## CITY COUNCIL AGENDA ITEM

CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Discussion on Tenant Protection Regulations			
DEPARTMENT:	City Manager's Off	City Manager's Office		
PRESENTED BY:	Jim Hammond, Inte	ergovernmental Progr	am Manager	
ACTION:	Ordinance	Resolution	Motion	
	X Discussion	Public Hearing		

## PROBLEM/ISSUE STATEMENT:

The economic challenges posed by the COVID-19 pandemic have fallen particularly hard upon many Washington State residents who rent their homes. Significant increases to the cost of housing, driven by, among other things, the regional housing shortage, have been exacerbated by the disruptions and economic dislocation of recent years. In response to the pandemic, several emergency measures were put in place to keep families housed in the face of these challenges. Until mid-2021, the State imposed a moratorium upon most evictions (as well as rent increases and late fees), and substantial federal relief dollars have been targeted toward rental assistance to help tenants and landlords weather the turmoil without resorting to evictions.

While these emergency protections, beyond ongoing rental assistance, have largely lapsed, the question of whether additional tenant protections are needed has become a topic for debate in jurisdictions across King County. The King County Bar Association, through its Housing Justice Project, has developed an array of tenant protections that could be enacted at the local level. The neighboring City of Kenmore has begun to consider and adopt a number of these measures. More broadly across the region, tenant protection measures in varying degrees have been enacted in unincorporated King County, Auburn, Burien, Federal Way, Seattle, Tacoma, and Tukwila. In addition, the State Legislature has weighed in during the past few legislative sessions, establishing several tenant protection measures for most residential leases.

This staff report will provide a broad overview of the current state of tenant protection at the state level and in communities around King County, with the goal of providing to Council a baseline of information for it to direct staff on further steps, if any, to take toward developing tenant protections within the City of Shoreline.

### **RESOURCE/FINANCIAL IMPACT:**

There is no direct financial impact associated with this discussion item. Depending on the policy choices of the City Council, additional staff resources may be necessary to implement tenant protection programs.

# **RECOMMENDATION**

Staff recommends that the City Council discuss and provide direction to staff for additional consideration of this issue.

Approved By: City Manager **DT** City Attorney **MK** 

## **BACKGROUND**

The economic challenges posed by the COVID-19 pandemic have fallen particularly hard upon many Washington State residents who rent their homes. Significant increases to the cost of housing, driven by, among other things, the regional housing shortage, have been exacerbated by the disruptions and economic dislocation of recent years. In response to the pandemic, several emergency measures were put in place to keep families housed in the face of these challenges. Until mid-2021, the State imposed a moratorium upon most evictions (as well as rent increases and late fees), and substantial federal relief dollars have been targeted toward rental assistance to help tenants and landlords weather the turmoil without resorting to evictions.

While these emergency protections, beyond ongoing rental assistance, have largely lapsed, the question of whether additional tenant protections are needed has become a topic for debate in jurisdictions across King County in the face of a well-recognized affordable housing crisis. The King County Regional Affordable Housing Task Force issued a report in December 2018 (with revisions in March 2019) which identified that renting a home, rather than owning one, increased the chances of being severely cost burdened (defined as spending more than 50% of income on housing). In addition, the report established an action plan to address the affordable housing crisis, including a goal to "[p]reserve access to affordable homes for renters by supporting tenant protections to increase housing stability and reduce risk of homelessness."

The King County Bar Association, through its Housing Justice Project, has developed an array of tenant protections that could be enacted at the local level. The neighboring City of Kenmore has begun to consider and adopt a number of these measures. More broadly across the region, tenant protection measures in varying degrees have been enacted in unincorporated King County, Auburn, Burien, Federal Way, Seattle, Tacoma, and Tukwila. In addition, the State Legislature has weighed in during the past few legislative sessions, establishing several tenant protection measures for most residential leases.

This staff report will provide a broad overview of the current state of tenant protections at the state level and in communities around King County, with the goal of providing Council a baseline of information for it to direct staff on further steps, if any, to take toward developing tenant protections within the City of Shoreline.

#### DISCUSSION

The State of Washington sets the baseline for the landlord-tenant relationship through the State Residential Landlord-Tenant Act, RCW 59.18. Courtesy of the Municipal Research and Services Center (MRSC), tenant protections adopted over the past few years, outside of those directly responding to the pandemic, can be summarized as follows:

Just cause eviction. In 2021, the legislature adopted <u>RCW 59.18.650</u>, which
requires landlords to specify a reason for refusing to continue a residential
tenancy, subject to certain limited exceptions.

- Managing initial deposits and fees. In 2020, the legislature adopted <u>RCW</u> <u>59.18.610</u>, which provides that a tenant may request to pay deposits, nonrefundable fees, and last month's rent in installments.
- **A 60-day notice of rent increase.** In 2019, the legislature amended <u>RCW</u> <u>59.18.140</u> to provide 60-day notice of a rent increase, and increases may not take effect until the completion of the term of the current rental agreement.
- A 120-day notice of demolition. In 2019, the legislature amended <u>RCW</u> 59.18.200 to require 120-day notice to tenants of demolition or substantial rehabilitation of premises.
- **Prohibition on source of income discrimination.** In 2018, the legislature adopted <u>RCW 59.18.255</u>, which prohibits source of income discrimination against a tenant who uses a benefit or subsidy to pay rent.

It is important to note that this does not summarize the entirety of the State Residential Landlord-Tenant Act; other aspects of the law are referred to in the materials that follow. Also, it should be noted that in 1981, the state expressly preempted cities from enacting rent control (RCW 35.21.830).

State legislation regarding tenant protections provides a baseline of support for renters; local jurisdictions have the ability to extend those protections, should they wish to do so. The King County Bar Association's Housing Justice Project has developed a "model ordinance" which sets out an array of tenant protections that could be considered by a local jurisdiction. Those measures along with measures taken by other jurisdictions are summarized below.

