

September 19, 2019

MEMORANDUM

To: Civil Rights, Utilities, Economic Development & Arts Committee

From: Asha Venkataraman, Analyst

Subject: Council Bill 119606: Allowing tenants to live with immediate family and

roommates

On September 24, 2019, the Committee on Civil Rights, Utilities, Economic Development & Arts (CRUEDA) will discuss Council Bill (CB) 119606, which would address a tenant's ability to live with their family members and/or roommates. This memorandum: (1) provides a short summary of the legislation; (2) describes proposed amendments to the legislation; and (3) outlines next steps.

CB 119606

As described in the Central Staff memos dated <u>August 8, 2019</u> and <u>September 5, 2019</u>, CB 119606 as amended would require any rental agreement to allow occupancy by:

- (1) A tenant;
- (2) A tenant's immediate family;
- (3) One additional person who is not a member of the tenant's immediate family; and
- (4) The additional person's immediate family.

The total number of people allowed in the unit is limited by the occupancy limits established by local, state, or federal law.

In addition, the proposal would restrict a landlord from changing the lease to limit the number of tenants allowed in the unit after some but not all roommates vacate and prohibits landlords from imposing any new conditions when an immediate family member or roommate is added to the household (e.g. using stricter screening criteria for the additional persons than the landlord used for the tenant).

The proposal would exempt federally assisted housing units from these provisions if the housing is subject to regulations that require a landlord to deny tenancy when a member of the household is subject to a lifetime sex offender registration requirement or convicted of manufacturing or producing methamphetamines on the premises of federally assisted housing.

The proposal would require notice to the landlord of any residents of the unit who do not become parties to the rental agreement within 30 days after each person begins occupancy.

Proposed Amendments

Between the initial discussion of this bill at the August 13, 2019, CRUEDA meeting and today, Central Staff and Councilmembers identified several issues for further consideration and potential amendment. The nine amendments Councilmember Herbold is sponsoring are described below. Attachment A to this memo contains the specific amendment language.

Please note that the portions of amendments 5 and 7 that relate to a landlord's ability to issue a notice to comply or vacate are still under review by the City Attorney's office. Any additional changes could be considered at Full Council.

Amendment 1: Technical and clarifying changes (Attachment A, Pages 1-4)

This amendment incorporates several technical and clarifying changes to correct typos and other drafting errors. This includes reorganizing sections of the bill (e.g. creating new subsections, renumbering sections, etc.), ensuring consistent use of terms, and other changes for better code drafting.

<u>Amendment 2</u>: Clarify the definition of "immediate family" (Attachment A Page 5)

Initially, the definition of "immediate family" was defined as a broad category of family and household members and required further refinement to clarify who would be covered by this bill. Currently, the definition includes "adult persons who are presently residing together or who have resided together in the past." Given that the rights of immediate family are intended to cover partners, this category of persons is broader than the intent, and is more suited to coverage under provisions governing additional persons residing in the rental unit. This amendment removes this language from the definition of "immediate family."

The amendment also removes "persons 16 years of age or older with whom a person 16 years of age are older has or has had a dating relationship", as it is a subset of the relationship preceding it in the definition.

Lastly, it removes reference to "stepchildren" and "grandchildren", as the definition includes descriptions of relationships as defined from the parent rather than the child perspective.

Amendment 3: Clarify the language regulating conditions of occupancy (Attachment A Page 6)

This amendment clarifies that the limitation on a landlord's imposition of conditions applies not only to the occupancy itself, but also to the process of qualifying a tenant for occupancy, whether as an addition to the rental agreement or residing in the unit without being a party to the rental agreement.

Amendment 4: Clarify language for early vacation from a rental unit (Attachment A Page 7)

This amendment clarifies that the limitation on a landlord's ability to decrease the number of persons in the rental unit applies when the tenant vacates a rental unit early. The bill as

originally introduced does not specify that early vacation of the unit is the trigger under which the limitation arises.

<u>Amendment 5:</u> Add provisions regarding who the landlord can require as parties to the rental agreement (Attachment A Page 8)

This amendment clarifies which specific persons a landlord can require become a party to the rental agreement. A landlord may require that any person residing in the unit that is not the tenant's immediate family member become a party to the rental agreement. The landlord cannot require that a tenant's immediate family become parties to the rental agreement as a condition of residing in the unit.

