

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

..title

AN ORDINANCE relating to tenant protections; establishing rent control provisions; regulating residential rent increases; establishing a Rent Control Commission and District Rent Control Boards to authorize rent control exemptions; establishing enforcement provisions; adding a new Chapter 7.28 to the Seattle Municipal Code; and amending Sections 3.06.030 and 22.214.040 of the Seattle Municipal Code.

..body

WHEREAS, Article 25 of the United Nations' Universal Declaration of Human Rights

recognizes housing as a human right; and

WHEREAS, Seattle faces an affordable housing and homelessness crisis as rising rents have

forced thousands of Seattle renters out of their homes, neighborhoods, and the City; and

WHEREAS, between 2010 and 2018 average rent in the Seattle area rose 69 percent while

inflation for Urban Wage Earners (CPI-W) in the Seattle area rose only 20.3 percent; and

WHEREAS, rental housing industry analysis firm, ApartmentList.com, calculated that Seattle

rents increased by 3.5 percent in one month between March and April 2021, which is an

annualized rate of 42 percent rent increases if that trend continues; and

WHEREAS, the “Seattle Housing Market Forecast for 2021” of real estate investment consulting

firm, Mashvisor, notes that “Seattle real estate investors are continuing to enjoy a good

return on investment on rental properties...Although affordability continues to be an

issue for local residents, it does have a positive aspect for Seattle real estate investors.

Owning a rental property in Seattle does mean high demand which translates into good

occupancy rates and cash flow”; and

WHEREAS, a national study published in the Journal of Urban Affairs established the

correlation between increasing rent and homelessness including that: (1) Washington is

1 the tenth most expensive state for renters; (2) the high cost of rental housing is driving
2 increases in homelessness; and (3) an increase of \$100 in median rent for an area results
3 in a 15 percent (metro areas) and a 39 percent (nearby suburbs and rural areas) increase in
4 homelessness; and

5 WHEREAS, across the United States and around the world rent control policies have allowed
6 millions of people to remain in their homes, neighborhoods, and cities; and

7 WHEREAS, in September 2015, the Seattle City Council passed Resolution 31620 advocating
8 for the “State Legislature to allow local governments to propose ordinances that
9 significantly increase the supply of rent restricted units and that protect tenants from
10 sudden and dramatic rent increases, without causing a negative impact on the quality or
11 quantity of housing supply, by modifying or repealing RCW 35.21.830”; and

12 WHEREAS, there is a growing movement of renters for rent control, which in 2018 and 2019
13 won new rent control laws and expansions of existing rent control laws in California,
14 Oregon, and New York; and

15 WHEREAS, over 12,000 Seattleites have signed a petition, urging The City of Seattle to enact
16 rent control; NOW, THEREFORE,

17 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

18 Section 1. A new Chapter 7.28 is added to the Seattle Municipal Code as follows:

19 **CHAPTER 7.28 RENT CONTROL**

20 **7.28.010 Short title**

21 This Chapter 7.28 may be known as the Rent Control Ordinance.

1 **7.28.020 Purposes**

2 The purposes of this Chapter 7.28 are to prohibit large and unaffordable rent increases that cause
3 housing displacement for tenants, to help renters build community by allowing them to remain in
4 their neighborhoods, to allow young people to remain in their neighborhood schools, to prevent
5 the expansion of homelessness, to reduce the waste of fuel and time resulting from long
6 commutes, and to promote the affordability of housing in Seattle.

7 **7.28.030 Definitions**

8 "Department" means the Seattle Department of Construction and Inspections or its
9 successor.

10 "Director" means the Director of the Seattle Department of Construction and Inspections.

11 "Hearing Examiner" means the official appointed by the Council and designated as the
12 Hearing Examiner.

13 "Landlord" means the owner, lessor, or sublessor of the rental housing unit or the
14 property of which it is a part, and in addition means any person designated as representative of
15 the owner, lessor, or sublessor including, but not limited to, an agent, a resident manager, or a
16 designated property manager.

17 "Person" means any individual, firm, corporation, association, governmental entity, or
18 partnership and its agents or assigns.

19 "Rate of inflation" means 100 percent of the annual average growth rate of the bi-
20 monthly Seattle-Tacoma-Bellevue Area Consumer Price Index for Urban Wage Earners and
21 Clerical Workers, termed CPI-W, for the 12-month period ending in August.

22 "Rent" and "rental amount" mean "rent" as defined by chapter 59.18 RCW.

1 "Rental agreement" means a "rental agreement" as defined in and within the scope of
2 RCW 59.18.030 and RCW 59.18.040 of the RLTA in effect at the time the rental agreement is
3 executed.

4 "Rental housing unit" means any habitation for which rent is charged, except as provided
5 in subsection 7.28.040.A.

6 "Renter" and "tenant" mean a "tenant" as defined in and within the scope of RCW
7 59.18.030 and RCW 59.18.040 in effect at the time the rental agreement is executed. At the time
8 of passage of this ordinance, RCW 59.18.030 defined "tenant" as "any person who is entitled to
9 occupy a rental housing unit primarily for living or dwelling purposes under a rental agreement."

10 **7.28.040 Applicability**

11 A. This Chapter 7.28 applies to the rental of all rental housing units, which shall be
12 broadly interpreted to include any habitation for which rent is charged, except:

- 13 1. Housing units lawfully used as short-term rentals as defined in Section
14 23.84A.024;
- 15 2. Housing units in hotels, motels, inns, bed and breakfasts, or similar
16 accommodations that provide lodging for transient guests;
- 17 3. Emergency or temporary shelter or transitional housing accommodations;
- 18 4. Housing units that a government entity or housing authority owns, operates, or
19 manages; and
- 20 5. Housing units exempted from municipal housing regulation by federal, state, or
21 local law.

