



# SEATTLE CITY COUNCIL

## Sustainability and Renters' Rights Committee

### Agenda

Wednesday, May 12, 2021

2:00 PM

### Special Meeting

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or  
Seattle Channel online.

Kshama Sawant, Chair  
Tammy J. Morales, Vice-Chair  
Debora Juarez, Member  
Andrew J. Lewis, Member  
Alex Pedersen, Member  
Teresa Mosqueda, Alternate

Chair Info: 206-684-8803; [Kshama.Sawant@seattle.gov](mailto:Kshama.Sawant@seattle.gov)

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Council Chamber Listen Line: 206-684-8566

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206-684-8888 (TTY Relay 7-1-1), email [CouncilAgenda@Seattle.gov](mailto:CouncilAgenda@Seattle.gov), or visit  
<http://seattle.gov/cityclerk/accommodations>.



**SEATTLE CITY COUNCIL**  
**Sustainability and Renters' Rights Committee**  
**Agenda**  
**May 12, 2021 - 2:00 PM**  
**Special Meeting**

**Meeting Location:**

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or Seattle Channel online.

**Committee Website:**

<http://www.seattle.gov/council/committees/sustainability-and-renters-rights>

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This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

*In-person attendance is currently prohibited per Washington State Governor's Proclamation 20-28.15, until the COVID-19 State of Emergency is terminated or Proclamation 20-28 is rescinded by the Governor or State legislature. Meeting participation is limited to access by telephone conference line and online by the Seattle Channel.*

**Register online to speak during the Public Comment period at the 2:00 p.m. Sustainability and Renters' Rights Committee at <http://www.seattle.gov/council/committees/public-comment>.**

**Online registration to speak at the Sustainability and Renters' Rights Committee meeting will begin two hours before the 2:00 p.m. meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.**

**Submit written comments to Councilmember Sawant at [Kshama.Sawant@seattle.gov](mailto:Kshama.Sawant@seattle.gov)**

**Sign-up to provide Public Comment at <http://www.seattle.gov/council/committees/public-comment>.**

**Watch live streaming video of the meeting at <http://www.seattle.gov/council/watch-council-live>**

**Listen to the meeting by calling the Council Chamber Listen Line at 253-215-8782 Meeting ID: 586 416 9164**

**One Tap Mobile No. US: +12532158782,,5864169164#**

*Please Note: Times listed are estimated*

**A. Call To Order**

**B. Approval of the Agenda**

**C. Public Comment**

**D. Items of Business**

1. **Panel discussion on closing the fixed-term lease loophole in Seattle's Just Cause Eviction Ordinance protections (CB 120056 and CB 120057)**

**Briefing and Discussion** (45 minutes)

**Presenters:** Violet Lavatai, Tenants Union of Washington; Colin Donovan, LGBTQ Allyship Renter Committee; Daniela Lizárraga, El Centro de la Raza; Kaitlin Heinen, Housing Justice Project; Colton Kenyon, Renee Gordon, Sean Butterfield, Jake Laundry, and Jordan Van Voast, Seattle Renters

2. [CB 120056](#) **AN ORDINANCE related to termination of residential tenancies; extending just cause protections to rental agreement renewals or extensions; providing a defense to eviction when a landlord violates the duty to renew or extend a tenancy except for a just cause; and amending Section 22.206.160 of the Seattle Municipal Code.**

*Supporting Documents:*

[Summary and Fiscal Note](#)

[Central Staff Memo for CBs 120056 & 120057 \(5/12/21\)](#)

**Briefing and Discussion** (20 minutes for Items 2 and 3)

**Presenter for Items 2 and 3:** Asha Venkataraman, Council Central Staff

3. [CB 120057](#) **AN ORDINANCE relating to the renewal or continuation of residential rental tenancies; requiring a landlord have just cause for refusing to renew or continue a rental agreement for a specified time; and amending Sections 7.24.030 and 22.206.160 of the Seattle Municipal Code.**

*Supporting  
Documents:*

[Summary and Fiscal Note v2](#)  
[Central Staff Memo for CBs 120056 & 120057 \(5/12/21\)](#)

**Briefing and Discussion**

4. [CB 120046](#) **AN ORDINANCE relating to termination of residential rental tenancies; providing a defense to certain evictions of children, their families, and educators during the school year; and amending Section 22.206.160 of the Seattle Municipal Code.**

*Supporting  
Documents:*

[Summary and Fiscal Note](#)

**Briefing and Discussion** (10 minutes)

**Presenter:** Ted Virdone, Office of Councilmember Kshama Sawant

## E. Adjournment



Legislation Text

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**File #:** Inf 1812, **Version:** 1

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Legislation Text

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File #: CB 120056, Version: 1

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CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL \_\_\_\_\_

AN ORDINANCE related to termination of residential tenancies; extending just cause protections to rental agreement renewals or extensions; providing a defense to eviction when a landlord violates the duty to renew or extend a tenancy except for a just cause; and amending Section 22.206.160 of the Seattle Municipal Code.

WHEREAS, on November 2, 2015, the Mayor issued a Civil Emergency to address the homelessness crisis in the City of Seattle and on November 3, 2015, the City Council adopted Resolution 31630, ratifying and confirming the Mayoral Proclamation of Civil Emergency; and

WHEREAS, in September 2018, the Seattle Women’s Commission and the King County Bar Association jointly published *Losing Home: The Human Cost of Eviction* in Seattle, finding that households who are evicted face material hardships that make it more difficult to secure safe and affordable housing and that the most disadvantaged groups face the highest likelihood of eviction; and

WHEREAS, *Losing Home* 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, in 2018, the King County Medical Examiner’s Office (KCMEO) investigated the deaths of 194 individuals presumed to be homeless. This represents 25 more deaths than investigated in 2017; and

WHEREAS, on January 5, 2020, the Seattle Times reported that 2018 Census data shows that out of residents in Seattle “renters pulled just about even with homeowners,” and “assuming the trend continues, renters will soon be in the majority”; and

WHEREAS, on July 21, 1980, the Seattle City Council passed Ordinance 109219, commonly known as the Just Cause Eviction Ordinance, prohibiting the tenant evictions without good cause; and

WHEREAS, the recital in Ordinance 109219 correctly states that, “arbitrary eviction of responsible tenants imposes upon such tenants the hardship of locating replacement housing and provides no corresponding benefit to property owners”; and

WHEREAS, in the 41 years since the passage of Ordinance 109219, Seattle’s just cause eviction protections have been amended many times by subsequent Councils; and

WHEREAS, Seattle’s current just cause eviction protections fail to protect a renter on a fixed-term rental agreement from a unilateral decision by their landlord not to renew or extend the tenancy without a just cause; and

WHEREAS, in 2019, Federal Way voters placed on the ballot and ultimately enacted the “Stable Homes Initiative,” which created just cause eviction protections for renters in Federal Way; and

WHEREAS, the Stable Homes Initiative protects renters on fixed-term rental agreements from arbitrary termination of their tenancies at the end of the term of their rental agreements, requiring that “[b]etween 60 and 90 days prior to the expiration of the existing rental term, the landlord must offer a tenant the opportunity to enter into a new rental agreement or to extend the existing rental agreement”; and

WHEREAS, the Seattle City Council believes that just cause eviction protections should protect renters regardless of the term of their rental agreement; NOW, THEREFORE,

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

Section 1. Subsection 22.206.160.C of the Seattle Municipal Code, which section was last amended by Ordinance 126278, is amended as follows:

**22.206.160 Duties of owners**

\* \* \*

C. Just cause eviction

1. Pursuant to provisions of the Washington State Residential Landlord-Tenant Act (RCW 59.18.290), an owner may not evict a residential tenant without a court order, which can be issued by a court only after the tenant has an opportunity in a show cause hearing to contest the eviction (RCW 59.18.380). An owner of a housing unit shall not evict or attempt to evict any tenant, or otherwise terminate or attempt to terminate the tenancy of any tenant, unless the owner can prove in court that just cause exists. Regardless of whether just cause for eviction may exist, an owner may not evict a residential tenant from a rental housing unit if: the unit is not registered with the Seattle Department of Construction and Inspections if required by Section 22.214.040; or if subsections 22.206.160.C.8, ~~((€))~~ 22.206.160.C.9, or 22.206.160.C.10 provide the tenant a defense to the eviction.

An owner is in compliance with the registration requirement if the rental housing unit is registered with the Seattle Department of Construction and Inspections before issuing a notice to terminate tenancy. The reasons for termination of tenancy listed below, and no others, shall constitute just cause under this Section 22.206.160:

a. The tenant fails to comply with a 14 day notice to pay rent or vacate pursuant to RCW 59.12.030(3); a ten day notice to comply or vacate pursuant to RCW 59.12.030(4); or a three day notice to vacate for waste, nuisance (including a drug-related activity nuisance pursuant to chapter 7.43 RCW), or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5);

b. The tenant habitually fails to pay rent when due which causes the owner to notify the tenant in writing of late rent four or more times in a 12 month period;

c. The tenant fails to comply with a ten day notice to comply or vacate that requires compliance with a material term of the rental agreement or that requires compliance with a material obligation under chapter 59.18 RCW;

d. The tenant habitually fails to comply with the material terms of the rental agreement which causes the owner to serve a ten day notice to comply or vacate three or more times in a 12



month period;

e. The owner seeks possession so that the owner or a member of the owner's immediate family may occupy the unit as that person's principal residence and no substantially equivalent unit is vacant and available in the same building, and the owner has given the tenant at least 90 days' advance written notice of the date the tenant's possession is to end. The Director may reduce the time required to give notice to no less than 20 days if the Director determines that delaying occupancy will result in a personal hardship to the owner or to the owner's immediate family. Personal hardship may include but is not limited to hardship caused by illness or accident, unemployment, or job relocation. For the purposes of this Section 22.206.160, "Immediate family" includes the owner's domestic partner registered pursuant to Section 1 of Ordinance 117244 or the owner's spouse, parents, grandparents, children, brothers and sisters of the owner, of the owner's spouse, or of the owner's domestic partner. There is a rebuttable presumption of a violation of this subsection 22.206.160.C.1.e if the owner or a member of the owner's immediate family fails to occupy the unit as that person's principal residence for at least 60 consecutive days during the 90 days immediately after the tenant vacated the unit pursuant to a notice of termination or eviction using this subparagraph as the cause for eviction;

f. The owner elects to sell a single-family dwelling unit and gives the tenant at least 90 days' written notice prior to the date set for vacating, which date shall coincide with the end of the term of a rental agreement, or if the agreement is month to month, with the last day of a monthly period. The Director may reduce the time required to give notice to no less than 60 days if the Director determines that providing 90 days' notice will result in a personal hardship to the owner. Personal hardship may include but is not limited to hardship caused by illness or accident, unemployment, or job relocation. For the purposes of this Section 22.206.160, an owner "elects to sell" when the owner makes reasonable attempts to sell the dwelling within 30 days after the tenant has vacated, including, at a minimum, listing it for sale at a reasonable price with a realty agency or advertising it for sale at a reasonable price in a newspaper of general circulation. There shall be a

rebuttable presumption that the owner did not intend to sell the unit if:

- 1) Within 30 days after the tenant has vacated, the owner does not list the single-family dwelling unit for sale at a reasonable price with a realty agency or advertise it for sale at a reasonable price in a newspaper of general circulation, or
- 2) Within 90 days after the date the tenant vacated or the date the property was listed for sale, whichever is later, the owner withdraws the rental unit from the market, rents the unit to someone other than the former tenant, or otherwise indicates that the owner does not intend to sell the unit;
  - g. The tenant's occupancy is conditioned upon employment on the property and the employment relationship is terminated;
  - h. The owner seeks to do substantial rehabilitation in the building; provided that, the owner must obtain a tenant relocation license if required by Chapter 22.210 and at least one permit necessary for the rehabilitation, other than a Master Use Permit, before terminating the tenancy;
  - i. The owner (i) elects to demolish the building, convert it to a cooperative, or convert it to a nonresidential use; provided that, the owner must obtain a tenant relocation license if required by Chapter 22.210 and a permit necessary to demolish or change the use before terminating any tenancy, or (ii) converts the building to a condominium provided the owner complies with the provisions of Sections 22.903.030 and 22.903.035;
  - j. The owner seeks to discontinue use of a housing unit unauthorized by Title 23 after receipt of a notice of violation. The owner is required to pay relocation assistance to the tenant(s) of each such unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:
    - 1) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the County median income, or
    - 2) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the County median income;

k. The owner seeks to reduce the number of individuals residing in a dwelling unit to comply with the maximum limit of individuals allowed to occupy one dwelling unit, as required by Title 23, and:

1)

a) The number of such individuals was more than is lawful under the current version of Title 23 but was lawful under Title 23 or Title 24 on August 10, 1994;

b) That number has not increased with the knowledge or consent of the owner at any time after August 10, 1994; and

c) The owner is either unwilling or unable to obtain a permit to allow the unit with that number of residents.

2) The owner has served the tenants with a 30 day notice, informing the tenants that the number of tenants exceeds the legal limit and must be reduced to the legal limit,

3) After expiration of the 30 day notice, the owner has served the tenants with and the tenants have failed to comply with a ten day notice to comply with the limit on the number of occupants or vacate, and

4) If there is more than one rental agreement for the unit, the owner may choose which agreements to terminate; provided that, the owner may either terminate no more than the minimum number of rental agreements necessary to comply with the legal limit on the number of occupants, or, at the owner's option, terminate only those agreements involving the minimum number of occupants necessary to comply with the legal limit;

l.