- **Notice of rent increase.** State law requires notice of 60 days for rent increases. The Housing Justice Project's model ordinance requires 180-day notice, if the increase exceeds 3%. Additionally, the tenant, upon receipt of notice, may choose to terminate the tenancy at any time and owe only the pro rata share of the rent through the date of departure. The City of Seattle also has a 180-day requirement, not tied to the size of rent increase. The City of Auburn has a 120-day requirement, and unincorporated King County requires 120 days if the increase is over 3%.
- Cap on late fees. The State does not address late fees. The City of Auburn caps late fees at \$10, and unincorporated King County limits late fees to 1.5% of monthly rent.
- Cap on move-in fees. The State does not address move-in fees. The City of Seattle and unincorporated King County cap them to one month's rent.
- Right to a payment plan (for up-front fees, deposit, first/last month's rent, etc.). State law allows installments over the first 2-3 months, depending on the lease length (RCW 59.18.160). The model ordinance requires the landlord to offer a six-month installment plan. The Cities of Seattle, Tacoma and Burien

have similar provisions; Auburn and unincorporated King County have varying requirements, depending on length of lease.

- Alteration of rent due date due to tenant's fixed income. State law provides some limited flexibility to modify the due date for the rent within five (5) days of the date provided in the rental agreement (<u>RCW 59.18.170</u>). The model ordinance gives greater flexibility to a tenant to alter the rent due date to comport with fixed income payments.
- Barring discrimination due to immigration status. The State does not address this in RCW 59.18. However, the right to protection from discrimination based on immigration status is more broadly codified in RCW 49.60.030. This protection is provided in unincorporated King County.
- **Barring requirement of a social security number.** The State does not address this. This protection is provided in unincorporated King County.
- Barring requirement that a child or person with disability be signatory to the lease, if tenant of record is already a signatory. The State does not address this. This protection, or something similar, is provided by the Cities of Federal Way and Seattle.
- Banning abusive, deceptive and unfair practices in rental housing. This
  prohibition includes such practices as misleading a tenant or obscuring terms of
  the rental agreement. The State does not address this. This protection is
  provided in unincorporated King County.
- **Providing for relocation assistance.** RCW 59.18.440 provides an option for local jurisdictions to provide relocation assistance to low-income tenants "upon the demolition, substantial rehabilitation whether due to code enforcement or any other reason, or change of use of residential property, or upon the removal of use restrictions in an assisted-housing development", and prescribes the manner in which it would be offered. Shoreline does not currently provide this protection<sup>1</sup>. This is provided for in an expanded manner by the City of Seattle, with additional triggers for relocation assistance, such as a rent increase greater than 5%.

It should be noted that federal law requires relocation assistance pursuant to the Uniform Relocation Act, if a federally funded project displaces low-income residents or if a local government otherwise displaces an affordable housing facility that receives federal funding.

• Creating a just cause eviction program. In 2021, the State instituted a standard for just cause eviction that applies to month-to-month leases; meaning landlords can terminate leases for reasons like failure to pay rent, unlawful activity and nuisance issues, as well as cases in which a landlord intends to sell

<sup>&</sup>lt;sup>1</sup> Note that under RCW 59.18.085, landlords are liable for relocation assistance for tenants who units are condemned or otherwise unlawful to occupy due to violations of codes, etc. In such circumstances, the City can advance those costs and subsequently seek to recover them from the landlord.

or move into a rental unit (<u>RCW 59.18.650</u>). The Cities of Auburn, Burien, and Federal Way and unincorporated King County have established just cause standards. State just cause standards do not apply to leases that are between six (6) months and one (1) year, and which have not transitioned to month-to-month terms.

- **Creating a rental registration and inspection program.** The State does not address this. The Cities of Auburn, Burien, Kent, Renton, Seattle and Tukwila have rental registration programs in place.
- Barring rent increases if property is in poor condition. The State does not address this. This protection is provided in the City of Seattle and in unincorporated King County.

In addition, two other tenant protection measures, outside of those in the model ordinance, have drawn interest in King County jurisdictions:

- Right to live with family. The State does not address this. This measure stems
  from a case in another jurisdiction where eviction proceedings were initiated
  against a high-school student, who was living with his mother, immediately after
  the student had turned 18. This protection is provided in the Cities of Federal
  Way and Seattle.
- Prohibiting criminal background checks. The State does not address this.
   This protection is provided in the City of Seattle.

## **Potential Resource Demands - an Overview of Other Jurisdictions**

In a limited survey of other local jurisdictions, many cities stressed the importance of investing in staff to enforce any tenant protection policies that are enacted. Otherwise, tenants would need to file a private right of action to enforce their rights. While this saves resources for a jurisdiction, it creates barriers for the tenant.

The City of Kenmore, for instance, does not anticipate the need for additional staffing for measures enacted earlier this year, which include notice requirements, caps for certain fees, a right to a payment plan or modification of due date, and the like. However, Kenmore estimates, preliminarily, that a rental registration program could require between 0.5 and 1.0 full time equivalent (FTE) staffing to implement, depending on the model, and that a relocation assistance program for low-income tenants would also carry as-yet unquantified staffing impacts.

In other jurisdictions, rental registration and inspection programs have also required staff investments (which vary widely by city, ranging from 0.5 to 2.5 FTE, outside of Seattle) in areas such as code compliance, program tracking and enforcement, building inspection, landlord-tenant navigators, data analysis, and the like. These functions have mostly been stood up alongside existing inspection and enforcement functions. Resource demands for legal assistance, hearing examiners, and related costs were difficult to estimate.

## **Next Steps**

Underneath this high-level overview exists a wealth of detail which is likely to generate significant questions about how each potential tenant protection might provide meaningful impact for renters, as well as how they might be implemented. Landlords, as property owners, possess significant constitutional rights, and appropriate legal analysis will need to be considered as this issue evolves. The City of Olympia, in its approach to tenant protections, undertook outreach to sister jurisdictions and key stakeholders within their community, from both the landlord and tenant perspectives. They generously agreed to share the attached summary (Attachment A), with the caveat that it is only illustrative of concerns expressed and not intended to be viewed as a rigorous compendium of all potential issues.

