



City of Tukwila
**Planning and Community
 Development Committee**

- ◆ Dennis Martinez, Chair
- ◆ Tosh Sharp
- ◆ Armen Papyan

Distribution:
 D. Martinez
 T. Sharp
 A. Papyan
 Mayor McLeod
 M. Wine
 A. Youn
 L. Humphrey

AGENDA

MONDAY, JUNE 10, 2024 – 5:30 PM

<p>ON-SITE PRESENCE:</p> <p>TUKWILA CITY HALL DUWAMISH CONFERENCE ROOM 6300 SOUTHCENTER BOULEVARD</p>	<p>REMOTE PARTICIPATION FOR THE PUBLIC:</p> <p>1-253-292-9750, ACCESS CODE: 866559860# Click here to: Join Microsoft Teams Meeting For Technical Support: 1-206-433-7155</p>
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Item	Recommended Action	Page
1. BUSINESS AGENDA		
a. Ordinance amending TMC Chapter 3.14 "Sales and Use Tax for Affordable Housing." <i>Laurel Humphrey, Legislative Analyst</i>	a. Forward to 6/17 Regular Meeting Consent Agenda	Pg.1
b. Ordinance relating to tenant protections. <i>Laurel Humphrey, Legislative Analyst</i>	b. Forward to 6/17 Work Session	Pg.7
c. Permit review contract amendments: (1) Plan review and inspection services with BHC. (2) Structural review services with Reid Middleton. <i>Nora Gierloff, Community Development Director</i>	c. Forward to 6/17 Regular Meeting Consent agenda	Pg.55
d. Code amendments associated with House Bill 1293 and State Bill 5290. <i>Maxwell Baker, Development Supervisor</i>	d. Forward to Planning Commission	Pg.61
2. MISCELLANEOUS		

Next Scheduled Meeting: *July 8, 2024*



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INFORMATIONAL MEMORANDUM

TO: Planning & Community Development Committee
FROM: Laurel Humphrey, Legislative Analyst
DATE: June 4, 2024
SUBJECT: Ordinance amending TMC 3.14, Sales & Use Tax for Affordable Housing

BACKGROUND

The proposed ordinance amends Tukwila Municipal Code Chapter 3.14 to accommodate flexibility for future changes to Washington State Law regarding the affordable housing sales tax.

DISCUSSION

During the 2019 legislative session, the state approved HB 1406 which is a local revenue sharing program that allows local governments to collect a portion of state sales tax to address affordable housing. In September 2019 the City Council adopted Ordinance 2613 and Resolution 1966 to allow the city's participation in this legislation, with the intention of pooling a portion of the proceeds with the South King Housing and Homelessness Partners, also established in 2019 via interlocal agreement. The City currently contributes 70% of HB 1406 proceeds to the SKHHP Housing Capital Fund.

Since the passage of HB 1406, the state legislature has made changes to the provisions of the tax:

- [SSB 5604](#) was adopted in the 2023 legislative session and added administrative costs not to exceed 10% of the annual distribution to the list of allowable uses of the tax.
- [SB 6173](#) was adopted in the 2024 legislative session and increased the homeownership threshold from 60% to up to 80% for the development of affordable housing intended for owner occupancy.

Staff recommends amending the Municipal Code in such a way that removes some of the detail and instead points to Washington State law as it exists now and is amended in the future. RCW 82.14.540, which allows the collection of the 1406 revenues and dictates allowable uses, is likely to continue to change over time and this approach will allow the city to accommodate future changes without requiring code amendments each time. City and SKHHP staff will continue to monitor legislative changes to the tax for impacts to Tukwila and its use of the revenue, and will keep the City Council apprised.

RECOMMENDATION

Staff recommends Committee approval of the ordinance to forward to the June 17, 2024 Regular Consent Agenda.

