



Legislation Details (With Text)

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|----------------------|--|--------------------|--------------|--------------|-----------|
| File #: | CB 120325 | Version: | 3 | Name: | CB 120325 |
| Type: | Council Bill (CB) | Status: | Did Not Pass | | |
| | | In control: | City Clerk | | |
| On agenda: | 7/5/2022 | | | | |
| Final Action: | Ord. No. | | | | |
| Title: | AN ORDINANCE relating to housing and displacement mitigation; expanding the information required for submission under the Rental Registration Inspection Ordinance for rental housing units; requiring submission of rental housing-related information; and amending Chapter 22.214 of the Seattle Municipal Code. | | | | |
| Sponsors: | Alex Pedersen, Tammy J. Morales | | | | |
| Indexes: | | | | | |
| Attachments: | 1. Mayor's Veto Letter, 2. CB 120325 Filed with Mayor's Veto, 3. Summary and Fiscal Note v2, 4. Summary and Fiscal Note, 5. Amendment 1 (added; 5/20/22), 6. Central Staff Memo (added; 5/20/22), 7. Memo Att 1 - SDCl, OPCD, and OH Comments on CB 120325 (added; 5/20/22), 8. Amendment A (added 6/2/22), 9. Amendment B (added 6/2/22), 10. Affidavit of Publication - Notice of Veto CB 120325 | | | | |

| Date | Ver. | Action By | Action | Result |
|-----------|------|--|---------------------------------|--------|
| 7/5/2022 | 3 | City Council | not passed | Pass |
| 6/10/2022 | 3 | Mayor | returned | |
| 6/10/2022 | 3 | Mayor | vetoed | |
| 6/3/2022 | 3 | City Clerk | submitted for Mayor's signature | |
| 5/31/2022 | 2 | City Council | passed as amended | Pass |
| 5/20/2022 | 1 | Sustainability and Renters' Rights Committee | pass as amended | Pass |
| 5/17/2022 | 1 | City Council | referred | |
| 5/9/2022 | 1 | Council President's Office | sent for review | |
| 5/4/2022 | 1 | City Clerk | sent for review | |

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to housing and displacement mitigation; expanding the information required for submission under the Rental Registration Inspection Ordinance for rental housing units; requiring submission of rental housing-related information; and amending Chapter 22.214 of the Seattle Municipal Code.

WHEREAS, Executive Order 2019-02 (“Actions to Increase Affordability and Address Residential

Displacement”) determined, among other things, that: “[E]conomic pressures are driving displacement

of residents from their long-standing communities; and ... without thoughtful policies, deliberate planning and investment during this period of unprecedented growth and change, we risk displacement of long-time community members”; and

WHEREAS, in March 2019, Resolution 31870 stated that the City should “[d]evelop a consistent and thorough monitoring and reporting process regarding housing production and loss of households at 30 to 120 percent AMI, including change of tenure and net change in affordable units on a particular development site, and deducting housing units funded by OH [Seattle Office of Housing]”; and

WHEREAS, the July 2019 report prepared for the City’s Office of Planning and Community Development by the Urban Displacement Project, University of California, Berkeley, titled *Heightened Displacement Risk Indicators for the City of Seattle’s Equitable Development Monitoring Program*, states that “a more granular and localized” data set is needed to “best meet the City’s racial equity goals”; and

WHEREAS, in its September 29, 2021 response to Statement of Legislative Intent OPCD-004-A-001 (“Report by OPCD, OH, and SDCI on displacement monitoring gaps”), the City determined that there are currently no sources that provide rental information data with a high level of granularity; and

WHEREAS, the Council intends that the submission of information regarding the number and size of residential rental units and rental amounts to a research university contracted to provide a report to the City will help to fill the identified data gaps and better allow the City to make policy to decrease gentrification and resulting physical, economic, and cultural displacement risks and inform updates to the City’s Comprehensive Plan update; and

WHEREAS, the Council believes that the rent and rental housing information property owners will submit to the research university should be made available to the public for transparency purposes; and

WHEREAS, the Council intends for the Office of Planning and Community Development or other executive department to enter into a contract with a research university to provide the City with reports analyzing this data and continue to hold such a contract for as long as the City requires the designated information

be provided to the designated research university; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Council finds and declares that it is necessary for the City to have and maintain a sufficiently descriptive and complete list of all rental housing units in Seattle, including analyses of market rate housing to inform policies to prevent and mitigate displacement of low-income households and the development and implementation of City programs.