Unlike the existence of a large pool of people from which a tenant can choose to be a potential roommate, a tenant does not have a choice in the identity of their immediate family. Giving tenants the right to live with their immediate family without the screening that would be required of any other tenant could result in persons living in the rental unit who a landlord might not otherwise add to a rental agreement. This amendment avoids the creation of a conflict between the right to occupancy and conditions to entering into a rental agreement that a person could fail to meet.

With roommates, the issue is not specific to a particular person, but rather to the number of people permitted in a rental unit. Because the identity of the individual roommate and their immediate family is not relevant to the tenant's identity, this amendment would allow a landlord to require that those persons enter into a rental agreement. A potential roommate and their immediate family who do not meet the landlord's criteria for becoming a tenant can be replaced by another set of persons who do meet that criteria and can fulfill the requirement to enter into a rental agreement. This meets the intent of the bill, in that a tenant has the right to live with a roommate and immediate family and share rent, but any additional residents are still subject to the landlord's screening criteria.

<u>Amendment 6:</u> Add screening provisions (Attachment A Page 9)

Consistent with Fair Chance Housing and other housing laws, this amendment would allow a landlord to screen all persons occupying the unit. However, the landlord could not exclude a tenant's immediate family based on information in the screening report, as the policy goal of having the tenant's immediate family live with them would outweigh the requirement to meet the landlord's threshold criteria.

In the case of roommates and the roommate's immediate family, the policy goal is for the tenant to be able to live with any other person, not a specific individual. If one potential roommate does not meet screening criteria, it is possible for the tenant to find another potential roommate who does meet them. Therefore, the landlord would be permitted to exclude someone from tenancy based on failure to meet screening criteria.

<u>Amendment 7:</u> Determine succession to the tenancy after a tenant vacates or abandons a rental unit before expiration of the term of the rental agreement (Attachment A Pages 10-11)

CB 119606 as introduced does not address the right to continue to occupy a unit for persons living with a tenant when the tenant vacates or abandons the rental unit, which can occur for many reasons, including the tenant's death. Current law provides no rights of occupancy for non-tenants still living in the unit, which means a landlord could evict or eject the remaining persons. This amendment provides the tenant's immediate family the right to continue living in the rental unit. For reasons described above, the tenant's immediate family would not need to meet screening requirements to become tenants.

Roommates and their immediate family would have the right to continue occupying the unit after a tenant's early vacation or abandonment as long as they had lived with the tenant for at least six consecutive months prior. Unlike the tenant's immediate family, these additional residents would be subject to exclusion based on screening.

The landlord could require that both the tenant's immediate family and the additional residents in the unit become parties to the rental agreement. The landlord may issue a notice to require those persons to become parties to the rental agreement within 30 days of receiving the notice. If they fail to do so, they would be required to vacate the unit.

<u>Amendment 8:</u> Add exemptions for circumstances where an owner lives with the renter (Attachment A Page 12)

This amendment exempts owners of dwelling units or accessory dwelling units from the legislation if the owner also occupies the unit. The intent of this amendment is to allow owners who would be sharing occupancy of a unit with a renter to retain the choice of with whom they are sharing living space.

Amendment 9: Change the effective date (Attachment A Page 13)

This amendment would push the effective date of this legislation to July 1, 2020 rather than January 1, 2020 to allow for outreach and engagement about the new protections in the bill.

Next Steps

If the committee votes to refer CB 119606 to Council at the September 24 CRUEDA meeting, Council will be scheduled to vote on September 30.

Attachments:

A. Amendments to CB 119606

cc: Kirstan Arestad, Exec Director
Aly Pennucci, Supervising Analyst

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

Please note: An <u>italicized single underline</u> indicates the location to which existing language is to be moved. An <u>italicized single strikethrough</u> indicates from where language was moved. The green, yellow and, blue text designates from and to where the corresponding text has moved.

<u>Amendment 1:</u> Technical and clarifying changes

Section 1. Section 7.24.020 of the Seattle Municipal Code, last amended by Ordinance 125840-125901, is amended as follows:

7.24.020 Definitions

As used in this Chapter 7.24:

* * *

"Department" means the Seattle Department of Construction and Inspections or its

"Director" means the Director of the Seattle Department of Construction and

"Housing costs" means rent as defined by chapter 59.18 RCW.

