



Legislation Text

File #: CB 120305, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE modifying Ordinance 126081 concerning repayment plans for rental arrears accrued during or within six months after the termination of the civil emergency declared on March 3, 2020.

WHEREAS, on February 29, 2020, Washington Governor Jay Inslee declared a state of emergency in response to new cases of COVID-19, directing state agencies to use all resources necessary to prepare for and respond to the outbreak; and

WHEREAS, on March 3, 2020 the Mayor proclaimed a civil emergency related to the spread of COVID-19, authorizing the Mayor to exercise the emergency powers necessary for the protection of the public peace, safety, and welfare; and

WHEREAS, on March 5, 2020 the Council adopted Resolution 31937 affirming the civil emergency, modifying orders transmitted by the Mayor related to the emergency, and establishing Council's expectations related to future orders and reporting by the Mayor during the civil emergency; and

WHEREAS, on July 22, 2020, the Local Health Officer for King County issued a directive and order requiring quarantine or isolation to stem the spread of COVID-19 in the community; and

WHEREAS, on March 14, 2020 the Mayor issued a civil emergency order related to residential evictions; and

WHEREAS, on March 16, 2020 the Council adopted Resolution 31938 affirming and modifying the civil emergency order related to residential evictions and establishing Council's expectations related to future orders during the civil emergency; and

WHEREAS, subsequent emergency orders extended the moratorium on evictions through February 28, 2022;

and

WHEREAS, the COVID-19 crisis has had a significant impact on the local economy, and the improvements in economic conditions since the start of the pandemic were put at risk by the Omicron variant, with corollary impacts on income for many households; and

WHEREAS, the Center for Disease Control and Prevention guidelines state that those who develop symptoms or who test positive for COVID-19 without symptoms stay isolated for at least five days and those exposed to COVID-19 and not up to date on vaccinations stay home for five days, assuming no symptoms arise; and

WHEREAS, meeting requirements to self-isolate due to illness, a positive test, or exposure to COVID-19, the need to care for household members with illness or exposure, or the loss of child care arrangements due to outbreaks could have substantial impacts on household income and the ability to stay current on rent, and these risks are compounded for workers without paid sick or safe time, those who work in the “gig economy,” and historically disadvantaged populations that are already at greater risk of eviction; and

WHEREAS, the combined economic repercussions of COVID-19 on household income, including the ability to pay rent, is expected to continue for the duration of the public civil emergency, and for a notable period afterward for many households; and

WHEREAS, the Census Bureau’s Household Pulse Survey released on February 16, 2022 estimates that more than 77,000 households in the Seattle area with incomes below \$50,000 remain behind on rent; and

WHEREAS, the September 2018 Seattle Women’s Commission and the King County Bar Association’s report *Losing Home: The Human Cost of Eviction in Seattle* (“Losing Home Report”) found that the most disadvantaged groups face the highest likelihood of eviction; and

WHEREAS, the Losing Home report found that most evicted respondents became homeless, with 37.5 percent completely unsheltered, 25.0 percent living in a shelter or transitional housing, and 25.0 percent staying with family or friends. Only 12.5 percent of evicted respondents found another apartment or home to

move into; and

WHEREAS, a 2018 investigation by the King County Medical Examiner’s Office found that over half of 107 presumed homeless deaths investigated occurred outside and attributed approximately 121, or 62 percent, of presumed homeless deaths investigated to non-natural causes (drug overdose, accidents (including hypothermia), suicide, homicide, and undetermined), making it clear that people experiencing homelessness have a much higher risk than the general population of developing exposure-related conditions; and

WHEREAS, persons with underlying health conditions are at greater risk of fatality if they catch COVID-19, and preventing individuals from becoming higher-risk patients will protect the public health, safety, and welfare of the region; and

WHEREAS, *The Negative Effects of Instability on Child Development*, published in 2013 by the Urban Institute, found that “[c]hildren experiencing residential instability demonstrate worse academic and social outcomes than their residentially-stable peers, such as lower vocabulary skills, problem behaviors, grade retention, increased high school drop-out rates, and lower adult educational attainment”; and

WHEREAS, as of January 2022, The City of Seattle has allocated over \$55 million to provide rental assistance to individuals and households whose ability to pay rent has and continues to be impacted by the public health emergency and to date over 6,300 individuals and households have received rental assistance payments, with about \$25 million of funds still remaining to be distributed, in addition to funding available through King County’s rental assistance program; and