1) The owner seeks to reduce the number of individuals who reside in one dwelling unit to comply with the legal limit after receipt of a notice of violation of the Title 23 restriction on the number of individuals allowed to reside in a dwelling unit, and:

a) The owner has served the tenants with a 30 day notice, informing the tenants that the number of tenants exceeds the legal limit and must be reduced to the legal limit; provided that no 30 day notice is required if the number of tenants was increased above the legal limit without the knowledge or consent of the owner;

b) After expiration of the 30 day notice required by subsection 22.206.160.1.1.a, or at any time after receipt of the notice of violation if no 30 day notice is required pursuant to subsection 22.206.160.1.1.a, the owner has served the tenants with and the tenants have failed to comply with a ten day notice to comply with the maximum legal limit on the number of occupants or vacate; and

c) If there is more than one rental agreement for the unit, the owner may choose which agreements to terminate; provided that the owner may either terminate no more than the minimum number of rental agreements necessary to comply with the legal limit on the number of occupants, or, at the option of the owner, terminate only those agreements involving the minimum number of occupants necessary to comply with the legal limit.

2) For any violation of the maximum legal limit on the number of individuals allowed to reside in a unit that occurred with the knowledge or consent of the owner, the owner is required to pay relocation assistance to the tenant(s) of each such unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

a) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the county median income, or

b) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the county median income;

m. The owner seeks to discontinue use of an accessory dwelling unit for which a permit has been obtained pursuant to Sections 23.44.041 and 23.45.545 after receipt of a notice of violation of the development standards provided in those sections. The owner is required to pay relocation assistance to the

tenant household residing in such a unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

1) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the county median income, or

2) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the county median income;

n. An emergency order requiring that the housing unit be vacated and closed has been issued pursuant to Section 22.206.260 and the emergency conditions identified in the order have not been corrected;

o. The owner seeks to discontinue sharing with a tenant of the owner's own housing unit, i.e., the unit in which the owner resides, seeks to terminate the tenancy of a tenant of an accessory dwelling unit authorized pursuant to Sections 23.44.041 and 23.45.545 that is accessory to the housing unit in which the owner resides, or seeks to terminate the tenancy of a tenant in a single-family dwelling unit and the owner resides in an accessory dwelling unit on the same lot. This subsection 22.206.160.C.1.o does not apply if the owner has received a notice of violation of the development standards of Section 23.44.041. If the owner has received such a notice of violation, subsection 22.206.160.C.1.m applies;

p. A tenant, or with the consent of the tenant, the tenant's subtenant, sublessee, resident, or guest, has engaged in criminal activity on the premises, or on the property or public right-of-way abutting the premises, and the owner has specified in the notice of termination the crime alleged to have been committed and the general facts supporting the allegation, and has assured that the Seattle Department of Construction and Inspections has recorded receipt of a copy of the notice of termination. For purposes of this subsection 22.206.160.C.1.p, a person has "engaged in criminal activity" if the person:

1) Engages in drug-related activity that would constitute a violation of chapters 69.41, 69.50, or 69.52 RCW, or

2) Engages in activity that is a crime under the laws of this state, but only if the activity substantially affects the health or safety of other tenants or the owner.

2. Any rental agreement provision which waives or purports to waive any right, benefit or entitlement created by this subsection 22.206.160.C shall be deemed void and of no lawful force or effect.

3. With any termination notices required by law, owners terminating any tenancy protected by this Section 22.206.160 shall advise the affected tenant or tenants in writing of the reasons for the termination and the facts in support of those reasons.

4. If a tenant who has received a notice of termination of tenancy claiming subsection 22.206.160.C.1.e, 22.206.160.C.1.f, or 22.206.160.C.1.m as the ground for termination believes that the owner does not intend to carry out the stated reason for eviction and makes a complaint to the Director, then the owner must, within ten days of being notified by the Director of the complaint, complete and file with the Director a certification stating the owner's intent to carry out the stated reason for the eviction. The failure of the owner to complete and file such a certification after a complaint by the tenant shall be a defense for the tenant in an eviction action based on this ground.

5. In any action commenced to evict or to otherwise terminate the tenancy of any tenant, it shall be a defense to the action that there was no just cause for such eviction or termination as provided in this Section 22.206.160.

6. It shall be a violation of this Section 22.206.160 for any owner to evict or attempt to evict any tenant or otherwise terminate or attempt to terminate the tenancy of any tenant using a notice that references subsections 22.206.160.C.1.e, 22.206.160.C.1.f, 22.206.160.C.1.h, 22.206.160.C.1.k, 22.206.160.C.1.l, or 22.206.160.C.1.m as grounds for eviction or termination of tenancy without fulfilling or carrying out the stated reason for or condition justifying the termination of such tenancy.

7. An owner who evicts or attempts to evict a tenant or who terminates or attempts to terminate the tenancy of a tenant using a notice which references subsections 22.206.160.C.1.e,

22.206.160.C.1.f or 22.206.160.C.1.h as the ground for eviction or termination of tenancy without fulfilling or carrying out the stated reason for or condition justifying the termination of such tenancy shall be liable to such tenant in a private right for action for damages up to \$2,000, costs of suit, or arbitration and reasonable attorney's fees.

8. Except as provided in subsection 22.206.160.C.8.d, it is a defense to eviction if:

a. The eviction would result in the tenant having to vacate the housing unit at any time between December 1 and March 1; and

b. The tenant household is a moderate-income household as defined in Section 23.84A.016; and

c. The housing unit that the tenant would have to vacate is owned by a person who owns more than four rental housing units in The City of Seattle. For purposes of this subsection 22.206.160.C.8.c, "owns" includes having an ownership interest in the housing units.

d. If the reason for termination of the tenancy is due to conditions described in subsections 22.206.160.C.1.e, 22.206.160.C.1.f provided that the tenant was provided at least 90 days' written notice prior to the date set for vacating the unit, 22.206.160.C.1.j, 22.206.160.C.1.k, 22.206.160.C.1.l, 22.206.160.C.1.m, 22.206.160.C.1.n, 22.206.160.C.1.o, or 22.206.160.C.1.p, or if the reason for termination is due to the tenant's failure to comply with a three day or ten day notice to vacate for a drug-related activity nuisance pursuant to chapter 7.43 RCW or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5) or because the tenant's conduct has a substantial detrimental impact on, or constitutes an imminent threat to, the health or safety of other tenants in the rental building or the owner, the eviction may occur as otherwise allowed by law.

e. A rent mitigation fund is created to provide funds to eligible low-income tenant households at risk of residential eviction during the period described in subsection 22.206.160.C.8, if other sources of funds are not available to assist the tenant, or to provide financial assistance to a non-profit

corporation or other housing provider that cannot evict a tenant from a rental housing unit during the period described in subsection 22.206.160.C.8 because the unit is subject to restrictions on tenant incomes or rent as a condition of that assistance.

1) Tenant eligibility. To be eligible to receive funds, (1) the reason for termination must include nonpayment of rent; and (2) the tenant household must be a low-income household as defined in Section 23.84A.016; and (3) the tenant must demonstrate that the tenant does not have the financial resources to avoid eviction; and (4) the tenant must request mitigation funds on or before the date a writ of restitution is executed.

2) Housing provider eligibility. To be eligible to receive funds the housing provider shall (1) demonstrate that an eviction was delayed during this period because the tenant raised the defense described in subsection 22.206.160.C.8; and (2) demonstrate that the tenant does not have financial resources available to pay rent during the period described in subsection 22.206.160.C.8; and (3) demonstrate that the tenant resides in a unit that is subject to restrictions on tenant incomes or rent; and (4) sign an agreement stating that the housing provider will not report the tenant's delinquency on rent payment to credit reporting agencies.

3) The Director shall have rulemaking authority to administer the fund. This authority includes the ability to have the fund administered by a public or private organization having experience administering or capable of administering similar tenant assistance programs. If by rule the Director determines that payments shall be made directly to a landlord, the landlord shall sign an agreement with the Director prior to payment stating that the landlord will not report the tenant's delinquent rent payment to credit reporting agencies.

4) The availability of funds is subject to the existence of budget appropriations for that purpose. A request for funding shall be denied if insufficient funds are available. The City is not civilly or criminally liable for failure to provide funding and no penalty or cause of action may be



brought against the City resulting from the provision or lack of provision of funds.

5) When a landlord issues a notice to terminate tenancy due to nonpayment of rent, the notice must contain information to the tenant about how to access the tenant mitigation fund. The landlord is not required to provide this information if insufficient funds have been appropriated by the City Council to provide the funds for mitigation. The information for the notice shall be adopted by the Seattle Department of Construction and Inspections by rule.

9.

a. Subject to the requirements of subsection 22.206.160.C.9.b, it is a defense to eviction if the eviction would result in the tenant having to vacate the housing unit within six months after the termination of the Mayor's eviction moratorium, and if the reason for terminating the tenancy is:

1) The tenant fails to comply with a 14-day notice to pay rent or vacate pursuant to RCW 59.12.030(3) for rent due during, or within six months after the termination of, the Mayor's residential eviction moratorium; or

2) The tenant habitually fails to pay rent resulting in four or more pay-or-vacate notices in a 12-month period.

For purposes of this subsection 22.206.160.C.9, "termination of the Mayor's residential eviction moratorium" means termination of subsection 1.C (creating a defense to a pending eviction action) of the moratorium on residential evictions ordered by the Mayor's civil emergency order, as amended by the Council in Resolution 31938 on March 16, 2020.

b. The tenant may invoke the defense provided in subsection 22.206.160.C.9.a only if the tenant has submitted a declaration or self-certification asserting the tenant has suffered a financial hardship and is therefore unable to pay rent.

c. If a landlord issues a notice to terminate a tenancy due to a reason listed in subsections 22.206.160.C.9.a.1-2, and if the landlord issues that notice within six months after the termination

of the Mayor's residential eviction moratorium, the notice must contain the following statement: "If you cannot pay rent, during or within 6 months after the end of the Mayor's moratorium on evictions, your inability to pay is a defense to eviction that you may raise in court." It is a defense to eviction if the notice does not contain that statement.

d. An award of attorneys' fees and statutory court costs to a landlord arising from an eviction proceeding arising from a notice to terminate a tenancy due to a reason listed in subsections 22.206.160.C.9.a.1-2 is prohibited unless otherwise allowed by law.

10.

a. Except as provided in subsection 22.206.160.C.10.b, and unless the existing rental agreement provides for automatic extension on a month-to-month basis, a landlord must offer a tenant the opportunity to enter into a new rental agreement or extend the existing rental agreement, either on a term or month-to-month basis, between 60 and 90 days prior to the expiration of the existing rental term. The proposed rental agreement may not include material changes from the terms of the existing rental agreement, other than to the duration and financial terms. The landlord must deliver the proposed rental agreement to the tenant in accordance with RCW 59.12.040 and give the tenant 30 days to accept or decline the proposed rental agreement. If the tenant declines to enter the proposed rental agreement, the tenancy shall terminate according to the term of the existing rental agreement.

b. A landlord may decline to offer a new or extended rental agreement to a tenant under this subsection 22.206.160.C.10 for just cause as defined in subsection 22.206.160.C.1, in which case the landlord must provide the tenant with notice identifying the just cause. The landlord is responsible for any notice requirements, relocation assistance, or other remedies applicable to that just cause under subsection 22.206.160.C.1.

c. It is a defense to eviction if the landlord has failed to comply with subsection 22.206.160.C.10.a and if the only reason for the eviction is termination of the tenancy caused by the expiration

of the existing rental agreement's term.

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 \_\_\_\_\_, 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 this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
LEG	Ted Virdone / 206-518-0382	n/a

\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

**1. BILL SUMMARY**

**Legislation Title:**

AN ORDINANCE related to termination of residential tenancies; extending just cause protections to rental agreement renewals or extensions; providing a defense to eviction when a landlord violates the duty to renew or extend a tenancy except for a just cause; and amending Section 22.206.160 of the Seattle Municipal Code.

**Summary and background of the Legislation:**

This ordinance extends just cause protections to rental agreement renewals or extensions, and provides a defense to eviction when a landlord violates the duty to renew or extend a tenancy except for a just cause.

On July 21, 1980, the Seattle City Council passed Ordinance 109219, commonly known as the Just Cause Eviction Ordinance, prohibiting tenant evictions without good cause. In the 41 years since the passage of Ordinance 109219, Seattle’s just cause eviction protections have been amended many times by subsequent Councils. Seattle’s current “just cause” eviction protections fail to protect a renter on a fixed-term rental agreement from a unilateral decision by their landlord not to renew or extend the tenancy without a just cause.

In 2019, Federal Way voters placed on the ballot and ultimately enacted the “Stable Homes Initiative,” which created just cause eviction protections for renters in Federal Way. The Stable Homes Initiative protects renters on fixed-term rental agreements from arbitrary termination of their tenancies at the end of the term of their rental agreements, requiring that “[b]etween 60 and 90 days prior to the expiration of the existing rental term, the landlord must offer a tenant the opportunity to enter into a new rental agreement or to extend the existing rental agreement.”

Studies show that eviction and housing insecurity has a devastating impact on people’s lives. 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.