"Immediate family" means spouses, domestic partners, former spouses, former domestic partners, adult persons related by marriage, siblings, adult persons who are presently residing together or who have resided together in the past, persons 16 years of age or older who are presently residing together or who have resided together in the past and who have or have had a dating relationship, persons 16 years of age or older with whom a person 16 years of age or older has or has had a dating relationship, and persons who have a parent-child relationship, including parents, stepparents and stepchildren and grandparents and

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

grandchildren, adoptive parents, guardians, foster parents, or custodians of minors. For purposes of this definition, "dating relationship" means a social relationship of a romantic nature. Factors that the a court may consider in making this determination determining the existence of a dating relationship include: (a) the length of time the relationship has existed; (b) the nature of the relationship; and (c) the frequency of interaction between the parties.

Section 2. Section 7.24.030 of the Seattle Municipal Code, last amended by Ordinance 125558125901, is amended as follows:

* * *

H. Any rental agreement entered into after the effective date of the ordinance introduced as Council Bill 119606 December 31, 2019 is subject to the following requirements.

1. Occupancies allowed

Subject to the landlord's authority to screen and allow occupancy of a rental unit as provided in this subsection 7.24.030.H, shall be deemed to allow occupancy of the rental unit by the tenants, a tenant's immediate family, an additional resident who is not a member of the tenant's immediate family, and the additional resident's immediate family may reside in a rental unit, provided the total number of persons residing in the unit does not exceed occupancy limits established by federal, state, or local law. If one of the tenants or persons who is not the tenant vacates or abandons the unit, a landlord shall not reduce the number of persons allowed to occupy the unit.

<u>**4**</u>2. Notification to a landlord

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

Within 30 days following the commencement of occupancy of any residents who do not become parties to a rental agreement, ∓the tenant shall inform the landlord of each additional person's the names of any persons who are not tenants who are occupying the rental unit within 30 days following the commencement of each person's occupancy.

3. <u>Conditions of qualifying for and obtaining occupancy of for additional residents</u>

and persons occupying a rental unit with a tenant

Landlords shall not impose conditions on any person other than the attendnt, including but not limited to using additional screening criteria, that are beyond those imposed on a tenant to occupy a rental unit.

4. Early vacation from a rental unit

If one of the tenants or persons who is not the tenant vacates <u>er abandons</u> the unit, a landlord shall not reduce the number of persons allowed to occupy the unit.

Section 3. A new Section 7.24.031 is added to the Seattle Municipal Code as follows:

7.24.031 Conditions of occupancy for additional residents and persons occupying a rental unit with a tenant

Landlords shall not impose conditions on a person other than the tenant, including but not limited to using additional screening criteria, that are beyond those imposed on a tenant to

Please note: <u>Double underlines</u> indicate new language to be added.

Double strikethroughs indicate language proposed to be removed.

Section 4. A new Section 7.24.032 is added to the Seattle Municipal Code as follows:

7.24.032 Exemptions

Subsection 7.24.030.H, subsection 7.24.030.H, and Section 7.24.031 shall not apply to denial of

occupancy made by landlords of federally assisted housing subject to federal regulations that

require denial of tenancy, including but not limited to when any member of the household is

subject to a lifetime sex offender registration requirement under a state sex offender

registration program or has been convicted of manufacturing or producing methamphetamine

on the premises of federally-assisted housing.

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

Amendment 2: Clarify the definition of "immediate family"

(Assuming passage of amendment 1)

"Immediate family" means spouses, domestic partners, former spouses, former domestic partners, adult persons related by marriage, siblings, adult persons who are presently residing together or who have resided together in the past, persons 16 years of age or older who are presently residing together or who have resided together in the past and who have or have had a dating relationship, persons 16 years of age or older with whom a person 16 years of age or older has or has had a dating relationship, and persons who have a parent-child relationship, including parents, stepparents, and stepshildren and grandparents and grandshildren, adoptive parents, guardians, foster parents, or custodians of minors. For purposes of this definition, "dating relationship" means a social relationship of a romantic nature. Factors a court may consider in determining the existence of a dating relationship include: (a) the length of time the relationship has existed; (b) the nature of the relationship; and (c) the frequency of interaction between the parties.

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

<u>Amendment 3:</u> Clarify the language regulating conditions of occupancy

(Assuming passage of Amendment 1)

Η.