Section 2. Chapter 22.214 of the Seattle Municipal Code, last amended by Ordinance 126157, is amended as follows:

CHAPTER 22.214 RENTAL REGISTRATION AND INSPECTION ORDINANCE

22.214.010 Declaration of purpose

The City Council finds that establishing a Rental Registration and Inspection Ordinance is necessary to protect the health, safety, and welfare of the public; ~~((and))~~ prevent deterioration and blight conditions that adversely impact the quality of life in the city; and mitigate displacement. This shall be accomplished by requiring rental housing be registered and properly maintained, ~~((and))~~ that substandard housing conditions be identified and corrected, and that owners certify to the City that they have submitted information about rental units for data analysis.

* * *

22.214.030 Applicability

A. The registration provisions of this Chapter 22.214 shall apply to all rental housing units with the exception of:

1. Housing units lawfully used as short-term rentals, if the housing unit is the primary residence of the short-term rental operator as defined in Section 23.84A.030;
2. Housing units rented for not more than 12 consecutive months as a result of the property owner, who previously occupied the unit as a primary residence, taking a work-related leave of absence or

assignment such as an academic sabbatical or temporary transfer;

3. Housing units that are a unit unavailable for rent;

4. Housing units in hotels, motels, inns, bed and breakfasts, or similar accommodations that provide lodging for transient guests, but not including short-term rentals as defined in Section 23.84A.024 unless the short-term rental qualifies for an exemption under subsection 22.214.030.A.1;

5. Housing units in facilities licensed or required to be licensed under chapter 18.20, 70.128, or 72.36 RCW, or subject to another exemption under this Chapter 22.214;

6. Housing units in any state licensed hospital, hospice, community-care facility, intermediate-care facility, or nursing home;

7. Housing units in any convent, monastery, or other facility occupied exclusively by members of a religious order or congregation;

8. Emergency or temporary shelter or transitional housing accommodations;

9. Housing units owned, operated, or managed by a major educational or medical institution or by a third party for the institution; and

10. Housing units that a government entity or housing authority owns, operates, or manages; or units exempted from municipal regulation by federal, state, or local law.

B. The inspection provisions of this Chapter 22.214 shall apply to rental housing units that are included in this Rental Registration and Inspection Ordinance, with the exception of:

1. Rental housing units that receive funding or subsidies from federal, state, or local government when the rental housing units are inspected by a federal, state, or local governmental entity at least once every five years as a funding or subsidy requirement; and the rental housing unit owner or agent submits information to the Department within 60 days of being notified that an inspection is required that demonstrates the periodic federal, state, or local government inspection is substantially equivalent to the inspection required by this Chapter 22.214; and

2. Rental housing units that receive conventional funding from private or government insured lenders when the rental housing unit is inspected by the lender or lender's agent at least once every five years as a requirement of the loan; and the lender or lender's agent submits information to the Department within 60 days of being notified that an inspection is required that demonstrates the periodic lender inspection is substantially equivalent to the inspection required by this Chapter 22.214; and

3. Accessory dwelling units and detached accessory dwelling units, provided the owner lives in one of the housing units on the property and an "immediate family" member as identified subsection 22.205.010.E lives in the other housing unit on the same property.

C. The penalty provisions of subsection 22.214.086.A shall not apply to violations of:

1. Subsection 22.214.040.G.6;

2. Section 22.214.055; and

3. Subsection 22.214.040.H.2 for information required for submission by Section 22.214.055.

Violations of the provisions listed in subsections 22.214.030.C.1-3 are subject to penalties of up to \$500 for the first violation and up to \$1,000 for each subsequent violation in a three-year period. Violations of the provisions listed in subsections 22.214.030.C.1-3 are otherwise subject to Section 22.214.086.

