Drainage. Certified customers residing inside The City of Seattle shall receive the

	<del>((Effective January 1, 2016))</del>	Effective January 1, 2016	Effective January 1, 2017	Effective January 1, 2018
Single-family	<del>(((\$14.60 per month))</del>	\$16.25 per month	\$17.71 per month	\$19.13 per month
Duplex	<del>(((\$7.30 per month))</del>	\$8.13 per month	\$8.85 per month	\$9.57 per month
Multifamily	<del>(((\$1.56 per month))</del>	\$1.74 per month	\$1.89 per month	\$2.05 per month

following rate credits for drainage services based on dwelling type:

3. Water. ~~((Eligible recipients))~~ Certified customers billed directly ~~((by))~~ for Seattle Public Utilities ~~((for))~~ water ~~((delivery))~~ services ~~((and residing in single-family dwellings))~~ shall receive a ~~((credit))~~ rate discount equal to 0.5 times the total current ~~((billing))~~ commodity and base service charges. ~~((Eligible recipients not billed directly by Seattle Public Utilities for water delivery))~~ Certified customers who pay for water services indirectly through their rent ~~((and residing in single-family or duplex dwellings))~~ shall receive the following rate credits based on

<u>Effective Date</u>	<u>Single-family and duplex dwellings</u>	<u>Multifamily dwellings</u>
<del>((Effective January 1, 2014))</del>	<del>(((\$19.46 per month))</del>	
<del>((Effective))</del> January 1, 2016	\$19.84 per month	<u>\$12.38 per month</u>
<del>((Effective))</del> January 1, 2017	\$20.56 per month	<u>\$12.38 per month</u>

dwelling type and consistent with Section 21.76.050:

~~((Eligible recipients not billed directly by Seattle Public Utilities for water delivery and residing in multifamily dwellings shall receive the following credits:))~~

((Effective January 1, 2014))	(((\$12.38 per month))
((Effective January 1, 2016))	(((\$12.38 per month))
((Effective January 1, 2017))	(((\$12.38 per month))

B. Solid Waste. ~~((Persons qualified by the Director of the Human Services Department as eligible recipients of Low Income Rate Assistance (LIRA)))~~ Certified customers billed directly for Seattle Public Utilities solid waste services shall ((be granted low income billing credits or rates as follows)) receive a rate discount equal to 0.5 times the total current residential garbage can or detachable container and compostable waste collection charges. Certified customers who pay for solid waste services indirectly through their rent shall receive the following rate credits based on type of collection service and consistent with Section 21.76.050:

~~((1. — Eligible recipients who are billed directly by Seattle Public Utilities for garbage container, as defined in SMC Section 21.36.014, services, or compostable waste services, shall receive a credit equal to one half (0.5) times the current billing.~~

~~2. — Eligible recipients with twice weekly garbage container, as defined in SMC Section 21.36.014, service shall be charged one half (0.5) times the rate calculated in subsection B of SMC Section 21.40.050.~~

~~3. — Eligible recipients not billed directly by Seattle Public Utilities for solid waste services and receiving garbage container, as defined in SMC Section 21.36.014, compostable waste, as defined in SMC Section 21.36.012, or detachable container, as defined in SMC Section 21.36.012, service shall receive the following credits:))~~

	((Effective through March 31, 2015))	((Effective April 1, 2015))	Effective April 1, 2016
Garbage can customers	(((\$15.55 per month))	(((\$16.45 per month))	\$17.00 per month
Detachable container customers	(((\$12.70 per month))	(((\$13.45 per month))	\$13.90 per month

Yardwaste customers	<del>(((\$4.95 per month))</del>	<del>(((\$5.25 per month))</del>	\$5.45 per month
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~~((C. Qualified persons receiving drainage, wastewater, water, or solid waste credits through their City Light bills or through vouchers will receive credits for the full period covered by the City Light bill or voucher. The credit amount given will be based solely on the credit levels in effect at the time the City Light bill or voucher is issued.))~~

Section 6. Section 21.76.050 of the Seattle Municipal Code, last amended by Ordinance 120220, is amended as follows:

**21.76.050 - Method of receiving ~~((credit.))~~ rate credits**

~~((Qualified persons receiving))~~ Certified customers eligible for rate credits for drainage, wastewater, water, or solid waste services that they pay for indirectly through rent shall receive the applicable rate 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)) in the manner determined by the Director of Seattle Public Utilities, which may include, but is not limited to:

A. ~~((For qualified persons who receive a wastewater, water, or solid waste 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 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 Seattle Public Utilities, which may include, but is not limited to:~~



1                   1-)) A (~~(reduction in the amount otherwise payable)~~) credit on the electricity  
2 service bills of those (~~((qualified persons))~~) Certified customers who (~~((do not receive drainage,~~  
3 ~~wastewater, water, solid waste bills but who do))~~) receive an electricity services bill directly from  
4 Seattle City Light;

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

9                   3-)) B. (~~((The issuance of))~~) A credit on the combined drainage, wastewater, water, and  
10 solid waste utility (~~((credits))~~) bill in the name of (~~((each))~~) a not-for-profit corporation or other  
11 housing provider that owns a residential building, requests such credits, and meets the following  
12 criteria:

13                   (~~((a-))~~) 1. (~~((Income eligible households, as defined in SMC Section~~  
14 ~~21.76.050C-))~~) Certified customers are among the residents of the residential building (~~((for which~~  
15 ~~the voucher is sought))~~) under a written lease;

16                   (~~((b-))~~) 2. (~~((Residents))~~) Certified customers are not directly billed for (~~((any~~  
17 ~~City))~~) drainage, wastewater, water, or solid waste utility services, but (~~((pay for such service))~~)  
18 such utility services are included in their rent;

19                   (~~((c-))~~) 3. The residential building for which the rate credit is sought receives  
20 and is billed for (~~((retail service))~~) drainage, wastewater, water, or solid waste utility services from  
21 Seattle Public Utilities;

22                   (~~((d-))~~) 4. The building owner (~~((agrees to reduce))~~) enters into a written  
23 agreement with the City with appropriate terms and conditions to ensure that the owner reduces

1 the rent payment due under the written lease from each ~~((income eligible household))~~ certified  
2 customer residing in ~~((such))~~ the building in an amount equal to the ~~((combined))~~ applicable  
3 utility credits ~~((of such eligible household))~~ under Section 21.76.040; ~~((e. The building owner))~~  
4 annually reports the actual rent reductions during the previous year; and certifies that it shall  
5 continue to make the rent reductions ((described in subsection B3d of this section)) during the  
6 next year. Building owner compliance with this agreement is a condition for receiving any  
7 credits on the utility services bill.

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

17 D. ~~An “income eligible household” means any person or related persons who: (1)~~  
18 ~~lease a dwelling unit in a residential building in The City of Seattle that is owned by a not-for-~~  
19 ~~profit corporation and (2) who meet the income qualifications under SMC Section 21.76.030A1~~  
20 ~~through A4. The unit may have its own bathroom and/or cooking facility or share bathrooms~~  
21 ~~and/or cooking facilities with other units. Based on the requirements contained in SMC Chapter~~  
22 ~~21.76 and those developed by the Director of HSD, participating building owners will determine,~~  
23 ~~on an annual basis, the eligibility of households for rent reduction.~~

1        ~~E. For purposes of this Section 21.76.050, “combined utility credit” means the~~  
2 ~~reduction in the amount otherwise payable for water, drainage and wastewater or solid waste~~  
3 ~~services on behalf of income eligible households.))~~

4        Section 7. Section 21.76.065, last amended by Ordinance 123361, is amended as follows:

5        **21.76.060 - Authority of Director of Finance and Administrative Services ((-))**

6        A.     The Director of Finance and Administrative Services is authorized to ~~((apportion~~  
7 ~~the total amount of utility credits made to bills as provided for in Sections 21.76.010, 21.76.040~~  
8 ~~and 21.76.050.~~

9        ~~B. To~~) reimburse the Light Fund for ~~((utility))~~ rate credits made to ~~((lighting))~~ City  
10 Light bills ~~((as provided for in))~~ under Section 21.76.050 ~~((, the Director of Finance and~~  
11 ~~Administrative Services is authorized to))~~ and make the necessary transfers from the Water,  
12 Drainage and Wastewater, and Solid Waste ~~((Fund))~~ Funds, respectively, in accordance with the  
13 applicable rate credit amounts in Section 21.76.040.

Section 8. This ordinance shall take effect August 1, 2016.

Passed by the City Council the \_\_\_\_ day of \_\_\_\_\_, 2016,  
and signed by me in open session in authentication of its passage this \_\_\_\_ day of  
\_\_\_\_\_, 2016.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Edward B. Murray, Mayor

Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)