City staff time and resources will be part of the implementation equation, too. Nothing in this staff report is intended to provide a definitive assessment of the staff and/or financial resources needed to implement any of the kinds of measures outlined above in a manner specific to the City of Shoreline. It is well recognized that any regulatory action would carry with it some degree of effort, ranging from education and outreach to monitoring and enforcement.

## **Council Discussion Questions**

Potential questions for Council to consider at this time could include:

- 1. Would Council like staff to invest further time researching and proposing a renters protection program? Given that this was not an item coming out of the 2022 Council Goal Setting Workshop, is it Council's preference to add this to the 2022-2024 workplan or identify for further discussion at the 2023 Council Goal Setting Workshop?
- 2. Is Council interested in hearing directly from stakeholder groups such as landlords, the King County Bar Association, and tenant advocacy organizations?
- 3. To what degree would Council wish to provide staff support and information to both tenants and landlords, versus simply establishing legal rights and causes that can be utilized in a private right of action?
- 4. Are there specific renter protections that Council would like staff to explore further?

# **COUNCIL GOAL(S) ADDRESSED**

This item supports City Council Goal #4 - "Expand the City's focus on equity and social justice and work to become an Anti-Racist community", and Goal #5 - "Promote and enhance community safety, healthy neighborhoods, and a coordinated response to homelessness and individuals in behavioral health crisis".

# **RESOURCE/FINANCIAL IMPACT**

There is no direct financial impact associated with this discussion item. Depending on the policy choices of the City Council, additional staff resources may be necessary to implement tenant protection programs.

# **RECOMMENDATION**

Staff recommends that the City Council discuss and provide direction to staff for additional consideration of this issue.

# **ATTACHMENTS**

Attachment A: "Rental Market Stabilization Concepts", City of Olympia, WA

## **RENTAL MARKET STABILIZATION CONCEPTS**

Cities across Washington have implemented various rental housing stabilization measures under consideration here in Olympia. In March 2022, the City of Kenmore passed a series of tenant protections and will explore additional concepts at its May 2022 Council meeting. Tumwater's City Council has evaluated rental housing policy options and directed staff to pursue priority programs. Materials summarizing work completed by both Kenmore and Tumwater have been included as attachments to this report.

Interviews were conducted with peer cities in fall 2021. Research was conducted to compile statewide and peer city policies. Individual stakeholder interviews with renter advocates and landlords were conducted in fall 2021. These interviews were provided in a summary report to Land Use & Environment Committee in December 2021. Surveys and focus groups were conducted in March 2022, to gather renter, landlord, advocate, and other third-party input to guide City of Olympia's decision-making. Focus group summaries and survey results outlining level of support for each policy concept have also been included as attachments to this report.

The table below provides a summary of peer city feedback and insights with respect to the relative effectiveness of various policies following implementation. Highlights and quotes from the survey and focus group feedback have also been included. Survey responses may contain personally identifying statements. A copy of full survey responses will be provided by request. Some policy concepts were explored with peer communities that weren't included in the survey and some policy concepts in the survey were not discussed with peer communities.

Name of Policy	Pros	Cons	Other Notes	Considerations
Rental registration or license and inspection program	<ul> <li>Peer City feedback:         <ul> <li>Helpful to know where landlords are and how to communicate with them</li> </ul> </li> <li>Neighborhood on the whole benefits from code compliance and minimal standards of habitability</li> <li>Inspections help with safety of rental housing units</li> <li>Tenants may be afraid to report problems due to fear of retaliation from landlord</li> <li>Landlords become aware of maintenance issues sooner</li> <li>Can provide training or other resources as part of license or registration program (code compliance, fair housing, licensing requirements, fire inspection and building codes, programs or resources available)</li> </ul>	Peer City feedback:  Can be difficult to get compliance even with fines in place. Don't want to revoke licenses to result in displacing tenants or losing additional rental housing, so fines or other requirements for repeated violations are needed.  Requires staff in code enforcement or building inspections, as well as administrative (licensing or registration and payments), as well as tracking and scheduling of inspections, and enforcement  Enforcement processes can be slow, and tenant may not benefit from improved condition by the time they are remedied	<ul> <li>Peer City feedback:         <ul> <li>Most cities have a housing inspection component. Varies by city: some have processes for self-certification with a code checklist, and some proactive, required periodic inspections.</li> </ul> </li> <li>Some cities use state business licensing process (through DOR), which helps with administrative aspects, but limits information collected and imposes fee</li> </ul> <li>Landlords/ managers often won't respond to requests for info/data unless required</li> <li>All cities recommended having strong enforcement mechanisms in place</li> <li>Documentation and tracking can be burdensome if you don't have a business license process or other administrative structure in place</li>	<ul> <li>City of Lacey has a rental registration program and City of Tumwater would like to pursue a rental registration program. Discussion between jurisdictions could take place to align program requirements and policies, or a countywide option could be proposed at the Regional Housing Council.</li> <li>A graduated approach could be considered (opt-in registry with information sharing to start, with additional requirements over time). Other cities require energy efficiency/weatherization standards, code compliance through periodic inspections, or other provisions as a requirement of their registry/license.</li> <li>Could explore a graduated fee schedule that is based on amount of</li> </ul>

