

PROPOSED AMENDMENTS

Council Bill 118456 Rent Regulation and Tenant Relocation Assistance Ordinance

1. Change the lease conversion language to notification

Sponsor: Councilmember O'Brien

Brief Description: This amendment modifies the proposed new section in the rent regulations requiring a landlord to offer a new fixed term lease or have the tenancy automatically convert to a month to month tenancy by requiring the landlord to notify a tenant whether or not a new lease will be offered. Missing this notification deadline may result in the conversion of the tenancy to a month to month tenancy.

Proposed Amendments to CB 118456: Amend proposed new subsection 7.24.030.C in existing Section 1

Section 1. Section 7.24.030 of the Seattle Municipal Code, last amended by Ordinance 119171, is amended as follows:

~~C. If a rental agreement is a tenancy for a specified time and the tenant is not offered a new term lease 60 days prior to the expiration of the term, the tenancy shall convert to a month to month periodic tenancy by operation of law at the end of the fixed term. This subsection 7.24.030.C does not apply to any rental agreement entered into before the effective date of the ordinance adding this subsection.~~

C. Except as provided below, if a landlord having a tenancy for a specified time fails to notify the tenant in writing whether the landlord intends to offer the tenant a new tenancy, between 60 and 120 days before expiration of the tenancy for a specified time, the tenancy shall convert to a month to month periodic tenancy by operation of law at the expiration of the fixed term. If the landlord fails to provide that notice but the landlord and tenant agree to a new tenancy before the fixed term expires, whether the new tenancy is a tenancy for a specified time or a month to month tenancy, the conversion by operation of law prescribed above will not take effect. If the

landlord timely provides the notice to the tenant as prescribed above but the landlord and tenant subsequently do not enter into a new rental agreement, whether for a tenancy for a specified time or a month to month tenancy, then the existing tenancy for a specified time shall end at the expiration of the fixed term.

This subsection does not apply to any rental agreement entered into before the effective date of the ordinance adding this section C.

2. Clarifies the structure size for substantial rehabilitation

Sponsor: Councilmember O'Brien

Brief Description: This amendment modifies the proposed new dollar value in the definition of substantial rehabilitation.

Proposed Amendments to CB 118456: Amend subsection 22.204.200.I in existing Section 2

Section 2. Subsection 22.204.200.I of the Seattle Municipal Code, which section was last amended by Ordinance 117942, is amended as follows:

I. "Substantial rehabilitation" means extensive structural repair or extensive remodeling that requires displacement of the tenant and either ~~((which))~~ requires a building, electrical, plumbing, or mechanical permit, or is valued at \$6,000 or more for the tenant's dwelling unit ~~((and which cannot be done with the tenant in occupancy))~~.

Proposed Amendments to CB 118456: Amend subsection 22.210.030.L in existing Section 3

Section 3. Subsection 22.210.030.L of the Seattle Municipal Code, last amended by Ordinance 121276, is amended as follows:

L. "Substantial rehabilitation" means extensive structural repair or extensive remodeling that requires displacement of the tenant and either ~~((which))~~ requires a building, electrical, plumbing, or mechanical permit, or is valued at \$6,000 or more for the tenant's dwelling unit ~~((and which cannot be done with the tenant in occupancy))~~.

3. Amends the process for identifying a landlord who is raising rent to avoid paying relocation assistance

Sponsor: Councilmember O'Brien

Brief Description: The proposed amendment creates a specific percentage of rent increase and period of time for applying for a permit as the trigger for a tenant complaint about a landlord trying to avoid paying relocation assistance.

Proposed Amendments to CB 118456: Amends new Section 22.210.136 in existing Section 3

Section 3. A new Section 22.210.136 is added to the Seattle Municipal Code as follows:

22.210.136 Rent increase to avoid payment of relocation assistance

A. If a tenant has received a notice of a rent increase of 20% or more over the periodic or monthly rental rate charged the same tenant for the same dwelling unit and the same services for any period or month during the preceding 12 month period that the tenant believes is for the purpose of avoiding the payment of relocation assistance, and the tenant makes a complaint to the Director, the owner must, within ten days of being notified by the Director of the complaint, file a certification with the Director stating that ~~that~~ the rent increase is not for the purpose of avoiding the payment of relocation assistance. The failure of the owner to complete and file the certification is a defense for the tenant in an eviction action based upon the tenant's failure to pay increased rent.

Regardless of whether a certification is filed, the Director shall investigate the complaint and decide if the rent increase was made for the purpose of avoiding the payment of relocation assistance. A decision by the Director that the rent increase was for the purpose of avoiding the payment of relocation assistance constitutes a finding that the owner violated the provisions of this Chapter 22.210 requiring the payment of relocation assistance and unless reversed on appeal to the Hearing Examiner, subjects the owner to the penalties prescribed in Section 22.210.180.

B. There is a rebuttable presumption that a violation of the requirements of Section 22.210.050 has occurred if:

1. Within 90 days of the effective date of a rent increase of 20% or more, a tenant vacates a dwelling unit, and within 180 days of the effective date of the rent increase of 20% or more, the owner:

a. Engages in substantial rehabilitation valued at \$6,000 or more for the tenant's dwelling unit or

b. Applies for a permit for a substantial rehabilitation, demolition, or change of use, or removal of use restrictions for the tenant's dwelling unit; and within 90 days of the tenant vacating; and

~~1. Within 30 days after the tenant has vacated, the owner does not list the dwelling unit for rent at the same rental amount or more, or advertise it for rent at the same rental or more in a newspaper of general circulation or rental website, such as HousingSearchNorthwest, Rent.com, Craigslist, or Zillow; or~~

~~2. Within 90 days after the dwelling unit was timely listed or advertised for rent as described in subsection 22.210.136.B.1, the owner withdraws the unit from the rental market without having rented it; or~~

~~3. The dwelling unit was timely listed or advertised for rent as described in subsection 22.210.136.B.1 and maintained in effect as described in subsection 22.210.136.B.2, but the increase in rent was in excess of the amount necessary for a reasonable return considering all of the following:~~

~~a. The purchase price and terms of the transaction relied upon to establish the cost basis of the rental unit;~~

- ~~_____ b. The increases and decreases since the last rent increase in the reasonable and necessary expenses of operation and maintenance of the building and rental unit;~~
- ~~_____ c. The costs of capital improvements since the last rent increase;~~
- ~~_____ d. Increases or decreases since the last increase in rent in necessary or desirable services furnished by the lessor that affect the vacating tenant, or any substantial deterioration of the premises since the last rent increase; and~~
- ~~_____ e. Comparability of the rent with other rents in comparable buildings and areas of the City; or~~

~~42.~~ The Director requested the owner execute a certification under subsection 22.210.136.A and the owner failed to follow the provisions of this Chapter 22.210 after signing the certification or failed~~ing~~ to sign it.

~~B.C.~~ The Director shall mail a copy of the Director's decision to the owner and to the tenant who made the complaint. The owner or the tenant may appeal the Director's decision to the Hearing Examiner within thirty days of the date of mailing of the Director's decision. The appeal shall be conducted pursuant to the procedures prescribed in subsections D through I of Section 22.210.150.