# Full Council – February 10, 2020

# Amendment 2 to CB 119726 - Amendment to establish a mitigation fund

Sponsor: Councilmember Lewis

#### **Description:**

<u>Council Bill 119726</u> would amend the Just Cause Eviction Ordinance (SMC 22.206.160) to provide a defense to evictions between November 1 through March 31.

This amendment would establish a mitigation fund that would provide financial assistance during that period to:

- Low-income tenants who (1) utilize this defense, (2) cannot access funds through other programs that provide assistance to tenants at risk of eviction (either because funds are depleted or the tenant is ineligible), and (3) are unable to pay the rent during that period independently. Tenants could apply for assistance through this fund at the time they receive a 14-day pay or vacate notice, up through the date a writ of restitution is executed.
- Affordable housing providers who can demonstrate that (1) an eviction was delayed during this period because the tenant raised this defense and (2) the tenant is unable to pay rent during that period independently.

This assistance could be used either to (1) cure the eviction by helping the tenant become current on all rental charges; or (2) to assist the tenant in paying back rent and stay current on rent in the winter months while the eviction is delayed; or (3) providing rental payments to nonprofit housing providers during this period.

Notes:

- <u>Double underlines</u> indicate new language to be added.
- **Double strikethroughs** indicate language proposed to be removed.

## Amendment<sup>\*</sup>

Amend Section 1 of Council Bill 119726 as follows:

8. Except as provided in subsection 22.206.160.C.8.a, an owner may not evict a

residential tenant from a rental housing unit if the eviction would result in the tenant having to

vacate the housing unit at any time between November 1 and April 1.

<sup>&</sup>lt;sup>\*</sup> Other amendments may impact the numbering or lettering shown in this amendment. All amendments adopted by the City Council will be reconciled in the final version of the Council Bill.

## a. If the reason for termination is due to conditions described in

b. A rent mitigation fund is created to provide funds to eligible low-

subsections 22.206.160.C.1.e, 22.206.160.C.1.f provided that the tenant was provided at least 90 days' written notice prior to the date set for vacating the unit, 22.206.160.C.1.j, 22.206.160.C.1.k, 22.206.160.C.1.m, 22.206.160.C.1.n, 22.206.160.C.1.o, or 22.206.160.C.1.p, or if the reason for termination is due to the tenant's failure to comply with a three day notice to vacate for a drug-related activity nuisance pursuant to chapter 7.43 RCW or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5), the eviction may occur as otherwise allowed by law.

income tenant households at risk of residential eviction during the period described in subsection 22.206.160.C.8, if other sources of funds are not available to assist the tenant, or to provide financial assistance to a non-profit corporation or other housing provider that cannot evict a tenant from a rental housing unit during the period described in subsection 22.206.160.C.8 because the unit is subject to restrictions on tenant incomes or rent as a condition of that assistance.

<u>1) Tenant eligibility. To be eligible to receive funds, (1) the reason</u> <u>for termination must include nonpayment of rent; and (2) the tenant household must be a low-</u> <u>income household as defined in Section 23.84A.016; and (3) the tenant must demonstrate that the</u> <u>tenant does not have the financial resources to avoid eviction; and (4) the tenant must request</u> mitigation funds on or before the date a writ of restitution is executed.

2) Housing provider eligibility. To be eligible to receive funds the housing provider shall (1) demonstrate that an eviction was delayed during this period because the tenant raised the defense described in subsection 22.206.160.C.8; and (2) demonstrate that the tenant does not have financial resources available to pay rent during the period described in

subsection 22.206.160.C.8; and (3) demonstrate that the tenant resides in a unit that is subject to restrictions on tenant incomes or rent; and (4) sign an agreement stating that the housing provider will not report the tenant's delinquency on rent payment to credit reporting agencies.

3) The Director shall have rulemaking authority to administer the fund. This authority includes t ability to have the fund administered by a public or private organization having experience administering or capable of administering similar tenant assistance programs. If by rule the Director determines that payments shall be made directly to a landlord, the landlord shall sign an agreement with the Director prior to payment stating that the landlord will not report the tenant's delinquent rent payment to credit reporting agencies.

<u>4) The availability of funds is subject to the existence of budget</u> <u>appropriations for that purpose. A request for funding shall be denied if insufficient funds are</u> <u>available. The City is not civilly or criminally liable for failure to provide funding and no penalty</u> <u>or cause of action may be brought against the City resulting from the provision or lack of</u> <u>provision of funds.</u>

5) When a landlord issues a notice to terminate tenancy due to nonpayment of rent, the notice must contain information to the tenant about how to access the tenant mitigation fund. The landlord is not required to provide this information if insufficient funds have been appropriated by the City Council to provide the funds for mitigation. The information for the notice shall be adopted by the Seattle Department of Construction and Inspections by rule.