3. Conditions of qualifying for and obtaining occupancy of a rental unit

Landlords shall not impose conditions on any person other than a tenant,

including but not limited to using additional screening criteria, that are beyond those imposed

on a tenant to qualify for or obtain occupancy of a rental unit.

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

Amendment 4: Clarify the language for early vacation from a rental unit

(Assuming passage of Amendment 1)

Η.

4. Early vacation from a rental unit

If one of the tenants or persons who is not the tenant vacates the unit before

expiration of the tenancy, a landlord shall not reduce the number of persons allowed to occupy

the unit during the remainder of the tenancy.

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

<u>Amendment 5:</u> Add provisions regarding who the landlord can require as parties to the rental agreement

(Assuming passage of Amendment 1)

Η.

6. Parties to the rental agreement

A landlord may require by written notice that any resident who is not a member of the tenant's immediate family become a party to the rental agreement. If that resident fails to become party to the rental agreement within 30 days after receiving a written notice from the landlord requiring that resident to become a party, that resident shall vacate the unit within 45 days after receiving that notice.

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

Amendment 6: Add screening provisions

(Assuming passage of Amendment 1)

Η.

5. Limitations on screening requirements

A landlord may screen a potential tenant and additional residents other than the tenant's immediate family to determine whether a potential tenant can become party to a rental agreement or additional residents can occupy the rental unit. A landlord may obtain a screening report under subsection 14.08.040.F and Chapter 14.09 for members of a tenant's immediate family but may not exclude any member of the tenant's immediate family from occupancy or becoming a party to the rental agreement based on information in the screening report, except as provided in Section 7.24.032. A landlord must comply with all other screening requirements required by law.

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

<u>Amendment 7:</u> Determine succession to the tenancy after a tenant vacates or abandons a rental unit before expiration of the term of the rental agreement

(Assuming passage of Amendment 1)

7.24.031 <u>Succession to tenancy upon a tenant's early vacation of a rental unit and screening</u>
of succeeding parties

A. If a tenant vacates the rental unit before expiration of the tenancy, members of the tenant's immediate family occupying the rental unit may become parties to the rental agreement, subject to the same terms in the rental agreement that applied to the vacating tenant. A landlord may obtain a screening report under subsection 14.08.040.F and Chapter 14.09 for members of a tenant's immediate family but may not exclude any member of the tenant's immediate family from becoming a party to the rental agreement based on information in the screening report, except as provided in Section 7.24.032.

B. If a tenant vacates the rental unit before expiration of the tenancy, additional residents of the rental unit who are not the tenant's immediate family may become parties to the rental agreement, subject to the same terms in the rental agreement that applied to the vacating tenant, if they have resided in the rental unit for at least six consecutive months immediately prior to the tenant's vacation. A landlord may screen these additional residents to determine whether to allow them to become parties to the rental agreement.

C. A landlord may require by written notice that the persons described in subsections

7.24.031.A and 7.24.031.B become a party to the rental agreement. If that resident fails to

become party to the rental agreement within 30 days after receiving a written notice from the

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

landlord requiring that resident to become a party, that resident shall vacate the unit within 45 days after receiving that notice.

Please note: <u>Double underlines</u> indicate new language to be added.

Double strikethroughs indicate language proposed to be removed.

Amendment 8: Add exemptions for circumstances where an owner lives with the renter

7.24.032 Exemptions

Subsection 7.24.030.H and Section 7.24.031 do not apply to:

<u>A.</u> <u>♦</u>Denial of occupancy made by landlords of federally assisted housing subject to

federal regulations that require denial of tenancy, including but not limited to when any

member of the household is subject to a lifetime sex offender registration requirement under a

state sex offender registration program or has been convicted of manufacturing or producing

methamphetamine on the premises of federally-assisted housing; or

B. Renting of a dwelling unit or an accessory dwelling unit where the owner occupies a

part of the dwelling unit or accessory dwelling unit.

Please note: <u>Double underlines</u> indicate new language to be added. Double strikethroughs indicate language proposed to be removed.

<u>Amendment 9</u>: Change the effective date of the legislation (Assuming passage of amendment 1)

Section 2.

H. Any rental agreement entered into after December 31, 2019 June 30, 2020 is subject to the following requirements.

Section 6. Sections 1, 2, 3, and 4 of this ordinance shall take effect and be in force on January July 1, 2020.