**2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project? \_\_\_ Yes x No**

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

### 3. SUMMARY OF FINANCIAL IMPLICATIONS

**Does this legislation amend the Adopted Budget?** \_\_\_ Yes \_\_\_  No

If there are no changes to appropriations, revenues, or positions, please delete the table below.

**Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

If so, describe the nature of the impacts. This could include increased operating and maintenance costs, for example.

No

**Is there financial cost or other impacts of *not* implementing the legislation?**

Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs or consequences.

No

### 4. OTHER IMPLICATIONS

**a. Does this legislation affect any departments besides the originating department?**

If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.).

No

**b. Is a public hearing required for this legislation?**

If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned/required in the future?

No

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.

No

**d. Does this legislation affect a piece of property?**

If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.

No

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged**

**communities? What is the Language Access plan for any communications to the public?**

If yes, please explain how this legislation may impact vulnerable or historically disadvantaged communities. Using the racial equity toolkit is one way to help determine the legislation’s impact on certain communities. If any aspect of the legislation involves communication or outreach to the public, please describe the plan for communicating with non-English speakers.

Vulnerable and historically disadvantaged communities face eviction disproportionately frequently. The *Losing Home* report found that “51.7% of tenants in eviction filings were people of color; 31.2% were Black tenants, experiencing eviction at a rate 4.5 times what would be expected based on their demographics in Seattle.” This legislation reduces evictions by requiring landlords to renew or extend a tenancy except for a just cause.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

Please provide a qualitative response, considering net impacts. Are there potential carbon emissions impacts of not implementing the proposed legislation. Discuss any potential intersections of carbon emissions impacts and race and social justice impacts, if not previously described in Section 4e.

No

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Describe the potential climate resiliency impacts of implementing or not implementing the proposed legislation. Discuss any potential intersections of climate resiliency and race and social justice impacts, if not previously described in Section 4e.

No

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s).**

This answer should highlight measurable outputs and outcomes.

N/A

**List attachments/exhibits below:**

May 11, 2021

## MEMORANDUM

**To:** Sustainability and Renters Rights Committee  
**From:** Asha Venkataraman, Analyst  
**Subject:** Council Bills 120056 and 120057: Just Cause at the End of Fixed Term Leases

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On May 12, 2021, the Sustainability and Renters Rights Committee will discuss [Council Bill \(CB\) 120057](#). The proposed legislation would convert a tenancy under a fixed term rental agreement to a month-to-month tenancy unless a landlord offers and a tenant accepts a new rental agreement for a fixed term or the landlord has just cause for refusing to renew or continue the tenancy.<sup>1</sup> The committee discussed [CB 120056](#) on April 27; that legislation also addresses the applicability of just cause to fixed term leases, but takes a slightly different approach. CB 120056 requires that a landlord offer a tenant the opportunity to enter a new rental agreement unless the landlord has just cause to decline to extend the offer. This memorandum:

- (1) provides background information on local and state regulations related to just cause eviction;
- (2) describes CB 120057 and its differences from CB 120056; and
- (3) describe potential impacts of the bills, and summarize potential amendments proposed by Councilmembers to date.

### Defining Terms

This memo will discuss three main types of tenancies:

- **Month-to-month tenancies:** A periodic tenancy in which the tenant pays, and the landlord accepts, rent on a monthly basis.
- **Fixed term rental agreement:** A tenancy in which the landlord and tenant have agreed that the tenant will reside in the rental unit from a specific start date to a specific end date.

There are two different tenancy types related to a fixed term rental agreement:

1. An agreement that automatically converts to a month-to-month tenancy: Upon the end date, the rental agreement specifies that the tenancy will be month-to-month.
2. An agreement that does not convert to a month-to-month tenancy: Upon the end date, the rental agreement is silent or states that the tenancy expires on that date.

In addition, this memo uses the term “just cause,” which refers to a specific and limited set of reasons a landlord must prove to be able to evict a tenant.

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<sup>1</sup> This memorandum uses the terms rental agreement and lease interchangeably. It also uses the term month-to-month to cover periodic tenancies.

## Background

### Seattle's Just Cause Eviction Ordinance

Seattle's Just Cause Eviction Ordinance (JCEO), codified in Section 22.206.160 of the Seattle Municipal Code (SMC), requires that landlords prove that they have one of the reasons ("just causes") enumerated in [SMC 22.206.160.C.1](#) to file an unlawful detainer action to evict a tenant. The just causes include, but are not limited to, the tenant's failure to pay rent or comply with the terms of a rental agreement, as well as if the owner wants to move into their property or substantially rehabilitate, demolish, or change the use of their property. A landlord must have just cause to evict a tenant during the term of a fixed term lease or during a month-to-month tenancy. Just cause is also required to evict a tenant under a fixed term lease, after that term expires, if the fixed term lease automatically converts to a month-to-month tenancy at the end of the term. The landlord must provide the tenant with notice of termination prior to the end of the month or period of the tenancy; the timing of the notice depends on the type of tenancy and the reason for termination.

However, for a tenancy under a fixed term lease that does not automatically convert into a month-to-month tenancy, a landlord does not need just cause to evict the tenant; instead the landlord can wait until the term ends, meaning that the tenancy expires when the lease term is over and if the tenant does not vacate the unit the landlord could proceed with an eviction. The lack of requirement for just cause in this instance is often referred to as a "loophole" in the JCEO, as it allows a landlord to simply wait until the term of the lease expires rather than proving just cause.

### State Legislation: ESHB 1236

In the 2021 legislative session, the Washington State Legislature passed [Engrossed Substitute House Bill \(ESHB\) 1236](#), establishing just cause eviction protections statewide. ESHB 1236 includes different provisions for fixed term tenancies that automatically convert to month-to-month at the end of the term and fixed term tenancies that do not automatically convert.

Section 2(1)(b) of ESHB 1236 applies to a tenancy under a fixed term rental agreement that automatically converts to a month-to-month tenancy. Under that provision, a landlord must have just cause to end the tenancy except at the end of the initial rental term. ESHB 1236 allows a landlord to end this type of tenancy at the end of the initial term only if the initial rental term was between six and 12 months and the landlord gives the tenant written notice 60 days before the end of the term.



Section 2(1)(c) applies to a tenancy under a fixed term rental agreement that does not automatically convert into a month-to-month tenancy. The landlord must have just cause to evict unless:

- The initial agreement is for 12 months or more or the landlord and tenant have agreed to multiple, successive leases of at least six months since the beginning of the tenancy;
- The landlord provides written notice 60 days before the end of the term to the tenant; and
- The tenancy has never been month-to-month (except for if the landlord and tenant entered into a month-to-month rental agreement between the effective date of ESHB 1236 and three months after the end of the Governor's eviction moratorium).<sup>2</sup>

### **CB 120057**

This legislation would amend the rental agreement regulations ([SMC 7.24](#)). The changes would convert any tenancy under a fixed term rental agreement that does not automatically convert to a month-to-month tenancy to a month-to-month tenancy at the end of the term unless a landlord offers and a tenant accepts a new rental agreement for a fixed term or the landlord has just cause not to continue the tenancy. It would also amend the just cause eviction section of the code (SMC 22.206.160.C.1) to require that a landlord have just cause to refuse to renew or continue a rental agreement.

CB 120057 would also allow a tenant to rescind termination agreements. Under this proposal, a tenant may rescind a termination agreement within ten days of having signed the agreement by delivering the landlord notice within those ten days. If it has been more than ten days since the tenant entered into the termination agreement, CB 120057 would allow the tenant to rescind the termination agreement if the tenant can establish they entered into it improvidently, which includes considerations such as unequal bargaining power, vulnerability of the tenant, legitimacy of the landlord's reason for seeking termination, or the tenant's ability to procure alternative housing.

### **CB 120056**

For a tenancy under a fixed term rental agreement that does not automatically convert to a month-to-month tenancy by its terms, CB 120056 would require a landlord to offer a tenant the opportunity to enter into a new rental agreement or extend the existing rental agreement unless the landlord has just cause not to make the offer.

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<sup>2</sup> Engrossed 2<sup>nd</sup> Substitute Senate Bill 5160 ends the Governor's eviction moratorium on June 30, 2021.

In addition, the bill includes the following provisions that do not have parallels in CB 120057:

- the landlord must make the offer between 60 and 90 days prior to the expiration of the existing rental term;
- the tenant has 30 days to decline or accept the proposed rental agreement, and if the tenant declines, the tenancy terminates according to the term of the rental agreement;
- the landlord complies with all appropriate notice requirements; and
- failure to comply with any of these requirements is a defense to eviction.

CB 120056 does not contain any provisions regarding rescission of a termination agreement.

### **Comparison of CB 120057 and CB 120056**

The bills overlap in several ways. In both bills, the landlord must have just cause not to offer a new rental agreement for tenancy after the end of the fixed term. Both bills also continue a tenancy beyond the fixed term if a landlord proposes a new rental agreement or extension of the existing rental agreement and the tenant accepts the offer.

The primary difference between the two proposals is what happens when a landlord proposes a new rental agreement or extension of an existing rental agreement and the tenant declines the offer. Under CB 120056, the tenancy would terminate under the terms of the existing fixed term rental agreement. Under CB 120057, the tenancy would convert to a month-to-month tenancy. The bills also differ in their approaches to where the changes appear in the code and the language by which the changes are made.

### **Impacts on Tenant Relocation Assistance (TRAO)**

Though ESHB 1236, CB 120057, and CB 120056 do not explicitly amend provisions regarding tenant relocation assistance, ESHB 1236 will impact TRAO eligibility, and CBs 120057 and 120056 would add to those impacts. [The tenant relocation assistance ordinance \(TRAO\)](#) requires that before an owner of a dwelling unit demolishes, changes use, substantially rehabilitates, or removes use restrictions from a property<sup>3</sup> that would result in the displacement of a tenant, the owner must obtain a tenant relocation license. After the owner applies for a relocation license, Sections 22.206.160.C.1.h and i allow the owner just cause reasons to evict based on TRAO eligible changes.

Prior to the passage of ESHB 1236, if a tenant was required to leave during the term of a fixed term rental agreement (regardless of whether it automatically converts to a month-to-month agreement at the end of the term) or during a month-to-month tenancy, the TRAO-eligible changes would be the reason for displacement of the tenants, prompting the need for the tenant relocation license. However, for fixed term rental agreements that did not convert to month-to-month tenancies, the owner could wait until the expiration of the fixed term, when

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<sup>3</sup> This memo refers to the group of action covered under TRAO as “TRAO eligible changes.”

the tenant would have to vacate the unit, and then move forward with what would otherwise be TRAO-eligible changes; because it was not the TRAO eligible changes that displaced the tenant but rather the end of the lease term that displaced the tenant, the owner would not need to obtain a tenant relocation license (at least for this specific reason).

But passage of ESHB 1236 as well as potential passage of CBs 120057 and 120056 would reduce the number of instances under which a fixed term lease simply expires and thus increase the number of instances under which the owner would need to use just cause to evict the tenant. Because the reason for displacement of the tenant will change from expiration of the lease term to the TRAO-eligible changes, there will be more instances in which owners will be required to get a relocation license, or at least determine whether tenants are eligible for TRAO.

### **Impacts on SDCI**

Passage of ESHB 1236 as well as potential passage of CB 120057 and CB 120056 will have impacts on workload for the Seattle Department of Construction and Inspections (SDCI) for several reasons. First, extending just cause protections to fixed term leaseholders will include many tenants not currently covered by just cause. This change is likely to increase SDCI's just cause caseload, which would include call volume from tenants and landlords inquiring about new protections, updates to notice and outreach materials, and investigation and enforcement of any violations of notice requirements. In addition, because of the potential increase in eligibility for TRAO licenses, SDCI will likely need to conduct more reviews to determine who is eligible for TRAO and administer more TRAO payments.

Though the level of increase is not entirely clear at this time, Councilmembers may want to consider the potential need to provide additional general fund support to the department for staffing and other costs to implement and administer the proposed changes. Councilmembers Morales and Sawant have requested SDCI's presence at the next Sustainability and Renters Rights committee on May 25<sup>th</sup> to answer questions.

### **Potential Amendments**

While the committee will not consider or vote on amendments on May 12, Councilmembers may bring the amendments described below for the Committee's consideration at the next Sustainability and Renters Rights committee on May 25.

#### CB 120057

##### *1. Notice requirement (Councilmember Morales)*

This potential amendment would require that landlords give tenants a minimum of 60 days' notice if they do not plan to renew the lease, or longer if the just cause reason for non-renewal requires it. The notice must include the just cause for failing to renew the lease.

2. *Rescission (Councilmember Morales)*

This potential amendment would provide an exception for some classes of mutual termination agreements, specifically if the mutual termination agreement has implications to federally subsidized housing vouchers and if the tenant was appropriately represented when signing the agreement.

3. *Just cause for selling single units (Councilmember Morales)*

Currently, when an owner of a single-family home wants to sell their home and end a tenancy to do so, they can end the rental agreement using just cause in SMC 22.206.160.C.1.f. However, that subsection specifically references “single family dwelling units,” and the Seattle Municipal Code defines that term to exclude townhouse or condominium owners. This means that owners of such units do not have the ability to use just cause to end the rental agreement. To sell without a tenancy, they instead must wait for the lease to expire or see if the tenant will leave voluntarily. They can also try and sell the property with the tenancy intact. With the passage of ESHB 1236 and potentially CBs 120057 and 120056, the opportunity to let the lease expire to end the tenancy decreases.

