Date: September 1, 2015

To: Members of the Committee on Housing Affordability, Human Services and

Economic Resiliency (CHAHSER)

From: Traci Ratzliff, Central Staff

**Subject:** Council Bill (CB) 118403, Additional Notice to Tenants Prior to Eviction, and

CB 118404, Notice of Intent to Sell Multi-family Housing

On September 17<sup>th</sup> CHAHSER will discuss and potentially vote on two pieces of proposed legislation sponsored by Councilmember Burgess: 1) Council Bill (CB) 118403, which amends the Just Cause Eviction Ordinance (JCEO) to extend notice requirements to tenants, and 2) CB 118404, which requires owners of affordable multifamily housing with five or more units to provide notification of intent to sell. The proposed Council Bills were first discussed at the June 4, 2015 committee meeting. This memorandum summarizes each council bill, including changes proposed to CB 118404.

Both pieces of legislation are sponsored by Councilmember Burgess to address difficulty tenants experience finding in-city housing when relocating on short notice.

## 1. <u>CB 118403 - Modifying Notice Requirements included in the Just Cause Eviction</u> <u>Ordinance</u>

Under the City's Just Cause Eviction Ordinance (JCEO), the owner of rental housing can end a tenancy only for one of the 18 reasons listed in the JCEO. <u>See Seattle Municipal Code Section</u> 22.206.160.C. The JCEO requires an owner to give notice in writing to end a tenancy.

Currently, if the owner of a rental unit wishes to move into a unit occupied by a tenant or wishes to move a member of the owner's immediate family into such a unit, the owner must provide the tenant notice at least 20 days before the start of the next rental period.

Under the proposed legislation, the notice period is increased from 20 days to 90 days. The director of the Department of Planning and Development (DPD) may reduce the notice requirement to no less than 20 days if the director determines that delaying occupancy will result in a personal hardship to the owner or to the owner's immediate family. Personal hardship may include but is not limited to hardship caused by illness or accident, unemployment, or job relocation.

In addition, under current law, if the owner of a single family home occupied by a tenant desires to sell the property, the owner is required to give the tenant written notice at least 60 days prior to the date set for vacating. The date for vacating must also coincide with the end of the term of the rental agreement or, if the agreement is a month to month, with the last day of a monthly period.

Under the proposed legislation, the notice period is increased from 60 days to 90 days. The Director may reduce the time required to give notice to no less than 60 days if the Director determines that providing 90 days' notice will result in a personal hardship to the owner. Personal hardship is as defined above under the notice requirement for owner move in.

## 2. CB 118404 - Notice of Intent to Sell Multi-family Housing

Currently, there are no notice requirements for an owner of market-provided affordable multifamily housing desiring to sell the multi-family building. However, owners of affordable housing who received city, state, or federal funding to develop such housing may be required by law or agreement to notify the City or the Seattle Housing Authority (SHA) of the owner's intent to sell or transfer the building.

Under the proposed legislation, owners of multifamily rental housing with five or more housing units with rents that are affordable to households at or below 80% of area median income are required to provide notice to the City's Office of Housing and SHA of the owner's intent to sell the property. Notice must be given 15-days prior to a property being listed with a real estate listing service or advertised for sale either in a printed newspaper or on an internet web site. Notice must be in writing and include the owner's name, phone number and address of the building that will be listed for sale. Owners of a multifamily building who are required by law or agreement to notify the City's Office of Housing of the owner's intent to sell or transfer a building are exempt from the notice requirement.

Based on the discussion at the June committee meeting, Councilmember Burgess proposes a substitute bill with two primary changes: (1) the length of the required notice is increased from 15 days to 60 days prior to the property being listed for sale; and (2) the director of DPD is authorized to impose a penalty of up to \$500 for non-compliance with the notice requirement.

Please let me know if you have any questions about the proposed legislation. I can be reached at 4-8153.