22 B. No rental agreement, whether oral or written, may waive or forgo rights or remedies
23 provided to the tenant under this Chapter 7.28.

1 C. The restrictions on rent increases prescribed by this Chapter 7.28 apply to a rental
2 housing unit, not to the identity or number of tenants or to an individual rental agreement.
3 Therefore, when a rental housing unit is vacated any rent increase applied to new tenants must be
4 consistent with the restrictions on rent increases prescribed by this Chapter 7.28 as if the
5 previous tenant remained in occupancy.

6 **7.28.050 Control on rent increases**

7 A. Except as provided in Sections 7.28.050, 7.28.060, and 7.28.070, a landlord may
8 increase rent charged for a rental housing unit by no more than the maximum annual rent
9 increase. If a landlord increases the rent charged for a rental housing unit more than once in a 12-
10 month period, the total increase during that 12-month period may not be greater than the
11 maximum annual rent increase for the applicable year.

12 B. Nothing in this Chapter 7.28 prevents a landlord from increasing rent charged for a
13 rental housing unit by less than the maximum annual rent increase, choosing not to increase rent
14 charged, or decreasing rent charged.

15 **7.28.060 Maximum annual rent increase**

16 A. The maximum annual rent increase is equivalent to rate of inflation multiplied by the
17 average monthly rent charged in the preceding 12 months. The Director shall publish on the
18 Department's website prior to January 1 of each calendar year the rate of inflation applicable for
19 that calendar year along with the historical data of the maximum annual rent increase for at least
20 each of the previous ten years.

21 B. In exceptional circumstances, the City Council and Mayor may, by ordinance, override
22 the calculation of maximum annual rent increase in subsection 7.28.060.A with a different
23 calculation for a given year. The City Council must hold a minimum of two public hearings on

1 any bill that would amend the calculation of maximum annual rent increase before taking a final
2 vote on the bill. The bill must contain reasons explaining why the Council believes the amount is
3 in the public interest. Those reasons may include but are not limited to:

- 4 1. Any recommendations from the Rent Control Commission pursuant to Section
5 7.28.120;
- 6 2. The occurrence of a natural disaster such as an earthquake or other emergencies
7 impacting large areas of Seattle; or
- 8 3. Large and unusual changes to the taxes or other legal obligations applied to
9 renters and property owners.

10 The ordinance must be approved by no less than a supermajority of 2/3 of the
11 Councilmembers present to be adopted.

12 **7.28.070 Utilities included in rent**

13 A. If a landlord pays utility bills for a rental housing unit, the landlord may include the
14 cost in the rent. If tenants pay utility costs directly to the utilities, the landlord must exclude
15 those costs from the rent.

16 B. If utility charges were not included as a component of rent for a rental housing unit
17 under its most recent rental agreement and will be a component of rent under a new rental
18 agreement, the cost of utilities is exempt from the limitation on rent increases specified in
19 Section 7.28.050. If the cost of utilities is included in the rent pursuant to this subsection
20 7.28.070.B, the cost may not exceed the average cost of the same utilities for the rental housing
21 unit during the 12 months prior to the date the rent increase takes effect. The cost of the utilities
22 included in the rent may only include utility charges paid by the landlord to the utility for the use
23 and delivery of service and may not include late fees charged to the landlord.

1 C. If utility charges were included as a component of rent for a rental housing unit under
2 its most recent rental agreement but will not be a component of rent under a new rental
3 agreement, the amount of the maximum annual rent increase under the new agreement shall be
4 reduced by the average cost of the utilities paid during the 12 months prior to the date of the new
5 rental agreement.

6 **7.28.080 One-to-one replacement of controlled rents, and initial rents in new construction**
7 **and units not previously available for rent**

8 A. For any new proposed building containing rental housing that is located on the site of
9 a rental housing structure that was demolished at any time within ten years prior to the issuance
10 of the Master Use Permit for the new building, the landlord of the new building may not charge
11 an initial rent for rental housing units in the new building that exceeds the rent most recently
12 charged in the demolished rental housing units plus an amount of increased rent allowed
13 pursuant to Sections 7.28.050, 7.28.060, and 7.20.070, using the rent most recently charged in
14 the demolished rental housing units as the baseline for calculation of that increased amount,
15 pursuant to the following provisions:

16 1. If the new rental housing unit has square footage different than the demolished
17 rental housing unit, the amount of initial rent for the new rental housing unit must be adjusted
18 proportionately based upon the ratio of rent to square footage.

19 2. If the new building increased the amount of rental housing available above the
20 square footage previously present on the parcel for rental housing, the landlord may set initial
21 rent without limitation on the new rental housing units comprised of the excess square footage
22 pursuant to subsection 7.28.080.B. All other rental housing units in the redevelopment, not in
23 excess of the square footage of the rental housing previously present on the parcel, rounded up to

1 the nearest whole unit, are not considered additional rental housing units, and are not subject to
2 this exception. If the replacement rental housing units or the rental housing previously present on
3 the parcel are not uniform, or vary in size, number of bedrooms, furnishings or any other
4 characteristic impacting the value or desirability of the rental housing unit, a landlord must make
5 a good faith effort to match corresponding rental housing units in the new construction and the
6 previously present rental housing when determining which rental housing units are considered
7 additional.