ATTACHMENTS

1. Draft ordinance

DRAFT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING ORDINANCE NO. 2613, AS CODIFIED AT TUKWILA MUNICIPAL CODE (TMC) CHAPTER 3.14, "SALES AND USE TAX FOR AFFORDABLE HOUSING," AUTHORIZING THE MAXIMUM CAPACITY OF A LOCAL SALES AND USE TAX TO FUND INVESTMENTS IN AFFORDABLE AND SUPPORTIVE HOUSING; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, pursuant to Ordinance No. 2613, the City Council authorized the maximum capacity of a local sales and use tax to fund investments in affordable and supportive housing as authorized by Chapter 338, Laws of 2019; and

WHEREAS, the local sales and use tax is credited against the state sales and use tax so that the total tax paid by the consumer does not increase; and

WHEREAS, since 2019, the City of Tukwila has been a member of the South King Housing and Homelessness Partners (SKHHP) and contributes a portion of its SHB 1406 revenue to the SKHHP Housing Capital Fund; and

WHEREAS, in 2023, the Washington State Legislature passed Substitute Senate Bill (SSB) 5604, allowing cities to retain up to 10 percent of the tax for administrative costs; and

WHEREAS, in 2024, the Washington State Legislature passed Senate Bill (SB) 6173, allowing cities imposing the tax to provide housing and services to persons whose income is at or below 80% of the median income if the housing and services support the development of affordable housing intended for owner occupancy; and

WHEREAS, the City Council desires to amend Tukwila Municipal Code (TMC) Chapter 3.14 in accordance with the changes to state law effectuated by SSB 5604 and SB 6173 and to establish flexibility to accommodate future changes in state law;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. TMC Section 3.14.010 Amended. Ordinance No. 2613 §2, as codified at TMC Section 3.14.010, "Imposition of Sales and Use Tax for Affordable Housing," is hereby amended to read as follows:

3.14.010 Imposition of Sales and Use Tax for Affordable Housing

A. There is imposed a sales and use tax as authorized by Washington State Legislature Chapter 338, Laws of 2019, [as now enacted and hereafter amended](#), which shall be codified in Chapter 82.14 RCW, upon every taxable event, as defined in Chapter 82.14 RCW, occurring within the City of Tukwila. The tax shall be imposed upon and collected from those persons from whom the State sales tax or use tax is collected pursuant to Chapter 82.08 and 82.12 RCW.

B. The rate of the tax imposed by TMC Section 3.14.010 shall be 0.0073 percent of the selling price or value of the article used.

C. The tax imposed under TMC Section 3.14.010 shall be deducted from the amount of tax otherwise required to be collected or paid to the Department of Revenue under Chapter 82.08 or 82.12 RCW. The Department of Revenue will perform the collection of such taxes on behalf of the City of Tukwila at no cost to the City.

D. The Department of Revenue will calculate the maximum amount of tax distributions for the City of Tukwila based on the taxable retail sales in the City in State Fiscal Year 2019, and the tax imposed under TMC Section 3.14.010 will cease to be distributed to the City of Tukwila for the remainder of any State Fiscal Year in which the amount of tax exceeds the maximum amount of tax distributions for the City as properly calculated by the Department of Revenue. Distributions to the City of Tukwila that have ceased during a State Fiscal Year shall resume at the beginning of the next State Fiscal Year.

Section 2. TMC Section 3.14.020 Amended. Ordinance No. 2613 §3, as codified at TMC Section 3.14.020, "Purpose of Tax," is hereby amended to read as follows:

3.14.020 Purpose of Tax

~~A.—The City may use the moneys collected by the tax imposed under TMC Section 3.14.010 or bonds issued only, [as allowed by Washington State Legislature Chapter 338, Laws of 2019, as now enacted and hereafter amended](#), for the following purposes:~~

~~1.—Acquiring, rehabilitating, or constructing affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services under RCW 71.24.385; and~~

~~2.—Providing the operations and maintenance costs of new units of affordable or supportive housing; and~~

~~3.—Providing rental assistance to tenants.~~

~~B. The housing and services provided under TMC Section 3.14.020 may only be provided to persons whose income is at or below 60 percent of the median income of the City.~~

~~C. In determining the use of funds under TMC Section 3.14.020, the City must consider the income of the individuals and families to be served, the leveraging of the resources made available under TMC Section 3.14.010, and the housing needs within the City.~~

~~D. The Finance Director must report annually to the Washington State Department of Commerce, in accordance with the Department's rules, on the collection and use of the revenue from the tax imposed under TMC Section 3.14.010.~~

