



Legislation Text

File #: CB 119585, Version: 2

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to residential rental properties; requiring a minimum of 180 days' prior written notice to tenants whenever the housing costs to be charged a tenant are to increase; and amending Sections 7.24.030, 22.202.080, and 22.206.180 of the Seattle Municipal Code.

WHEREAS, Article 25 of the United Nations' Universal Declaration of Human Rights recognizes housing as a human right; and

WHEREAS, notwithstanding a temporary drop in rents in 2020 due to the pandemic and recession, which fell hardest on low- and moderate-income households, 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, in large part due to high rents, Seattle is the fifth most expensive U.S. city to live in; and

WHEREAS, in 2021, as Seattle residents begin recover from the pandemic and recession, they are experiencing landlords once again raising rates well above the rate of inflation; and

WHEREAS, rental housing industry analysis firm ApartmentList.com calculated that Seattle rents increased an astounding 3.5 percent just between March and April 2021, the fifth largest month-over-month increase among the nation's 100 largest cities, which is an annualized rate of 42 percent rent increases with a trend expected to continue, as "the days of plummeting rents in pricey coastal markets are officially behind us"; and

WHEREAS, ApartmentList.Com data also show that between January and April 2021, rents across the board in Seattle for apartments of all sizes increased by nine percent, putting rents on track to more than rebound in 2021 from the temporary 2020 drop; 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, Washington State and The City of Seattle currently require that landlords provide tenants with only 60 days’ written notice before imposing any rent increase, an insufficient amount of time for Seattle renters to adjust to the increase or seek out a new, affordable living situation; and

WHEREAS, because current State and City protections have not been sufficient to stave off large rent increases, many Seattle renters have had to leave the City, sometimes with little time to prepare; and

WHEREAS, the more the rent increases, the longer time a tenant may need to accumulate the savings needed to pay the increased rent or pay for first and last months’ rent in a new unit; and

WHEREAS, with sufficient notice, tenants may be able to manage their finances to pay a rent increase or save enough to move, but short notice periods of only a month or two make that management or savings less likely and increase the chances that the tenant will have to move; and

WHEREAS, giving tenants a longer period of notice may decrease the likelihood of moving, and consequently decrease the risk of housing instability or homelessness; and

WHEREAS, in September 2020 the City of Auburn adopted a law that requires landlords to provide at least 120 days’ notice for any rent increase of over five percent; and

WHEREAS, Portland, Oregon requires landlords to provide at least 90 days’ notice for any rent increase over five percent, Vancouver, British Columbia provides 90 days’ notice, and Tacoma, Washington provides

60 days' notice; and

WHEREAS, in April 2019, the Seattle Renters' Commission sent a letter to the Council recommending amendments to Seattle's laws to provide renters with 180 days' notice of a rent increase rather than 60 days; and

WHEREAS, the Seattle Renters' Commission made clear that “[w]hile Portland, Vancouver, and Tacoma all offer better protections than Seattle, we see Montréal as the example to follow, as even 60 or 90 days is still not enough time for most Seattle tenants to rearrange their lives”; and

WHEREAS, Montreal requires up to 180 days' notice of a rent increase, depending on the type of lease; and

WHEREAS, economic displacement has fallen hardest on Black communities and other communities of color, as evidenced by the fact that Seattle's historically Black Central District, which used to be more than 70 percent African American, is today less than 20 percent Black, and that Seattle has been found to be the third most gentrifying city in the country, and

WHEREAS, this gentrification and displacement due to rising rents has an overall deleterious effect on the social fabric of our community, and further magnifies and reinforces historic racial inequities; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 7.24.030 of the Seattle Municipal Code, last amended by Ordinance 125951, is amended as follows:

7.24.030 Rental agreement requirements

A. Any rental agreement or renewal of a rental agreement for a residential rental unit in The City of Seattle entered into after ~~((October 28, 1998,))~~ the effective date of this ordinance shall include or shall be deemed to include a provision requiring ~~((a minimum of))~~ at least ~~((60))~~ 180 days' prior written notice whenever the periodic or monthly housing costs to be charged a tenant are to increase, except that for a subsidized tenancy where the amount of rent is based on the income of the tenant or circumstances specific to

the subsidized household, the rental agreement shall instead provide ~~((a minimum of))~~ at least 30 days' prior written notice of an increase in the amount of rent to each affected tenant.

* * *

Section 2. Section 22.206.180 of the Seattle Municipal Code, last amended by Ordinance 125952, is amended as follows:

22.206.180 Prohibited acts by owners

Except as otherwise specifically required or allowed by this Title 22 or by the Washington State Residential Landlord-Tenant Act, chapter 59.18 RCW, it is unlawful for any owner to:

* * *

H. Increase the periodic or monthly housing costs to be charged a tenant without giving the tenant at least ~~((60))~~ 180 days prior written notice of the cost increase, except that for a subsidized tenancy where the amount of rent is based on the income of the tenant or circumstances specific to the subsidized household, the owner shall instead provide at least 30 days' prior written notice of an increase in the amount of rent to each affected tenant. The notice shall describe how the tenant may obtain information about the rights and obligations of tenants and landlords under this Chapter 22.206; or

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Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

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

President _____ of the City Council

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

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)