8 B. Nothing in this Chapter 7.28 is intended to regulate the initial rent that a landlord may
9 charge for a rental housing unit if any of the following conditions are met:

10 1. The rental housing unit is not on the site of any demolished rental housing
11 structure which existed on that parcel at any time within ten years prior to the issuance of the
12 Master Use Permit for the new construction;

13 2. The rental housing unit was not rented as a rental housing at any time within
14 the previous ten years; or

15 3. The rental housing unit is in a new construction project on the site of any
16 demolished rental housing structure that had less square footage than the new construction
17 project and which existed on that parcel at any time within ten years prior to the issuance of the
18 Master Use Permit for the new construction, and all the conditions of subsection 7.28.080.A have
19 been met by other rental housing units in the new construction.

20 After the initial rent for a rental housing unit is established, all future rent increases are
21 subject to compliance with Sections 7.28.050, 7.28.060, and 7.28.070.

22 C. For the purposes of this Chapter 7.28, it is intended for subdivisions and other changes
23 to parcel boundaries to have no impact on the control of rents.

1 D. For projects in which a Master Use Permit application is filed after the effective date
2 of this ordinance, the applicant must also separately file and the Director must approve a plan to
3 comply with this subsection.

4 **7.28.100 Notice of rent increases**

5 Any notice of rent increase must be expressed as a dollar amount and as a percentage of current
6 rent. If requested, the department shall assist any landlord or tenant in calculating the dollar
7 amount and percentage of any rent increases.

8 **7.28.110 Registration**

9 When rental housing units are registered, renewed, reinstated, or updated with the Department
10 pursuant to Section 22.214.040, the landlord shall include the following information in the
11 landlord's submittal documents: the amount of rent that has been charged over the previous ten
12 years, any rent increases since the first registered amount in the previous ten years, and the
13 current rental amount. Violation of this Section 7.28.110 is subject to enforcement under Chapter
14 22.214.

15 **7.28.120 Rent Control Commission and District Rent Control Boards established**

16 A. Establishment. There is established a citywide Rent Control Commission that shall
17 make recommendations to the City Council and Mayor regarding rent control policies. There are
18 also established seven District Rent Control Boards, one for each of the seven City Council
19 districts, whose members are comprised from the Rent Control Commission, that shall review
20 emergency rent control exemption petitions, pursuant to this Chapter 7.28.

21 1. To accomplish these purposes the Rent Control Commission shall:

1 a. Solicit citizen and community comment, identify priorities, and make
2 recommendations to the City Council and the Mayor regarding rent control policies and
3 regulations.

4 b. Review, and if necessary, recommend changes to the City Council and
5 the Mayor about the calculation of the maximum annual rent increase amount pursuant to
6 Section 7.28.060.

7 c. Ensure fair and consistent application of rent control regulations.

8 2. The District Rent Control Boards shall:

9 a. Hold hearings on emergency rent control exemption petitions.

10 b. Determine whether a petition for an emergency rent control exemption
11 meets the criteria for granting emergency exemptions pursuant to Section 7.28.130 and notify the
12 Director of the Board's decision to approve, condition, or deny an emergency rent control
13 exemption petition.

14 B. Rent Control Commission membership criteria

15 1. Members of the Rent Control Commission include both renters and landlords.

16 2. Members should possess a familiarity with rent control policies.

17 3. Consistent with Section 4.16.070, no member of the Rent Control Commission
18 shall participate in or have any involvement in an emergency rent control exemption petition
19 under review by a District Rent Control Board if such member has a financial or other private
20 interest, direct or indirect, personally or through a person in the member's immediate family.

21 C. Rent Control Commission composition and selection process

22 1. The Rent Control Commission shall be composed of 35 renters and seven
23 landlords serving an initial two-year appointed term, and four-year elective terms thereafter. If

1 the Seattle City Charter is not amended to allow for new elective officers, then the Rent Control
2 Commission shall be selected as provided in subsection 7.28.120.C.6.

3 2. For every position prior to January 1, 2026, and for every vacant position
4 between elections as described in subsection 7.28.120.C.3, the renter and landlord members of
5 the Rent Control Commission shall be appointed by the City Council. Each of the seven City
6 Councilmembers who represents a district shall appoint five renters who live in the
7 Councilmember's district, as well as a landlord who owns or manages rental housing in the
8 Councilmember's district. Any term that starts prior to December 31, 2025 will end on
9 December 31, 2025. After December 31, 2025, vacant positions between elections as described
10 in subsection 7.28.120.C.3 shall be filled by the district nomination process in this subsection
11 7.28.120.C.2. Members appointed to fill vacancies shall serve terms ending on the December 31
12 immediately after a general election.

13 3. Beginning in the 2025 primary and general election, for terms starting on
14 January 1, 2024 and every four years thereafter, all members of the Rent Control Commission
15 except the young adult member(s) shall be elected. Voters in each City Council district are
16 eligible to vote for the five renter and one landlord representative from the corresponding City
17 Council district.

18 4. A member may continue on an interim basis as a holdover member after their
19 term ends with voting rights until a successor has qualified as provided in Charter Article XIX,
20 Section 9.