WHEREAS, it is unlikely that all households that are behind on their rent due to the effects of the pandemic will receive rental assistance, and rental assistance funding may not be sufficient to assist all impacted households; and

WHEREAS, as of March 29, 2022, the state and City COVID-19 public health emergencies continue; and

WHEREAS, on May 11, 2020, the Council passed Ordinance 126081, which allows a tenant who fails to pay rent when due during or within six months after the termination of the civil emergency proclaimed by Mayor Durkan on March 3, 2020 to elect to pay such overdue rent in installments; and

WHEREAS, the repayment schedule envisioned by Ordinance 126081 was based on certain assumptions as to the amount of past due rent that was likely to accumulate, assuming a relatively prompt end to the pandemic; and

WHEREAS, the civil emergency proclaimed by Mayor Durkan on March 3, 2020 has continued for an additional twenty-two months since the Council passed Ordinance 126081, meaning that repayment plans conforming with the City's ordinance may in many cases not be sufficient to address tenants' needs; and

WHEREAS, the Washington State Legislature established requirements for the repayment of rental arrears accrued during and within six months after the COVID-19 public health emergency declared by Governor Inslee that limits monthly repayment to one-third of the monthly rental charges during the period the debt was accrued, among other requirements (RCW 59.18.630); and

WHEREAS, the provisions of RCW 59.18.630 regarding repayment plans are an appropriate way of addressing tenants' needs for additional time to make past due rental payments given the duration of the pandemic, but the City Council finds that it is necessary to ensure that, within the City of Seattle, those provisions apply to unpaid rent that accrued between March 3, 2020 and six months after the termination of the civil emergency proclaimed by Mayor Durkan on March 3, 2020; and

WHEREAS, providing households reasonable opportunity to repay rental arrears is expected to decrease the likelihood that individuals and families will fall into homelessness and enable tenants in the City whose income and ability to work is affected due to COVID-19 to remain in their homes; NOW,

THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 2 of Ordinance 126081 is amended as follows:

Section 2.

A. ~~((A tenant who fails to pay rent when due during, or within six months after the termination of, the civil emergency proclaimed by Mayor Durkan on March 3, 2020, may elect to pay such overdue rent in installments. The tenant shall pay one month or less of overdue rent in three consecutive, equal monthly installments. The tenant shall pay over one month and up to two months of overdue rent in five consecutive, equal monthly payments. The tenant shall pay over two months of overdue rent in six consecutive, equal monthly payments. Any remainder from an uneven division of payments will be part of the last payment. The tenant may propose an alternative payment schedule, which, if the landlord agrees to it, shall be described in writing and signed by the tenant and landlord and deemed an amendment to any existing rental agreement.))~~

A landlord must offer a repayment plan in conformity with subsections (2), (3), and (5) of RCW 59.18.630, except that, notwithstanding any contrary language in RCW 59.18.630(2), the requirement of this subsection 2.A applies if a tenant has remaining unpaid rent that accrued between March 3, 2020 and six months following the termination of the civil emergency proclaimed by Mayor Durkan on March 3, 2020.

B. No late fee, interest, or other charge due to late payment of rent shall accrue during, or within one year after the termination of, the civil emergency proclaimed by Mayor Durkan on March 3, 2020.

C. If a landlord issues a notice to terminate tenancy for nonpayment of rent that was due during, or within six months after the termination of, the civil emergency proclaimed by Mayor Durkan on March 3, 2020, the notice must contain the following statement: “City law ((entitles you to pay overdue rent in installments)) requires a landlord to offer a reasonable schedule for repayment of unpaid rent that accrued between March 3, 2020, and six months following the termination of the civil emergency proclaimed by Mayor Durkan on March 3, 2020. If your landlord does not ((accept payment according

~~to the installment schedule))~~ offer such a repayment plan or give you 14 days to accept a reasonable repayment plan before proceeding with an unlawful detainer action, you may raise this as a defense to eviction in court.” It is a defense to eviction if the notice does not contain the required information.

D. An award of attorneys’ fees and statutory court costs to a landlord arising from an eviction proceeding raising defenses authorized by this ordinance is prohibited unless otherwise allowed by law.

E. Failure of the ~~((owner to accept payment under the installment schedule))~~ landlord to offer a repayment plan as provided in subsection 2.A of this ordinance, or to give a tenant 14 days to accept a reasonable repayment plan before proceeding with an unlawful detainer action, is a defense to eviction.

Section 2. 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)