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Memorandum

Date: February 9, 2022

To: City Council and Mayor

From: Brad Medrud, Planning Manager

Subject: Tumwater Housing Action Plan – Potential Measures for Addressing Tenant Protections

Issue

After the City Council adopted Resolution No. R2018-016 in the summer of 2018, the City has undertaken a number of actions to address homelessness, increase affordable housing, and continue to work with other jurisdictions and agencies to explore regional solutions to these issues.

Since 2018, the City has been reviewing actions and measures to take to support tenant protections as a way to make it easier for people in the City who rent to access housing and stay housed.

In September 2021, the City Council adopted the *Tumwater Housing Action Plan*, which will inform the City's Comprehensive Plan policies and development regulations, guide implementation strategies, and provide actions to help the City meet its housing needs.

This memorandum discusses potential actions and measures that could be taken by the City alone or on a regional basis to address tenant protection issues following the strategies and actions in the *Tumwater Housing Action Plan*.

Background

Since 2018, a City work group has been guided by the following action item in Resolution No. R2018-016:

GOAL: Boost Housing Affordability

Action #9 – *Enact policies to protect tenants experiencing housing instability, which may include:*

- a. *Review current eviction/renter protection policies, laws, and legal services and assess possible actions.*
- b. *Assess need for/knowledge of landlord-tenant conflict resolution services.*

c. Support renter resources (mediation, etc.).

The City work group, which included Councilmember Michael Althaus, City Administrator John Doan, City Attorney Karen Kirkpatrick, Community Development Director Michael Matlock, Housing Consultant Paul Knox, and Planning Manager Brad Medrud, explored a range of potential measures to address Resolution No. R2018-016 Action #9, so that the City Council could make an informed decision on which actions to pursue.

The City work group met in 2018 and 2019 to review the City's current tenant protections found in TMC Chapter 5.70 *Unfair Housing Practices*, as well as the state's requirements under the Residential Landlord-Tenant Act (RLTA) (RCW 59.18) and what other jurisdictions are doing to address tenant protections. The City work group prepared a draft list of potential measures that the City could undertake. The City Council discussed the draft list of potential measures at a worksession on March 26, 2019 and moved one potential measure to an action item.

The draft list of potential measures was updated on April 8, 2019 to address additional upfront costs to tenants and to change immigration status to citizenship status.

Since 2019, the state legislature has passed a number of bills on the state level addressing tenant protections in the RLTA.

The draft list of potential measures was updated on May 14, 2019 to address actions taken by the state legislature and governor through the following:

- ESHB 1138 "Concerning the armed forces exceptions for giving notice of termination of a tenancy" effective April 17, 2019
- ESHB 1440 "Providing longer notice of rent increases" effective April 23, 2019
- ESSB 5600 "Concerning residential tenant protections" effective May 9, 2019
- HB 1462 "Providing notice of plans to demolish, substantially rehabilitate, or change use of residential premises" effective July 28, 2019

The draft list of potential measures was updated on November 15, 2021 to address taken by the state legislature and governor through the following:

- ESHB 1236 "Residential Tenancies—Various Provisions" effective May 10, 2021
- ESSHB 1272 "Eviction Prevention—Recorded Document Surcharge" effective July 25, 2021
- EHB 1694 "Tenants—Payments in Installments" effective June 11, 2020
- HB 2535 "Past Due Rent—Tenant Grace Period" effective June 11, 2020
- ESSB 5160 "Landlord and Tenant Relations" effective April 22, 2021
- ESSB 6378 "Residential Tenants—Various Provisions" effective June 11, 2020, Except for sections 5 through 8, which become effective April 2, 2020

In addition, the draft list of potential measures was updated on December 12, 2019 to reflect the Washington Supreme Court decisions on November 14, 2019 in *Yim v. Seattle I* (No. 98513.-

1) and *Yim v. Seattle II* (No. 96817-9) which found first in time preference for rental housing applicants constitutional.

In December 2019, the City work group shared its list of potential measures with staff at Thurston County and the cities of Olympia and Lacey with the intent of working on some of the potential measures regionally. There were some regional discussions, but no actions were taken before the COVID pandemic started in early 2020 and the state had to undertake emergency statewide tenant protection actions.

In late 2019 and early 2020, City staff met with individual landlords and tenants to discuss the list of potential measures.

Housing Action Plan Actions and All Potential Measures

Housing Action Plan Actions

The *Tumwater Housing Action Plan* adopted in September 2021 contains three strategies and ten actions that the City has agreed to undertake that are most relevant to addressing tenant protections. A full description of the actions, including their implementation status, effort to implement, effect on housing supply, comments, and City resources needed is found in Appendix 1.

Strategy 1: Increase the supply of permanent, income-restricted affordable housing.

Action 1.k. Enhance enforcement of property maintenance codes to keep housing in good repair.

Strategy 2: Make it easier for households to access housing and stay housed.

- 2.a. Have developers provide tenants displaced by redevelopment with relocation assistance.
- 2.c. Adopt short-term rental regulations to minimize impacts on long-term housing availability.
- 2.d. Support down payment assistance programs for homeownership and programs that assist people entering the rental market.
- 2.e. Identify and implement appropriate tenant protections that improve household stability.
- 2.f. Develop a technical assistance or education program for small landlords.
- 2.g. Assist non-profits in the process of acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled.
- 2.h. Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold.

Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.

- 5.b. Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.
- 5.d. Establish a rental registration program to improve access to data and share information with landlords.