#### Survey/focus group feedback:

- Both tenants and landlords were supportive of providing a mode of communication for landlords to be aware of law changes, programs, and other information
- Many tenants stated that landlords often aren't aware or disregard legal obligations and a registration may provide a venue for increased accountability, while others questioned whether landlords would continue to ignore legal obligations
- Some tenants expressed belief that landlords have a responsibility to be aware of laws and obligations, while others stated following the law should be made easier so everyone is on the same page
- Several tenants expressed concern over unsafe conditions in rental units, including mold, undrinkable water, pest infestations and other concerns
- Many tenants suggested a method for reporting or rating landlords through the registry, as a way to track substandard conditions or illegal behavior and avoid landlords with a history of noncompliance
- Some tenants suggested this could be a good way to obtain information and track % of affordable units, and could be a way to help tenants find available units
- Some landlords state that they learn about needed repairs too late

#### Survey/focus group feedback:

- Landlords caution that substandard housing provides a more affordable option and we may lose more housing options if that stock is taken out of the rental market
- Some tenants expressed concern that landlords will raise rents if they are required to make updates, or take their units off the market if they believe they won't meet inspection standards
- Landlords worry about increased layer of regulations, interference
- Some landlords suggest the City should target landlords with a history of code violations and other concerns, rather than making all landlords pay for such a program
- Both tenants and landlords expressed concerns about the administrative cost of implementing such a program and wonder if funds are better spent elsewhere
- Some landlords state that this information is readily available and isn't needed (Associations such as RHAWA, NARPM, WLA offer education and resources to landlords on laws and programs)
- Some tenants stated an easier way for tenants to report concerns may be more helpful than a registry
- Some tenants expressed fear that the City would 'side with' the

- Several cities indicated they have found a lot of problems and repair issues in small unit properties. More abuses, even if not intentional.
- Some cities have exemptions, or exemptions for just the inspection component but not the registration
- Auburn, Bellingham, Seattle, Lacey,
   Aberdeen have required rental housing registration with a fee to register
- Many more cities than interviewed have licensing and inspection programs, including Pasco, Lakewood, Kent, Tukwila
- Tumwater City Council has asked staff to prepare an ordinance that would establish a rental registration program in Title 5 Business Taxes, Licenses and Regulations to communicate with tenants and landlords about rental regulations and to consider using the program in the future for regular inspections of rental units

- rent collected annually, number of units, or offer waiver for participation in programs that expand access to rental housing or address affordability.
- Significant staff time will be required to design and implement this program, keep contacts up to date, and potentially enforce provisions.

an i  Son land	cause their tenant did not report issue me landlords believe that other dlords need to be held countable for not maintaining perties	<ul> <li>landlord and not demonstrably help renters</li> <li>Some tenants expressed concern about inspections—intrusive and already experience lack of privacy from landlord</li> <li>Some tenants stated registry is only as good as the enforcement of registry</li> </ul>		
Survey/focus  Over support  Tempay appumant barracite debt cost deposits/move-in fees  Limits to security deposits/move-in fees  Malargaclie (son studing)  Marchae  Son studing  Marchae  Marchae  One	Ips tenants access housing, due rising costs at move-in  us group feedback: er 90% of tenants were very oportive or somewhat supportive this proposal mants cited the difficulty of ying moving expenses, plication fees, and move-in fees, aking the cost a significant rrier to accessing housing. Some ed taking out loans and being in but for years due to high move-in sts.  Inny renter advocates cited the ge upfront costs as a barrier for ents exiting homelessness metimes in excess of \$6,000) any landlords stated they don't arge last month's rent me tenants stated they've been ack in bad situations, due to ability to afford to move any tenants stated that landlords attinely keep security deposits, en if no demonstrable damage curred (cleaning fees, etc) e renter stated: In my current me, I was required to include the	<ul> <li>Unintended consequence: kneejerk rent increase.</li> <li>Survey/focus group feedback:         <ul> <li>Landlords stated that sometimes damage caused by a tenant goes beyond the security deposit and they are left paying the additional costs</li> <li>Some tenants expressed concern that landlords would raise rent to offset costs</li> <li>A few landlords suggested eliminating application fees, as they believe it is an unfair cost to tenants and should be a cost of doing business for landlords</li> <li>Many landlords stated they would tighten screening criteria, or raise rent to have a buffer in the event of damages</li> <li>Many renter advocates stated that they have used additional deposits as a bargaining tool to place higher barrier clients into housing</li> <li>Many landlords state that deposits are collected based on the property and person's situation (damage to prior</li> </ul> </li> </ul>	<ul> <li>Seattle, Auburn, King County, Kenmore: security deposits/move-in fees can't exceed one month's rent</li> <li>King County: 'All move in fees and security deposits charged by a landlord before a tenant takes possession of a dwelling unit shall not exceed one month's rent.'</li> <li>Seattle: The total amount of a security deposit and nonrefundable move-in fees may not exceed the amount of the first full month's rent for the tenant's dwelling unit.</li> <li>Auburn: 'Any amount paid to the landlord by the tenant at the commencement of the tenancy charged for the purpose of procuring and obtaining a dwelling unit, including the deposit or as security for performance of the tenant's obligations in a lease or rental agreement, must not exceed the allowable monthly rent as permitted by this chapter.'</li> <li>Kenmore: 'All move-in fees and security deposits charged by a landlord before a tenant takes</li> </ul>	<ul> <li>Consider adopting similar policy to other cities: deposits and move-in fees can't exceed one month's rent</li> <li>Alternatively, consider eliminating last month rent requirement (may result in increases of security deposit without measures to mitigate increase)</li> <li>Alternatively, consider limiting administrative and/or application fees, or require that these fees are refundable (would require legal analysis to determine if this is allowable)</li> <li>Consider eliminating pet rent and/or limiting pet deposits</li> <li>Consider other ways to address advocates' concerns that higher deposits are a tool to get landlords to accept higher barrier tenants, such as a landlord liaison program</li> <li>Without rent controls, it is plausible that landlords will raise rent to offset costs of damages or unpaid rent</li> </ul>

	security deposit with my rental application (\$1000) and if I was offered the property and turned it down, I would forfeit the deposit. This effectively kept me from pursuing a better/less expensive rental. This should not be allowed.  • Another renter stated: I had one landlord say he would require over \$4,000 pet deposit. This is extreme and we need standardized fees or range of acceptable fees.
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- property, low credit score, etc) and they will lose flexibility to work with these tenants
- Many landlords state the deposit is an incentive for a tenant to take care of the property
- Landlords suggest providing financial assistance (or loan) to renters who struggle to pay move-in costs, or provide a fund for damages that can help mitigate risk taken by landlords

possession of a dwelling unit shall not exceed one month's rent'

### Pet Deposits:

 Seattle has additional restrictions on fees and pet deposits (may not exceed 25% of one month's rent and may be paid in three equal monthly installments), but does not apply to a tenant who rents a housing unit in a single-family residence if the residence is the principal residence of the owner of the residence.

