



Legislation Text

File #: CB 120182, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the Tenant Relocation Assistance Ordinance; clarifying that a tenant relocation license is required before the removal of a rent or income restriction; and amending Sections 22.210.020, 22.210.030, 22.210.040, 22.210.050, 22.210.070, 22.210.080, 22.210.090, 22.210.100, 22.210.110, 22.210.120, 22.210.130, 22.210.136, 22.210.140, and 22.210.160 of the Seattle Municipal Code.

WHEREAS, The City of Seattle and other government and non-profit organizations provide funding and incentives for rent- and income-restricted housing which ensure housing stability for vulnerable low-income households; 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 displacement; and

WHEREAS, the tax exemption and other federally assisted government programs set aside units within eligible properties to provide affordable rents to families with slightly higher incomes, typically between 60 percent to 90 percent of area median income (AMI) with some properties serving tenants earning 50 percent of AMI; and

WHEREAS, even for rent restricted units at 50 percent of AMI, rent can be unaffordable for tenants receiving social benefits such as supplemental security income; and

WHEREAS, tenants living in income restricted units are already extremely rent burdened; and

WHEREAS, over the past decade the average Seattle metro area rent has increased 91.8 percent according to

data from the U.S. Census Bureau and the Department of Housing and Urban Development; and
WHEREAS, rent and income restrictions moderate rent increases that would otherwise be experienced in
Seattle's high-cost housing market; and

WHEREAS, finding replacement housing in Seattle's rental market is difficult and costly; and

WHEREAS, when rent or income restrictions end, including those required in exchange for generous property
tax exemptions, low-income households face risk of displacement, homelessness, and associated
relocation costs due to limited notice and resources; and

WHEREAS, the Seattle City Council seeks to protect vulnerable low-income tenants by providing relocation
assistance benefits to find safe and secure housing; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Section 22.210.020 of the Seattle Municipal Code, enacted by Ordinance 115141, is amended
as follows:

22.210.020 Findings and purpose((-))

A. Findings

1. The City of Seattle is experiencing a rapid rate of development that has reduced and continues
to reduce the supply of rental housing available to low-and moderate-income tenants and has reduced the
supply of rental housing affordable to such tenants.

2. The development and real estate market in Seattle has not been able to replace low-income
units lost due to demolition, change of use, substantial rehabilitation, and removal of ~~((use))~~ rent or income
restrictions from assisted housing, making it more difficult and more costly for low-income persons who are
displaced by demolition, change of use, substantial rehabilitation, or removal of ~~((use restrictions from assisted~~
~~housing))~~ rent or income restrictions to locate affordable substitute rental housing.

3. Rents in Seattle have been increasing rapidly and vacancies in rental housing are at low levels,
making it increasingly difficult for tenants, especially those with low incomes, to locate affordable rental

housing.

4. Pursuant to the public hearing held on June 7, 1990, the City Council finds that costs incurred by tenants to relocate within Seattle include actual physical moving costs, advance payments, utility fees, security and damage deposits and anticipated additional rent and utility costs, which, on average, equal or exceed \$2,000 per tenant household.

5. The State of Washington has adopted legislation authorizing local jurisdictions to require the payment of relocation assistance to low-income tenants who are displaced from dwelling units by housing demolition, change of use, substantial rehabilitation, or removal of ~~((use restrictions from assisted housing))~~ rent or income restrictions.

6. Conditions in the current rental market have created a relocation crisis, because tenants, especially low-income tenants, do not have sufficient time to save money for relocation costs or to find comparable housing when they are evicted as a result of demolition, change of use, substantial rehabilitation, or removal of ~~((use))~~ rent or income restrictions from their dwelling units.

B. Purpose. Based upon the above findings, the purpose of this Chapter 22.210 is to provide relocation assistance to low-income tenants displaced by demolition, substantial rehabilitation, or change of use of residential rental property, or the removal of ~~((use))~~ rent or income restrictions from ~~((assisted))~~ housing developments.

Section 2. Section 22.210.030 of the Seattle Municipal Code, last amended by Ordinance 125901, is amended as follows:

22.210.030 Definitions

Unless the context clearly requires otherwise, the definitions in this Section 22.210.030 apply throughout this Chapter 22.210:

~~((A. "Assisted housing development" means a multifamily residential housing development that either receives or has received government assistance and is defined as federally assisted housing in RCW 59.28.020,~~

~~or that receives or has received other federal, State, or local government assistance and is subject to use restrictions as defined in this Section 22.210.030.))~~

~~((B-))~~ "Change of use" means the conversion of any dwelling unit from a residential use to a nonresidential use that results in the displacement of existing tenants or conversion from residential use to another residential use that requires the displacement of existing tenants, such as a conversion to a retirement home where payment for long-term care is a requirement of tenancy, or conversion to an emergency shelter or transient hotel. For purposes of this Chapter 22.210, "change of use" shall not mean a conversion of a rental dwelling unit to a condominium.