Potential Measures to Consider for Amendments to the Tumwater Municipal Code

With the end of the state moratorium on evictions, in the fall of 2021 the City work group discussed the following draft list of potential measures to consider for amendments to the Tumwater Municipal Code and evaluated what measures should be developed further. A full description of the potential measures, including potential positives and negatives, and discussion are found in Appendix 2. The City work group **Go** or **No Go** recommendation follows each potential measure.

- Measure 1: Prohibit use of online bidding platforms **No Go**
- Measure 2: Require landlords to distribute certain housing related information, including rights and responsibilities to tenants **Go**
- Measure 3: Require that deposits, as well as recurring and one time fees be in written agreements **Go**
- Measure 4: Make landlord failure to comply a renter defense to eviction and the landlord subject to liability and penalties **Go**
- Measure 5: Prohibit waiving of city requirements **Go**
- Measure 6: Prohibit retaliation **No Go**
- Measure 7: Require notification a set number of days prior to eviction due and of no-cause eviction **Go**
- Measure 8: Require notification a set number of days prior to any rent increase **Go**
- Measure 9: Require a landlord to allow a tenant to pay the deposit and move in and administrative fees over a period of up to a number of months and allow tenants the ability to pay security and last month rent over a period of three months after moving in in lieu of upfront so there is less initial barrier to entry **No Go**
- Measure 10: Add source of income protections in housing rental code **No Go**
- Measure 11: Add citizenship status protections in housing rental code **No Go**
- Measure 12: Limit fees a landlord could charge **No Go**
- Measure 13: First-in-time tenancy required **No Go**
- Measure 14: Add criminal conviction status protections in housing rental code **No Go**
- Measure 15: Require landlords to show good cause to terminate a month-to-month tenancy and to refuse to renew a fixed term tenancy **No Go**

Measure 16: Tenant relocation assistance fund **No Go**

Measure 17: Provide relocation payment for any low-income tenant displaced by the reasons in Measure #7 **No Go**

Potential Measures to Consider for Education and Communication

In addition, the City work group discussed the following draft list of potential measures to consider for education and communication and evaluated what measures should be developed further. A full description of the potential measures, including potential positives and negative, and discussion are found in Appendix 3. The City work group **Go** or **No Go** recommendation follows each potential measure.

Measure 18: Create a list of landlords for communication regarding notices and enforcement **Go**

Measure 19: Contract with Dispute Resolution Center for tenant and landlord conflict resolution services **Go**

Proposed Actions and Measures for City Council Discussion in Order of Priority to Undertake

The *Tumwater Housing Action Plan* actions and City work group measures list below is an integrated list of *Tumwater Housing Action Plan* actions and potential City work group measures listed in order of priority to undertake that the City Council could consider to address the Action #9 in Resolution No. R2018-016.

The list includes actions and potential measures that could be considered as amendments to the Tumwater Municipal Code as well as actions and potential measures that could be addressed through education and communication efforts led by the City. For most of the actions and potential measures, the City Council should discuss funding through the City Council's biennial budgeting process, the schedule for staff to develop and run such a program, and staffing, as well developing a communications strategy to let landlords and tenants know what the City is doing.

As part of the communications strategy for the adoption of such actions and potential measures, the City work group suggests that there should be conversations with tenants, housing advocates, such as Together! and Homes First, and property owners, landlords, and real estate management companies, to review and provide comment on the implementation of the actions and potential measures considered. The updated draft list of actions and potential measures could also be sent to housing staff at Thurston County and the cities of Lacey and Olympia to get their thoughts.

Some of the potential *Tumwater Housing Action Plan* actions and City work group measures would involve registration of property owners providing rental units as a first step to gather information on number of units and contacts for education and updates on City programs. A list will be needed to make existing and proposed regulations effective.

Suggested Priority	<i>Tumwater Housing Action Plan actions and City work group measures</i>
1	<p>Measure 18: <i>Create a list of landlords for communication regarding notices and enforcement</i></p> <p>Action 5.d. <i>Establish a rental registration program to improve access to data and share information with landlords.</i></p> <ul style="list-style-type: none"> • A list of landlords will be needed to make existing and proposed regulations below effective • This may be best considered as a regional action. • It could be similar to the City of Lacey’s Residential Building Rental Registration Program (LMC 14.02) (see Appendix 4) or the City of Auburn’s program (see Appendix 5). • Review the City of Hoquiam and Aberdeen’s programs • Cost and resources needed would depend on scope of the program. • Action 5.d is expected to require a high level of effort to implement and have a low effect on housing supply.
2	<p>Measure 19: <i>Contract with Dispute Resolution Center for tenant and landlord conflict resolution services</i></p> <ul style="list-style-type: none"> • Mediation of disputes by an independent third party (RCW 59.18.315) is an option both parties can agree to, and it is free of charge. Dispute Resolution Centers serve this purpose and operate in all counties. There are also statewide organizations like the Tenants Union of Washington State that can help tenants connect with legal services. It would avoid the cost and time of going through the court system. • City Council would decide if it would pay full or subsidized cost up to a particular amount. Prices range on length of interaction.
3	<p>Action 5.b. <i>Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.</i></p> <ul style="list-style-type: none"> • It would be good to have an ombudsperson resource for renters established through the Regional Housing Authority or another regional organization. • Discuss further with Thurston County Coordinated Entry program • Use trained volunteers were possible. • This action is expected to require a high level of effort to implement and have a medium effect on housing supply.