~~E. The tax imposed by the City under TMC Section 3.14.010 will expire 20 years after the date on which the tax is first imposed. The Finance Director shall provide notice to the City Council and the Mayor of the expiration date of the tax each year beginning three years before the expiration date, and shall also promptly notify the City Council and the Mayor of any changes to the expiration date.~~

Section 3. TMC Section 3.14.030 Amended. Ordinance No. 2613 §4, as codified at TMC Section 3.14.030, "Administration and Collection – Statutory Compliance," is hereby amended to read as follows:

3.14.030 Administration and Collection – Statutory Compliance

The administration and collection of the tax imposed by Chapter 3.14 shall be in accordance with the provisions of Washington State Legislature Chapter 338, Laws of 2019, [as now enacted and hereafter amended](#), which shall be codified in Chapter 82.14 RCW.

Section 4. The Finance Director is authorized to provide any necessary notice to the Department of Revenue to effectuate the tax enacted by this ordinance and to execute, for and on behalf of the City of Tukwila, any necessary agreement with the Department of Revenue for the collection and administration of the tax enacted by this ordinance.

Section 5. Corrections by City Clerk or Code Reviser Authorized. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 6. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 7. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON,
at a Regular Meeting thereof this _____ day of _____, 2024.

ATTEST/AUTHENTICATED:

Andy Youn, CMC, City Clerk

Thomas McLeod, Mayor

APPROVED AS TO FORM BY:

Office of the City Attorney

Filed with the City Clerk: _____
Passed by the City Council: _____
Published: _____
Effective Date: _____
Ordinance Number: _____



INFORMATIONAL MEMORANDUM

TO: **Tukwila City Council**

FROM: **Laurel Humphrey, Legislative Analyst**
Kari L. Sand, City Attorney
Nick Morton, Assistant City Attorney

DATE: **May 31, 2024**

SUBJECT: **Renter Protection Policy Proposals**

ISSUE

Draft ordinance regarding enhanced renter protections.

BACKGROUND

In May 2023, the Transit Riders Union (TRU) approached the City Council about adding additional regulations/protections for tenants in Tukwila.

The Planning and Community Development (PCD) Committee discussed the proposals at its [May 1, 2023 meeting](#) and requested that the City Attorney prepare a preliminary opinion on legal risk prior to any legislation being drafted. The Committee discussed the legal analysis at its [August 7, 2023 meeting](#) and subsequently directed staff to prepare an ordinance including specific components that posed limited risk and bore minimal impact to city resources and staffing.

The Committee further discussed the draft ordinance at its [November 7, 2023 meeting](#) with revised recommendations based upon a pending legal challenge against the City of Kenmore. The draft ordinance no longer included protections associated with Rent Increase Notices or Just Cause Eviction. The Committee directed staff to conduct public outreach on the draft, which was done via inclusion in the renewal notices sent to landlords enrolled in the Residential Rental Business License and Inspection Program as well as an information page on the city website, a newsfeed post, and a request for comment in the e-Hazelnut.

In March 2024, TRU representatives made public comment and distributed a letter outlining a “minimum set of policies that would be acceptable,” included in the public comment attached to this memo.

Ordinance Draft

The draft ordinance as recommended by last year’s PCD Committee in November 2023 includes the following components:

- Distribution of Information – the City will prepare written summaries of legal protections and landlords would be required to provide them to prospective renters, to new tenants, and to existing tenants.

- Deposit Requirements - upfront costs over and above the 1st month's rent are capped at a total of 1-month rent, with a right to pay in installments over 6 months, or 2 months for leases shorter than 6 months.
- Late Fees – Fees for late payment of rent shall not exceed 1.5% of monthly rent.
- Rent Due Dates – Tenants may adjust rent due date if on a fixed income.
- Social Security Numbers – Landlords may request but not require a social security number for purpose of screening prospective tenants.

City Attorney Analysis

In advance of the April 22, 2024 Committee of the Whole meeting, the City Attorney prepared a [legal analysis](#) of TRU's March 24, 2024 proposals. The analysis used a traffic light metaphor, assigning green to proposals that carry a low risk, yellow to proposals that carry a medium level of legal risk, and red to proposals that carry a high level of legal risk.

The following proposals were assigned **green, meaning they carry low legal risk**. All these proposals are already included in the current draft ordinance. Council has received both positive and negative responses to these provisions from public commenters. Analysis of the criticisms is included in the public comment section below.

