



*Nick Licata*  
Seattle City Council

February 20, 2015

TO: Planning, Land Use, Sustainability Committee  
FROM: Councilmember Nick Licata  
RE: Proposed changes to the Tenant Relocation Assistance Ordinance and the Just Cause Eviction Ordinance

I have a draft bill to address problems that the City has in enforcing two of our most important tenant protections. The first issue relates to the inability to adequately enforce the Tenant Relocation Assistance Ordinance (TRAO) and the second is the need to clarify that the protections of the Just Cause Eviction Ordinance extend to tenants at the expiration of a fixed-lease term, as was intended when the law was passed in 1987.

## **I. TRAO**

*Background:* Since 1990, the City of Seattle has had a Tenant Relocation Assistance Ordinance (TRAO), authorized under RCW 59.18.440. TRAO provides relocation assistance to tenants who are displaced due to the demolition, substantial rehabilitation, or change of use of residential property, or upon the removal of use restrictions in an assisted-housing development. Tenants receive \$3,255 in financial relocation assistance if they earn 50% or less of Area Median Income (AMI), half paid by the landlord and half by the City. Under TRAO, all tenants also get more time to move, regardless of income.

*The Problem:* Some developers simply raise the rents to astronomical levels to displace current residents prior to applying for a demolition, renovation, or change of use permit from the city. Over the years, this practice is increasing. Attached is a press clip from a 1999 example where my office tried to assist. Of the 166 TRAO license applications to DPD in 2014, the vast majority were for property demolition, which demonstrates what we have heard anecdotally through reports from tenant advocacy organizations, calls to my office, and read in the press. TRAO is not being followed for many instances of tenant property renovation activity.

TRAO does not provide for relocation assistance in the form of either financial assistance or additional notice when tenants are displaced as a result of rent increases. Still, DPD and Councilmembers have had an increasing number of calls from tenants who have found find that, after a rent increase has displaced them, TRAO eligible renovation, demolition or change of use is done and that they have, as a result, been deprived the relocation assistance and additional time to move they would have otherwise received.

*The Impact:* Low income tenants having to move without relocation assistance is a hardship. TRAO was originally enacted as a homelessness prevention tool. Of the estimated 313,000 housing units in Seattle, only approximately 29% of them are affordable to people with incomes under 50% of AMI income.

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If we don't address this issue, landlords who do follow the law are put at a disadvantage to the landlords that are breaking the law. The City, tenants, and property-owners have a shared interest in insuring that the law is followed by all property owners who are engaged in TRAO-eligible activities.

*The Solution:* SMC 22.210.180 gives DPD the authority to collect penalties for circumventing TRAO under some circumstances. The proposed legislation will clarify that a violation includes using rent increases to circumvent complying with the TRAO. Without a change in State Law, a demonstrated violation would result in a penalty to the landlord, rather than payment of relocation assistance to the tenant.

A change in State Law, currently proposed by Sen. Jeanne Kohl-Welles and Rep. Jessyn Farrell, is necessary to award penalties to the tenant in those cases that it is determined the a violation of the TRAO law occurred.

Nevertheless, the potential of a penalty to the landlord will help serve as an important deterrent.

## **II. JCEO.**

*Background:* In Washington, month-to-month tenancies may be terminated for any reason or no reason at all. In 1981, the City of Seattle enacted the Just Cause Eviction Ordinance (JCEO), which requires landlords to have a reason before displacing a tenant from their home. SMC 22.206.260(C). In 2000, the Washington State Court of Appeals, ruled that JCEO did not apply to tenants in term leases.

*The Problem:* Therefore, no notice is required to terminate a tenancy at the end of its term. The effect of this decision is that a month-to-month tenant actually has stronger protections against displacement than a tenant on a term lease. This has effectively eliminated the key protection of the ordinance for tenants at the end of their fixed-termed leases.

*The Solution:* The proposed amendments would ensure that the JCEO applies to all residential tenants in Seattle as well as limit arbitrary lease terminations and evictions as the Council intended when the JCEO was enacted in 1981.