4	<p>Action 2.e. <i>Identify and implement appropriate tenant protections that improve household stability.</i></p> <ul style="list-style-type: none"> Such tenant protections could include code amendments as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” that would address the following: <p><i>Measure 2: Require landlords to distribute certain housing related information, including rights and responsibilities to tenants</i></p> <ul style="list-style-type: none"> Would need to develop set of standard required information Better landlord and tenant education Best if cross jurisdictional <p><i>Measure 3: Require that deposits, as well as recurring and one time fees be in written agreements</i></p> <ul style="list-style-type: none"> Required in RLTA (RCW 59.18.260) for deposits or securities for leases one year and longer <p><i>Measure 4: Make landlord failure to comply a renter defense to eviction and the landlord subject to liability and penalties</i></p> <ul style="list-style-type: none"> Right to council for indigent tenants per RCW 59.18.640 City provides education packet and requires information Civil penalties would likely be available a deterrent Would likely be applicable only if a court case is filed <p><i>Measure 5: Prohibit waiving of city requirements</i></p> <ul style="list-style-type: none"> Same waiver protections for municipal requirements as RLTA (RCW 59.18.230) <p><i>Measure 7: Require notification a set number of days prior to eviction due and of no-cause eviction</i></p> <ul style="list-style-type: none"> State law requires a 60-day notice period to end tenancy by landlords unless specific conditions are met per ESHB 1236 Would 90 days be more useful and when would be the best situations? For month to month, 120-day notice required for change to condominium, demolition, or substantial rehabilitation by landlord Need to review state law for exemptions for military families. <p><i>Measure 8: Require notification a set number of days prior to any rent increase</i></p>
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Suggested Priority	<i>Tumwater Housing Action Plan actions and City work group measures</i>
	<ul style="list-style-type: none"> • 60-day notice for increase in rent in RCW 59.18.140 added by ESHB 1440 in 2019 • Do we want to go to 90 days? • See City of Kenmore example • Discuss with Elisa Sparkman with the Thurston County Housing Action Team, and the County Healthy Homes Program • Tenant protections can mean putting a burden on small owners, who often are unable to afford to subsidize their rental property. Start this program with larger rental properties. • This action is expected to require a high level of effort to implement and have a medium effect on housing supply.
5	<p><i>Action 1.k. Enhance enforcement of property maintenance codes to keep housing in good repair.</i></p> <ul style="list-style-type: none"> • Move beyond the current complaint driven process, to consider periodic inspections of rental property such as mold/vermin inspections. • Suggest starting as a voluntary program. • Review City of Lacey, City of Pasco, and City of Aberdeen’s programs and look at cost to tenant. • This action is expected to require a high level of effort to implement and have a medium effect on housing supply.
6	<p><i>Action 2.f. Develop a technical assistance or education program for small landlords.</i></p> <ul style="list-style-type: none"> • This action is expected to require a medium level of effort to implement and have a medium effect on housing supply.
7	<p><i>Action 2.h. Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold.</i></p> <ul style="list-style-type: none"> • This action is expected to require a medium level of effort to implement and have a low effect on housing supply.
8	<p><i>Action 2.g. Assist non-profits in the process of acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled.</i></p> <ul style="list-style-type: none"> • This action is expected to require a high level of effort to implement and have a medium effect on housing supply.

Suggested Priority	<i>Tumwater Housing Action Plan actions and City work group measures</i>
9	<p><i>Action 2.d. Support down payment assistance programs for homeownership and programs that assist people entering the rental market.</i></p> <ul style="list-style-type: none"> • While it is beyond the financial capacity of the City to manage such programs and it would be better as state or regional programs, the City could support regional programs with non-profit management. • This action is expected to require a high level of effort to implement and have a medium effect on housing supply.
10	<p><i>Action 2.c. Adopt short-term rental regulations to minimize impacts on long-term housing availability.</i></p> <ul style="list-style-type: none"> • City staff will consider the work necessary to implement the action if we start to see a problem, but the work has not been scheduled. • Consider requiring on site ownership for accessory dwelling units used as short-term rentals. • This action is expected to require a high level of effort to implement and have a low effect on housing supply.
11	<p><i>Action 2.a. Have developers provide tenants displaced by redevelopment with relocation assistance.</i></p> <ul style="list-style-type: none"> • It may be best implemented through funding to nonprofits, CDBG funding, and work through policies from the Regional Housing Council. • Research housing impact fee. • This action is expected to require a high level of effort to implement and have a medium effect on housing supply.





Additional Notice Required




Pursuant to EHB 2971, passed by the 2016 state legislature and codified at RCW 64.06.080 and RCW 43.110.030(2)(e), the Municipal Research and Service Center is directed to provide the following on its website:







- A summary of all requirements imposed by cities, towns, and counties on landlords or sellers of real property to provide information to a buyer or tenant "pertaining to the subject property or to the surrounding area"; and
- An internet link to the ordinances, resolutions, or policies imposing those requirements.








For that reason, City should provide to Municipal Research and Service Center a summary of any pertinent ordinance, resolution, or policy that impose requirements on sellers or landlords to disclose designated information to purchasers or renters; and an internet link to the ordinance, resolution, or policy.







Appendix 1. Tumwater Housing Action Plan – Actions Related to Landlords, Tenants, and Rentals









Strategy 1: Increase the supply of permanent, income-restricted affordable housing.		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
Action						
1.k. Enhance enforcement of property maintenance codes to keep housing in good repair. <i>Gaps/Needs Addressed:</i>   			H	M	The City is currently implementing this action and may look at moving beyond the current complaint driven process, to consider periodic inspections of rental property such as mold/vermin inspections. Suggest starting as a voluntary program. Review City of Lacey, City of Pasco, and City of Aberdeen’s programs and look at cost to tenant.	<ul style="list-style-type: none"> Funding through the City Council’s biennial budgeting process. Time for staff to develop and run such a program.

