



Seattle City Council

Central Staff - Memorandum

Date: September 11, 2015
To: Members of the Planning, Land Use, and Sustainability Committee
From: Asha Venkataraman, Council Central Staff
Subject: Proposed Renter Protection Legislation and Amendments

On September 15, the Planning, Land Use, and Sustainability Committee will discuss legislation proposed by Councilmember Licata and amendments proposed by Councilmember O'Brien regarding changes to rental agreement regulations and the Tenant Relocation Assistance Ordinance (TRAO). The committee previously discussed Council Bill 118456 on August 4. During that discussion, several committee members expressed interest in amending parts of the legislation. This memorandum summarizes three proposed changes to address these matters.

1. Changing automatic lease conversion to notification of whether a new lease will be offered.

Legislation as introduced: The bill amended the [Rental Agreement Regulation Ordinance](#) to require that a landlord offer a new fixed-term lease to a tenant 60 days prior to expiration of the term. Failure to offer such a lease would result in the automatic conversion of the tenancy to a month to month tenancy at the end of the term.

Legislation as amended: The bill requires a landlord to notify a tenant, between 60 and 120 days before the expiration of the term, whether the landlord intends to offer the tenant a new tenancy. Failure to provide this notice results in the automatic conversion of the tenancy to a month to month tenancy unless the landlord and tenant agree to a new tenancy before the expiration of the fixed term. If notice is properly provided, but the landlord and tenant do not enter into a new rental agreement, the existing tenancy will end at the expiration of the term.

2. Clarifying structure size within the definition of substantial rehabilitation.

Legislation as introduced: The bill changed the definition of "substantial rehabilitation" to include repair or remodeling valued at \$6,000 or more, but did not specify whether the \$6,000 applied to a unit, the building, or some other measure of size.

Legislation as amended: The bill specifies that the \$6,000 or more in repair or remodeling applies to the tenant's dwelling unit.

3. Changing the criteria identifying a landlord raising rent to avoid TRAO.

Legislation as introduced: The bill originally added a section to the [TRAO regulations](#) providing a process by which a tenant receiving notification of a rent increase files a complaint with the Department of Planning and Development (DPD), and DPD investigates the complaint to determine if a violation of TRAO provisions has occurred. To make this determination, the bill proposes a rebuttable presumption that a violation occurred if the tenant vacates the unit within 90 days of the rent increase and the owner applies for a substantial rehabilitation, demolition, or change of use permit, or for removal of use restrictions for the tenant's dwelling unit within 90 days of the tenant vacating, and: (1) the owner fails to list or advertise the unit at the same or more rent within 30 days of tenant vacation of the unit; or (2) the owner lists the unit but withdraws the listing within 90 days without having rented it; or (3) if the unit remained properly listed for 90 days, DPD determines that the increase in rent is in excess of what is necessary for a reasonable return, taking multiple factors into account.

Legislation as amended: The amendments retain the general complaint and investigation provisions, but require that the rent must increase 20 percent or more to trigger the complaint process. In addition, the rebuttable presumption that a violation has occurred applies if: (1) within 90 days of the effective date of a rent increase of 20 percent or more, the tenant vacates the dwelling unit; and (2) DPD requested the owner certify that the rent increase was not intended to avoid paying for relocation assistance, and the owner either failed to follow the TRAO regulations, or failed to sign the certification; and (3) within 180 days of the effective date of the rent increase of 20% or more, the owner engages in substantial rehabilitation valued at \$6,000 or more for the tenant's dwelling unit, or applies for a permit for a substantial rehabilitation, demolition, or change of use permit, or for removal of use restrictions for the tenant's dwelling unit.