This amendment would add a reference to a “single-unit property” to SMC 22.206.160.C.1.f. Condo and townhome owners would then be able to use just cause to end the rental agreement when the owner wants to sell, pursuant to the changes to just cause evictions passed by ESHB 1236 and if Council decides to pass CBs 120057 or 120056.

This amendment would require the introduction of new legislation to account for a title change.

**Next Steps**

CBs 120057 and 120056 will be discussed and potentially voted upon at the next Sustainability and Renters Rights committee on May 25. Before the potential vote, Central Staff will:

- Continue to review the interaction between CBs 120057 and 120056 with ESHB 1236 and share any additional information when it is available;
- Draft and analyze amendments proposed by Councilmembers, including preparing new legislation for introduction if any amendments require a title change; and
- Work with SDCI to further understand workload impacts.

Any amendments to either CB 120057 or CB 120056 will be considered at the May 25 meeting.

cc: Dan Eder, Interim Director  
Aly Pennucci, Policy and Budget Manager



Legislation Text

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File #: CB 120057, Version: 1

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CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL \_\_\_\_\_

AN ORDINANCE relating to the renewal or continuation of residential rental tenancies; requiring a landlord have just cause for refusing to renew or continue a rental agreement for a specified time; and amending Sections 7.24.030 and 22.206.160 of the Seattle Municipal Code.

WHEREAS, the Washington State Legislature has declared a state policy to help residents who are

experiencing a temporary crisis in retaining stable housing to avoid eviction from their homes, as expressed in Laws of 2019, ch. 356, § 1; and

WHEREAS, in September 2018, the Seattle Women’s Commission and the King County Bar Association

jointly published *Losing Home: The Human Cost of Eviction in Seattle*, finding that households who are evicted face material hardships that make it more difficult to secure safe and affordable housing and that the most disadvantaged groups face the highest likelihood of eviction; and

WHEREAS, the Council passed a just cause eviction ordinance (JCEO) in 1980 in Ordinance 109219, which prohibits landlords from terminating a tenancy without just cause; and

WHEREAS, Ordinance 109219 states that “arbitrary eviction of responsible tenants imposes upon such tenants the hardship of locating replacement housing and provides no corresponding benefit to property owners”; and

WHEREAS, this statement in Ordinance 109219 is still relevant, as *Losing Home* 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, finding replacement housing in Seattle’s rental housing market is difficult; and

WHEREAS, *Losing Home* found that 51.7 percent of tenants in eviction filings were people of color and 31.2 percent were Black, 4.5 times more than the Black population in Seattle; and

WHEREAS, *Losing Home* also found that based on the high rates of poverty, housing discrimination, and homelessness in the transgender community and the high proportion of the homeless youth population who are LGB youth, it is likely that eviction disproportionately impacts the LGBTQ community; and

WHEREAS, *Losing Home* found that there is a disproportionate rate of seniors experiencing evictions; while 26.6 percent of the Housing Justice Project’s clients were 55 years or older, the general population is only comprised of 21.4 percent of individuals 55 and older; and

WHEREAS, the JCEO is a significant tool for preventing the displacement of communities of color, who disproportionately rely on rental housing compared to white residents; and

WHEREAS, 2018 Census data published by the U.S. Census Bureau in *2018 American Community Survey 5-Year Estimates Data Profiles for Seattle* shows that roughly half of Seattle residents are renters; and

WHEREAS, the JCEO specifically limits eviction of a tenant to when a landlord can show one of the enumerated causes within the just cause eviction ordinance; and

WHEREAS, landlords have claimed that just cause is not required to remove tenants from their units at the end of a rental agreement for a specified time and have required long-term, month-to-month tenants to sign short-term rental agreements in order to evade the JCEO by allowing the rental agreement to expire and then pursuing an eviction; and

WHEREAS, the Council seeks to protect all tenants from arbitrary eviction regardless of the form or length of their rental agreement; 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**

\* \* \*

J. Any rental agreement for a specified time shall, at the end of the specified time, convert to a rental agreement that provides for the tenancy to continue on a month-to-month basis, unless the tenant is offered and accepts a new rental agreement for a specified time, or unless the landlord has just cause for refusing to renew or continue the rental agreement under subsection 22.206.160.C.1.

Section 2. Subsection 22.206.160.C of the Seattle Municipal Code, which section was last amended by Ordinance 126278, is amended as follows:

**22.206.160 Duties of owners**

\* \* \*

C. Just cause eviction

1. Pursuant to provisions of the Washington State Residential Landlord-Tenant Act (RCW 59.18.290), an owner may not evict a residential tenant without a court order, which can be issued by a court only after the tenant has an opportunity in a show cause hearing to contest the eviction (RCW 59.18.380). An owner of a housing unit shall not evict or attempt to evict any tenant, refuse to renew or continue a rental agreement, or otherwise terminate or attempt to terminate the tenancy of any tenant, unless the owner can prove in court that just cause exists. Regardless of whether just cause for eviction may exist, an owner may not evict a residential tenant from a rental housing unit if: the unit is not registered with the Seattle Department of Construction and Inspections if required by Section 22.214.040; or if subsections 22.206.160.C.8 or 22.206.160.C.9 provide the tenant a defense to the eviction.

An owner is in compliance with the registration requirement if the rental housing unit is registered with the Seattle Department of Construction and Inspections before issuing a notice to terminate tenancy. The reasons for termination of tenancy listed below, and no others, shall constitute just cause under this Section 22.206.160:

a. The tenant fails to comply with a 14 day notice to pay rent or vacate pursuant to RCW 59.12.030(3); a ten day notice to comply or vacate pursuant to RCW 59.12.030(4); or a three day notice to vacate for waste, nuisance (including a drug-related activity nuisance pursuant to chapter 7.43 RCW), or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5);

b. The tenant habitually fails to pay rent when due which causes the owner to notify the tenant in writing of late rent four or more times in a 12 month period;

c. The tenant fails to comply with a ten day notice to comply or vacate that requires compliance with a material term of the rental agreement or that requires compliance with a material obligation under chapter 59.18 RCW;

d. The tenant habitually fails to comply with the material terms of the rental agreement which causes the owner to serve a ten day notice to comply or vacate three or more times in a 12 month period;

e. The owner seeks possession so that the owner or a member of the owner's immediate family may occupy the unit as that person's principal residence and no substantially equivalent unit is vacant and available in the same building, and the owner has given the tenant at least 90 days' advance written notice of the date the tenant's possession is to end. The Director may reduce the time required to give notice to no less than 20 days if the Director determines that delaying occupancy will result in a personal hardship to the owner or to the owner's immediate family. Personal hardship may include but is not limited to hardship caused by illness or accident, unemployment, or job relocation. For the purposes of this Section 22.206.160, "Immediate family" includes the owner's domestic partner registered pursuant to Section 1 of Ordinance 117244 or the owner's spouse, parents, grandparents, children, brothers and sisters of the owner, of the owner's spouse, or of the owner's domestic partner. There is a rebuttable presumption of a violation of this subsection 22.206.160.C.1.e if the owner or a member of the owner's immediate family fails to occupy the unit as that person's principal residence for at least 60 consecutive days during the 90 days immediately after the tenant vacated the unit pursuant to a notice of termination or eviction using this subparagraph as the cause for



eviction;

f. The owner elects to sell a single-family dwelling unit and gives the tenant at least 90 days' written notice prior to the date set for vacating, which date shall coincide with the end of the term of a rental agreement, or if the agreement is month to month, with the last day of a monthly period. The Director may reduce the time required to give notice to no less than 60 days if the Director determines that providing 90 days' notice will result in a personal hardship to the owner. Personal hardship may include but is not limited to hardship caused by illness or accident, unemployment, or job relocation. For the purposes of this Section 22.206.160, an owner "elects to sell" when the owner makes reasonable attempts to sell the dwelling within 30 days after the tenant has vacated, including, at a minimum, listing it for sale at a reasonable price with a realty agency or advertising it for sale at a reasonable price in a newspaper of general circulation. There shall be a rebuttable presumption that the owner did not intend to sell the unit if:

1) Within 30 days after the tenant has vacated, the owner does not list the single-family dwelling unit for sale at a reasonable price with a realty agency or advertise it for sale at a reasonable price in a newspaper of general circulation, or

2) Within 90 days after the date the tenant vacated or the date the property was listed for sale, whichever is later, the owner withdraws the rental unit from the market, rents the unit to someone other than the former tenant, or otherwise indicates that the owner does not intend to sell the unit;

g. The tenant's occupancy is conditioned upon employment on the property and the employment relationship is terminated;

h. The owner seeks to do substantial rehabilitation in the building; provided that, the owner must obtain a tenant relocation license if required by Chapter 22.210 and at least one permit necessary for the rehabilitation, other than a Master Use Permit, before terminating the tenancy;

i. The owner (i) elects to demolish the building, convert it to a cooperative, or convert it to a nonresidential use; provided that, the owner must obtain a tenant relocation license if required by Chapter

22.210 and a permit necessary to demolish or change the use before terminating any tenancy, or (ii) converts the building to a condominium provided the owner complies with the provisions of Sections 22.903.030 and 22.903.035;

j. The owner seeks to discontinue use of a housing unit unauthorized by Title 23 after receipt of a notice of violation. The owner is required to pay relocation assistance to the tenant(s) of each such unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

1) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the County median income, or

2) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the County median income;

k. The owner seeks to reduce the number of individuals residing in a dwelling unit to comply with the maximum limit of individuals allowed to occupy one dwelling unit, as required by Title 23, and:

1)

a) The number of such individuals was more than is lawful under the current version of Title 23 but was lawful under Title 23 or Title 24 on August 10, 1994;

b) That number has not increased with the knowledge or consent of the owner at any time after August 10, 1994; and

c) The owner is either unwilling or unable to obtain a permit to allow the unit with that number of residents.

2) The owner has served the tenants with a 30 day notice, informing the tenants that the number of tenants exceeds the legal limit and must be reduced to the legal limit,

3) After expiration of the 30 day notice, the owner has served the tenants with and the tenants have failed to comply with a ten day notice to comply with the limit on the number of occupants or

vacate, and

4) If there is more than one rental agreement for the unit, the owner may choose which agreements to terminate; provided that, the owner may either terminate no more than the minimum number of rental agreements necessary to comply with the legal limit on the number of occupants, or, at the owner's option, terminate only those agreements involving the minimum number of occupants necessary to comply with the legal limit;

1.

1) The owner seeks to reduce the number of individuals who reside in one dwelling unit to comply with the legal limit after receipt of a notice of violation of the Title 23 restriction on the number of individuals allowed to reside in a dwelling unit, and:

a) The owner has served the tenants with a 30 day notice, informing the tenants that the number of tenants exceeds the legal limit and must be reduced to the legal limit; provided that no 30 day notice is required if the number of tenants was increased above the legal limit without the knowledge or consent of the owner;

b) After expiration of the 30 day notice required by subsection 22.206.160.1.1.a, or at any time after receipt of the notice of violation if no 30 day notice is required pursuant to subsection 22.206.160.1.1.a, the owner has served the tenants with and the tenants have failed to comply with a ten day notice to comply with the maximum legal limit on the number of occupants or vacate; and

c) If there is more than one rental agreement for the unit, the owner may choose which agreements to terminate; provided that the owner may either terminate no more than the minimum number of rental agreements necessary to comply with the legal limit on the number of occupants, or, at the option of the owner, terminate only those agreements involving the minimum number of occupants necessary to comply with the legal limit.

2) For any violation of the maximum legal limit on the number of individuals

allowed to reside in a unit that occurred with the knowledge or consent of the owner, the owner is required to pay relocation assistance to the tenant(s) of each such unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

- a) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the county median income, or
- b) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the county median income;

m. The owner seeks to discontinue use of an accessory dwelling unit for which a permit has been obtained pursuant to Sections 23.44.041 and 23.45.545 after receipt of a notice of violation of the development standards provided in those sections. The owner is required to pay relocation assistance to the tenant household residing in such a unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

- 1) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the county median income, or
- 2) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the county median income;

n. An emergency order requiring that the housing unit be vacated and closed has been issued pursuant to Section 22.206.260 and the emergency conditions identified in the order have not been corrected;

o. The owner seeks to discontinue sharing with a tenant of the owner's own housing unit, i.e., the unit in which the owner resides, seeks to terminate the tenancy of a tenant of an accessory dwelling unit authorized pursuant to Sections 23.44.041 and 23.45.545 that is accessory to the housing unit in which the owner resides, or seeks to terminate the tenancy of a tenant in a single-family dwelling unit and the owner resides in an accessory dwelling unit on the same lot. This subsection 22.206.160.C.1.o does not apply if the

owner has received a notice of violation of the development standards of Section 23.44.041. If the owner has received such a notice of violation, subsection 22.206.160.C.1.m applies;

p. A tenant, or with the consent of the tenant, the tenant's subtenant, sublessee, resident, or guest, has engaged in criminal activity on the premises, or on the property or public right-of-way abutting the premises, and the owner has specified in the notice of termination the crime alleged to have been committed and the general facts supporting the allegation, and has assured that the Seattle Department of Construction and Inspections has recorded receipt of a copy of the notice of termination. For purposes of this subsection 22.206.160.C.1.p, a person has "engaged in criminal activity" if the person:

1) Engages in drug-related activity that would constitute a violation of chapters 69.41, 69.50, or 69.52 RCW, or

2) Engages in activity that is a crime under the laws of this state, but only if the activity substantially affects the health or safety of other tenants or the owner.