22.214.040 Rental housing registration, compliance declaration, and renewals

* * *

G. An application for a rental housing registration shall be made to the Department on forms provided by the Director. The application shall include, but is not limited to:

1. The address of the property;
2. The name, address, and telephone number of the property owners;
3. The name, address, and telephone number of the registration applicant if different from the property owners;
4. The name, address, and telephone number of the person or entity the tenant is to contact when

requesting repairs be made to their rental housing unit, and the contact person's business relationship to the owner;

5. A list of all rental housing units on the property, identified by a means unique to each unit, that are or may be available for rent at any time;

6. Effective three months from the date the contract described in subsection 22.214.055.C is executed, a declaration of compliance from the owner or owner's agent, declaring that the owner or owner's agent has provided to the research university selected by the Office of Planning and Community Development or other office within the Executive Department, pursuant to Chapter 20.50, the information required for submission by Section 22.214.055. This subsection 22.214.040.G.6 shall expire on the date the next City of Seattle comprehensive plan update required by chapter 36.70A RCW is adopted, or on December 31, 2025, whichever is later.

~~((6-))~~ 7. A declaration of compliance from the owner or owner's agent, declaring that all housing units that are or may be available for rent are listed in the registration application and meet or will meet the standards in this Chapter 22.214 before the units are rented; and

~~((7-))~~ 8. A statement identifying whether the conditions of the housing units available for rent and listed on the application were established by declaration of the owner or owner's agent, or by physical inspection by a qualified rental housing inspector.

H. A rental housing registration must be renewed according to the following procedures:

1. A registration renewal application and the renewal fee shall be submitted before the current registration expires;

2. All information required by subsection 22.214.040.G shall be updated as needed, except that, effective three months from the date the contract described in subsection 22.214.055.C is executed, the information described in Section 22.214.055 shall be submitted by the owner at least twice annually by April 15 and by October 15 each year for information on the months of March and September of that same year,

respectively. The requirement to submit information described in Section 22.214.055 shall expire on the date the next City of Seattle comprehensive plan update required by chapter 36.70A RCW is adopted, or on December 31, 2025, whichever is later; and ((5))

3. A new declaration as required by subsection 22.214.040.G.((6))7 shall be submitted.

* * *

22.214.055 Submission of rental housing information

A. Effective three months from the date the contract described in subsection 22.214.055.C is executed, the property owner or owner's agent shall submit the following information to a research university selected by the Office of Planning and Community Development or other office within the Executive Department on the schedule set out in subsection 22.214.040.H.2:

1. The name of the property owner provided in subsection 22.214.040.G.2;

2. The address of the property containing the rental housing units provided in subsection 22.214.040.G.1;

3. The list of all rental housing units on the property required by subsection 22.214.040.G.5; and

4. For each rental housing unit:

a. Whether it is vacant or occupied;

b. The estimated net rentable square footage;

c. The number of bedrooms;

d. The number of bathrooms;

e. Information sufficient to ascertain the current housing costs, as defined in Section 22.204.090, charged monthly;

f. The amount and identity of utilities paid by the owner;

g. The prospective housing costs if the unit is physically vacant; and

h. If subject to a rental agreement, the current term of the rental agreement.

B. The information submitted to the research university or under this Section 22.214.055 shall not include the name(s) of the tenant(s).

C. The Office of Planning and Community Development or other office within the Executive Department will enter into a contract with the research university, directing it to use its unique expertise, including but not limited to its diverse array of academic resources, to sort, analyze, and report on this data to identify relevant displacement risks and rental housing market conditions for the City to use in policy and decision-making regarding housing.

D. This Section 22.214.055 shall expire on the date the next City of Seattle comprehensive plan update required by chapter 36.70A RCW is adopted, or on December 31, 2025, whichever is later.

Section 3. The provisions of this ordinance are declared to be separate and severable. The invalidity of any clause, sentence, paragraph, subdivision, section, or portion of this ordinance, or the invalidity of its application to any person or circumstance, does not affect the validity of the remainder of this ordinance or the validity of its application to other persons or circumstances.

Section 4. 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 _____, 2022, and signed by me in open session in authentication of its passage this _____ day of _____, 2022.

President _____ of the City Council

Approved / returned unsigned / vetoed this ____ day of _____, 2022.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2022.

Monica Martinez Simmons, City Clerk

(Seal)