#### Late Fees:

- Auburn: Any fees for late payment of rent shall not exceed \$10.00 per month
- King County: Late fees or costs due to nonpayment of rent charged to a tenant shall not exceed one and one-half percent of the tenant's monthly rent.
- Kenmore: Late fees or costs due to nonpayment of rent charged to a tenant shall not exceed 1.5% of the tenant's monthly rent
- State law: must not begin charging late fee until rent is 5 days late.

## Peer City feedback:

- One city stated the benefits outweigh risk of possible rent increases
- Another city cautioned against any measure which could be construed as rent control

Extended timeframe for installment payments of move-in costs and deposits	Survey/focus group feedback:  • Upfront moving costs were cited as a substantial barrier for tenants. Tenants stated a preference for limiting deposits, but more time to pay deposits may be helpful.	Survey/focus group feedback:  Several landlords stated they already allow tenants to pay deposits over time  Many landlords expressed concern that damage can be done in the first 3-6 months of a tenancy, before a full deposit is collected  Most landlords expressed that the current 2-3 month timeframe was sufficient  Some tenants expressed concern that landlords will increase security deposits if this is implemented	<ul> <li>Under current state law, any fees or deposits to hold a unit cannot be more than 25% of the first month's rent</li> <li>Under current state law, if the rental agreement is three months or longer, tenants can ask for a payment plan of three equal monthly payments. If the rental agreement is less than three months, tenants can ask for a payment plan of two equal monthly payments.</li> <li>Seattle allows a tenant to pay a pet deposit in three consecutive, equal monthly installments</li> <li>King County: Tenants with leases 6 months or longer may elect to pay move in fees and security deposits in 6 equal monthly installments.</li> <li>For leases under 6 months: tenants may pay in 2 equal monthly installments.</li> <li>Kenmore: Tenants with leases 6 or more months may pay 6 equal monthly installments. Tenants with leases under 6 months may pay in 2 equal monthly installments.</li> </ul>	Could consider extending to half of the term of the lease, or other timeframe
Tenant relocation assistance for substantial remodel, demolition or change of use	<ul> <li>Mitigates displacement of tenants when property is remodeled, demolished or property undergoes a change of use</li> <li>Survey/focus group feedback:         <ul> <li>Renter Advocates and Renters stated that this situation may not be very common, but could be very helpful in the cases where it applies and could help prevent</li> </ul> </li> </ul>	<ul> <li>Cost</li> <li>Survey/focus group feedback:         <ul> <li>General support from landlords unless landlords have to pay costs</li> <li>Concerns from landlords about which situations may qualify</li> <li>One tenant questioned: This sounds nice, but is this an additional tool landlords can use</li> </ul> </li> </ul>	<ul> <li>Authorized by State law, sets parameters for program</li> <li>Limit of \$2,000</li> <li>Can only require up to half of costs paid by landlord</li> <li>Applies when property is demolished, undergoes substantial rehabilitation or change of use</li> <li>Paid only to low-income tenants (under 50% AMI)</li> </ul>	<ul> <li>Consider adding clause that landlords can offer similarly situated unit to tenant if they will be displaced due to remodel, demolition or change of use</li> <li>Could direct staff to work with code enforcement on current enforcement mechanisms to include fines to be paid to tenants for relocation assistance when</li> </ul>

- homelessness due to unexpected displacement
- Generally, tenants stated that there should be help available for tenants who are forced to move through no fault of their own
- Some tenants stated a preference for being able to stay in current unit due to difficulty finding new housing options and suggest shortterm hoteling if necessary for substantial renovations
- May help to ensure renters report unsafe conditions, if they can't afford to move: This is why I'm terrified to tell my landlord about mold, because I know it'll be too expensive for her to fix and she will just kick us out
- One renter/renter advocate stated:
   I've represented people trying to
   get their landlord to pay the
   statutorily required relocation fees.
   So far we've been successful, but it
   required legal intervention. And
   although there is statutory
   authority for a public relocation
   assistance fund, I've discovered
   there are very few municipalities or
   counties that actually have one
- One tenant stated: I approve of this concept, but it sounds like the scope of action is way too small.
   Please include people who have to move for any reason beyond their control on a case-by-case basis as funding allows.
- Many tenants expressed interest in a relocation assistance fund for

- to remodel a property out of current tenant's budget? Is this forcing more people from their homes?
- Some renters questioned how this will work in practice with the difficulty of locating alternative housing options, and suggested a landlord should be required to pay the difference in cost at the new unit
- Bellevue, Seattle, Tacoma have relocation assistance programs
- Seattle: Won't issue a master use, construction, demolition, or change of use permit for a property where renters will be required to move until we have issued a Tenant Relocation License.