21 5. Any member may request an excused absence from any Rent Control
22 Commission meeting. The Rent Control Commission may recommend, by a majority vote of all
23 members of the Rent Control Commission, that the City Council remove any member who is

1 absent without excuse from three or more consecutive Commission meetings. Any member may
2 resign from the Rent Control Commission at any time by notifying the City Council in writing,
3 which may be by electronic communication. Upon receipt of a written resignation, or the
4 recommendation from the Rent Control Commission to remove a member, the City Council may
5 remove that member. The City Council may remove any member for cause.

6 6. If the City Charter is not amended to allow for the election of Rent Control
7 Commission members prior to the date that this subsection 7.28.120.C takes effect, the Rent
8 Control Commission members will be initially appointed by the City Council as provided in
9 subsection 7.28.120.C.2 for two-year terms and appointed in the same manner every two years
10 thereafter. If this subsection 7.28.120.C.6 conflicts with any other provision regarding the
11 selection process of the Rent Control Commission, this subsection 7.28.120.C.6 applies and any
12 inconsistent provision does not. This subsection 7.28.120.C.6 shall have no effect if the City
13 Charter is amended prior to the date that this subsection 7.28.120.C takes effect to allow for the
14 Rent Control Commission members to be elective officers.

15 D. District Rent Control Boards

16 1. The seven District Rent Control Boards shall be comprised of the five renter
17 members and one landlord member on the Rent Control Commission from each City Council
18 District.

19 2. Four members of a District Rent Control Board constitute a quorum.

20 3. Substitutions

21 a. If more emergency rent control exemption petitions as provided for in
22 Section 7.28.130 are undergoing simultaneous review than a District Rent Control Board can

1 review in a timely manner, the Director may assign such petitions to another District Rent
2 Control Board.

3 b. If an individual District Rent Control Board member is unable to serve,
4 the Director may appoint an individual from another District Rent Control Board to serve in the
5 member's absence.

6 E. Meetings of the Rent Control Commission

7 1. The Rent Control Commission shall hold quarterly meetings in accordance with
8 the Open Public Meetings Act, to conduct a quarterly review of rental housing costs in Seattle, to
9 take public comment, and to make recommendations to City Council and the Mayor. The
10 Director shall make public in a timely manner a schedule and the time, date, and location of the
11 Rent Control Commission meetings.

12 2. Meeting notifications, agendas, minutes of proceedings, findings,
13 recommendations, and any other relevant materials shall be available to the public and posted on
14 the Department's website.

15 3. The Rent Control Commission may not take official action at its meetings unless a
16 quorum of Rent Control Commission members is present.

17 F. Meetings of the District Rent Control Boards

18 1. District Rent Control Boards shall hold monthly meetings in accordance with
19 the Open Public Meetings Act for the purpose of reviewing emergency rent control exemption
20 petitions regarding rental housing units located within the Board's District. The Director shall
21 make public in a timely manner a schedule and the time, date, and locations of District Rent
22 Control Board meetings. The District Rent Control Board shall determine whether a petition for
23 an emergency rent control exemption meets the criteria for granting exemptions pursuant to

1 subsection 7.28.130.C. The Board’s written decision to approve or deny the petition shall be
2 provided to the applicant.

3 2. All meetings of the District Rent Control Boards shall be held in the evening
4 within the district and in a location that is accessible and conveniently located to district
5 residents. District Rent Control Board meetings are open to the general public.

6 F. The Department shall provide staff for the Rent Control Commission and the District
7 Rent Control Boards as needed to ensure their ability to function pursuant to this Section
8 7.28.120.

9 **7.28.130 Emergency rent control exemptions**

10 A. Landlords may petition their District Rent Control Board for an emergency exemption
11 from the limitation on rent increases set forth in this Chapter 7.28, pursuant to the procedures and
12 criteria contained in this Section 7.28.130. The petitioning landlord is referred to in this Section
13 7.28.130 as the “Applicant.” Applicants may apply for an exemption if they have incurred
14 unforeseen costs of repairing major damage to their property due to unforeseeable events such
15 as, but not limited to, earthquakes, flood, water or fire damage, and financial hardship preventing
16 the applicant from completing repairs or paying for completed repairs without an exemption.

17 Petitions should be submitted to the Department and must include all of the following to be
18 complete:

- 19 1. The name, address, and contact information of the Applicant;
- 20 2. The address of each rental housing unit for which the exemption is requested;
- 21 3. The rent currently charged for each rental housing unit for which the exemption
22 is requested;
- 23 4. The amount of rent increase requested;

1 5. The name, address, and contact information for every adult tenant currently
2 residing in each rental housing unit for which the exemption is requested;

3 6. A description of the unforeseen costs, the events that caused those costs, and
4 information demonstrating that, without the exemption, financial hardship will prevent the
5 applicant from completing repairs or paying for completed repairs.

6 7. A signed statement attesting that, on penalty of perjury, the contents of the
7 petition are true to the best knowledge of the applicant; and

8 8. Payment of the administrative fee pursuant to subsection 7.28.130.D.

9 The Department shall return incomplete petitions to the applicant along with a description
10 of the information that must be provided to make a complete petition. The Director shall assign
11 complete petitions for a hearing to a District Rent Control Board pursuant to this Section
12 7.28.130.

13 B. Tenants residing in any rental housing unit for which an emergency rent control
14 exemption is requested shall be notified by the Director via certified mail, return receipt
15 requested, and regular mail that a petition for an emergency rent control exemption has been
16 submitted to the Department. The Director may require that the notice occur in a language that is
17 the same as that spoken by tenants. The notification shall include:

18 1. A copy of the complete petition;

19 2. A description of the tenant's right to respond to the petition and provide
20 testimony to the District Rent Control Board at the hearing regarding the petition; and

21 3. The date, time, and location of the District Rent Control Board meeting when
22 the petition hearing will be considered. The hearing may be scheduled no sooner than 15

1 calendar days after the date the Director determines that all tenants have received the
2 notification.