~~((C-))~~ "Demolition" means the destruction of any dwelling unit or the relocation of an existing dwelling unit or units to another site.

~~((D-))~~ "Director" means the Director of the Seattle Department of Construction and Inspections, or the Director's designee.

~~((E-))~~ "Displacement" means, in the case of demolition, substantial rehabilitation, or change of use, ~~((that))~~ when existing tenants must vacate the dwelling unit because of the demolition, substantial rehabilitation, or change of use~~((; in the case of))~~ . "Displacement" also includes when a tenant vacates after notice of the removal of ~~((use restrictions))~~ a rent or income restriction from ~~((an assisted housing development, it means that the nonrestricted rent of a dwelling unit after the removal of use restrictions will exceed by 20 percent or more, exclusive of increases due to operating expenses, the restricted rent of the dwelling unit before the removal of use restrictions))~~ a dwelling unit. For purposes of this Chapter 22.210, "displacement" shall not include the permanent relocation of a tenant from one dwelling unit to another dwelling unit in the same building with the tenant's consent or the temporary relocation of a tenant for less than 72 hours.

~~((F-))~~ "Dwelling unit" means a structure or that part of a structure used as a home, residence, or sleeping place by one person or by two or more persons maintaining a common household, including but not limited to single-family residences and units of multiplexes, apartment buildings, and mobile homes.

~~((G.))~~ "Low income" means total combined income per dwelling unit is at or below 50 percent of the median income, adjusted for family size, in King County, Washington.

~~((H.))~~ "Major educational institution" means an educational institution which is designated as a "major institution" in Section 23.84A.025 ~~((of the Seattle Municipal Code, or any amendments thereto))~~ .

~~((I.))~~ "Master use permit" means the document issued by the Seattle Department of Construction and Inspections that records all land use decisions made by the Seattle Department of Construction and Inspections.

~~((J.))~~ "Owner" means one or more persons, jointly or severally, in whom is vested:

1. All or any part of the legal title to property; or
2. All or part of the beneficial ownership, and a right to present use and enjoyment of the property.

~~((K.))~~ "Rent" has the meaning given in chapter 59.18 RCW.

"Rent or income restrictions" means any federal, State, or local regulation, ordinance, agreement, or contract that, as a condition of receipt of any assistance or incentive, including an operating subsidy, rental subsidy, property tax exemption, development agreement, zoning-related benefit, modification of development standards, mortgage subsidy, mortgage insurance, tax-exempt financing, or low-income housing tax credits, establishes a maximum limit on tenant income as a condition of eligibility for occupancy of a unit, imposes any restrictions on the maximum rent that may be charged for a unit, or requires review of rent for a unit by a governmental body or agency before the rent is implemented or changed.

~~((L.))~~ "Rental agreement" means all oral or written agreements that establish or modify the terms, conditions, rules, regulations, or any other provisions concerning the use and occupancy of a dwelling unit. For purposes of this Chapter 22.210, "rental agreement" shall not include any agreement relating to the purchase, sale, or transfer of ownership of a dwelling unit.

~~((M.))~~ "Substantial rehabilitation" means extensive structural repair or extensive remodeling that requires displacement of a tenant and either requires a building, electrical, plumbing, or mechanical permit, or

is valued at \$6,000 or more for any tenant's dwelling unit.

~~((N.))~~ "Tenant" means any person who is entitled to occupy a dwelling unit primarily for living or dwelling purposes under a rental agreement and includes those persons who are considered to be tenants under the State Residential Landlord-Tenant Act, chapter 59.18 RCW and those tenants whose living arrangements are exempted from the State Residential Landlord-Tenant Act under RCW 59.18.040(3) if their living arrangement is considered to be a rental or lease pursuant to RCW 67.28.180(1). For purposes of this Chapter 22.210, "tenant" shall not include the owner of a dwelling unit or members of the owner's immediate family.