Strategy 2: Make it easier for households to access housing and stay housed.		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
Action						
2.a. Have developers provide tenants displaced by redevelopment with relocation assistance. <i>Gaps/Needs Addressed:</i>  			H	M	The City will consider the work necessary to implement the action, but the work has not been scheduled. More details would need to be provided for the action. It may be best implemented through funding to nonprofits, CDBG funding, and work through policies from the Regional Housing Council. Research housing impact fee.	<ul style="list-style-type: none"> Funding for displacement assistance from developers. Funding for running program through the City Council’s biennial budgeting process Time for staff to develop and run such a program.

Strategy 2: Make it easier for households to access housing and stay housed.		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
Action						
<p>2.c. Adopt short-term rental regulations to minimize impacts on long-term housing availability.</p> <p><i>Gaps/Needs Addressed:</i></p>  			H	L	<p>The City will consider the work necessary to implement the action if we start to see a problem, but the work has not been scheduled.</p> <p>Consider requiring on site ownership for accessory dwelling units used as short-term rentals.</p>	<ul style="list-style-type: none"> Time for staff to review and develop ordinance updating development code. Time for the Planning Commission to review and the City Council to review and approve an ordinance. Time for staff to develop and run such a program.
<p>2.d. Support down payment assistance programs for homeownership and programs that assist people entering the rental market.</p> <p><i>Gaps/Needs Addressed:</i></p>  			H	M	<p>The City will consider the work necessary to implement the action if we start to see a problem, but the work has not been scheduled.</p> <p>While it is beyond the financial capacity of the City to manage such programs and it would be better as state or regional programs, the City could support regional programs with non-profit management.</p>	<ul style="list-style-type: none"> Time for staff to review and develop ordinance updating development code. Time for staff to develop and run such a program.

Strategy 2: Make it easier for households to access housing and stay housed.		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
Action						
<p>2.e. Identify and implement appropriate tenant protections that improve household stability.</p> <p><i>Gaps/Needs Addressed:</i></p> <div>    </div>			H	M	<p>The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Rental Housing Amendments.</p> <p>Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 9) <i>Enact policies to protect tenants experiencing housing instability</i> under B) <i>Boost Housing Affordability – Actions to increase affordable housing</i> to address this action.</p> <p>Tenant protections can mean putting a burden on small owners, who often are unable to afford to subsidize their rental property. Start this program with larger rental properties.</p>	<ul style="list-style-type: none"> Time for staff to review and develop ordinance updating development code. Time for the Planning Commission to review and the City Council to review and approve an ordinance. Funding through the City Council’s biennial budgeting process. Time for staff to develop and run such a program.
<p>2.f. Develop a technical assistance or education program for small landlords.</p> <p><i>Gaps/Needs Addressed:</i></p> <div>   </div>			M	M	<p>The City will consider the work necessary to implement the action, but the work has not been scheduled.</p>	<ul style="list-style-type: none"> Funding through the City Council’s biennial budgeting process. Time for staff to develop and run such a program.

Strategy 2: Make it easier for households to access housing and stay housed. Action	Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
<p>2.g. Assist non-profits in the process of acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled.</p> <p><i>Gaps/Needs Addressed:</i></p> <div data-bbox="205 721 352 764">   </div>		H	M	<p>The City will consider the work necessary to implement the action, but the work has not been scheduled.</p>	<ul style="list-style-type: none"> Funding through the City Council's biennial budgeting process. Time for staff to develop and run such a program.
<p>2.h. Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold.</p> <p><i>Gaps/Needs Addressed:</i></p> <div data-bbox="205 1062 352 1105">   </div>		M	L	<p>The City will consider the work necessary to implement the action, but the work has not been scheduled.</p>	<ul style="list-style-type: none"> Funding through the City Council's biennial budgeting process. Time for staff to develop and run such a program.

<p>Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.</p> <p>Action</p>	<p>Implementation Status</p>	<p>Effort to Implement</p>	<p>Effect on Housing Supply</p>	<p>Comment</p>	<p>City Resources Needed</p>
<p>5.b. Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.</p> <p><i>Gaps/Needs Addressed:</i></p>   		<p>H</p>	<p>M</p>	<p>The City will consider the work necessary to implement the action, but the work has not been scheduled.</p> <p>It would be good to have an ombudsperson resource for renters established through the Regional Housing Authority or another regional organization.</p> <p>Use trained volunteers were possible.</p>	<ul style="list-style-type: none"> Funding through the City Council’s biennial budgeting process. Time for staff to develop and run such a program.
<p>5.d. Establish a rental registration program to improve access to data and share information with landlords.</p> <p><i>Gaps/Needs Addressed:</i></p>   		<p>H</p>	<p>L</p>	<p>The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Rental Housing Amendments.</p> <p>Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 9) <i>Enact policies to protect tenants experiencing housing instability</i> under B) <i>Boost Housing Affordability – Actions to increase affordable housing</i> to address this action.</p> <p>This may be best considered as a regional action.</p> <p>A rental registration program will give the City a way to educate landlords about issues.</p>	<ul style="list-style-type: none"> Funding through the City Council’s biennial budgeting process. Time for staff to develop and run such a program.

Key to Housing Action Plan Tables Above

1. Seven gaps identified in the Housing Needs Assessment:



Affordability. Reduce the cost of housing for low-income and cost-burdened households.



Supply. Increase the inventory of housing for all households.



Variety. Increase the variety of housing sizes and types



Seniors. Increase the stock of housing options needed for aging seniors.



Improvements. Maintain the existing housing stock, including improving energy efficiency and air quality.



Stability. Increase household wealth by providing safe, stable options for rental housing and pathways to homeownership.



Supportive Housing. Increase permanent housing options for people with disabilities and those at risk of or experiencing homelessness.

2. Implementation status for the City, as represented by the following symbols:



The action is pending – the City has begun the work necessary to implement the action, but it is not yet fully implemented.