3 C. In considering petitions for exemptions from limitations on rent increases, the District
4 Rent Control Board shall consider the following:

- 5 1. Financial hardship to the landlord caused by the unforeseeable event;
- 6 2. Financial hardship to tenants if the exemption is granted; and
- 7 3. Whether the exemption can be reasonably expected to result in one or more
8 tenants being unable to remain housed in Seattle. Generally, the exemption should not be granted
9 if that reasonable expectation is met.

10 The District Rent Control Board may not consider costs resulting from foreseeable major
11 repairs or arising from routine wear and tear.

12 D. The applicant shall pay the Director a \$500 administrative fee at the time a petition is
13 submitted for each rental housing unit included in a petition. The fee shall be refunded to the
14 applicant in its entirety for any petition that is approved or conditionally approved by the District
15 Rent Control Board if any rental housing unit included in the petition is granted an exemption.

16 E. During a regularly scheduled evening meeting of the District Rent Control Board, the
17 Board shall conduct hearing(s) that are listed on the meeting agenda to review emergency rent
18 control exemption petition(s). The District Rent Control Board shall hear and consider public
19 comments, and hear and consider both oral and written testimony from the applicant, the tenants,
20 or their designees. The applicant shall have the initial burden of proof to demonstrate that the
21 applicant suffered financial hardship due to unforeseen circumstances as described in subsection
22 7.28.130.C. The burden then shifts to the tenants to show financial hardship or that the rent
23 increase is reasonably expected to result in one or more tenants being unable to remain housed in

1 Seattle. After receiving all public comment and testimony, the District Rent Control Board shall
2 consider and decide whether to approve, conditionally approve, or deny the petition. The Board's
3 decision requires a majority vote of District Rent Control Board members voting. Tie votes
4 constitute denial of the petition. Conditional approvals may grant an emergency rent control
5 exemption for a rent increase amount that is different than the rent increase amount requested in
6 the petition. The District Rent Control Board shall notify the Director of the decision, and the
7 Director shall then transmit that decision to the applicant and tenants. For approved and
8 conditionally approved decisions, the Director shall include in the transmittal the rent increase
9 allowed by the emergency rent control exemption.

10 **7.28.140 Request for reconsideration and appeals**

11 A. The applicant or any tenant residing in the rental housing unit that participated in an
12 emergency rent control exemption hearing and was injured by the decision may, within 14
13 calendar days from the issuance of the decision, request the District Rent Control Board
14 reconsider its decision on the basis of any of the following:

15 1. Information submitted to the District Rent Control Board at the hearing was
16 inaccurate and that those inaccuracies likely could have affected the decision of the District Rent
17 Control Board;

18 2. Notice of the petition was not provided to the tenant as required by this
19 subsection 7.28.130.B; or

20 3. Substantial new evidence, not presented to the District Rent Control Board, has
21 become available, and the evidence could not reasonably have been available at the time of the
22 District Rent Control Board meeting, and that the evidence could have affected the decision of
23 the District Rent Control Board.

1 B. If reconsideration by the District Rent Control Board is requested in accordance with
2 subsection 7.28.140.A, a written decision on a request for reconsideration will be issued by the
3 District Rent Control Board or coordinating staff within 30 days of receipt of the request for
4 reconsideration. If a written decision is not issued 30 days from the date a request for
5 reconsideration is received, the request for reconsideration shall be deemed to have been issued
6 and denied on the 30th day.

7 C. If the applicant or tenant chooses not to request reconsideration, the applicant or any
8 tenant residing in the rental housing unit that participated in the emergency rent control
9 exemption petition hearing and was injured by the decision of the District Rent Control may
10 appeal the decision within 14 calendar days from the issuance of the decision to the Hearing
11 Examiner. If reconsideration was requested, then an applicant or tenant residing in the rental
12 housing unit that participated in the emergency rent control exemption petition hearing that was
13 injured by the decision on the request for reconsideration may appeal the decision within 14
14 calendar days from the issuance of the decision on the request for reconsideration. An appeal to
15 the hearing examiner may be brought on the same basis provided in subsection 7.28.140.A, that
16 one or more members of the District Rent Control Board failed to recuse themselves based upon
17 a conflict of interest as described in subsection 7.28.120.B.3, or that after considering the
18 evidence presented to the District Rent Control Board at the emergency rent control exemption
19 petition hearing, the decision of the District Rent Control Board's analysis of the financial
20 hardship of the applicant or tenants was in clear error.

1 **7.28.150 Retaliation prohibited**

2 A. It is a violation of this Chapter 7.28 for any person to retaliate against a tenant or
3 prospective tenant because the tenant or prospective tenant exercised or attempted to exercise
4 rights conferred by this Chapter 7.28. Retaliation means any of the following actions:

5 1. Refusing to provide, accept, or approve a rental application or a rental
6 agreement except as otherwise allowed by law.

7 2. Applying more onerous terms, conditions, or privileges, including increased
8 rent, to a tenant or prospective tenant who exercises rights under this Chapter 7.28 than to a
9 tenant or prospective tenant who does not assert those rights.

10 3. Misrepresenting any material fact when providing a rental reference about a
11 tenant.

