

March 18, 2022

MEMORANDUM

To: Sustainability and Renters' Rights Committee
From: Asha Venkataraman, Analyst
Subject: CB 120284: Submitting rent and rental housing information to a university

On March 18, 2022, the Sustainability and Renters' Rights Committee (Committee) will discuss [Council Bill \(CB\) 120284](#), sponsored by Councilmember Pedersen. The legislation would require landlords to submit rent and rental housing information to a research university and certify to the City under the Rental Registration and Inspection Ordinance (RRIO) that they had done so. This memorandum provides background, describes the bill, lays out issues for consideration, summarizes potential amendments, and outlines next steps.

Background

Over the past several years, the City has identified its need for more granular rental housing information than it currently has access to. Until 2017, the City was relying on data from Dupre + Scott Apartment Advisors, but its closure at the time and a lack of a comparable data source since then has left the City without access to detailed data when trying to analyze rental housing market conditions and risks of displacement. For example, in its report prepared for the Office of Planning and Community Development (OPCD) in 2019 (*Heightened Displacement Risk Indicators for the City of Seattle's Equitable Development Monitoring Program*), the Urban Displacement Project at the University of California, Berkeley, identified a need for "a more granular and localized" data set. In [Statement of Legislative Intent \(SLI\) OPCD-004-A-001](#), the Council requested that OPCD, the Office of Housing (OH), and the Seattle Department of Construction and Inspections (SDCI) report on options to address the displacement monitoring data-collection gap for naturally occurring affordable housing. The SLI response evaluated collecting site-specific rent data through RRIO, but identified several challenges with this approach, including timing, resources, and IT issues.

In addition, the Council adopted [Resolution 31871](#) in 2019, which requested that the Mayor and City departments "[d]evelop a consistent and thorough monitoring and reporting process regarding housing production and loss of households at 30 to 120 percent AMI [area median income], including change of tenure and net change in affordable units on a particular development site...." To mitigate displacement impacts on "marginalized communities, including communities of color and low-income communities, particularly in neighborhoods identified as at high risk of displacement...."

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This legislation would require property owners to submit rent and rental housing information to a research university twice a year and certify to the City under RRIO that they had done so. Rather than placing the onus of collection and analysis on SDCI through RRIO, the legislation contemplates a research university collecting and analyzing rent and rental housing information through a contract and only requires certification to SDCI that the property owner had submitted this information. Information about February would be due by March 31 and information about July would be due by August 31 each year. The information requested would not include the tenant's name.

Property owners would be required to submit the following information for the months indicated:

- A list of all rental housing units on a property;
- Whether the unit is vacant or occupied;
- Net rentable square footage;
- Number of bedrooms and bathrooms;
- Information to reflect net monthly residential rent, including utilities if included in rent; and
- Length of a rental agreement.

CB 120284 would also require that OPCD or another Executive department contract with a research university to analyze the data and provide the City with reports to identify displacement risk. The City would use that information to inform its housing policy.

Issues for Consideration

As described above, CB 120284 would require OPCD or another Executive department contract with a research university. Central Staff is in discussions with Executive departments about which one would most appropriately hold such a contract. Councilmembers may want to consider amending the legislation to reflect the appropriate department upon receipt of the Executive's recommendation.

Both SDCI and the department that holds the contract with the research university may need time and resources to effectively implement the requirements of this legislation. SDCI tracks RRIO compliance through its existing Accela system. Upgrading the system to track submission of certifications may require funding and lead time before SDCI can fully monitor compliance. The department holding the contract will likely require time to determine project scope, select a research university through a procurement process, negotiate a contract, and finalize it. Because the determination of contract cost is still ongoing, it is unclear whether the department would be able to directly select the research university or it would need to use

competitive bidding, which could affect the length of the contracting process. Assuming the Council passes this legislation in time for it to be effective by the end of August. CB 120284 would require property owners to submit their information to a research university by August 31 but would not know to whom to submit it if the contracting process is not completed by that time. Central Staff is in discussion with Executive departments about these issues, and depending on the outcome of those conversations, Councilmembers may want to consider whether property owners should have to submit information starting at a different date than the legislation currently contemplates. The third potential amendment described in the “Potential Amendments” section of this memo may address this issue.

Relatedly, because this legislation has arisen after the Council’s 2022 budget process, departments would need to consider whether they have existing funding that they can reprioritize. Central Staff will continue discussions with Executive departments to gain more clarity about the potential for reprioritization, but given the budget challenges the City is anticipating in 2023 due to General Fund (GF) expenditures outpacing projected GF revenues, departments are already being asked to identify areas to reduce spending in 2022 that may make it difficult to absorb these costs. The Council may need to identify a new source of funds and provide additional appropriations for infrastructure updates or contracting for this year. In addition, ongoing funding to maintain the contract would be required; Councilmembers may want to consider whether and how to include this funding during discussions this fall about the 2023 budget.

Potential Amendments

Councilmember Pedersen plans to sponsor several amendments for the Committee’s consideration at its April 1 meeting. The first would add a requirement that information submitted to the research university should not include a property owner’s name. Currently, the legislation only contemplates that the information should not include the tenant’s name.

The second would change the scope of the work to be done by the university from reports on displacement to reports on rental housing market conditions for the City to use in decision and policy making.

The third and last amendment would change the dates by which the property owner would submit the rent and rental housing information and for which months it should submit. The legislation as currently drafted expects submission by March 31 for February information and by August 31 for July information. This amendment would revise those dates to April 15 for March information and October 15 for September information. This amendment would allow more time for infrastructure and contract execution to occur in 2022, assuming sufficient funds.

Next Steps

CB 120284 is scheduled for another discussion and potential vote in this committee on April 1, 2022. Central Staff will continue to work with Executive departments to get more information on the appropriate department for contracting, and timeline and funding needs and will work with Councilmembers on potential amendments. Please submit any amendment request to Central Staff by March 23. The Committee will likely vote on any proposed amendments at the April 1 meeting.

cc: Aly Pennucci, Acting Director