#### Peer City feedback:

- Tacoma didn't include 'change of use' in relocation assistance program due to feedback that some property buyers purchase a single-family home with the intent of living in it, rather than continuing to rent it out.
- Seattle's budget for direct payments: \$300,000-\$400,000/year. Use Real estate excise tax 1 (REET1) and general fund, if needed. 1.5 FTE to administer.
- Tacoma: Feb 2019-Nov 2019 paid \$6,000, for 6 qualifying units. Use general funds. Difficult to gauge ongoing costs due to moratorium since enacted. Since moratorium lifted, had 4 requests.
- In late 2021, Seattle City Council passed a relocation assistance program for tenants priced out of their current unit
- State law requires a landlord to pay relocation assistance if the property is condemned or deemed unlawful to occupy by government enforcement entity (not required if natural disaster occurs, eminent domain, or caused by tenant or other third party)
- State law requires 120-day notice if the landlord plans to demolish,

- properties are unsafe or uninhabitable
- If not already standard practice, ensure that tenants are referred to legal aid for help enforcing rights under state law when the property they are renting is condemned

- One tenant stated: Despite popular belief, merely being poor does not make a person more likely to damage property, break rules or violate legal contracts.
- Another tenant stated: I have had landlords ask me about my political views, as well as invasive questions about medical issues and the criminal history of family members who do not live with me.
- Another tenant stated: I am writing as a renter and an advocate for people through my job. I have clients with drug charges that have been vacated with the most recent laws. They are still not eligible for housing.
- One renter advocate stated: Currently I
  have clients on caseload that have a
  section 8 voucher that will completely
  pay for their rent for life and still can't
  find housing due to bad rental history.
  This should not be a factor when their is
  a government voucher to ensure
  payment, payment history of the
  tenant is irrelevant and has continued
  to cause clients to be homeless.

- against several property
  management companies in 2017,
  alleging their criminal history
  screening policies had a
  discriminatory effect on members
  of protected classes, citing that
  BIPOC individuals are more likely to
  be arrested and convicted of crimes
  than white individuals.
- While it appears that no jurisdictions have limitations on use of credit scores in screening for rental housing in Washington State, other cities in other states have adopted credit history screening protections (Philadelphia, Minneapolis).
- The Washington State Insurance Commissioner has attempted to ban insurers' use of credit scores when determining rates for auto, homeowners or renter insurance, stating the practice has a disparate impact on people with lower incomes and communities of color.
- The filing of an eviction appears on screening reports (regardless of whether the eviction actually occurred, an agreement was reached or other resolution)
- Washington State law created a pathway for tenants to limit what screening companies can report to a prospective landlord about an eviction. The onus is on the tenant to file a request with the court and demonstrate there is good cause for receiving an order of limited dissemination.

- (such as the type, severity and timeframe of offense)
- Consider restricting blanket policies related to eviction history and require landlords consider situations on a case-by-case basis
- Pursuing credit screening protections would be testing uncharted waters in Washington State.

Low interest loans for rental repairs and improvements	<ul> <li>Many landlords are supportive, but many also suggested that maintenance or upgrades are their responsibility, and landlords must plan for those expenses</li> <li>Some tenants stated that landlords may be more likely to improve health, safety, and efficiency</li> <li>One landlord suggested a low interest loan to add an ADU</li> </ul>	<ul> <li>Survey/focus group feedback:</li> <li>Many tenants and landlords stated this should only be based on need, and for locally based landlords rather than corporate entities</li> <li>Some tenants are supportive of this idea, but most state preference for resources to be directed towards tenants in need</li> <li>Tenants expressed concerns that rent would be raised if rental unit was improved</li> <li>Many tenants expressed concern that landlords may use funds inappropriately or make repairs that are not up to code</li> <li>Many tenants felt landlords should not be in the business of renting properties if they can't afford to care for them</li> <li>Some landlords stated that there is enough equity in the rising housing</li> </ul>	Note: this concept wasn't discussed with peer cities	<ul> <li>The City's CDBG program has established a zero-interest revolving loan, which allows rental property owners to make repairs or updates to their properties in exchange for keeping rental rates affordable</li> <li>The City could promote weatherization or energy efficiency updates that will help lower tenants' utility bills through the CDBG or similar program</li> </ul>
Permanent Mediation Program or Housing Navigator	<ul> <li>Provide education and resources to both landlords and tenants</li> <li>Peer City feedback:         <ul> <li>Hear stories on the ground to inform policy</li> <li>Local expert helps implement policies/enforcement of policies</li> </ul> </li> <li>Survey/focus group feedback:         <ul> <li>Some tenants stated this may help with communication and resolving conflicts and may help tenants feel safer raising concerns</li> </ul> </li> </ul>	values that there isn't a need for this kind of program  Cost  Survey/focus group feedback:  It may be helpful to have a navigator to call for both landlords and tenants, but there is a sense that other agencies may already provide this type of service  Without availability of affordable housing referrals or financial support, the navigator may not be very useful to resolve challenges	<ul> <li>Peer City feedback:         <ul> <li>Burien never hired the staff recommended through community process due to eviction moratorium being enacted shortly after Burien adopted new rental housing policies</li> </ul> </li> <li>Tacoma has two full time landlord/tenant-focused staff</li> <li>If don't dedicate staff or have clear enforcement mechanisms, it's not worth implementing landlord-tenant policies</li> <li>Tumwater City Council has asked staff to prepare a scope for a contract with the Dispute Resolution Center for</li> </ul>	This service could be contracted through a nonprofit organization or other agency. To be most effective, will be tied to rental assistance, or focused on conflicts not involving unpaid rent.