12 4. Threatening to allege to a government agency that a tenant or prospective
13 tenant, or a family member of a tenant or prospective tenant, is not lawfully in the United States.

14 B. If a person takes any of the actions identified in subsection 7.28.150.A within 90 days
15 of the date a tenant or prospective tenant exercises rights conferred by this Chapter 7.28, it is
16 presumed that the action was taken in retaliation for the exercise of those rights. The person
17 taking the actions may rebut the presumption by producing substantial evidence that the actions
18 were not retaliatory.

19 **7.28.160 Administration and enforcement**

20 A. The Director shall administer and enforce the provisions of this Chapter 7.28 and is
21 authorized to adopt rules and regulations to implement this Chapter 7.28.

22 B. The Department shall provide technical assistance to landlords and tenants to achieve
23 compliance with Chapter 7.28.

1 C. The first and second violations of this Chapter 7.28 shall be enforced as citations
2 pursuant to Section 7.28.170. Subsequent violations may be enforced, at the Director's discretion,
3 pursuant to the notice of violation provisions prescribed in Section 7.28.180 or pursuant to
4 criminal provisions prescribed in Section 7.28.190.

5 **7.28.170 Citation**

6 A. Citation. If after investigation the Director determines that the standards or
7 requirements of this Chapter 7.28 have been violated, the Director may issue a citation to the
8 landlord. The citation shall include the following information:

- 9 1. The name and address of the landlord to whom the citation is issued;
- 10 2. The address of the rental housing unit(s) impacted by the landlords' actions;
- 11 3. A separate statement of each standard or requirement violated by the landlord;
- 12 4. The date of the violation;
- 13 5. A statement that the landlord must respond to the citation within 15 days after
14 service of the notice of violation;
- 15 6. A space for entry of the applicable remedy and penalty;
- 16 7. A statement that a response must be sent to the Hearing Examiner and received
17 not later than 5 p.m. on the day the response is due;
- 18 8. The name, address, and phone number of the Hearing Examiner where the
19 citation is to be filed;
- 20 9. A statement that the citation represents a determination that a violation has
21 been committed by the landlord named in the citation and that the determination shall be final
22 unless contested as provided in subsection 7.28.170.C; and

1 B. Service. The citation may be served by personal service in the manner set forth in
2 RCW 4.28.080 for service of a summons or sent by first class mail, addressed to the last known
3 address of the landlord. Service shall be complete at the time of personal service, or if mailed,
4 three days after the date of mailing.

5 C. Response to citations

6 1. A landlord must respond to a citation in one of the following ways:

7 a. Payment to the Department of the monetary penalty as specified in the
8 citation, in which case the record shall show a finding that the landlord committed the violation;

9 or

10 b. A written request [to the Office of the Hearing Examiner](#), as specified on
11 the citation, for a mitigation hearing to explain the circumstances surrounding the commission of
12 the violation, seeking a reduction of the monetary penalty, and providing an address to which
13 notice of such hearing may be sent; or

14 c. A written request to the Office of the Hearing Examiner, as specified on
15 the citation, for a contested hearing specifying the reason(s) why the cited violation did not occur
16 or why the landlord is not responsible for the violation, and why the landlord should not be
17 required to pay the monetary penalty, and providing an address to which notice of such hearing
18 may be sent.

19 2. A landlord must respond to a citation. The landlord's response must be
20 received by the Office of the Hearing Examiner no later than 15 days after the date the citation is
21 served.

22 D. Failure to respond. If the Office of the Hearing Examiner does not receive a response
23 within 15 days of service of the citation, the Hearing Examiner shall enter an order finding that

1 the landlord committed the violation stated in the citation and assessing the penalty specified in
2 the citation.

3 E. Hearings

4 1. Mitigation hearings

5 a. Date and notice. If a mitigation hearing is requested, the mitigation
6 hearing shall be held within 30 days after the Office of the Hearing Examiner receives the
7 written response to the citation requesting such hearing. Notice of the time, date, and location of
8 the hearing shall be sent to the address specified in the request for hearing not less than ten days
9 prior to the date of the hearing.

10 b. Procedure at hearing. The Hearing Examiner shall hold an informal
11 hearing that is governed by the Hearing Examiner rules and procedures. The landlord may
12 present witnesses or written witness testimony, but witnesses may not be compelled to attend. A
13 representative from the Department may also be present and may present additional information,
14 but attendance by a representative from the Department is not required.

15 c. Disposition. The Hearing Examiner shall determine whether to reduce
16 the monetary penalty; however, the monetary penalty may not be reduced unless the Department
17 affirms that the violation has been corrected prior to the mitigation hearing. Factors that may be
18 considered in whether to reduce the penalty include whether the violation was caused by the act,
19 neglect, or abuse of another; or whether correction of the violation was commenced promptly
20 prior to citation but that full compliance was prevented by a condition or circumstance beyond
21 the control of the person cited.

22 d. Entry of order. After hearing the explanation of the landlord and any
23 other information presented at the hearing, the Hearing Examiner shall enter an order finding that

1 the landlord committed the violation and the determined amount of monetary penalty pursuant to
2 subsection 7.28.170.F. The Hearing Examiner's decision shall be the City's final decision.

3 2. Contested hearing

4 a. Date and notice. If a landlord requests a contested hearing, the hearing
5 shall be held within 60 days after the written response to the citation requesting such hearing is
6 received.