2. Any rental agreement provision which waives or purports to waive any right, benefit or entitlement created by this subsection 22.206.160.C shall be deemed void and of no lawful force or effect.

3. With any termination notices required by law, owners terminating any tenancy protected by this Section 22.206.160 shall advise the affected tenant or tenants in writing of the reasons for the termination and the facts in support of those reasons.

4. If a tenant who has received a notice of termination of tenancy claiming subsection 22.206.160.C.1.e, 22.206.160.C.1.f, or 22.206.160.C.1.m as the ground for termination believes that the owner does not intend to carry out the stated reason for eviction and makes a complaint to the Director, then the owner must, within ten days of being notified by the Director of the complaint, complete and file with the Director a certification stating the owner's intent to carry out the stated reason for the eviction. The failure of the owner to complete and file such a certification after a complaint by the tenant shall be a defense for the tenant in an eviction action based on this ground.

5. In any action commenced to evict or to otherwise terminate the tenancy of any tenant, it shall be a defense to the action that there was no just cause for such eviction or termination as provided in this Section 22.206.160.

6. It shall be a violation of this Section 22.206.160 for any owner to evict or attempt to evict any tenant or otherwise terminate or attempt to terminate the tenancy of any tenant using a notice that references subsections 22.206.160.C.1.e, 22.206.160.C.1.f, 22.206.160.C.1.h, 22.206.160.C.1.k, 22.206.160.C.1.l, or 22.206.160.C.1.m as grounds for eviction or termination of tenancy without fulfilling or carrying out the stated reason for or condition justifying the termination of such tenancy.

7. An owner who evicts or attempts to evict a tenant or who terminates or attempts to terminate the tenancy of a tenant using a notice which references subsections 22.206.160.C.1.e, 22.206.160.C.1.f or 22.206.160.C.1.h as the ground for eviction or termination of tenancy without fulfilling or carrying out the stated reason for or condition justifying the termination of such tenancy shall be liable to such tenant in a private right for action for damages up to \$2,000, costs of suit, or arbitration and reasonable attorney's fees.

8. Except as provided in subsection 22.206.160.C.8.d, it is a defense to eviction if:

a. The eviction would result in the tenant having to vacate the housing unit at any time between December 1 and March 1; and

b. The tenant household is a moderate-income household as defined in Section 23.84A.016; and

c. The housing unit that the tenant would have to vacate is owned by a person who owns more than four rental housing units in The City of Seattle. For purposes of this subsection 22.206.160.C.8.c, "owns" includes having an ownership interest in the housing units.

d. If the reason for termination of the tenancy is due to conditions described in subsections 22.206.160.C.1.e, 22.206.160.C.1.f provided that the tenant was provided at least 90 days' written notice prior to the date set for vacating the unit, 22.206.160.C.1.j, 22.206.160.C.1.k, 22.206.160.C.1.l,

22.206.160.C.1.m, 22.206.160.C.1.n, 22.206.160.C.1.o, or 22.206.160.C.1.p, or if the reason for termination is due to the tenant's failure to comply with a three day or ten day notice to vacate for a drug-related activity nuisance pursuant to chapter 7.43 RCW or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5) or because the tenant's conduct has a substantial detrimental impact on, or constitutes an imminent threat to, the health or safety of other tenants in the rental building or the owner, the eviction may occur as otherwise allowed by law.

e. A rent mitigation fund is created to provide funds to eligible low-income tenant households at risk of residential eviction during the period described in subsection 22.206.160.C.8, if other sources of funds are not available to assist the tenant, or to provide financial assistance to a non-profit corporation or other housing provider that cannot evict a tenant from a rental housing unit during the period described in subsection 22.206.160.C.8 because the unit is subject to restrictions on tenant incomes or rent as a condition of that assistance.

1) Tenant eligibility. To be eligible to receive funds, (1) the reason for termination must include nonpayment of rent; and (2) the tenant household must be a low-income household as defined in Section 23.84A.016; and (3) the tenant must demonstrate that the tenant does not have the financial resources to avoid eviction; and (4) the tenant must request mitigation funds on or before the date a writ of restitution is executed.

2) Housing provider eligibility. To be eligible to receive funds the housing provider shall (1) demonstrate that an eviction was delayed during this period because the tenant raised the defense described in subsection 22.206.160.C.8; and (2) demonstrate that the tenant does not have financial resources available to pay rent during the period described in subsection 22.206.160.C.8; and (3) demonstrate that the tenant resides in a unit that is subject to restrictions on tenant incomes or rent; and (4) sign an agreement stating that the housing provider will not report the tenant's delinquency on rent payment to credit reporting agencies.

3) The Director shall have rulemaking authority to administer the fund. This authority includes the ability to have the fund administered by a public or private organization having experience administering or capable of administering similar tenant assistance programs. If by rule the Director determines that payments shall be made directly to a landlord, the landlord shall sign an agreement with the Director prior to payment stating that the landlord will not report the tenant's delinquent rent payment to credit reporting agencies.

4) The availability of funds is subject to the existence of budget appropriations for that purpose. A request for funding shall be denied if insufficient funds are available. The City is not civilly or criminally liable for failure to provide funding and no penalty or cause of action may be brought against the City resulting from the provision or lack of provision of funds.

5) When a landlord issues a notice to terminate tenancy due to nonpayment of rent, the notice must contain information to the tenant about how to access the tenant mitigation fund. The landlord is not required to provide this information if insufficient funds have been appropriated by the City Council to provide the funds for mitigation. The information for the notice shall be adopted by the Seattle Department of Construction and Inspections by rule.

9.

a. Subject to the requirements of subsection 22.206.160.C.9.b, it is a defense to eviction if the eviction would result in the tenant having to vacate the housing unit within six months after the termination of the Mayor's eviction moratorium, and if the reason for terminating the tenancy is:

1) The tenant fails to comply with a 14-day notice to pay rent or vacate pursuant to RCW 59.12.030(3) for rent due during, or within six months after the termination of, the Mayor's residential eviction moratorium; or

2) The tenant habitually fails to pay rent resulting in four or more pay-or-vacate notices in a 12-month period.



For purposes of this subsection 22.206.160.C.9, "termination of the Mayor's residential eviction moratorium" means termination of subsection 1.C (creating a defense to a pending eviction action) of the moratorium on residential evictions ordered by the Mayor's civil emergency order, as amended by the Council in Resolution 31938 on March 16, 2020.

b. The tenant may invoke the defense provided in subsection 22.206.160.C.9.a only if the tenant has submitted a declaration or self-certification asserting the tenant has suffered a financial hardship and is therefore unable to pay rent.

c. If a landlord issues a notice to terminate a tenancy due to a reason listed in subsections 22.206.160.C.9.a.1-2, and if the landlord issues that notice within six months after the termination of the Mayor's residential eviction moratorium, the notice must contain the following statement: "If you cannot pay rent, during or within 6 months after the end of the Mayor's moratorium on evictions, your inability to pay is a defense to eviction that you may raise in court." It is a defense to eviction if the notice does not contain that statement.

d. An award of attorneys' fees and statutory court costs to a landlord arising from an eviction proceeding arising from a notice to terminate a tenancy due to a reason listed in subsections 22.206.160.C.9.a.1-2 is prohibited unless otherwise allowed by law.

10. If a tenant has agreed to terminate a tenancy, including but not limited to agreement via a termination clause in a rental agreement or in a separate termination agreement, the tenant may rescind such an agreement:

a. Within ten business days after signing the agreement by delivering written or electronic notice of rescission to the landlord; or

b. After more than ten business days since signing the agreement by establishing that the tenant entered into the agreement improvidently. Improvidence may be demonstrated by inequality of bargaining power, the tenant's vulnerability, legitimacy of the landlord's reason for seeking termination, and the

tenant's ability to procure alternative housing.

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 this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
LEG	Asha Venkataraman / 4-5382 Aly Pennucci / 4-8148	n/a

\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to the renewal or continuation of residential rental tenancies; requiring a landlord have just cause for refusing to renew or continue a rental agreement for a specified time; and amending Sections 7.24.030 and 22.206.160 of the Seattle Municipal Code.

**Summary and background of the Legislation:** This legislation would amend the City’s Just Cause Eviction provisions to provide protections to tenants regardless of the form or length of their rental agreement. Specifically, the bill would:

- Amend SMC Chapter 7.24 (Rental Agreement Regulations) to add a requirement that any fixed-term lease would, at the end of the term, convert to a month-to-month basis, unless the tenant is offered and accepts a new fixed-term lease, or unless the landlord has just cause for refusing to renew or continue the rental agreement (that is, one of the just causes enumerated in SMC 22.206.160); and
- Amends the Just Cause Eviction provisions in SMC 22.206.160 by adding a defense to an eviction if, under specific circumstances, the tenant has agreed to terminate a tenancy but rescinds such an agreement.

Background:

Seattle’s Just Cause Eviction Ordinance (JCEO) prohibits a landlord from terminating a tenancy without cause. JCEO 1) requires the landlord inform the tenant of the basis for termination and 2) ensures that landlords can only terminate for one of the reasons within the JCEO. However, for tenants on a fixed term lease, the landlord can choose not to renew the lease without cause and avoid the JCEO by allowing a lease to expire. In this scenario, a landlord does not need to provide a reason for terminating the tenancy since the lease has expired.<sup>1</sup> This proposed legislation would address that by requiring that a fixed-term lease, at the end of the term, converts to month-to-month, with a few exceptions as described above.

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<sup>1</sup> [HB 1236](#), that passed the full legislature and has been sent to the Governor for action, would amend the state residential landlord-tenant act (RLTA) in various ways, including requiring cause for evicting a tenant or terminating a tenancy, with some key exceptions and conditions. The changes to the state RLTA may require modifications to this proposal.

## 2. CAPITAL IMPROVEMENT PROGRAM

**Does this legislation create, fund, or amend a CIP Project?** \_\_\_ Yes  No

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

Project Name:	Project I.D.:	Project Location:	Start Date:	End Date:	Total Project Cost Through 2026:

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

**Does this legislation amend the Adopted Budget?** \_\_\_ Yes  No

If there are no changes to appropriations, revenues, or positions, please delete the table below.

**Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

The legislation may require updating print materials, changing landlord training curriculum, changing web-based information and may require some associated outreach. This work could potentially be part of existing work of the Renting in Seattle program and the Property Owner and Tenant Assistance group at a negligible cost. There may be increases in tenant complaints and caseload because of these provisions.

**Is there financial cost or other impacts of *not* implementing the legislation?**

Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs or consequences.

No

If there are no changes to appropriations, revenues, or positions, please delete sections 3.a., 3.b., and 3.c. and answer the questions in Section 4.

### 3.a. Appropriations

**This legislation adds, changes, or deletes appropriations.**

If this box is checked, please complete this section. If this box is not checked, please proceed to Revenues/Reimbursements.

Fund Name and number	Dept	Budget Control Level Name/#*	2021 Appropriation Change	2022 Estimated Appropriation Change
<b>TOTAL</b>				

*\*See budget book to obtain the appropriate Budget Control Level for your department.*

This table should reflect appropriations that are a direct result of this legislation. In the event that the project/programs associated with this ordinance had, or will have, appropriations in other legislation please provide details in the Appropriation Notes section below. If the appropriation is not completely supported by revenue/reimbursements listed below, please identify the funding source (e.g. available fund balance) to cover this appropriation in the notes section. Also indicate if the legislation changes appropriations one-time, ongoing, or both.

**Is this change one-time or ongoing?**

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Appropriations Notes:**

**3.b. Revenues/Reimbursements**

This legislation adds, changes, or deletes revenues or reimbursements.

If this box is checked, please complete this section. If this box is not checked, please proceed to Positions.

**Anticipated Revenue/Reimbursement Resulting from this Legislation:**

Fund Name and Number	Dept	Revenue Source	2021 Revenue	2022 Estimated Revenue
<b>TOTAL</b>				

This table should reflect revenues/reimbursements that are a direct result of this legislation. In the event that the issues/projects associated with this ordinance/resolution have revenues or reimbursements that were, or will be, received because of previous or future legislation or budget actions, please provide details in the Notes section below. Do the revenue sources have match requirements? If so, what are they?

**Is this change one-time or ongoing?**

Please explain any complicated scenarios – e.g. three-year funding agreement but not permanent ongoing.

**Revenue/Reimbursement Notes:**

**3.c. Positions**

This legislation adds, changes, or deletes positions.

If this box is checked, please complete this section. If this box is not checked, please proceed to Other Implications.

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:**

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2021 Positions	2021 FTE	Does it sunset? (If yes, explain below in Position Notes)
<b>TOTAL</b>							

\* List each position separately

This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.

**Position Notes:**

**4. OTHER IMPLICATIONS**

**a. Does this legislation affect any departments besides the originating department?**

If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.).

Yes, the Seattle Department and Inspections is responsible for implementing the existing Just Cause Eviction Ordinance that this legislation amends.

**b. Is a public hearing required for this legislation?**

If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned/required in the future?

No

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.

No

**d. Does this legislation affect a piece of property?**

If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.

No

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

If yes, please explain how this legislation may impact vulnerable or historically disadvantaged communities. Using the racial equity toolkit is one way to help determine the legislation's impact on certain communities. If any aspect of the legislation involves communication or outreach to the public, please describe the plan for communicating with non-English speakers.