	<ul> <li>Some tenants expressed concern that if navigator isn't neutral or the tenant doesn't have an advocate, it might heighten the power imbalance between tenants and landlords</li> <li>Some landlords said a navigator would be helpful, but wouldn't support required mediation</li> <li>Most tenants expressed interest in a navigator who can help refer to resources and provide information about rights</li> </ul>	<ul> <li>Several landlords and tenants stated that may not be that helpful in situations where the main conflict is ability to pay rent, but could be helpful for other conflicts</li> <li>One landlord stated they found mediation with their tenant to be very helpful, but the tenant ended up backing out of the agreement after several hours of mediation to reach an agreement</li> <li>Many landlords and tenants stated this sounds like more than one fulltime staff position and might not make an impact</li> </ul>	landlord and tenant conflict resolution services	
Informational materials required at move-in or lease renewal	<ul> <li>Educates both landlords and tenants about their rights and responsibilities</li> <li>Peer City feedback:         <ul> <li>Helps initiate contact with City for various rental housing issues</li> </ul> </li> <li>Survey/focus group feedback:         <ul> <li>There is general support for this concept on both sides, particularly if renters are made aware of both their rights and responsibilities</li> <li>Many landlords stated they would like it to be easy to refer renters to resources if they need help and could benefit from the same information about their legal rights/responsibilities</li> <li>Several tenants stated this information should be accessible, not leave out tenants with less access to technology and available in multiple languages</li> </ul> </li> </ul>	Peer City feedback:  Can be difficult to enforce if don't have staff and/or enforcement mechanisms in place. It is hard to know if landlords are providing packet to tenants, aside from receiving calls from landlords or tenants.  Survey/focus group feedback:  Some tenants and landlords stated this information is available online already  Some tenants state that their lease is already too long and difficult to understand, so more information would not be helpful  Many tenants expressed skepticism that landlords would comply with this requirement and that it would be difficult to enforce	<ul> <li>The Rental Housing Workgroup (subcommittee of the local Housing Action Team) is working to create a Successful Renting Curriculum for renters, which will include information on searching for housing, communication and conflict resolution, legal rights under landlord-tenant and fair housing law, and healthy homes information to mitigate health risks like mold.</li> <li>Peer City feedback:         <ul> <li>One city stated that perhaps a webpage would be as effective</li> <li>Translate into most commonly spoken languages</li> <li>Some landlords complain when require distribution of printed copy, but one city felt information was getting buried in electronic</li> </ul> </li> </ul>	<ul> <li>City staff could expand on the current tenant protections webpage to add more resources and partner with community agencies to offer workshops or recorded webinars</li> <li>There is an existing tenant protections page on the City's website which could be made more robust, or could include resources for landlords.</li> <li>Violations could be initiated by tenants, but it would be difficult to gauge how many landlords would be in compliance with this requirement otherwise</li> </ul>

	<ul> <li>Some tenants also suggested regular workshops so people can learn about their rights and ask questions</li> <li>One landlord suggested a webinar or recording online to provide education</li> <li>Some tenants suggested that landlords would be more aware of laws and possibly more likely to follow them if they were required to distribute this information</li> </ul>		move-in documents provided by landlords  Tacoma, Burien, Auburn and Seattle have this requirement  Tacoma and Burien: Tenant must sign stating they received packet or landlord must write declaration if tenant refuses to acknowledge receipt  Seattle: Landlord must provide when a new rental agreement is signed, a rental agreement is renewed, annually to month-bymonth tenants, and/or the City makes updates to the Renter's Handbook
Extended notice for rent increases	<ul> <li>Provides more time for tenants to find alternative housing in a tight rental market if can't afford the increase</li> <li>Survey/focus group feedback:         <ul> <li>Any additional time is deemed helpful by tenants due to difficulty locating new housing and longer than 90 days could be considered</li> <li>Many landlords felt current 60 day notice was sufficient, but weren't adverse to extending to 90 days</li> <li>Many landlords stated this seems reasonable in this market</li> <li>Several tenants stated rent increases over a certain percentage should require justification or verification of cost increases</li> <li>One tenant stated: With how hard it is to find an apartment these days this is a no brainer. We have perfect credit with no criminal</li> </ul> </li> </ul>	Unintended consequence:     100-300% rent increases to beat the new law  Survey/focus group feedback:     Some tenants stated many landlords don't comply with the current 60-day notice requirement and penalties should be added for violations     Some tenants feel this won't make much difference when people can't afford the rent at most alternative locations     Most landlords stated they increase rent due to increased property tax     Some landlords may decide to proactively or more regularly increase rent if a longer notice period is required to account for unforeseen costs	<ul> <li>Current state law requires 60-day notice for rent increases</li> <li>Kenmore requires 120 days' notice for rent increases greater than 3%; or 180 days' notice for rent increases greater than 10%.</li> <li>Auburn: 120-day notice required if rent increased by more than 5%</li> <li>King County: 120 days' notice for rent increases greater than 3%</li> <li>Seattle: 180 days' notice for rent increases</li> <li>Legislation was proposed but did not pass in 2022 to require at least six months' notice for rent increases over a certain amount, allow tenants the right to terminate a tenancy due to a rent increase over a certain amount, and limit late fees to \$75.</li> </ul>

	history and good paying jobs and it took us 4 months.  • Many landlords state that they plan ahead for cost increases and most increases shouldn't come as a surprise  • Some landlords suggested requiring longer notice periods for rent increases over a certain amount	<ul> <li>One landlord suggested only making this applicable to larger property holders who can absorb additional unexpected costs</li> <li>One tenant stated: An additional 30 days will help some renters, but reducing the exorbitant amount of money needed just to move into a rental would be a better option.</li> <li>Some landlords stated that sometimes a landlord-tenant relationship goes sour and 90 days is a long time to continue that situation, especially in shared living situations</li> <li>Some landlords are concerned that a tenant would stop paying rent or cause damage</li> <li>One third party stated: Local deviations from state landlord tenant law are confusing for renters and landlords</li> </ul>	Peer City feedback:  • Build in a period of time for outreach before law needs to be applied	
	Peer City feedback:     Tenant and LL have common understanding re what could cause them to lose their tenanger. Everyone	Could be confusing due to recent changes in statewide laws  Survey/facus group foodbacks	State law passed in 2021: Landlords can no longer end month-to-month lease agreements for no reason, by providing a 20 day "no sayse".	the new statewide Just Cause eviction standards, as many landlords and
Just Cause eviction	them to lose their tenancy. Everyone should be on same page about reason tenancy could be terminated.	Survey/focus group feedback:  • Generally, there is confusion on what is already required under state law and landlords were	providing a 20- day "no cause" termination notice. Landlords must give tenants a written notice with one of several defined reasons for	<ul> <li>tenants were not aware of the current law</li> <li>Consider monitoring the exceptions, as it is a fairly new law, before changing</li> </ul>
	Survey/focus group feedback:	vehemently opposed to the idea of Just Cause eviction	ending rental agreements and evicting tenants. Reasons include:	the requirements locally

