

SUMMARY and FISCAL NOTE*

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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to tenant protections; establishing regulations and enforcement provisions related to residential rent increases on properties that do not meet basic maintenance standards; transferring primary enforcement authority for all sections of Title 22, Subtitle 2 of the Seattle Municipal Code (Housing Code) to the Director of the Seattle Department of Construction and Inspections; amending the penalty structure for certain violations of the Housing Code; amending Sections 22.202.010, 22.202.050, 22.204.090, 22.206.180, 22.206.220, 22.206.280, and 22.206.305 of the Seattle Municipal Code; and adding a new Section 22.202.080.

Summary and Background of the Legislation: The legislation would make several amendments to the Seattle Municipal Code (SMC) in order to strengthen protections for renter households, including:

1. Prohibiting landlords from increasing the rents charged for dwelling units that do not meet basic maintenance standards.
2. Clarifying and enhancing protections for tenants who experience retaliation for submitting complaints and other prohibited landlord-led actions.
3. Transferring primary City responsibility for enforcing against prohibited acts by landlords and tenants from the Seattle Police Department (SPD) to the Seattle Department of Construction and Inspections (SDCI).
4. Enabling SDCI to take enforcement action against landlords that do not provide at least 60 days' notice before applying a rent increase of 10% or more (existing SMC requirement) by making such conduct a prohibited act under the SMC. Violations of this law are currently considered civil matters between landlords and tenants.
5. Adding a definition of "Housing costs" to the Housing Code.
6. Simplifying the penalty structure for violations of the Housing Code.

2. CAPITAL IMPROVEMENT PROGRAM

_____ This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

X This legislation does not have direct financial implications.

Given rising rents in Seattle and anecdotal experience, SDCI anticipates that it will receive immediate and ongoing tenant calls regarding rent increases in properties that may not meet basic standards.

Housing Ordinance Specialists will handle the primary intake of cases, carry out case management, coordinate with inspectors, and manage enforcement action as necessary. SDCI believes it can manage the intake of cases with existing staffing. The Department will monitor the workload and request additional resources for case management if needed.

Housing and Zoning Inspectors will be called on to establish whether a property does, or does not, meet basic housing standards. When a property does not meet standards, a follow-up inspection will be required to confirm repairs were made and standards are met. SDCI currently has 8.5 FTE Housing and Zoning Inspectors who are at full capacity, and anticipates an increased workload as a result of this legislation. The department will monitor the workload and request additional resources for inspections if necessary.

4. OTHER IMPLICATIONS

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**
No.
- b) **Is there financial cost or other impacts of not implementing the legislation?**
Without this legislation, renters who live in properties that do not meet basic maintenance requirements may face rent increases without the conditions being corrected. Renters who face retaliation may experience limited City enforcement and renters who experience improper notice of a rent increase of greater than 10% will not be able to look to the City for enforcement.
- c) **Does this legislation affect any departments besides the originating department?**
No.
- d) **Is a public hearing required for this legislation?**
No.
- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

g) Does this legislation affect a piece of property?

No.

h) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

This legislation is in alignment with the goals of the Race and Social Justice Initiative. It increases protections for renters, who are disproportionately lower income and from historically disadvantaged communities.

i) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

The long term goals of this legislation are to protect tenants from rent increases on improperly maintained properties and improve protections from retaliation and rent increases without proper notice. With the new authority, SDCI would monitor the number of complaints from renters, the resolution of the complaints, and trends over time.

j) Other Issues: None.

List attachments/exhibits below: None.