Historically disadvantaged communities are already at a disproportionate risk of eviction. This legislation will extend protections to all renters regardless of the form or length of their rental agreement.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

Please provide a qualitative response, considering net impacts. Are there potential carbon emissions impacts of not implementing the proposed legislation. Discuss any potential intersections of carbon emissions impacts and race and social justice impacts, if not previously described in Section 4e.

n/a

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Describe the potential climate resiliency impacts of implementing or not implementing the proposed legislation. Discuss any potential intersections of climate resiliency and race and social justice impacts, if not previously described in Section 4e.

n/a

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

This answer should highlight measurable outputs and outcomes.

**List attachments/exhibits below:**



May 11, 2021

## MEMORANDUM

**To:** Sustainability and Renters Rights Committee  
**From:** Asha Venkataraman, Analyst  
**Subject:** Council Bills 120056 and 120057: Just Cause at the End of Fixed Term Leases

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On May 12, 2021, the Sustainability and Renters Rights Committee will discuss [Council Bill \(CB\) 120057](#). The proposed legislation would convert a tenancy under a fixed term rental agreement to a month-to-month tenancy unless a landlord offers and a tenant accepts a new rental agreement for a fixed term or the landlord has just cause for refusing to renew or continue the tenancy.<sup>1</sup> The committee discussed [CB 120056](#) on April 27; that legislation also addresses the applicability of just cause to fixed term leases, but takes a slightly different approach. CB 120056 requires that a landlord offer a tenant the opportunity to enter a new rental agreement unless the landlord has just cause to decline to extend the offer. This memorandum:

- (1) provides background information on local and state regulations related to just cause eviction;
- (2) describes CB 120057 and its differences from CB 120056; and
- (3) describe potential impacts of the bills, and summarize potential amendments proposed by Councilmembers to date.

### Defining Terms

This memo will discuss three main types of tenancies:

- **Month-to-month tenancies:** A periodic tenancy in which the tenant pays, and the landlord accepts, rent on a monthly basis.
- **Fixed term rental agreement:** A tenancy in which the landlord and tenant have agreed that the tenant will reside in the rental unit from a specific start date to a specific end date.

There are two different tenancy types related to a fixed term rental agreement:

1. An agreement that automatically converts to a month-to-month tenancy: Upon the end date, the rental agreement specifies that the tenancy will be month-to-month.
2. An agreement that does not convert to a month-to-month tenancy: Upon the end date, the rental agreement is silent or states that the tenancy expires on that date.

In addition, this memo uses the term “just cause,” which refers to a specific and limited set of reasons a landlord must prove to be able to evict a tenant.

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<sup>1</sup> This memorandum uses the terms rental agreement and lease interchangeably. It also uses the term month-to-month to cover periodic tenancies.



## Background

### Seattle's Just Cause Eviction Ordinance

Seattle's Just Cause Eviction Ordinance (JCEO), codified in Section 22.206.160 of the Seattle Municipal Code (SMC), requires that landlords prove that they have one of the reasons ("just causes") enumerated in [SMC 22.206.160.C.1](#) to file an unlawful detainer action to evict a tenant. The just causes include, but are not limited to, the tenant's failure to pay rent or comply with the terms of a rental agreement, as well as if the owner wants to move into their property or substantially rehabilitate, demolish, or change the use of their property. A landlord must have just cause to evict a tenant during the term of a fixed term lease or during a month-to-month tenancy. Just cause is also required to evict a tenant under a fixed term lease, after that term expires, if the fixed term lease automatically converts to a month-to-month tenancy at the end of the term. The landlord must provide the tenant with notice of termination prior to the end of the month or period of the tenancy; the timing of the notice depends on the type of tenancy and the reason for termination.

However, for a tenancy under a fixed term lease that does not automatically convert into a month-to-month tenancy, a landlord does not need just cause to evict the tenant; instead the landlord can wait until the term ends, meaning that the tenancy expires when the lease term is over and if the tenant does not vacate the unit the landlord could proceed with an eviction. The lack of requirement for just cause in this instance is often referred to as a "loophole" in the JCEO, as it allows a landlord to simply wait until the term of the lease expires rather than proving just cause.

### State Legislation: ESHB 1236

In the 2021 legislative session, the Washington State Legislature passed [Engrossed Substitute House Bill \(ESHB\) 1236](#), establishing just cause eviction protections statewide. ESHB 1236 includes different provisions for fixed term tenancies that automatically convert to month-to-month at the end of the term and fixed term tenancies that do not automatically convert.

Section 2(1)(b) of ESHB 1236 applies to a tenancy under a fixed term rental agreement that automatically converts to a month-to-month tenancy. Under that provision, a landlord must have just cause to end the tenancy except at the end of the initial rental term. ESHB 1236 allows a landlord to end this type of tenancy at the end of the initial term only if the initial rental term was between six and 12 months and the landlord gives the tenant written notice 60 days before the end of the term.

Section 2(1)(c) applies to a tenancy under a fixed term rental agreement that does not automatically convert into a month-to-month tenancy. The landlord must have just cause to evict unless:

- The initial agreement is for 12 months or more or the landlord and tenant have agreed to multiple, successive leases of at least six months since the beginning of the tenancy;
- The landlord provides written notice 60 days before the end of the term to the tenant; and
- The tenancy has never been month-to-month (except for if the landlord and tenant entered into a month-to-month rental agreement between the effective date of ESHB 1236 and three months after the end of the Governor’s eviction moratorium).<sup>2</sup>

### **CB 120057**

This legislation would amend the rental agreement regulations ([SMC 7.24](#)). The changes would convert any tenancy under a fixed term rental agreement that does not automatically convert to a month-to-month tenancy to a month-to-month tenancy at the end of the term unless a landlord offers and a tenant accepts a new rental agreement for a fixed term or the landlord has just cause not to continue the tenancy. It would also amend the just cause eviction section of the code (SMC 22.206.160.C.1) to require that a landlord have just cause to refuse to renew or continue a rental agreement.

CB 120057 would also allow a tenant to rescind termination agreements. Under this proposal, a tenant may rescind a termination agreement within ten days of having signed the agreement by delivering the landlord notice within those ten days. If it has been more than ten days since the tenant entered into the termination agreement, CB 120057 would allow the tenant to rescind the termination agreement if the tenant can establish they entered into it improvidently, which includes considerations such as unequal bargaining power, vulnerability of the tenant, legitimacy of the landlord’s reason for seeking termination, or the tenant’s ability to procure alternative housing.

### **CB 120056**

For a tenancy under a fixed term rental agreement that does not automatically convert to a month-to-month tenancy by its terms, CB 120056 would require a landlord to offer a tenant the opportunity to enter into a new rental agreement or extend the existing rental agreement unless the landlord has just cause not to make the offer.

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<sup>2</sup> Engrossed 2<sup>nd</sup> Substitute Senate Bill 5160 ends the Governor’s eviction moratorium on June 30, 2021.

In addition, the bill includes the following provisions that do not have parallels in CB 120057:

- the landlord must make the offer between 60 and 90 days prior to the expiration of the existing rental term;
- the tenant has 30 days to decline or accept the proposed rental agreement, and if the tenant declines, the tenancy terminates according to the term of the rental agreement;
- the landlord complies with all appropriate notice requirements; and
- failure to comply with any of these requirements is a defense to eviction.

CB 120056 does not contain any provisions regarding rescission of a termination agreement.

### **Comparison of CB 120057 and CB 120056**

The bills overlap in several ways. In both bills, the landlord must have just cause not to offer a new rental agreement for tenancy after the end of the fixed term. Both bills also continue a tenancy beyond the fixed term if a landlord proposes a new rental agreement or extension of the existing rental agreement and the tenant accepts the offer.

The primary difference between the two proposals is what happens when a landlord proposes a new rental agreement or extension of an existing rental agreement and the tenant declines the offer. Under CB 120056, the tenancy would terminate under the terms of the existing fixed term rental agreement. Under CB 120057, the tenancy would convert to a month-to-month tenancy. The bills also differ in their approaches to where the changes appear in the code and the language by which the changes are made.

### **Impacts on Tenant Relocation Assistance (TRAO)**

Though ESHB 1236, CB 120057, and CB 120056 do not explicitly amend provisions regarding tenant relocation assistance, ESHB 1236 will impact TRAO eligibility, and CBs 120057 and 120056 would add to those impacts. [The tenant relocation assistance ordinance \(TRAO\)](#) requires that before an owner of a dwelling unit demolishes, changes use, substantially rehabilitates, or removes use restrictions from a property<sup>3</sup> that would result in the displacement of a tenant, the owner must obtain a tenant relocation license. After the owner applies for a relocation license, Sections 22.206.160.C.1.h and i allow the owner just cause reasons to evict based on TRAO eligible changes.

Prior to the passage of ESHB 1236, if a tenant was required to leave during the term of a fixed term rental agreement (regardless of whether it automatically converts to a month-to-month agreement at the end of the term) or during a month-to-month tenancy, the TRAO-eligible changes would be the reason for displacement of the tenants, prompting the need for the tenant relocation license. However, for fixed term rental agreements that did not convert to month-to-month tenancies, the owner could wait until the expiration of the fixed term, when

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<sup>3</sup> This memo refers to the group of action covered under TRAO as “TRAO eligible changes.”

the tenant would have to vacate the unit, and then move forward with what would otherwise be TRAO-eligible changes; because it was not the TRAO eligible changes that displaced the tenant but rather the end of the lease term that displaced the tenant, the owner would not need to obtain a tenant relocation license (at least for this specific reason).

But passage of ESHB 1236 as well as potential passage of CBs 120057 and 120056 would reduce the number of instances under which a fixed term lease simply expires and thus increase the number of instances under which the owner would need to use just cause to evict the tenant. Because the reason for displacement of the tenant will change from expiration of the lease term to the TRAO-eligible changes, there will be more instances in which owners will be required to get a relocation license, or at least determine whether tenants are eligible for TRAO.

### **Impacts on SDCI**

Passage of ESHB 1236 as well as potential passage of CB 120057 and CB 120056 will have impacts on workload for the Seattle Department of Construction and Inspections (SDCI) for several reasons. First, extending just cause protections to fixed term leaseholders will include many tenants not currently covered by just cause. This change is likely to increase SDCI's just cause caseload, which would include call volume from tenants and landlords inquiring about new protections, updates to notice and outreach materials, and investigation and enforcement of any violations of notice requirements. In addition, because of the potential increase in eligibility for TRAO licenses, SDCI will likely need to conduct more reviews to determine who is eligible for TRAO and administer more TRAO payments.

Though the level of increase is not entirely clear at this time, Councilmembers may want to consider the potential need to provide additional general fund support to the department for staffing and other costs to implement and administer the proposed changes. Councilmembers Morales and Sawant have requested SDCI's presence at the next Sustainability and Renters Rights committee on May 25<sup>th</sup> to answer questions.

### **Potential Amendments**

While the committee will not consider or vote on amendments on May 12, Councilmembers may bring the amendments described below for the Committee's consideration at the next Sustainability and Renters Rights committee on May 25.

#### CB 120057

##### *1. Notice requirement (Councilmember Morales)*

This potential amendment would require that landlords give tenants a minimum of 60 days' notice if they do not plan to renew the lease, or longer if the just cause reason for non-renewal requires it. The notice must include the just cause for failing to renew the lease.

2. *Rescission (Councilmember Morales)*

This potential amendment would provide an exception for some classes of mutual termination agreements, specifically if the mutual termination agreement has implications to federally subsidized housing vouchers and if the tenant was appropriately represented when signing the agreement.

3. *Just cause for selling single units (Councilmember Morales)*

Currently, when an owner of a single-family home wants to sell their home and end a tenancy to do so, they can end the rental agreement using just cause in SMC 22.206.160.C.1.f. However, that subsection specifically references “single family dwelling units,” and the Seattle Municipal Code defines that term to exclude townhouse or condominium owners. This means that owners of such units do not have the ability to use just cause to end the rental agreement. To sell without a tenancy, they instead must wait for the lease to expire or see if the tenant will leave voluntarily. They can also try and sell the property with the tenancy intact. With the passage of ESHB 1236 and potentially CBs 120057 and 120056, the opportunity to let the lease expire to end the tenancy decreases.

This amendment would add a reference to a “single-unit property” to SMC 22.206.160.C.1.f. Condo and townhome owners would then be able to use just cause to end the rental agreement when the owner wants to sell, pursuant to the changes to just cause evictions passed by ESHB 1236 and if Council decides to pass CBs 120057 or 120056.

This amendment would require the introduction of new legislation to account for a title change.

**Next Steps**

CBs 120057 and 120056 will be discussed and potentially voted upon at the next Sustainability and Renters Rights committee on May 25. Before the potential vote, Central Staff will:

- Continue to review the interaction between CBs 120057 and 120056 with ESHB 1236 and share any additional information when it is available;
- Draft and analyze amendments proposed by Councilmembers, including preparing new legislation for introduction if any amendments require a title change; and
- Work with SDCI to further understand workload impacts.

Any amendments to either CB 120057 or CB 120056 will be considered at the May 25 meeting.

cc: Dan Eder, Interim Director  
Aly Pennucci, Policy and Budget Manager



Legislation Text

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File #: CB 120046, Version: 1

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CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL \_\_\_\_\_

AN ORDINANCE relating to termination of residential rental tenancies; providing a defense to certain evictions of children, their families, and educators during the school year; and amending Section 22.206.160 of the Seattle Municipal Code.