- May help preserve tenancies for those impacted by the loophole in state law
- One tenant stated: I was evicted without cause due to a disagreement with my landlord 3 years ago. Ever since, my housing has been unstable, even with a well-paying job
- Another tenant stated: Smoother transitions between housing will cut down on people who fall between the cracks
- Another tenant stated: Too many landlords are dismissing people for discriminatory reasons.
- Another tenant: I live in fear that I
  will be evicted for no reason and
  my life and the lives in my
  roommates will be thrown into
  chaos. This would give me some
  sense of stability, even if I am still
  worried "reasons" could be easily
  invented by landlord, as there are
  many rules that are selectively
  enforced.
- Another tenant: A review of available units the last couple of years has shown a trend of every unit advertised as "Month to Month". I have not been able to obtain a 1 year lease from my management company since the pandemic. I believe this is a way for landlords to avoid any limitations to raising rent or having any accountability to tenants. I would rather see limits placed on Monthto Month rental status.

- Some tenants stated there should be longer notice periods so tenants have time to contest, if needed
- Some tenants feel landlords will find a way around the legal requirements, no matter what they are and that many landlords will just raise the rent to try to get tenants to leave
- Many landlords stated they want to keep good tenants and do not want turnover, unless there is a good reason
- One landlord stated: there is always a reason
- Several tenants stated that landlords should be able to end a tenancy if it's not working out, with proper notice
- Some landlords stated that relationships don't always work out, that this also applies to the landlord-tenant relationship and doesn't serve either party to continue
- One tenant stated that the City should just enforce the current state law
- One landlord stated: A no-cause eviction is just as important to tenants as it is to landlords. If a tenant has difficult paying rent, but it only late a couple of times, the landlord has the option to not renew the lease with no cause. The other option is to cite the causes fastidiously and evict the tenant for cause.

- nonpayment of rent, unlawful activity, the landlord or landlord's family member plans to move into the unit, or the landlord decides to sell the property. Landlords can still end a tenancy for no reason at the end of some 6-12 month lease terms, by providing the tenant with 60 days written notice.
- Policy changes could include also requiring just cause to terminate/not renew 6-12 month leases (state law allows for 60 day written notice to end tenancy for no reason)
- Olympia draft policy (proposed before statewide law passed) didn't provide exception for 6-12 month leases (must still provide reason if terminating or refusing to renew a tenancy)
- Policy change could include requiring 120 day notice rather than 90 day notice for landlord to put the unit up for sale, convert to a condo, or move into/move their family into the unit (see Federal Way)

## Peer City feedback:

- Some cities wondering if they should keep their ordinance due to statewide adoption of Just Cause protections, have to ensure their policies and informational materials align with changes.
- One city implemented Just Cause protections right before the eviction moratorium, so policy has not been

 Consider extending notice period from 90-120 days for reasons such as putting the unit up for sale or converting to a condo

One landlord stated: Mandatory
lease renewal is not something I sales.
could ever support. A fixed term • One city cautioned that need staff to
lease is an agreement between enforce protections if enact them.
two parties that the tenancy will
begin on a certain day and end
on a certain day. It provides
security and assurance to both
parties. If you remove the
security of a fixed term lease for
a housing provider, there is no
reason for them to offer one.
There are many situations where
a housing provider would like to
offer a shorter term, one time
lease. The state legislature
understands that, which is why
that narrow exemption was
allowed.
Another landlord stated:
Changing this requirement will
force landlords to only pick the
most stellar tenants
Another landlord stated: Shortly
before Covid shut moves down,
we had an apartment community
renter who harassed prospective
renters (people of color) in the
parking lot and told them they
had no business on the property.
This person gossiped about
neighbors, made demands of
tradespeople who gratefully
ignored them, and was observed
to be fishing neighbor's rent
checks out of the drop box to see
what they were paying in rent.
Because they didn't steal rent
checks, we had little recourse.
Generally, they were awful
8a-22

	neighbors. We learned they needed additional services due to multiple health issues and disabilities, and we were able to eventually facilitate moving them to a community more suited to meet their needs.		
prote:	 <ul> <li>Calculations tricky for which units qualify as affordable for tenants earning 80% AMI or </li> <li>Has to be updated each year.</li> <li>Hard to enforce; owners don't always know months in advance that they will sell.</li> <li>Has not preserved affordable units in Seattle or Burien.</li> <li>Most affordable housing providers do not have enough reserves to purchase within 60-day timeframe.</li> <li>Many housing providers don't want to buy old properties that may need rehab.</li> </ul>	<ul> <li>State passed legislation in 2022         exempting a sale or transfer of real         property for affordable housing to         a nonprofit entity, housing         authority, public corporation,         county, or municipal corporation         from the real estate excise tax</li> <li>Peer City feedback:         <ul> <li>One city felt if any affordable housing             was preserved, it would be worth it,             however, two other cities felt it was an             administrative burden that hasn't had             the impact intended by the policy.</li> <li>In Seattle, an auditor's report will be             coming out soon to give transparent             feedback.</li> <li>Seattle's policy has a Tenant             Opportunity to Purchase (TOPO)             element.</li> <li>One city didn't write good enforcement             process. Doesn't put in structure,             timelines, appeal process.</li> </ul> </li> </ul>	<ul> <li>Consider exploring in conjunction with TOPO</li> <li>Consider offering option to owners of residential housing to let City know voluntarily that they are interested in selling rental property to nonprofit, PHA, or other entity to maintain as affordable housing. Staff would maintain list of groups to notify. Provide education to property owners regarding real estate excise tax exemption.</li> </ul>