The action will be considered – the City will consider the work necessary to implement the action, but the work has not been scheduled.

3. Effort to Implement:

High – Action would require significant resources to implement (funding, staff, political effort, etc.)

Medium – Action would require medium resources to implement (funding, staff, political effort, etc.)

Low – Action would require few resources to implement (funding, staff, political effort, etc.)

N/A – Action not applicable to the City

4. Effect on Housing Supply:

High – Action would result in a significant increase in desired housing units

Medium – Action would result in a medium increase in desired housing units

Low – Action would result in a small increase in desired housing units

N/A – Action not applicable to the City

Appendix 2: Measures Considered for Amendments to Tumwater Municipal Code

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
1	Prohibit use of online bidding platforms	<ul style="list-style-type: none"> • Easy policy decision • Best if cross jurisdictional 	<ul style="list-style-type: none"> • Is this addressing an issue in the City? • Potentially difficult to enforce 	<ul style="list-style-type: none"> • Not clear if this is an issue in the City • Would need communications strategy • Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” 	Originally Go Recommend No Go as this has not been demonstrated to be an issue in the City
2	Require landlords to distribute certain housing related information, including rights and responsibilities to tenants	<ul style="list-style-type: none"> • Easy policy decision • Best if cross jurisdictional 	<ul style="list-style-type: none"> • Potentially difficult to communicate or enforce 	<ul style="list-style-type: none"> • May need to require landlord registration to identify landlords operating in the City • Would need to develop set of standard required information (See footnote on the City of Auburn’s requirements)¹ • Better landlord and tenant education • Would need communications strategy • Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” 	Originally Go Recommend Go

¹ As an example, the following is what is required by the City of Auburn as of 2020 at three different phases of the rental process:

- At time of application the landlord must provide the tenant with their written rental criteria and the website address designated by the City for the purpose of obtaining information on:
 - Local code enforcement action relating to the property
 - Website address to the Washington Secretary of State for the purposes of registering to vote or changing address if already registered to vote.
- When a rental agreement/lease is offered, the landlord must provide the tenant with a written copy of the summaries prepared by the City, which includes information on the following:
 - Rental Housing Code (ACC 5.23)

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
3	Require that deposits, as well as recurring and one time fees be in written agreements	<ul style="list-style-type: none"> Required in RLTA (RCW 59.18.260) for deposits or securities for leases one year and longer Best if cross jurisdictional Could include in as part of Measure #2 	<ul style="list-style-type: none"> How would this be enforced? How would this address month-to-month leases and leases of less than a year? Not clear if necessary 	<ul style="list-style-type: none"> Not clear if required for leases less than one year Would need communications strategy Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” 	Originally Go Recommend Go

- Auburn Building and Property Maintenance Code
 - Washington State Residential Landlord-Tenant Act (RLTA) (RCW 59.18)
 - Forcible Entry and Forcible Unlawful Detainer (RCW 59.12)
3. During tenancy, landlords must provide tenants with a notice of resources prepared by the City when the landlord serves any notice to a tenant under RCW 59.12.030 which include:
- 14-day pay or vacate
 - 3-day for waste or nuisance
 - 10-day comply or vacate
 - Notice to terminate tenancy

Landlords are required to provide copies of summaries to existing tenants within 30 days of them being made available by the City of Auburn. The initial distribution of information to tenants must be in written form and landlords must obtain tenant’s signature documenting receipt of such information. If a tenant refuses to provide a signature documenting the tenant’s receipt of the information, the landlord may draft a declaration stating when and where the landlord provided tenant with the required information. After the initial distribution of the summaries to tenants, a landlord shall provide existing tenants with updated summaries by the City, and may do so in electronic form unless a tenant otherwise requests written summaries.

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
4	Make landlord failure to comply a renter defense to eviction and the landlord subject to liability and penalties	<ul style="list-style-type: none"> Would be tied to other municipal code measures Best if cross jurisdictional 	<ul style="list-style-type: none"> Only applicable to municipal ordinances Would likely be applicable only if a court case is filed 	<ul style="list-style-type: none"> Right to council for indigent tenants per RCW 59.18.640, may need to update forms If City provides education packet and requires information Would need communications strategy Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” Civil penalties would likely be available a deterrent 	Originally Go Recommend Go
5	Prohibit waiving of city requirements	<ul style="list-style-type: none"> Same waiver protections for municipal requirements as RLTA (RCW 59.18.230) Best if cross jurisdictional 	<ul style="list-style-type: none"> Court case 	<ul style="list-style-type: none"> Is this needed if policies are set? Would need communications strategy Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” Civil penalties would likely be available a deterrent 	Originally Go Recommend Go
6	Prohibit retaliation	<ul style="list-style-type: none"> Protects those who seek to pursue their legal rights for municipal law as RLTA (RCW 59.18) Best if cross jurisdictional 	<ul style="list-style-type: none"> Potentially difficult to communicate or enforce 	<ul style="list-style-type: none"> Addressed by RCW 59.18.240 <i>Reprisals or retaliatory actions by landlord—Prohibited</i> Would need communications strategy Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” Civil penalties would likely be available a deterrent 	Originally Go Recommend No Go as this has been addressed at the state level

