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Amendment B Version 1 to CB 121254 – Rental Fees and Enforcement

Sponsor: Councilmember Kettle

Removing the term “junk” from recitals and fixing an error in the recitals

Effect: This amendment would remove the term “junk” from the recitals. It would also complete a sentence in the recitals that was erroneously left unfinished. The amendment would have no effect on the regulations.

Amend Recitals of CB 121254 as follows:

Recitals:

Seattle faces an ongoing housing affordability crisis. Market analysis by CoStar and

BERK found that, between 2012 and 2022, average monthly rents rose 32 percent, from \$1,430 to \$1,897, even after adjusting for inflation.¹

Rising costs are hurting Seattle residents. The City of Seattle’s 2025 Comprehensive

Plan found that 38,365 renter households in Seattle are cost burdened, spending 30-50 percent of their income on housing. Another 33,795 renter households are severely cost burdened, with housing costs taking up more than half of their income.²

¹ CoStar. *Market Analytics for the City of Seattle, 2023*. “One Seattle Comprehensive Plan Update Final Environmental Impact Statement.” City of Seattle, 2025, Exhibit 3.8-19.

<https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanFinalEIS2025.pdf>

² “One Seattle Comprehensive Plan Update Final Environmental Impact Statement.” City of Seattle, 2025, Exhibits 3.8-17 and 3.8-18.

<https://www.seattle.gov/documents/Departments/OPCD/SeattlePlan/OneSeattlePlanFinalEIS2025.pdf>

Rental ~~junk~~ fees are a growing issue within the housing affordability crisis. These unavoidable and often hidden fees increase the cost of living in unexpected and unpredictable ways. A 2023 study by the National Consumer Law Center found that 89 percent of renters paid one or more fees on top of their rent.³

Rental ~~junk~~ fees are often not disclosed up front. A renter may not learn about all the rental fees attached to their housing until lease signing, after they have already spent weeks searching and paid nonrefundable application and move in fees. Tenants are left to choose between paying more than they expected or walking away and losing the time and money they invested.

Rental ~~junk~~ fees exacerbate existing disparities in the rental housing market. Zillow's Consumer Housing Trends Report 2025 found that renters of color (67 percent), particularly AAPI (74 percent) and Hispanic (66 percent) renters, were more likely to report paying at least one fee compared to White renters (63 percent). Renters age 18-29 were also significantly more likely (82 percent) to report paying at least one fee compared to other age groups.⁴

³ Nelson et al. "Too Damn High: How Junk Fees Add to Skyrocketing Rents." National Consumer Law Center, 2023, p. 10. <https://www.nclc.org/wp-content/uploads/2023/03/JunkFees-Rpt.pdf>

⁴ Garcia, Manny. "Renters: Results from the Zillow Consumer Housing Trends Report 2025." Zillow, 2025. <https://www.zillow.com/research/renters-housing-trends-report-2025-35647/>

Rental ~~junk~~ fees add up to a significant increase in housing costs. In a 2025 study, The

Urban Institute found that rental fees added 10 to 30 percent to renters' total monthly payment.⁵ Based on Zillow's June 2026 average monthly rent of \$2,038 for Seattle, that percentage is \$203 to \$609 a month in extra fees.⁶

Increases in housing costs are directly tied to the homelessness crisis. A 2020 analysis by the US Government Accountability Office found that a \$100 increase in median rent is associated with a nine percent increase in homelessness.⁷

Rental ~~junk~~ fees that become rental debt further contribute to housing and financial instability. Unpaid fees increase the risk of eviction and displacement. Negative impacts on a renter's credit score can jeopardize future housing opportunities, given that 90 percent of rentals require a credit check.^{8, 9}

There is no market incentive to advertise the all-in price of a rental unit. Research by the Stanford Institute for Economic Policy Research documents individual

⁵ Neumann, Zach and Katherine Fallon. "Rental Junk Fees Are Harming Renters." Urban Land Institute, 2025. <https://archive-housingmatters.urban.org/articles/rental-junk-fees-are-harming-renters/>

⁶ "Seattle, WA rental market." Zillow. Accessed June 2026. <https://www.zillow.com/rental-manager/market-trends/seattle-wa/>

⁷ "Homelessness: Better HUD Oversight of Data Collection Could Improve Estimates of Homeless Population." U.S. Government Accountability Office, 2020. <https://www.gao.gov/products/gao-20-433>

⁹ Nelson et al. "Too Damn High: How Junk Fees Add to Skyrocketing Rents." National Consumer Law Center, 2023, p. 7. <https://www.nclc.org/wp-content/uploads/2023/03/JunkFees-Rpt.pdf>

businesses losing significant market share when switching to all-in pricing.¹⁰ A

landlord that advertises an all-in price appears more expensive than competitors with a lower base rent and unbundled fees.

Rental ~~junk~~ fees represent a market failure and collective action problem that will not self-correct. Regulation of these fees is necessary to level the playing field for landlords who are transparent about their costs and protect renters from unpredictable and predatory pricing models.

Robust enforcement is necessary to achieve effective and even compliance in the rental housing market.

Investigating violations of rental agreement regulations on a building or company wide basis will result in more efficient use of City resources, broader resolution for impacted tenants, and a stronger culture of compliance.

Comprehensive remedies for rental agreement violations encourage compliance and protect tenants from unfair and excessive fees, improper notices, unpredictable rent increases, lease violations, and retaliation. Therefore,

¹⁰ Mahoney, Neale. "Why Regulate Junk Fees?" Journal of Economic Perspectives, Volume 39, Number 4, Fall 2025, Pages 203–220.

<https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.20241409>