~~((O. "Use restriction" means any Federal, State, or local statute, regulation, ordinance, or contract that, as a condition of receipt of any housing assistance, including an operating subsidy, rental subsidy, mortgage subsidy, mortgage insurance, tax-exempt financing, or low-income housing tax credits by an assisted housing development, establishes maximum limitations on tenant income as a condition of eligibility for occupancy of the units within an assisted housing development; imposes any restrictions on the maximum rents that may be charged for any of the units within the assisted housing development; or requires that rents for the units within an assisted housing development be reviewed by any governmental body or agency before the rents are implemented or changed.))~~

Section 3. Section 22.210.040 of the Seattle Municipal Code, last amended by Ordinance 117094, is amended as follows:

22.210.040 Application of chapter~~((:))~~

This ~~((chapter))~~ Chapter 22.210 shall apply to displacement caused by demolition, change of use, substantial rehabilitation, or removal of ~~((use restrictions))~~ rent or income restrictions from any dwelling unit in ~~((The City of))~~ Seattle, with the exception of ~~((displacements))~~ displacement from the following:

A. Any dwelling unit demolished or vacated because of damage caused by an event beyond the owner's control, including that caused by fire, civil commotion, malicious mischief, vandalism, tenant waste, natural disaster, or other destruction;

B. Any dwelling unit ordered vacated or demolished by the Director pursuant to ~~((SMC))~~ Section 22.206.260, because of damage within the owner's control;

~~((C. Any dwelling unit owned by the Seattle Housing Authority;))~~

~~((D.))~~ C. Any dwelling unit being converted from rental housing to a condominium, which conversion is regulated pursuant to ~~((SMC))~~ Chapter 22.903;

~~((E.))~~ D. Any dwelling unit located inside the boundaries of a major educational institution ~~((which))~~ that is owned by the institution and which is occupied by students, faculty, or staff of the institution;

~~((F.))~~ E. Any dwelling unit located in a mobile home park, unless such unit is rented by the occupant thereof from the owner or operator of the mobile home park;

~~((G.))~~ F. Any dwelling unit for which relocation assistance is required to be paid to the tenants pursuant to state, federal, or other law~~(())~~, unless such law requires application of Chapter 22.210;

~~((H.))~~ G. Any dwelling unit for which the Seattle School District is providing relocation assistance according to a plan that the Director has approved as providing substantially equal or greater benefits to dislocated tenants than the benefits required pursuant to this ~~((chapter.))~~ Chapter 22.210;

~~((I.))~~ H. Any dwelling unit operated as emergency or temporary shelter for homeless persons (whether or not such persons have assigned rooms or beds, and regardless of duration of stay for any occupant) by a nonprofit organization or public agency owning, leasing, or managing such dwelling unit.

Section 4. Section 22.210.050 of the Seattle Municipal Code, enacted by Ordinance 115141, is amended as follows:

22.210.050 Tenant relocation license-Required~~(())~~

Prior to the demolition, change of use, or substantial rehabilitation of any dwelling unit, and prior to the removal of ~~((use restrictions))~~ rent or income restrictions from any dwelling unit which results in the displacement of a tenant, an owner must obtain a tenant relocation license. The Director shall not issue any permit for the demolition, change of use, or substantial rehabilitation of any dwelling unit until the owner has

obtained a tenant relocation license. In the case of the removal of rent or income restrictions, an owner may not increase the rent prior to obtaining a tenant relocation license.

Section 5. Section 22.210.070 of the Seattle Municipal Code, enacted by Ordinance 115141, is amended as follows:

22.210.070 Tenant relocation license-Application((-))

Prior to or at the time of application for a master use permit necessary for the demolition, change of use, or substantial rehabilitation of any dwelling unit, or if no master use permit is required, prior to or at the time of application for any building permit necessary for the demolition, change of use, or substantial rehabilitation of any dwelling unit; or prior to a change of use ~~((which))~~ that does not require a master use permit; ~~((or removal of use restrictions from any dwelling unit which will result in the displacement of a tenant, the owner must submit to the Director a tenant relocation license application on a form established by the Director.))~~ or no earlier than ten months but no less than six months prior to the removal of a rent or income restriction; that will result in the displacement of the tenant, the owner must submit to the Director a tenant relocation license application on a form established by the Director. ~~((The application))~~ Applications for tenant relocation shall include:

A. A statement certifying the number of dwelling units to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions will be removed; and

B. A list containing the name, mailing address, email address, and phone number, if available, of each tenant residing in such dwelling units as of the earliest date of ~~((the date of the earlier of))~~:

1. The application for the tenant relocation license;
2. The application for the master use permit; or
3. The application for the building permit.

Section 6. Section 22.210.080 of the Seattle Municipal Code, enacted by Ordinance 115141, is amended as follows:

22.210.080 Tenant relocation information packets((-))

A. At the time of submission of the tenant relocation license application, the owner shall obtain from the Director one ~~((+))~~ tenant relocation packet for each dwelling unit for which demolition, change of use, substantial rehabilitation, or removal of ~~((use))~~ rent or income restrictions is to occur. The tenant relocation information packet shall contain the following:

1. A relocation assistance certification form with instructions for its submission to the Director;
2. A description of the potential relocation benefits available to eligible tenants; and
3. An explanation of the tenants' rights to remain in possession unless evicted for cause as provided in ~~((Section 22.206.160 C, excluding subsections C1d and C1e, of the Seattle Municipal Code (Just Cause Eviction Ordinance)))~~ Section 22.210.140.