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
7	Require notification a set number of days prior to eviction due and of no-cause eviction	<ul style="list-style-type: none"> • Could set policy for all rent increases • Makes the most impact • Best if cross jurisdictional 	<ul style="list-style-type: none"> • May incentivize regular percentage increases under threshold • Potentially difficult to communicate or enforce 	<ul style="list-style-type: none"> • State law requires a 60-day notice period to end tenancy by landlords unless specific conditions are met per ESHB 1236 “Residential Tenancies—Various Provisions” effective May 10, 2021 (RCW 59.18) • Would 90 days be more useful and when would be the best situations? • For month to month, 120-day notice required for change to condominium, demolition, or substantial rehabilitation by landlord (RCW 59.18.200) added by HB 1462 • Related to the no cause eviction • Would need major communications strategy • Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” • May address the new “Fourteen-Day Notice to Pay Rent or Vacate the Premises” that is a part of ESSB 5600 • May address the new requirements for a 60-day notice for increase in rent in RCW 59.18.140 added by ESHB 1440 in 2019 	Originally Go Recommend Go
8	Require notification a set number of days prior to any rent increase	<ul style="list-style-type: none"> • Makes the most impact • Best if cross jurisdictional 	<ul style="list-style-type: none"> • Potentially difficult to communicate or enforce 	<ul style="list-style-type: none"> • 60-day notice for increase in rent in RCW 59.18.140 added by ESHB 1440 in 2019 • Do we want to go to 90 days? • See City of Kenmore example • Would need major communications strategy • Could be addressed as a potential code amendment as part of a new “Rental Housing Code” chapter in TMC Title 5 “Business Taxes, Licenses and Regulations” 	Originally Go Recommend Go

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
9	Require a landlord to allow a tenant to pay the deposit and move in and administrative fees over a period of up to a number of months and allow tenants the ability to pay security and last month rent over a period of three months after moving in in lieu of upfront so there is less initial barrier to entry	<ul style="list-style-type: none"> • Would help address the economic issues • Very helpful for low or medium income renters • Address month to month costs • Best if cross jurisdictional 	<ul style="list-style-type: none"> • Has this been challenged? • Potentially difficult to communicate or enforce 	<ul style="list-style-type: none"> • RCW 59.18.253 limits the deposit to hold to 25% of first month's rent • RCW 59.18.610 allows for payments in installments any deposits, nonrefundable fees, and last month's rent without penalty or interest • Tied to term of lease • Payment period could be over three to four months • Would need major communications strategy • Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations" 	Originally Go Recommend No Go as this has been addressed at the state level
10	Add source of income protections in housing rental code	<ul style="list-style-type: none"> • Easy policy change • Best if cross jurisdictional 	<ul style="list-style-type: none"> • Potentially difficult to communicate or enforce 	<ul style="list-style-type: none"> • Source of income protected under state law (RCW 59.18.255) in 2018 • "Fair chance housing" • Would need communications strategy • Proposed code amendments to TMC 5.70 "Unfair Housing Practices" and as part of new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations" 	Originally Go Recommend No Go
11	Add citizenship status protections in housing rental code	<ul style="list-style-type: none"> • Easy policy change • Best if cross jurisdictional 	<ul style="list-style-type: none"> • Potentially difficult to communicate or enforce • Potential conflict with federal law 	<ul style="list-style-type: none"> • Citizenship status protections found in RCW 49.60.222 <i>Unfair practices with respect to real estate transactions, facilities, or services.</i> • Source of income protected under RLTA, but not citizenship status • "Fair chance housing" 	Originally Go Recommend No Go

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
12	Limit fees a landlord could charge	<ul style="list-style-type: none"> Would help address economic issues Best if cross jurisdictional 	<ul style="list-style-type: none"> Regulating actual business decisions Potentially difficult to communicate or enforce How would fees be justified? Needs further research 	<ul style="list-style-type: none"> Did not find a cap on a security deposit in RLTA Possible limits on nonrefundable fees Security deposit would not be more than one month's rent Would need major communications strategy No action will be taken on this option for now 	Originally No Go Recommend No Go
13	First-in-time tenancy required	<ul style="list-style-type: none"> First qualified applicant accepted Best if cross jurisdictional 	<ul style="list-style-type: none"> Difficult to communicate and enforce May not address economic issues Would need source of income 	<ul style="list-style-type: none"> Equity issue – See Seattle example Can the City purchase a database of owners of rental property? Would need major communications strategy Washington Supreme Court decisions on November 14, 2019 in the Yim v. Seattle I (No. 98513.-1) and Yim v. Seattle II (No. 96817-9) which found first in time preference for rental housing applicants constitutional. 	Originally No Go Recommend No Go
14	Add criminal conviction status protections in housing rental code	<ul style="list-style-type: none"> Best if cross jurisdictional 	<ul style="list-style-type: none"> Potentially difficult to communicate or enforce 	<ul style="list-style-type: none"> Recommended that this be addressed at state level Source of income protected under state law, but not criminal conviction status "Fair chance housing" Seattle includes criminal conviction status Would need major communications strategy No action will be taken on this option 	Originally No Go Recommend No Go

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
15	Require landlords to show good cause to terminate a month-to-month tenancy and to refuse to renew a fixed term tenancy	<ul style="list-style-type: none"> Best if cross jurisdictional 	<ul style="list-style-type: none"> Often tenants appreciate month to month flexibility Potentially difficult to communicate or enforce Takings analysis required 	<ul style="list-style-type: none"> State law requires a 60-day notice period to end tenancy unless specific conditions are met per ESHB 1236 “Residential Tenancies—Various Provisions” effective May 10, 2021 Add this to notice requirements discussion elsewhere in this table Would need major communications strategy Is this legal? No action will be taken on this option 	Originally No Go Recommend No Go
16	Tenant relocation assistance fund	<ul style="list-style-type: none"> Addresses economic relocation Not for cause 	<ul style="list-style-type: none"> Would need more study to determine criteria and funding Current City of Portland litigation 	<ul style="list-style-type: none"> HB 1277 in 2021 established a \$100.00 surcharge on certain recorded documents to fund various housing services. It also creates the Eviction Prevention Rental Assistance Program and requires Commerce to develop performance metrics for each county receiving funding from the surcharge and to dedicate a portion of funding to performance-based allocations Could be property owner funded Some programs go through a municipality, while other directly to a tenant Would need major communications strategy No action will be taken on this option 	Originally No Go Recommend No Go