7 b. Hearing. Contested hearings shall be conducted pursuant to the
8 procedures for hearing contested cases contained in Section 3.02.090 and the rules adopted by
9 the Hearing Examiner for hearing contested cases, except as modified by this subsection
10 7.28.170.E.2. The issues heard at the hearing shall be limited to those that are raised in writing in
11 the response to the citation and that are within the jurisdiction of the Hearing Examiner. The
12 Office of the Hearing Examiner, either on its own or at the request of a contesting landlord, may
13 issue subpoenas for the attendance of witnesses and the production of documents.

14 c. Sufficiency. A citation shall be deemed sufficient that contains a
15 statement of the facts that support the Department's determination that the landlord violated this
16 Chapter 7.28.

17 d. Citation may be withdrawn or amended. A citation may be withdrawn
18 prior to the conclusion of the hearing if the Department decides that the statement of facts
19 supporting the citation are either incorrect or that additional facts change the Department's
20 decision as to whether this Chapter 7.28 was violated. A citation may be amended if additional
21 facts are discovered that provide additional support for the citation.

22 e. Evidence at hearing. The certified statement or declaration authorized
23 by RCW 9A.72.085 shall be prima facie evidence that a violation by a landlord has occurred.

1 The certified statement or declaration authorized under RCW 9A.72.085 and any other evidence
2 accompanying the report shall be admissible without further evidentiary foundation. The
3 landlord may rebut the Department's evidence and establish that the cited violation(s) did not
4 occur or that the landlord contesting the citation is not responsible for the violation.

5 f. Disposition. If the citation is sustained at the hearing, the Hearing
6 Examiner shall enter an order finding that the landlord committed the violation. If the violation
7 remains uncorrected, the Hearing Examiner shall impose the applicable penalty. If the violation
8 has been corrected, the Hearing Examiner may reduce the monetary penalty in the same manner
9 as authorized in subsection 7.28.170.E.1. If the Hearing Examiner determines that the violation
10 did not occur, the Hearing Examiner shall enter an order dismissing the citation.

11 g. Appeal. The Hearing Examiner's decision is final and conclusive unless
12 the decision is appealed as allowed by applicable law.

13 3. Failure to appear for hearing. Failure to appear for a requested hearing will
14 result in an order being entered finding that the landlord committed the violation as stated in the
15 facts provided in the citation and an assessed penalty up to the maximum amount specified in the
16 citation.

17 F. Citation remedies and penalties

18 1. The following penalties shall be assessed for violations of any provision of this
19 Chapter 7.28:

20 a. \$500 for the first violation; and

21 b. \$1000 for each subsequent violation within a five-year period.

1 2. Violation warning. The Director may, in an exercise of discretion, issue a
2 warning to the person responsible for the violation if that person has not been previously warned
3 or cited for violating this Chapter 7.28.

4 3. Collection of penalties. If the person cited fails to pay a penalty imposed
5 pursuant to this Section 7.28.170 within 60 days of issuance of the order, the penalty may be
6 referred to a collection agency. The cost to the City for the collection services will be assessed as
7 costs, at the rate agreed to between the City and the collection agency, and added to the penalty.
8 Alternatively, the City may pursue collection in any other manner allowed by law.

9 **7.28.180 Notice of violation**

10 A. Investigation and notice of violation issuance

11 1. If after investigation the Director determines that a violation of this Chapter
12 7.28 has occurred, and the landlord has had two or more citations issued within the past three
13 years for violating this Chapter 7.28, the Director may issue a notice of violation to the landlord.
14 The notice of violation shall state separately each violation and the facts relied upon to support
15 the determination, shall state what corrective action, if any, is necessary to correct the violation,
16 and shall set a reasonable time for compliance.

17 2. The notice shall be served upon the landlord by personal service, or by first
18 class mail to the landlord's last known address. If a notice of violation is directed to a landlord
19 who is not the owner, a copy of the notice shall be sent to the owner of the property.

20 3. If the landlord fails to appeal the notice of violation or correct the violation, the
21 Director may request that the City Attorney take appropriate enforcement action including
22 obtaining a judgment. If a judgment is obtained, a copy of the judgment may be filed with the
23 King County Recorder's Office.

1 B. Review of the notice of violation by the Director

2 1. Any person injured by the Director's issuance of a notice of violation pursuant
3 to subsection 7.28.180.A may obtain a review of the notice of violation by requesting in writing
4 such review with the Director, in the manner specified on the notice of violation, within ten days
5 after service of the notice of violation. Upon receipt of the request, the Director shall notify all
6 persons served the notice of violation and the complainant, if any, of the request for review and
7 the deadline for submitting additional information for the review. Before the deadline for
8 submission of additional information, any person significantly affected by or interested in the
9 notice of violation (including any persons served the notice of violation and the complainant)
10 may submit any additional information in the form of written material or oral comments to the
11 Director for consideration as part of the review.

12 2. The review will be made by the Director or the Director's designee. The
13 Director's designee will review all additional information received by the deadline for
14 submission of additional information. The reviewer may also request clarification of information
15 received, request more information, and request a site visit. After review of the additional
16 information is complete, the Director may:

- 17 a. Sustain the notice of violation;
- 18 b. Withdraw the notice of violation;
- 19 c. Continue the review to a date certain for receipt of additional
20 information; or
- 21 d. Modify the notice of violation, which may include an extension of the
22 compliance date.