B. Within ~~((thirty (30)))~~ 30 days after submission of the tenant relocation license application, the owner shall personally deliver or cause to be personally delivered a tenant relocation information packet to an adult tenant of each dwelling unit to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions are to be removed. ~~((In those cases where))~~ If the tenant moved after the earlier of the owner's application for a tenant relocation license, a master use permit, or a building permit and left the owner no forwarding address, an owner may deliver the tenant relocation information packet by certified mail, return receipt requested and by regular mail addressed to the last known address of the tenant. Except as provided in the preceding sentence, delivery of the packets by depositing them in the United States mail shall not be adequate delivery.

C.

1. The owner shall obtain and submit to the Director a signed delivery receipt from an adult tenant of each affected dwelling unit showing delivery of the tenant relocation information packet.
2. If no adult tenant of a dwelling unit is willing to sign a delivery receipt for the packet, the owner shall deliver the packet and shall submit to the Director a sworn statement describing the date of delivery

of the packet and the time and circumstances of the tenant's refusal to acknowledge receipt.

3. If the tenant refuses to accept the packet or if, after diligent efforts by the owner, the tenant cannot be found for delivery of the packet, the owner shall attach the packet to the door of the dwelling unit and shall mail a copy of the packet both by certified mail, return receipt requested and by regular mail to the last known address or forwarding address of the tenant, and shall submit to the Director a sworn statement describing the date of attempted delivery of the packet, efforts made by the owner to deliver the packet, the time and circumstances of the tenant's absence or refusal to accept delivery, the date and time of attaching the packet to the dwelling unit door, the date of mailing by regular and certified mail, and a copy of the return receipt.

4. The delivery receipts and sworn delivery statements shall be submitted to the Director within ten ~~((10))~~ days of delivery of the last tenant information packet.

D. The owner shall personally deliver or shall cause to be personally delivered, or mailed as provided in subsection 22.210.080.C ~~((of this section))~~, a tenant relocation information packet to any tenant who, after the earlier of the owner's application for a tenant relocation license, master use permit or building permit, moves into a dwelling unit to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions are to be removed; provided, that the owner shall not be required to provide a tenant relocation information packet to any new tenant who is not eligible for relocation assistance under subsection 22.210.100.B ~~((of Section 22.210.100 of this chapter))~~.

Section 7. Section 22.210.090 of the Seattle Municipal Code, last amended by Ordinance 118839, is amended as follows:

22.210.090 Tenant income verification~~((r))~~

A. Within ~~((thirty (30)))~~ 30 days after the date of delivery of the tenant relocation information packet, each tenant of a dwelling unit to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use restrictions))~~ rent or income restrictions are to be removed, shall submit to the Director a signed and

completed relocation assistance certification form certifying the names and addresses of all occupants of the dwelling unit, the total combined annual income of the occupants of the dwelling unit for the previous calendar year, and the total combined income of the occupants for the current calendar year(~~(=1. Provided that,))~~ .

However, a tenant who, with good cause, is unable to return the certification form within ~~((thirty (30)))~~ 30 days may, within ~~((thirty (30)))~~ 30 days after the date of delivery of the tenant relocation information packet, submit to the Director a written request for an extension of time, which details the facts supporting the claim of "good cause." If the request is submitted within the ~~((thirty (30)))~~ 30-day period and the facts constitute good cause in accordance with the rules adopted pursuant to this ~~((chapter))~~ Chapter 22.210, the deadline for submission of the tenant certification form shall be extended ~~((thirty (30)))~~ 30 days. When an extension has been granted, the Director shall notify the tenant and the owner of the extension.

B. Any tenant who fails or refuses to submit the relocation assistance certification form, who refuses to provide information regarding ~~((his or her))~~ the tenant's income within ~~((thirty (30)))~~ 30 days of receipt of the information packet or any extension thereof, or who intentionally misrepresents any material information regarding income or entitlement to relocation benefits shall not be entitled to relocation assistance under this ~~((chapter))~~ Chapter 22.210.

C. If information submitted by a tenant on a relocation assistance certification form is incomplete, is inadequate, or appears to be inaccurate, the Director may require the tenant to submit additional information to establish eligibility for relocation assistance. If the tenant fails or refuses to respond within ~~((fifteen (15)))~~ 15 days to the Director's request for additional information, such tenant shall not be eligible for relocation assistance.