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No Go
17	Provide relocation payment for any low-income tenant displaced by the reasons in Measure #7	<ul style="list-style-type: none"> Best if cross jurisdictional 	<ul style="list-style-type: none"> Potentially difficult to communicate or enforce Could be a disincentive to property fixes or improvements Would need an income standard 	<ul style="list-style-type: none"> HB 1277 in 2021 established a \$100.00 surcharge on certain recorded documents to fund various housing services. It also creates the Eviction Prevention Rental Assistance Program and requires Commerce to develop performance metrics for each county receiving funding from the surcharge and to dedicate a portion of funding to performance-based allocations Long term Would need major communications strategy No action will be taken on this option 	Originally No Go Recommend No Go

Appendix 3: Measures Considered for Education and Communication

	Measures	Potential Positives	Potential Negatives	Discussion	Staff Go or No
18	Create a list of landlords for communication regarding notices and enforcement	<ul style="list-style-type: none"> A list will be needed to make existing and proposed regulations effective 	<ul style="list-style-type: none"> Potentially difficult to generate 	<ul style="list-style-type: none"> List would include name, contact information, number of units, and location of units Would need communications strategy 	Originally Go Recommend Go
19	Contract with Dispute Resolution Center for tenant and landlord conflict resolution services	<ul style="list-style-type: none"> Easy service to test for use 	<ul style="list-style-type: none"> No clear incentives for sides to engage once in conflict Landlord has upper hand in power dynamic Cost of Dispute Resolution Center services 	<ul style="list-style-type: none"> The Landlord-Tenant Act (RCW 59.18) has remedies and procedures to resolve most landlord-tenant issues. Mediation of disputes by an independent third party (RCW 59.18.315) is an option both parties can agree to, and it is free of charge. Dispute Resolution Centers serve this purpose and operate in all counties. There are also statewide organizations like the Tenants Union of Washington State that can help tenants connect with legal services. City would pay full or subsidized cost up to a particular amount Prices range on length of interaction Would need communications strategy 	Originally Go Recommend Go

Appendix 4: City of Lacey's Residential Building Rental Registration Program (LMC 14.02)

Chapter 14.02 Residential Building Rental Registration Program

Sections:

14.02.010General

14.02.020Purpose

14.02.030Registration information

14.02.040Registration fees

14.02.050Incentives

14.02.010 General.

All properties containing five or more dwelling units in the same complex which, for payment of money, goods and/or services, are rented or leased to any individual or group of individuals shall be registered annually with the community and economic development department. All new buildings within such complexes shall be registered during the final inspection or certificate of occupancy process. All existing buildings or building complexes containing five or more dwelling units shall be registered with the city within thirty days after notification by the city to the building owner or property manager following enactment of this chapter and prior to January 31st of each year thereafter. (Ord. 1539 §1, 2019; Ord. 1095 §1, 1999).

14.02.020 Purpose.

The purpose of the Residential Building Rental Registration Program is to prevent neighborhood blight and deterioration by providing accurate information for the notification of owners, or the owners' agents by officers of the City of Lacey, so as to be able to respond quickly and accurately if a complaint is filed against the property. It is also the intent of this program to offer incentives for the voluntary compliance by the owners of all residential rental buildings with the Crime Prevention Through Environmental Design (CPTED) Program, and participation by the owners of all multiple family rental buildings in the Crime Free Multi-Family Housing Program. (Ord. 1095 §1, 1999).

14.02.030 Registration information.

A. In order to register residential rental buildings, the following information shall be provided to the community and economic development department:

1. The address of the residence of the owner, or corporation officers, if a corporation;
2. The address where the owner will receive mail;
3. The owner's telephone number;
4. The address of each residential rental property owned, within the city of Lacey;
5. List the number of dwelling units at each rental address, with the gross floor area of each unit, and number and floor area, excluding closet space, of each bedroom within the unit;
6. Whether a tenant-screening agency is being used;
7. Telephone number of the on-site manager; and if applicable
8. Telephone number of the security agency.

B. In addition to the information required by subsection A of this section, each owner whose principal place of residence is outside a fifty-mile radius measured from the Lacey City Hall, at 420 College Street S.E., shall provide the following information:

1. The name of one local agent for each property;
2. The address where the local agent will receive mail; and
3. The local agent's telephone number.

All of the above information shall be submitted to the community and economic development department on forms provided for that purpose. (Ord. 1539 §2, 2019; Ord. 1095 §1, 1999).

14.02.040 Registration fees.

A. An annual registration fee of \$5.00 per living unit shall be paid by each owner or corporation of residential rental properties, with a maximum fee of \$500.00 per complex.

B. Changes in ownership shall require a new registration.

C. Ten percent of the fees received pursuant to Chapter 14.02 LMC are designated for use in conducting the Crime Prevention Through Environmental Design (CPTED) Program and the Crime Free Multi-Family Housing Program. The balance of such fees is designated for use in the enforcement of the City of Lacey Property Maintenance Code by the city and for abatement costs incurred by the city. (Ord. 1187 §1, 2002; Ord. 1095 §1, 1999).

14.02.050 Incentives.

The annual registration fee shall be waived for all owners of residential rental properties which voluntarily participate in the Lacey Crime Free Housing Program, and meet the certification requirements. Loss of certification will revoke this waiver of registration fees. Participation in the training component of the Lacey Crime Free Housing Program by a property manager employed by the owner shall constitute compliance with the training requirement by such owner. (Ord. 1095 §1, 1999).