1 3. Where review by the Director has been conducted pursuant to this subsection
2 7.28.180.B, the Director shall issue an order of the Director containing the decision within 15
3 days of the date that the review is completed and shall cause the same to be mailed by regular
4 first class mail to the person or persons named on the notice of violation and, if possible, mailed
5 to the complainant, if any. If no request for review was made timely to the Director pursuant to
6 this subsection 7.28.180.B, the notice of violation shall become the order of the Director.

7 C. Civil enforcement proceedings and penalties for a notice of violation

8 1. In addition to any other remedy authorized by law or equity, any landlord
9 violating or failing to comply with any of the provisions of this Chapter 7.28 shall be subject to a
10 cumulative penalty of up to \$500 per day for each violation until compliance is achieved. In
11 cases where the Director has issued a notice of violation, the violation will be deemed to begin
12 for purposes of determining the number of days of violation on the date compliance is required
13 by the notice of violation. The City shall also be entitled to recovery of its enforcement costs,
14 including but not limited to staff time, administrative expenses and fees, and attorneys' fees.

15 2. The penalty imposed by subsection 7.28.180.C.1 shall be collected by civil
16 action brought in Seattle Municipal Court or as otherwise required by law. The Director shall
17 request in writing that the City Attorney take enforcement action and the City Attorney shall,
18 with the assistance of the Director, take appropriate action to enforce this Chapter 7.28. In any
19 civil action for a penalty, the City has the burden of proving by a preponderance of the evidence
20 that a violation exists or existed; the issuance of the notice of violation or of an order following a
21 review by the Director is not itself evidence that a violation exists.

22 D. Final decisions of the Seattle Municipal Court on enforcement actions authorized by
23 this Section 7.28.180 may be appealed pursuant to applicable state or federal laws.

1 **7.28.190 Alternative criminal penalty**

2 Any landlord who violates or fails to comply with any of the provisions in this Chapter 7.28 and
3 who has had at least two or more citations and one notice of violation issued against them for
4 violating this Chapter 7.28 within the past three years from the date the criminal charge is filed
5 shall upon conviction be guilty of a misdemeanor subject to the provisions of Chapters 12A.02
6 and 12A.04, except that absolute liability shall be imposed for such a violation or failure to
7 comply and none of the mental states described in Section 12A.04.030 need be proved. The
8 Director may request the City Attorney prosecute such violations criminally as an alternative to
9 the citation and notice of violation procedures outlined in this Chapter 7.28.

10 **7.28.200 Private right of action**

11 If a landlord increases rent in violation of Chapter 7.28, the tenant may bring a civil action
12 against the landlord in a court of competent jurisdiction to recover: 1) any actual damages
13 incurred by the tenant as a result of the increase, including but not limited to a refund of rent paid
14 in excess of that allowed by Chapter 7.28; 2) a penalty of up to two months' rent; and 3)
15 reasonable attorneys' fees and costs.

16 **7.28.210 Achieving compliance**

17 A. A landlord who charges rent in excess of the amount allowed by Sections 7.28.050,
18 7.28.060, or 7.28.070 is in violation of this Chapter 7.28 and is subject to the penalties and
19 remedies provided by this Chapter 7.28. A landlord can achieve compliance with this Chapter
20 7.28 by:

21 1. Reducing the rent to an amount that does not exceed the provisions of this
22 chapter, and notifies the tenants of the reduced rent;

1 Tenant Relocation Assistance Ordinance; the Noise Control Code; the Shoreline Master
2 Program; and the Regulations for Environmentally Critical Areas;

3 B. Processing applications for permits for construction and land use approvals, grading
4 and site work, boilers, conveyance devices, mechanical equipment and systems, side sewers,
5 billboards and signs, zoning exceptions, subdivisions, and other land use approvals, including
6 those related to shoreline management but excluding those related to historic preservation;

7 C. Conducting reviews of the effects of proposed projects on the physical environment,
8 as prescribed by the State Environmental Policy Act and City ordinances;

9 D. Addressing complaints regarding a variety of community safety and quality of life
10 issues, including but not limited to conditions in tenant housing, construction without permits,
11 unauthorized uses, junk storage, and unsecured vacant buildings;

12 E. Administering the rental housing and tenant protection programs including but not
13 limited to rental housing registration and inspection, rent control, tenant relocation assistance,
14 and just cause eviction protections;

15 F. Maintaining appropriate records regarding property, permits, and structures; and

16 G. Discharging such other responsibilities as may be directed by ordinance.

17 The Director shall consult on all matters of structural strength and design with an assistant who is
18 a licensed structural engineer or architect with at least five years' experience in the practice of the
19 profession, unless the Director possesses such qualifications. Moreover, the Director shall
20 consult on all matters concerning compliance with design guidelines with a qualified architect or
21 urban designer with at least five years of experience in the practice of the profession, unless the
22 Director possesses such qualifications.

1 Section 4. If the Washington Legislature, in the same legislative session, amends or
2 repeals RCW 35.21.830 to allow municipal rent control in Seattle and does not enact other rent
3 control laws that apply in Seattle, this ordinance shall take effect and be in force on the later of:
4 the latest date any part of the amendment or repeal taking effect; or the date on which that
5 legislative session adjourns.

6 Passed by the City Council the _____ day of _____, 2021,
7 and signed by me in open session in authentication of its passage this _____ day of
8 _____, 2021.

9 _____
10 President _____ of the City Council

11 Approved / returned unsigned / vetoed this _____ day of _____, 2021.

12 _____
13 Jenny A. Durkan, Mayor

14 Filed by me this _____ day of _____, 2021.

15 _____
16 Monica Martinez Simmons, City Clerk

17 (Seal)