Section 8. Section 22.210.100 of the Seattle Municipal Code, last amended by Ordinance 118839, is amended as follows:

22.210.100 Tenant eligibility for relocation assistance(~~(=))~~)

A. Low-income tenants shall be eligible for relocation assistance if:

1. The tenant resided in a dwelling unit to be demolished, substantially rehabilitated, or changed in use, or from which ~~((use))~~ rent or income restrictions will be removed on the earliest date of ~~((the date of the earlier of))~~:

- a. The owner's application for a tenant relocation license pursuant to this ~~((chapter))~~ Chapter 22.210,
- b. The owner's application for a master use permit pursuant to ~~((SMC))~~ Chapter 23.76, et seq. ~~((which))~~ that is necessary to demolish, substantially rehabilitate, or change the use of ~~((or remove use restrictions from))~~ a dwelling unit, or
- c. The owner's application for a building permit ~~((which))~~ that is necessary to demolish, substantially rehabilitate, or change the use of ~~((or remove use restrictions from))~~ a dwelling unit; or

2. The tenant moved into a dwelling unit after the ~~((earlier))~~ earliest of: the owner's application for a tenant relocation license~~((;))~~; a master use permit necessary for demolition, substantial rehabilitation, or change of use~~((;))~~; ~~((or))~~ notice of removal of ~~((use))~~ rent or income restrictions~~((;))~~ ; or a building permit necessary for demolition, substantial rehabilitation, or change of use~~((; or removal of use restrictions))~~ ; and, prior to taking possession of the dwelling unit, such tenant was not advised by the owner in writing that the tenant is ineligible for relocation assistance and:

- a. That the dwelling unit may be demolished, substantially rehabilitated, or changed in use~~((; or use restrictions removed, and))~~ ; or
- b. ~~((That the tenant is ineligible for relocation assistance.))~~ That the dwelling unit will have its rent or income restrictions removed and the date on which the removal will be effective.

B. The owner shall provide the tenant with a copy of the written notice described in subsection 22.210.100.A.2 ~~((of this section))~~ prior to the tenant's occupancy of the dwelling unit, and the owner shall retain a copy with the tenant's signature acknowledging its receipt and the date of receipt. Any tenant who is not advised in writing as provided in subsection 22.210.100.A.2 ~~((of this section))~~ prior to taking occupancy shall

be entitled to full relocation benefits.

C. Within ~~((fifteen-(15)))~~ 15 days of the Director's receipt of the signed relocation assistance certification forms from all tenants listed in the tenant relocation license application or within ~~((fifteen-(15)))~~ 15 days of the expiration of the tenants' ~~((thirty-(30)))~~ 30-day period for submitting signed relocation assistance certification forms to the Director, whichever occurs first, the Director shall send to each tenant household who submitted a signed certification form and to the owner, by both regular United States mail and certified mail, return receipt requested, a notice stating whether the tenant household's certification form indicates eligibility for relocation assistance. For those tenants who have been granted an extension pursuant to ~~((Section))~~ subsection 22.210.090.A ~~((A1))~~, the Director shall issue a notice concerning tenant eligibility for relocation assistance to the owner and tenants within five ~~((5))~~ days instead of within ~~((fifteen-(15)))~~ 15 days of receiving the signed and completed relocation assistance certification forms.

D. Either the tenant or the owner may file an appeal with the Hearing Examiner, pursuant to Section 22.210.150, of the Director's determination of the tenant's eligibility for relocation assistance.

Section 9. Section 22.210.110 of the Seattle Municipal Code, enacted by Ordinance 115141, is amended as follows:

22.210.110 Owner's contribution to relocation assistance~~((:))~~

A. The owner of a dwelling unit to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions will be removed, is responsible for payment of one-half ~~((1/2))~~ of the total amount of relocation assistance due to eligible tenants pursuant to this ~~((chapter))~~ Chapter 22.210. The City is responsible for payment of the remaining one-half ~~((1/2))~~ of the relocation assistance.

B.

1. Within five ~~((5))~~ days after receipt by the owner of the notice of tenant eligibility pursuant to subsection ~~((C of Section))~~ 22.210.100.C, the owner shall provide the Director with a cash deposit or a security instrument in the form of an irrevocable letter of credit with terms acceptable to the Director equal to one-half

~~((1/2))~~ of the amount of total relocation assistance to be paid to eligible tenants in the dwelling units to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions will be removed. The total relocation assistance shall be calculated based on the number of units occupied by tenant households who are determined by the Director to be eligible for relocation assistance, as modified by any decisions by the Hearing Examiner or a court concerning eligibility for relocation assistance at the time of payment of the owner's share of relocation assistance.