Appendix 4: City of Auburn’s Residential Rental Registration Program

From

https://www.auburnwa.gov/city_hall/community_development/landlord_tenant_info/landlords/rental_housing

Most forms of renting or leasing residential property in the City of Auburn requires an owner to obtain a Rental Housing License. The purpose of the licensing program is to ensure that non-owner occupied properties are properly maintained and managed. The licensing program ensures that we have current and accurate property ownership/management information so that we are approaching the correct party when we receive a complaint rather than directing our communications towards tenants. The following table provides a general overview of the more common types of living arrangements that include some form of property rental or leasing.

Residential Rental Housing Summary

Rental Type	Requirements
Owner Occupied Home: Rental of Rooms - Allowed Residential Zones: RC, R-1, R-5, R-7, R-10, R-16, R-20	<ul style="list-style-type: none"> City License Requirement: If renting to 2 or fewer persons, no license Occupancy Limit: Family +2 Fee: \$0 Inspection: None
	<ul style="list-style-type: none"> City License Requirement: If renting to more than 2 persons, an annual <u>City Rental License</u> (PDF) is required Occupancy Limit: Family +4 Fee: \$53 Inspection: None
Non-Owner Occupied Home: Single Lease Agreement for Entire Home - Allowed Residential Zones: RC, R-1, R-5, R-7, R-10, R16, R-20	<ul style="list-style-type: none"> An annual <u>City Rental License</u> (PDF) is required for each address. Occupancy Limit: IPMC Fee: \$53 Inspection: None
Non-Owner Occupied Home: More than One Lease Agreement within Home (a.k.a Communal residence) - Allowed Residential Zones: RC, R-1, R-5, R-7, R-10, R-16, R-20	<ul style="list-style-type: none"> An annual <u>City Rental License</u> (PDF) is required for each address. Occupancy Limit: 4 Fee: \$150

Rental Type	Requirements
	<ul style="list-style-type: none"> An initial inspection is required prior to issuance of City Rental License. Annual Inspection required prior to renewal.
Apartments - Allowed Residential Zones: R-10, R-16, R-20	<ul style="list-style-type: none"> An annual <u>City Rental License</u> (PDF) is required for the complex. Occupancy Limit: IPMC 1-4 units:\$53, 5-24 units:\$106, >24 units:\$212 Inspection: None
State Licensed Facilities: Adult Family Home, Group Residence, Assisted Care, Foster Care, Nursing Home, Supportive Housing - Allowed Residential Zones: Varies depending upon the type of facility	<ul style="list-style-type: none"> An annual City <u>Business License Application</u> (PDF) is required for each address. Occupancy Limit: Varies depending upon the type of facility. Fee: \$50 Inspection: An initial city inspection is required prior to issuance of the State License.

Residential Rental Housing Details and Resources

The City requires a rental housing business license for anyone renting a unit, either single-family residential or multi-family **residential**. The application form is available in the link below. A rental housing business license is renewed annually with notices sent out by the City of Auburn at the end of November each year. It is the landlord's responsibility to renew the license by January 1 of each year. If you operate a communal residence then the landlord is responsible for scheduling an inspection with the City prior to the license or renewal being issued.

The Rental Housing Manager Training schedule is now available. For more information or to register, please visit www.auburnwa.gov/ManagerTraining.

If you would like to learn more about the rules and licensing requirements for rental housing in the City of Auburn you can review the code citations below.

Ordinances and Regulations

Auburn City Code **Chapter 18.04** - Definitions for Communal Residence, Family, Foster Care Homes, Group Residence Facilities, Renting of Rooms, Assisted Living Facilities, Convalescent Homes, Supportive Housing

Auburn City Code **Chapter 18.07.020** - Permitted Use Table For Residential Zones

Auburn City Code **Chapter 18.31.130** - Communal Residence Standards

Ordinance 6560 - 2015 Communal Residence Code Amendments

Auburn City Code **Chapter 5.22** - Rental Housing Business License Requirements

The following is what is required by the City of Auburn as of 2020 at three different phases of the rental process:

1. At time of application the landlord must provide the tenant with their written rental criteria and the website address designated by the City for the purpose of obtaining information on:
 - Local code enforcement action relating to the property
 - Website address to the Washington Secretary of State for the purposes of registering to vote or changing address if already registered to vote.
2. When a rental agreement/lease is offered, the landlord must provide the tenant with a written copy of the summaries prepared by the City, which includes information on the following:
 - Rental Housing Code (ACC 5.23)
 - Auburn Building and Property Maintenance Code
 - Washington State Residential Landlord-Tenant Act (RLTA) (RCW 59.18)
 - Forcible Entry and Forcible Unlawful Detainer (RCW 59.12)
3. During tenancy, landlords must provide tenants with a notice of resources prepared by the City when the landlord serves any notice to a tenant under RCW 59.12.030 which include:
 - 14-day pay or vacate
 - 3-day for waste or nuisance
 - 10-day comply or vacate
 - Notice to terminate tenancy

Landlords are required to provide copies of summaries to existing tenants within 30 days of them being made available by the City of Auburn. The initial distribution of information to tenants must be in written form and landlords must obtain tenant's signature documenting receipt of such information. If a tenant refuses to provide a signature documenting the

tenant's receipt of the information, the landlord may draft a declaration stating when and where the landlord provided tenant with the required information. After the initial distribution of the summaries to tenants, a landlord shall provide existing tenants with updated summaries by the City, and may do so in electronic form unless a tenant otherwise requests written summaries.