

SUMMARY and FISCAL NOTE*

Department:	Contact Person/Phone:	Executive Contact/Phone:
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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 the Open Housing Ordinance; adding antidiscrimination protections based on a renters' use of a subsidy or verifiable alternative source of income; adding a first-in-time policy; prohibiting preferred employer programs; adding Section 14.08.050 to, and amending Sections 14.08.015, 14.08.020, 14.08.040, 14.08.045, 14.08.060, 14.08.070 and 14.08.190 of, the Seattle Municipal Code.

Summary and background of the Legislation: Expands fair housing protections beyond Section 8 voucher holders to include other subsidies and verifiable sources of income such as Social Security Income, veteran's benefits and child support payments. Includes rules for how to calculate subsidies and alternative sources of income when rent to income ratios are used in tenant screening. The legislation is a recommendation of the Housing Affordability and Livability Agenda (HALA) Committee and a part of the Mayor's Action Plan to Address Seattle's Affordability Crisis. A stakeholder committee comprised of tenant advocates, landlords, social service agencies and nonprofit housing providers provided input on the development of the legislation.

2. CAPITAL IMPROVEMENT PROGRAM

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

3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation does not have direct financial implications.

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?**
No.
- 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?

Yes. The legislation requires that landlords include other subsidies and alternative sources of income on their Open Housing Poster per SMC 14.08.015. OCR will not enforce the requirements of the amendments made to SMC 14.08.015 via this legislation until:

1. The legislation has been posted electronically on the web on the Seattle Municipal Code website.
2. The Office for Civil Rights has updated our Open Housing Poster to reflect the new protections as outlined in the legislation. The Open Housing Poster is available on the Office for Civil Rights website.

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?

Yes. A racial equity toolkit analysis was applied to this issue. See Attachment 1.

In the last eight years, the Seattle Office for Civil Rights has investigated 67 cases relating to Section 8 discrimination, comprising 10% of our housing discrimination cases. Due to existing racial inequities, people of color are overrepresented as Section 8 voucher holders in Seattle. African Americans, Native Americans and Asian Pacific Islanders are doubly represented as voucher holders compared to their total proportion of the Seattle population. This means that discrimination on the basis of Section 8 has a disproportionate impact on communities of color.

At the same time, individuals and families are also experiencing denial of housing based on the use of other subsidies such as child support payments, Social Security, Supplemental Security Income, unemployment insurance, or veteran's benefits. We know this impacts many of the same communities that depend on Section 8 vouchers to ensure their families' needs are met: parents, veterans, people with disabilities, seniors, low income people of color, immigrants and refugees and others.

Finally, we know that communities of color in Seattle face disproportionate housing cost burdens (paying over 50% of income on rent). Housing cost-burden disproportionately impacts Seattle's Black residents. As the chart illustrates below, 26% of Black renters are disproportionately burdened by housing costs, paying more than 50% of their income on

rent.

The policy will ensure that people who use subsidies or other forms of nontraditional income are able to maintain and access housing. This will have a positive impact on low income communities of color by ensuring families have a place to call home, preventing displacement and ensuring greater housing stability. Given Seattle's increasing unaffordable housing market, this legislation is a critical part of a larger anti-displacement strategy. Unintended consequences include tenants not seeking remedy for discriminatory actions due to fear of retaliation, housing instability resulting in a lack of time or capacity to file a charge of discrimination, etc. As stated above, once passed, this law will require strong enforcement that doesn't rely on the individual to come forward, but takes proactive efforts to educate landlords, conduct testing and monitor compliance.

- 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.**
N/A.

j) Other Issues:

List attachments/exhibits below:

Attachment 1: Racial Equity Toolkit – SOID