2. An owner may, but is not required to, provide the Director with the owner's share of relocation assistance any time after application for the tenant relocation license but prior to the time it is required by subsection 22.210.110.B.1 ~~((above))~~. If the owner chooses this option, the amount to be provided to the Director will be based on the number of units to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions will be removed, multiplied by the owner's share per unit for the number of units for which relocation assistance may be required. Returns of unused portions of the owner's share paid pursuant to this subsection 22.210.110.B shall be returned in accordance with subsection 22.210.130.F ~~((of Section 22.210.130))~~.

C. If the Director determines, at any time after the owner provides the Director with the owner's share of relocation assistance pursuant to subsection 22.210.110.B ~~((above))~~, that the owner has not provided sufficient funds to pay the owner's share of relocation assistance to all eligible tenants, the Director shall notify the owner of the additional amount needed, and the owner shall provide the Director with a security instrument in the form of an irrevocable letter of credit or cash deposit in the requested amount within five ~~((5))~~ days of the Director's request.

Section 10. Section 22.210.120 of the Seattle Municipal Code, last amended by Ordinance 118839, is amended as follows:

22.210.120 Ninety-day tenant notice~~((:))~~

A. Requirement of ~~((Notice))~~ notice. The owner shall deliver to each tenant in each dwelling unit to be

demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions are to be removed, a ~~((ninety (90)))~~ 90-day notice of the owner's intention to demolish, substantially rehabilitate, change the use of, or remove ~~((use))~~ rent or income restrictions from the dwelling unit. In addition, a copy of the notice shall be posted at every entrance to any building containing dwelling units to be demolished, changed in use, or substantially rehabilitated, or from which ~~((use))~~ rent or income restrictions will be removed.

B. Timing of ~~((Notice))~~ notice. The owner may deliver the ~~((ninety (90)))~~ 90-day notice any time after the expiration of ten ~~((10))~~ days after the owner's receipt of the Director's notices of tenant eligibility for relocation assistance pursuant to Section 22.210.100, so long as the owner has already paid the owner's share of relocation assistance pursuant to ~~((SMC Section))~~ subsection 22.210.110.B.1. Exceptions to this rule are:

1. If a Director's determination of eligibility is appealed to the Hearing Examiner pursuant to Section 22.210.150, the owner may not deliver the ~~((ninety (90)))~~ 90-day notice to any tenant whose eligibility decision was appealed until the issuance of any final unappealed decision on such tenant's eligibility, unless the owner has paid the owner's share of relocation assistance to the Director pursuant to ~~((SMC Section))~~ subsection 22.210.110.B.2 for the tenant whose eligibility decision is being appealed, in which case the ~~((ninety (90)))~~ 90-day notice may be delivered after the later of:

a. The date ten ~~((10))~~ days after receipt of the Director's original notice of eligibility, or

b. The date the owner's share of relocation assistance was paid to the Director for the tenant(s) pursuant to ~~((SMC Section))~~ subsection 22.210.110.B.2;

2. If the actual date of payment of the owner's share of relocation assistance pursuant to ~~((SMC Section))~~ subsection 22.210.110.B.1 is more than ten ~~((10))~~ days after receipt of the Director's notices of tenant eligibility, then the ~~((ninety (90)))~~ 90-day notice may not be delivered until after payment of the owner's share of relocation assistance; and

3. If a tenant has been granted an extension pursuant to ~~((SMC))~~ Section 22.210.090 ~~((A1))~~, the owner may deliver the ~~((ninety (90)))~~ 90-day notice to a tenant either:

a. Any time after expiration of ten ~~((10))~~ days after the owner's receipt of the Director's notice of eligibility for a tenant with an extension, so long as the owner has already paid the owner's share of relocation assistance pursuant to ~~((SMC Section))~~ subsection 22.210.110.B.1, or

b. The later of:

i. The same date the owner would have been able to deliver the ~~((ninety (90)))~~ 90-day notice to that tenant or any tenant, had no such extension been granted, so long as the owner has paid the owner's share of relocation assistance for all tenants pursuant to ~~((SMC))~~ Section 22.210.110, or

ii. The actual date that the owner pays the owner's share of relocation assistance pursuant to Section 22.210.110 for a tenant with an extension.

C. The ~~((ninety (90)))~~ 90-day notice shall be on a form provided by the Director and shall describe the relocation benefits available to eligible tenants and explain the tenant's right to remain in possession unless evicted for cause as provided in Section 22.210.140 ~~((of this chapter))~~.

D. The ~~((ninety (90)))~~ 90-day tenant notice shall be delivered to the tenants personally or by registered or certified mail with return receipt requested. If personally delivered, an affidavit of service must be completed by the owner.