WHEREAS, on November 2, 2015, the Mayor issued a Civil Emergency to address the homelessness crisis in the City of Seattle, and on November 3, 2015, the City Council adopted Resolution 31630, ratifying and confirming that Mayoral Proclamation of Civil Emergency; and

WHEREAS, in September 2018, the Seattle Women’s Commission and the King County Bar Association jointly published *Losing Home: The Human Cost of Eviction in Seattle*, finding that households who are evicted face material hardships that make it more difficult to secure safe and affordable housing and that the most disadvantaged groups face the highest likelihood of eviction; and

WHEREAS, *Losing Home* found that most evicted respondents became homeless, with 37.5 percent completely unsheltered, 25.0 percent living in a shelter or transitional housing, 25.0 percent staying with family or friends, and only 12.5 percent finding another apartment or home to move into; and

WHEREAS, *Losing Home* further found that, “of evicted respondents with school-age children, 85.7% said their children had to move schools after the eviction, and 87.5% reported their children’s school performance suffered ‘very much’ because of the eviction”; and

WHEREAS, *Losing Home* cites academic research showing that, “the eviction of children and adolescents has serious and longstanding effects on their development and overall well-being, including poor academic performance, delayed literacy skills, an up-tick in dropout rates, and violent behavior”; and

WHEREAS, *Losing Home* further found that “eviction pushed low-income tenants out of Seattle: 43.5% of evicted respondents had to leave the city as a result”; 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, *Systematic review of psychosocial factors associated with evictions*, published in 2018 in *Healthcare and Socialcare in the Community*, reported that “[n]umerous studies have shown negative consequences of evicting children and adolescents which include, but not limited to, decreased academic performance, delayed literacy skills, increased dropout rates, health issues and violent behaviours”; and

WHEREAS, *Elementary School Children: Many Change Schools Frequently, Harming Their Education*, a 1994 report by the U.S. Government Accountability Office, found that “[i]n grouping the children who have changed schools frequently into four income categories, we found that within each category, these children are more likely to be below grade level in reading and math than those who have never changed schools”; and

WHEREAS, *The Consequences of Leaving School Early: The Effects of Within-Year and End-of-Year Teacher Turnover*, published in 2020 in *Education Finance and Policy*, found that “students who lose their teacher during the school year have significantly lower test score gains (on average  $-7.5$  percent of a standard deviation unit) than those students whose teachers stay”; and

WHEREAS, *Putting School Reform in Its Place: Social Geography, Organizational Social Capital, and School Performance*, published in 2012 in *The American Educational Research Journal*, found that “the combined effects of leadership and teacher turnover adversely affected the very institutional resources

(capacity, trust, ties, and beliefs) that researchers have shown to be important for effective institutional response”; and

WHEREAS, *Housing and Employment Insecurity among the Working Poor*, published in 2016 in Social Problems, explained that “housing loss regularly leads to job loss” and estimated “the likelihood of experiencing job loss to be between 11 and 22 percentage points higher for workers who experienced a preceding forced move”; and

WHEREAS, the Seattle City Council is committed to protecting children and students from the destructive impacts of eviction; NOW, THEREFORE,

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

Section 1. Subsection 22.206.160.C of the Seattle Municipal Code, which section was last amended by Ordinance 126278, is amended as follows:

**22.206.160 Duties of owners**

\* \* \*

C. Just cause eviction

1. Pursuant to provisions of the Washington State Residential Landlord-Tenant Act (RCW 59.18.290), an owner may not evict a residential tenant without a court order, which can be issued by a court only after the tenant has an opportunity in a show cause hearing to contest the eviction (RCW 59.18.380). An owner of a housing unit shall not evict or attempt to evict any tenant, or otherwise terminate or attempt to terminate the tenancy of any tenant, unless the owner can prove in court that just cause exists. Regardless of whether just cause for eviction may exist, an owner may not evict a residential tenant from a rental housing unit if: the unit is not registered with the Seattle Department of Construction and Inspections if required by Section 22.214.040; or if subsections 22.206.160.C.8, ~~((€))~~ 22.206.160.C.9, or 22.206,160.C.10 provide the tenant a defense to the eviction.

An owner is in compliance with the registration requirement if the rental housing unit is



registered with the Seattle Department of Construction and Inspections before issuing a notice to terminate tenancy. The reasons for termination of tenancy listed below, and no others, shall constitute just cause under this Section 22.206.160:

a. The tenant fails to comply with a 14 day notice to pay rent or vacate pursuant to RCW 59.12.030(3); a ten day notice to comply or vacate pursuant to RCW 59.12.030(4); or a three day notice to vacate for waste, nuisance (including a drug-related activity nuisance pursuant to chapter 7.43 RCW), or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5);

b. The tenant habitually fails to pay rent when due which causes the owner to notify the tenant in writing of late rent four or more times in a 12 month period;

c. The tenant fails to comply with a ten day notice to comply or vacate that requires compliance with a material term of the rental agreement or that requires compliance with a material obligation under chapter 59.18 RCW;

d. The tenant habitually fails to comply with the material terms of the rental agreement which causes the owner to serve a ten day notice to comply or vacate three or more times in a 12 month period;

e. The owner seeks possession so that the owner or a member of the owner's immediate family may occupy the unit as that person's principal residence and no substantially equivalent unit is vacant and available in the same building, and the owner has given the tenant at least 90 days' advance written notice of the date the tenant's possession is to end. The Director may reduce the time required to give notice to no less than 20 days if the Director determines that delaying occupancy will result in a personal hardship to the owner or to the owner's immediate family. Personal hardship may include but is not limited to hardship caused by illness or accident, unemployment, or job relocation. For the purposes of this Section 22.206.160, "Immediate family" includes the owner's domestic partner registered pursuant to Section 1 of Ordinance 117244 or the owner's spouse, parents, grandparents, children, brothers and sisters of the owner, of

the owner's spouse, or of the owner's domestic partner. There is a rebuttable presumption of a violation of this subsection 22.206.160.C.1.e if the owner or a member of the owner's immediate family fails to occupy the unit as that person's principal residence for at least 60 consecutive days during the 90 days immediately after the tenant vacated the unit pursuant to a notice of termination or eviction using this subparagraph as the cause for eviction;

f. The owner elects to sell a single-family dwelling unit and gives the tenant at least 90 days' written notice prior to the date set for vacating, which date shall coincide with the end of the term of a rental agreement, or if the agreement is month to month, with the last day of a monthly period. The Director may reduce the time required to give notice to no less than 60 days if the Director determines that providing 90 days' notice will result in a personal hardship to the owner. Personal hardship may include but is not limited to hardship caused by illness or accident, unemployment, or job relocation. For the purposes of this Section 22.206.160, an owner "elects to sell" when the owner makes reasonable attempts to sell the dwelling within 30 days after the tenant has vacated, including, at a minimum, listing it for sale at a reasonable price with a realty agency or advertising it for sale at a reasonable price in a newspaper of general circulation. There shall be a rebuttable presumption that the owner did not intend to sell the unit if:

1) Within 30 days after the tenant has vacated, the owner does not list the single-family dwelling unit for sale at a reasonable price with a realty agency or advertise it for sale at a reasonable price in a newspaper of general circulation, or

2) Within 90 days after the date the tenant vacated or the date the property was listed for sale, whichever is later, the owner withdraws the rental unit from the market, rents the unit to someone other than the former tenant, or otherwise indicates that the owner does not intend to sell the unit;

g. The tenant's occupancy is conditioned upon employment on the property and the employment relationship is terminated;

h. The owner seeks to do substantial rehabilitation in the building; provided that, the

owner must obtain a tenant relocation license if required by Chapter 22.210 and at least one permit necessary for the rehabilitation, other than a Master Use Permit, before terminating the tenancy;

i. The owner (i) elects to demolish the building, convert it to a cooperative, or convert it to a nonresidential use; provided that, the owner must obtain a tenant relocation license if required by Chapter 22.210 and a permit necessary to demolish or change the use before terminating any tenancy, or (ii) converts the building to a condominium provided the owner complies with the provisions of Sections 22.903.030 and 22.903.035;

j. The owner seeks to discontinue use of a housing unit unauthorized by Title 23 after receipt of a notice of violation. The owner is required to pay relocation assistance to the tenant(s) of each such unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

1) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the County median income, or

2) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the County median income;

k. The owner seeks to reduce the number of individuals residing in a dwelling unit to comply with the maximum limit of individuals allowed to occupy one dwelling unit, as required by Title 23, and:

1)

a) The number of such individuals was more than is lawful under the current version of Title 23 but was lawful under Title 23 or Title 24 on August 10, 1994;

b) That number has not increased with the knowledge or consent of the owner at any time after August 10, 1994; and

c) The owner is either unwilling or unable to obtain a permit to allow the unit with that number of residents.

- 2) The owner has served the tenants with a 30 day notice, informing the tenants that the number of tenants exceeds the legal limit and must be reduced to the legal limit,
- 3) After expiration of the 30 day notice, the owner has served the tenants with and the tenants have failed to comply with a ten day notice to comply with the limit on the number of occupants or vacate, and
- 4) If there is more than one rental agreement for the unit, the owner may choose which agreements to terminate; provided that, the owner may either terminate no more than the minimum number of rental agreements necessary to comply with the legal limit on the number of occupants, or, at the owner's option, terminate only those agreements involving the minimum number of occupants necessary to comply with the legal limit;

1.

- 1) The owner seeks to reduce the number of individuals who reside in one dwelling unit to comply with the legal limit after receipt of a notice of violation of the Title 23 restriction on the number of individuals allowed to reside in a dwelling unit, and:
  - a) The owner has served the tenants with a 30 day notice, informing the tenants that the number of tenants exceeds the legal limit and must be reduced to the legal limit; provided that no 30 day notice is required if the number of tenants was increased above the legal limit without the knowledge or consent of the owner;
  - b) After expiration of the 30 day notice required by subsection 22.206.160.1.1.a, or at any time after receipt of the notice of violation if no 30 day notice is required pursuant to subsection 22.206.160.1.1.a, the owner has served the tenants with and the tenants have failed to comply with a ten day notice to comply with the maximum legal limit on the number of occupants or vacate; and
  - c) If there is more than one rental agreement for the unit, the owner may choose which agreements to terminate; provided that the owner may either terminate no more than the

minimum number of rental agreements necessary to comply with the legal limit on the number of occupants, or, at the option of the owner, terminate only those agreements involving the minimum number of occupants necessary to comply with the legal limit.

2) For any violation of the maximum legal limit on the number of individuals allowed to reside in a unit that occurred with the knowledge or consent of the owner, the owner is required to pay relocation assistance to the tenant(s) of each such unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

a) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the county median income, or

b) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the county median income;

m. The owner seeks to discontinue use of an accessory dwelling unit for which a permit has been obtained pursuant to Sections 23.44.041 and 23.45.545 after receipt of a notice of violation of the development standards provided in those sections. The owner is required to pay relocation assistance to the tenant household residing in such a unit at least two weeks prior to the date set for termination of the tenancy, at the rate of:

1) \$2,000 for a tenant household with an income during the past 12 months at or below 50 percent of the county median income, or

2) Two months' rent for a tenant household with an income during the past 12 months above 50 percent of the county median income;

n. An emergency order requiring that the housing unit be vacated and closed has been issued pursuant to Section 22.206.260 and the emergency conditions identified in the order have not been corrected;

o. The owner seeks to discontinue sharing with a tenant of the owner's own housing

unit, i.e., the unit in which the owner resides, seeks to terminate the tenancy of a tenant of an accessory dwelling unit authorized pursuant to Sections 23.44.041 and 23.45.545 that is accessory to the housing unit in which the owner resides, or seeks to terminate the tenancy of a tenant in a single-family dwelling unit and the owner resides in an accessory dwelling unit on the same lot. This subsection 22.206.160.C.1.o does not apply if the owner has received a notice of violation of the development standards of Section 23.44.041. If the owner has received such a notice of violation, subsection 22.206.160.C.1.m applies;

p. A tenant, or with the consent of the tenant, the tenant's subtenant, sublessee, resident, or guest, has engaged in criminal activity on the premises, or on the property or public right-of-way abutting the premises, and the owner has specified in the notice of termination the crime alleged to have been committed and the general facts supporting the allegation, and has assured that the Seattle Department of Construction and Inspections has recorded receipt of a copy of the notice of termination. For purposes of this subsection 22.206.160.C.1.p, a person has "engaged in criminal activity" if the person:

- 1) Engages in drug-related activity that would constitute a violation of chapters 69.41, 69.50, or 69.52 RCW, or
- 2) Engages in activity that is a crime under the laws of this state, but only if the activity substantially affects the health or safety of other tenants or the owner.

2. Any rental agreement provision which waives or purports to waive any right, benefit or entitlement created by this subsection 22.206.160.C shall be deemed void and of no lawful force or effect.

3. With any termination notices required by law, owners terminating any tenancy protected by this Section 22.206.160 shall advise the affected tenant or tenants in writing of the reasons for the termination and the facts in support of those reasons.