E. Concurrently with issuance of the ~~((ninety (90)))~~ 90-day tenant notice, the owner shall provide the Director with a copy of the notice, a list of current tenants in the affected units, and for each tenant who has moved into a unit since the date of application for the ~~((earlier))~~ earliest of the tenant relocation license application, Master Use Permit application, or building permit application necessary for the demolition, change of use, substantial rehabilitation, or removal of ~~((use))~~ rent or income restrictions, proof of delivery of either the tenant relocation information packet or the written notice provided in ~~((Section))~~ subsection 22.210.100.A.2.

F. Within ~~((twenty (20)))~~ 20 days of delivery of the ~~((ninety (90)))~~ 90-day notice to the tenants, the owner shall provide the Director with proof of delivery of the notice to a tenant of each dwelling unit to be demolished, changed in use, or substantially rehabilitated, or for which ~~((use))~~ rent or income restrictions will

be removed.

G. No tenant relocation license may be issued by the Director until the expiration of ~~((ninety (90)))~~ 90 days from the date of delivery of the ~~((ninety (90)))~~ 90-day notice to all affected tenants.

Section 11. Section 22.210.130 of the Seattle Municipal Code, last amended by Ordinance 119271, is amended as follows:

22.210.130 Relocation assistance payments~~((+))~~

A. Low-income tenants who are displaced by demolition, change of use, substantial rehabilitation, or removal of ~~((use))~~ rent or income restrictions, and who comply with the requirements of this ~~((chapter))~~ Chapter 22.210, shall be paid a total relocation assistance payment in the amount of ~~((Two Thousand Dollars (~~))\$2,000~~((+))~~) to be paid by the City, subject to appropriation of sufficient funds for such purpose by the City. The amount of relocation assistance shall be adjusted annually by the percentage amount of change in the housing component of the Consumer Price Index, as published by the United States Department of Labor, Bureau of Labor Statistics. Such adjustments shall be published in a Director's rule.

B. A tenant shall be entitled to obtain a relocation assistance payment only after receipt of a notice from the Director of eligibility for tenant relocation assistance or, if an appeal was taken pursuant to Section 22.210.150, after receipt of a final unappealed decision from the Hearing Examiner or a court that the tenant is eligible for relocation assistance.

C. An eligible tenant may obtain the relocation assistance payment by completing a request for relocation assistance and an affidavit of the date of vacating the unit and submitting the originals to the Director. Within ~~((twenty-one (21)))~~ 21 days after submission to the Director, a check will be issued.

D. The relocation assistance payment shall be in addition to the refund from the owner of any deposits or other sums to which the tenant is lawfully entitled.

E. ~~((If an eligible tenant does not submit a completed request for relocation assistance, or does not negotiate the check for relocation assistance within one hundred eighty (180) days after vacating the dwelling~~

~~unit to be demolished, changed in use, substantially rehabilitated or from which use restrictions are to be removed, the))~~ An eligible tenant shall be deemed to have waived his or her right to relocation assistance((-)) if:

1. The tenant does not submit a completed request for relocation assistance within 180 days after vacating the dwelling unit to be demolished, changed in use, or substantially rehabilitated; or

2. The tenant does not submit a completed request for relocation assistance within 180 days after the removal of a rent or income restriction or the within 180 days after the date of the notice of eligibility to the tenant, whichever is later; or

3. The tenant does not cash the check for relocation assistance within 180 days after vacating the dwelling unit to be demolished, changed in use, or substantially rehabilitated, or from which rent or income restrictions are to be removed.

F. Any money remaining in either the cash deposit or the letter of credit (~~(which))~~ that the owner submitted to the Director as the owner's share of relocation assistance pursuant to Section 22.210.110, for tenants whose eligibility was appealed or for tenants who have not claimed the relocation payment, shall be refunded to the owner as follows:

1. If there was an appeal of a tenant's eligibility and the tenant was found to be not eligible, the owner's share of the relocation assistance for that tenant shall be returned to the owner within (~~(thirty (30)))~~ 30 days of a final unappealed decision; or

2. If a tenant has not claimed (~~(his or her))~~ the tenant's relocation assistance payment within (~~(one hundred eighty (180)))~~ 180 days after vacating the dwelling unit, the owner's share of the relocation assistance for that tenant shall be refunded to the owner.

Section 12. Section 22.210.136 of the Seattle Municipal Code, enacted by Ordinance 124882, is amended as follows:

22.210.136 Rent increase to avoid application of Chapter 22.210

A. No owner may increase rent for the purpose of avoiding the application of this Chapter 22.210.

B. If a tenant has received notice of a rent increase of ten percent or more over the periodic or monthly rental rate charged the same tenant for the same housing unit and same services for any period or month during the preceding 12 months that the tenant believes is for the purpose of avoiding the application of this Chapter 22.210, and the tenant makes a complaint to the Director within one year of receiving the notice of the rent increase, the owner shall, within ten days of being notified by the Director of the complaint, complete and file a certification with the Director stating that the rent increase is not for the purpose of avoiding the application of this Chapter 22.210. The failure of the owner to complete and timely file the certification is a defense for the tenant in an eviction action based upon the tenant's failure to pay the increased rent.

C. Regardless of whether a certification is timely filed, the Director may investigate the complaint and decide whether the rent increase was made for the purpose of avoiding the application of this Chapter 22.210. A decision by the Director that the rent increase was made for the purpose of avoiding the application of this Chapter 22.210 constitutes a finding that the owner violated subsection 22.210.136.A.

D. There is a rebuttable presumption the rent increase was made for the purpose of avoiding the application of this Chapter 22.210 and the owner violated subsection 22.210.136.A if:

1. Within 90 days of the effective date of a rent increase of 20 percent or more over the periodic or monthly rental rate charged the same tenant for the same housing unit and same services for any period or month during the preceding 12 months, that tenant vacates a dwelling unit and, within 180 days of the effective date of the rent increase, the owner:

a. Engages in substantial rehabilitation; or

b. Applies for a permit for a substantial rehabilitation, demolition, change of use, or removal of ~~((use))~~ rent or income restrictions; and

2. The owner failed to complete and timely file a certification after being notified by the Director of a complaint as provided in subsection 22.210.136.B, or failed to follow the provisions of this Chapter 22.210 after completing and timely filing the certification.

E. The Director shall mail a copy of the Director's decision to the owner and to the tenant who made the complaint.

Section 13. Section 22.210.140 of the Seattle Municipal Code, enacted by Ordinance 124882, is amended as follows:

22.210.140 Eviction protection

A. After the ~~((earlier))~~ earliest of: (1) the owner's application for a tenant relocation license; (2) the owner's application for a Master Use Permit necessary for demolition, change of use, or substantial rehabilitation ~~((, or removal of use restrictions from a dwelling unit))~~; or (3) the owner's application for a building permit necessary for demolition, change of use, or substantial rehabilitation ~~((, or removal of use restrictions from a dwelling unit))~~, the owner shall not evict any tenant except for good cause as defined in subsections 22.206.160.C.1.a, 22.206.160.C.1.b, 22.206.160.C.1.c, 22.206.160.C.1.g, 22.206.160.C.1.h, 22.206.160.C.1.i, 22.206.160.C.1.n, and 22.206.160.C.1.p, and shall not, for the purpose of avoiding or diminishing the application of this Chapter 22.210, reduce the services to any tenant or materially increase or change the obligations of any tenant. Any rent increase after the removal of rent or income restrictions and prior to the issuance of a tenant relocation license is considered a material increase or change to the obligations of the tenant.

B. Prior to application for a tenant relocation license, a master use permit necessary for demolition, change of use, or substantial rehabilitation ~~((, or removal of use restrictions from a dwelling unit))~~, or a building permit necessary for demolition, change of use, or substantial rehabilitation, or removal of ~~((use restrictions from a dwelling unit))~~ a rent or income restriction, an owner shall not harass or intimidate tenants into vacating their units for the purpose of avoiding or diminishing the application of this ~~((chapter))~~ Chapter 22.210.

Section 14. Section 22.210.160 of the Seattle Municipal Code, enacted by Ordinance 115141, is amended as follows:

22.210.160 Administration and enforcement~~((,))~~

A. The Director shall administer and enforce the provisions of this ~~((chapter))~~ Chapter 22.210 and is authorized to adopt reasonable rules and regulations consistent with ~~((the chapter))~~ this Chapter 22.210 to carry out the Director's duties.

B. Whenever an owner fails to comply with the provisions of this ~~((chapter))~~ Chapter 22.210, the Director shall refuse to issue the tenant relocation license.

C. Any failure to comply with the requirements of this ~~((chapter))~~ Chapter 22.210 or with a decision of the Hearing Examiner under this ~~((chapter))~~ Chapter 22.210 shall be a violation of ~~((the Code))~~ this Chapter 22.210.

D. ~~((Any failure of))~~ It shall be a violation of this Chapter 22.210 if a tenant who has received relocation assistance pursuant to this ~~((chapter))~~ Chapter 22.210 fails to vacate the dwelling unit ~~((on or before))~~ :

1. After ~~((after))~~ the expiration of ~~((the ninety (90) day))~~ a notice issued ~~((pursuant to Section 22.210.120 and receipt of))~~ for good cause as defined in subsections 22.206.160.C.1.h or 22.206.160.C.1.i; or

2. After relocation assistance pursuant to this ~~((chapter by))~~ Chapter 22.210 is provided to a person not eligible for such assistance ~~((under this chapter shall be violations of this chapter))~~.

Section 15. 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)