4. If a tenant who has received a notice of termination of tenancy claiming subsection 22.206.160.C.1.e, 22.206.160.C.1.f, or 22.206.160.C.1.m as the ground for termination believes that the owner does not intend to carry out the stated reason for eviction and makes a complaint to the Director, then the owner

must, within ten days of being notified by the Director of the complaint, complete and file with the Director a certification stating the owner's intent to carry out the stated reason for the eviction. The failure of the owner to complete and file such a certification after a complaint by the tenant shall be a defense for the tenant in an eviction action based on this ground.

5. In any action commenced to evict or to otherwise terminate the tenancy of any tenant, it shall be a defense to the action that there was no just cause for such eviction or termination as provided in this Section 22.206.160.

6. It shall be a violation of this Section 22.206.160 for any owner to evict or attempt to evict any tenant or otherwise terminate or attempt to terminate the tenancy of any tenant using a notice that references subsections 22.206.160.C.1.e, 22.206.160.C.1.f, 22.206.160.C.1.h, 22.206.160.C.1.k, 22.206.160.C.1.l, or 22.206.160.C.1.m as grounds for eviction or termination of tenancy without fulfilling or carrying out the stated reason for or condition justifying the termination of such tenancy.

7. An owner who evicts or attempts to evict a tenant or who terminates or attempts to terminate the tenancy of a tenant using a notice which references subsections 22.206.160.C.1.e, 22.206.160.C.1.f or 22.206.160.C.1.h as the ground for eviction or termination of tenancy without fulfilling or carrying out the stated reason for or condition justifying the termination of such tenancy shall be liable to such tenant in a private right for action for damages up to \$2,000, costs of suit, or arbitration and reasonable attorney's fees.

8. Except as provided in subsection 22.206.160.C.8.d, it is a defense to eviction if:

- a. The eviction would result in the tenant having to vacate the housing unit at any time between December 1 and March 1; and
- b. The tenant household is a moderate-income household as defined in Section 23.84A.016; and
- c. The housing unit that the tenant would have to vacate is owned by a person who

owns more than four rental housing units in The City of Seattle. For purposes of this subsection

22.206.160.C.8.c, "owns" includes having an ownership interest in the housing units.

d. If the reason for termination of the tenancy is due to conditions described in subsections 22.206.160.C.1.e, 22.206.160.C.1.f provided that the tenant was provided at least 90 days' written notice prior to the date set for vacating the unit, 22.206.160.C.1.j, 22.206.160.C.1.k, 22.206.160.C.1.l, 22.206.160.C.1.m, 22.206.160.C.1.n, 22.206.160.C.1.o, or 22.206.160.C.1.p, or if the reason for termination is due to the tenant's failure to comply with a three day or ten day notice to vacate for a drug-related activity nuisance pursuant to chapter 7.43 RCW or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5) or because the tenant's conduct has a substantial detrimental impact on, or constitutes an imminent threat to, the health or safety of other tenants in the rental building or the owner, the eviction may occur as otherwise allowed by law.

e. A rent mitigation fund is created to provide funds to eligible low-income tenant households at risk of residential eviction during the period described in subsection 22.206.160.C.8, if other sources of funds are not available to assist the tenant, or to provide financial assistance to a non-profit corporation or other housing provider that cannot evict a tenant from a rental housing unit during the period described in subsection 22.206.160.C.8 because the unit is subject to restrictions on tenant incomes or rent as a condition of that assistance.

1) Tenant eligibility. To be eligible to receive funds, (1) the reason for termination must include nonpayment of rent; and (2) the tenant household must be a low-income household as defined in Section 23.84A.016; and (3) the tenant must demonstrate that the tenant does not have the financial resources to avoid eviction; and (4) the tenant must request mitigation funds on or before the date a writ of restitution is executed.

2) Housing provider eligibility. To be eligible to receive funds the housing provider shall (1) demonstrate that an eviction was delayed during this period because the tenant raised the



defense described in subsection 22.206.160.C.8; and (2) demonstrate that the tenant does not have financial resources available to pay rent during the period described in subsection 22.206.160.C.8; and (3) demonstrate that the tenant resides in a unit that is subject to restrictions on tenant incomes or rent; and (4) sign an agreement stating that the housing provider will not report the tenant's delinquency on rent payment to credit reporting agencies.

3) The Director shall have rulemaking authority to administer the fund. This authority includes the ability to have the fund administered by a public or private organization having experience administering or capable of administering similar tenant assistance programs. If by rule the Director determines that payments shall be made directly to a landlord, the landlord shall sign an agreement with the Director prior to payment stating that the landlord will not report the tenant's delinquent rent payment to credit reporting agencies.

4) The availability of funds is subject to the existence of budget appropriations for that purpose. A request for funding shall be denied if insufficient funds are available. The City is not civilly or criminally liable for failure to provide funding and no penalty or cause of action may be brought against the City resulting from the provision or lack of provision of funds.

5) When a landlord issues a notice to terminate tenancy due to nonpayment of rent, the notice must contain information to the tenant about how to access the tenant mitigation fund. The landlord is not required to provide this information if insufficient funds have been appropriated by the City Council to provide the funds for mitigation. The information for the notice shall be adopted by the Seattle Department of Construction and Inspections by rule.

9.

a. Subject to the requirements of subsection 22.206.160.C.9.b, it is a defense to eviction if the eviction would result in the tenant having to vacate the housing unit within six months after the termination of the Mayor's eviction moratorium, and if the reason for terminating the tenancy is:

1) The tenant fails to comply with a 14-day notice to pay rent or vacate pursuant to RCW 59.12.030(3) for rent due during, or within six months after the termination of, the Mayor's residential eviction moratorium; or

2) The tenant habitually fails to pay rent resulting in four or more pay-or-vacate notices in a 12-month period.

For purposes of this subsection 22.206.160.C.9, "termination of the Mayor's residential eviction moratorium" means termination of subsection 1.C (creating a defense to a pending eviction action) of the moratorium on residential evictions ordered by the Mayor's civil emergency order, as amended by the Council in Resolution 31938 on March 16, 2020.

b. The tenant may invoke the defense provided in subsection 22.206.160.C.9.a only if the tenant has submitted a declaration or self-certification asserting the tenant has suffered a financial hardship and is therefore unable to pay rent.

c. If a landlord issues a notice to terminate a tenancy due to a reason listed in subsections 22.206.160.C.9.a.1-2, and if the landlord issues that notice within six months after the termination of the Mayor's residential eviction moratorium, the notice must contain the following statement: "If you cannot pay rent, during or within 6 months after the end of the Mayor's moratorium on evictions, your inability to pay is a defense to eviction that you may raise in court." It is a defense to eviction if the notice does not contain that statement.

d. An award of attorneys' fees and statutory court costs to a landlord arising from an eviction proceeding arising from a notice to terminate a tenancy due to a reason listed in subsections 22.206.160.C.9.a.1-2 is prohibited unless otherwise allowed by law.

10.

a. Except as provided in subsection 22.206.160.C.10.b, it is a defense to eviction if:

1) The eviction would result in the tenant having to vacate the housing unit

during the school year; and

2) The tenant is any of the following:

a) A child or student; or

b) A person having legal custody of a child or student, including but not limited to the child's or student's parent, step-parent, adoptive parent, guardian, foster parent, or custodian;  
or

c) An educator.

b. The eviction may occur as otherwise allowed by law if the reason for terminating the tenancy is due to: conditions described in subsections 22.206.160.C.1.j, 22.206.160.C.1.k, 22.206.160.C.1.l, 22.206.160.C.1.m, 22.206.160.C.1.n, 22.206.160.C.1.o, or 22.206.160.C.1.p; the tenant's failure to comply with a three day notice to vacate for a drug-related activity nuisance pursuant to chapter 7.43 RCW; or maintenance of an unlawful business or conduct pursuant to RCW 59.12.030(5).

c. For purposes of this subsection 22.206.160.C.10:

1) "Child or student" means any person either under the age of 18 years or currently enrolled in a school.

2) "Educator" means any person who works at a school in Seattle as an employee or independent contractor of the school or its governing body, including but not limited to all teachers, substitute teachers, paraprofessionals, substitute paraprofessionals, administrators, administrative staff, counselors, social workers, psychologists, school nurses, speech pathologists, custodians, cafeteria workers, and maintenance workers.

3) "School" means any child care, early childhood education and assistance program, or head start facility, and any public, private, or parochial institution that provides educational instruction in any or all of the grades and age groups up to and including twelfth grade.

4) "School year" means the period from (and including) the first day of the

academic year to the last day of the academic year, as set by Seattle School District No. 1, or its successor, on its calendar for first through twelfth grade students. If for those grades there are multiple dates for the first day or last day of the academic year, the earliest and latest dates, respectively, shall define the period.

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 \_\_\_\_\_, 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 this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
LEG	Ted Virdone / 206-518-0382	n/a

\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

### **1. BILL SUMMARY**

#### **Legislation Title:**

AN ORDINANCE relating to termination of residential rental tenancies; providing a defense to certain evictions of children, their families, and educators during the school year; and amending Section 22.206.160 of the Seattle Municipal Code.

#### **Summary and background of the Legislation:**

This ordinance provides a defense to most residential evictions of children, their families, and educators during the school year.

Many studies show that housing instability has a devastating impact on the development and education of young people. The *Losing Home: The Human Cost of Eviction in Seattle* report found that, “of evicted respondents with school-age children, 85.7% said their children had to move schools after the eviction, and 87.5% reported their children’s school performance suffered ‘very much’ because of the eviction.” *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.” *Systematic review of psychosocial factors associated with evictions*, published in 2018 in HEALTHCARE AND SOCIALCARE IN THE COMMUNITY, reported that “[n]umerous studies have shown negative consequences of evicting children and adolescents which include, but not limited to, decreased academic performance, delayed literacy skills, increased dropout rates, health issues and violent behaviours.” *Elementary School Children: Many Change Schools Frequently, Harming Their Education*, a 1994 report by the U.S. Government Accountability Office, found that “[i]n grouping the children who have changed schools frequently into four income categories, we found that within each category, these children are more likely to be below grade level in reading and math than those who have never changed schools.” *The Consequences of Leaving School Early: The Effects of Within-Year and End-of-Year Teacher Turnover*, published in 2020 in EDUCATION FINANCE AND POLICY, found that “students who lose their teacher during the school year have significantly lower test score gains (on average –7.5 percent of a standard deviation unit) than those students whose teachers stay.”

Similar legislation exists in San Francisco. The Rent Board in San Francisco explains that, “[e]ffective May 22, 2016, Rent Ordinance Section 37.9(j) was amended to prohibit certain no-fault evictions during the school year if a child under 18 or a person who works at a school in

San Francisco resides in the rental unit, is a tenant in the unit or has a custodial or family relationship with a tenant in the unit, and the tenant has resided in the unit for 12 months or more.”

## 2. CAPITAL IMPROVEMENT PROGRAM

**Does this legislation create, fund, or amend a CIP Project?** \_\_\_ Yes  No

If yes, please fill out the table below and attach a new (if creating a project) or marked-up (if amending) CIP Page to the Council Bill. Please include the spending plan as part of the attached CIP Page. If no, please delete the table.

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

**Does this legislation amend the Adopted Budget?** \_\_\_ Yes  No

If there are no changes to appropriations, revenues, or positions, please delete the table below.

**Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

If so, describe the nature of the impacts. This could include increased operating and maintenance costs, for example.

No

**Is there financial cost or other impacts of *not* implementing the legislation?**

Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs or consequences.

No

## 4. OTHER IMPLICATIONS

**a. Does this legislation affect any departments besides the originating department?**

If so, please list the affected department(s) and the nature of the impact (financial, operational, etc.).

No

**b. Is a public hearing required for this legislation?**

If yes, what public hearing(s) have been held to date, and/or what public hearing(s) are planned/required in the future?

No

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

For example, legislation related to sale of surplus property, condemnation, or certain capital projects with private partners may require publication of notice. If you aren't sure, please check with your lawyer. If publication of notice is required, describe any steps taken to comply with that requirement.

No

**d. Does this legislation affect a piece of property?**

If yes, and if a map or other visual representation of the property is not already included as an exhibit or attachment to the legislation itself, then you must include a map and/or other visual representation of the property and its location as an attachment to the fiscal note. Place a note on the map attached to the fiscal note that indicates the map is intended for illustrative or informational purposes only and is not intended to modify anything in the legislation.

No

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

If yes, please explain how this legislation may impact vulnerable or historically disadvantaged communities. Using the racial equity toolkit is one way to help determine the legislation's impact on certain communities. If any aspect of the legislation involves communication or outreach to the public, please describe the plan for communicating with non-English speakers.

Vulnerable and historically disadvantaged communities face eviction disproportionately frequently. The *Losing Home* report found that “51.7% of tenants in eviction filings were people of color; 31.2% were Black tenants, experiencing eviction at a rate 4.5 times what would be expected based on their demographics in Seattle.” Because housing instability has a negative impact on the development and education of young people, disproportionate evictions have a disproportionate impact on students of color. This bill can reduce those harmful impacts by preventing most school year evictions of students, their families, and educators.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

Please provide a qualitative response, considering net impacts. Are there potential carbon emissions impacts of not implementing the proposed legislation. Discuss any potential intersections of carbon emissions impacts and race and social justice impacts, if not previously described in Section 4e.

No

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Describe the potential climate resiliency impacts of implementing or not implementing the proposed legislation. Discuss any potential intersections of climate resiliency and race and social justice impacts, if not previously described in Section 4e.

No

**g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

This answer should highlight measurable outputs and outcomes.

N/A

**List attachments/exhibits below:**