- Cap move-in costs additional to first month's rent at no more than one month's rent, and allow payment in installments.
- Social security number cannot be required for rental applications.
- Renters on fixed income can change their rent due date.

The following proposals were assigned **red, meaning they present high legal risk or are otherwise not advisable**. The City Attorney advises against implementing these proposals.

- Tenant can terminate lease and move with 20 days' notice if rent is increased by 3% or more.
- Tenant is entitled to landlord-paid relocation assistance for large rent increases.
- Strengthen just cause protections, including closing the "lease loophole."
- Ban unfair, deceptive, and abusive practices.

The following proposals were assigned **yellow, meaning they present a medium level of legal risk**. Below is additional analysis of these proposals for Council's consideration.

- Require 180 days' notice for rent increases of 3% or more.
 - **Analysis** – State law requires 60 days' notice of rent increases. A significant number of neighboring cities have imposed longer notice periods, usually either 120 days or 180 days. However, Kenmore's provision extending the notice period to 120 days is one of the provisions challenged by the Washington Business Properties Association in the lawsuit that is still pending in King County Superior Court (further discussion of the case is in the litigation section below).

- Prohibit landlords from raising rent on housing units that are defective, unsafe, or unlivable.
 - **Analysis** – The draft ordinance does not currently include this provision. Burien and SeaTac have passed versions of this proposal, both of which prohibit rent increases where the dwelling is in violation of any element of [RCW 59.18.060](#). These provisions are quite broad, as this RCW section lists all landlord duties, such as the requirement to maintain a duplicate key to each unit, which arguably is unrelated to a dwelling being defective, unsafe, or unlivable. Additionally, there is some risk that a provision of this kind could be challenged under [RCW 35.21.830](#), which prohibits cities from enacting any ordinances that “regulate the amount of rent to be charged.” By broadly prohibiting landlords from raising rents, a court could plausibly find the ordinance to be a “control on rent” that is preempted by state law. Thus, the recommendation is to only prohibit rent increases in instances where the dwelling is defective, unsafe, or unlivable and not to prohibit rent increases more broadly for *any* violation of RCW 59.18.060.
- Cap late fees at \$10 per month and ban notice delivery fees.
 - **Analysis** – The draft ordinance includes a cap on late fees at 1.5% of monthly rent. The City received public comment both in support and against this provision. Raising or reducing the percentage or dollar value of the late fee cap does not affect the legal risk of this provision.

4/22/24 Committee of the Whole

The Committee of the Whole discussed the draft ordinance at its April 22, 2024 meeting and referred it back to the Planning & Community Development Committee for additional discussion, to be followed up by a Full Council Work Session. The following themes emerged from Councilmember comments and questions:

Response to public comments

The Council expressed a desire to more fully consider the input received from landlords regarding potential tenant protection measures. Greg and Vanessa Zaputil, who are landlords in Tukwila, submitted a 4-page letter addressing each of the provisions of the draft ordinance. They also provided public comment at the COW meeting held on April 22, 2024. Their key points are representative of the concerns presented by other public commenters that were critical of the provisions currently included in the draft ordinance. Below is an analysis of their criticisms:

8.47.030 – Distribution of information

- **Criticism** – The requirement that distribution of information must take place “within 30 days” after being made available by the City is confusing. It is unclear when the clock starts on the 30 days.

- **Analysis** – Is there a feasible method of providing notice to all landlords that the informational packet has been released, such that there is a concrete date on which the 30 days commences? The City could resolve this concern by posting on its website with any new informational packet the start and end dates for any new 30-day clock.

8.47.040 – Deposit requirements and installment payments

- **Criticism** – Landlords should not be limited in their ability to collect deposits and move-in fees because costs, bills, and expenses have increased for landlords. Also, state law already allows for installment payments and requires checklists and trust accounts for tenant deposits.
- **Analysis** – Whether this provision is too burdensome for landlords is a policy question to be weighed by Council. It is true that chapter 59.18 RCW already allows for installment payments. However, the draft ordinance is more robust. The ordinance allows for six installment payments while state law only allows for up to three. It is also true that state law requires checklists and trust accounts for deposit funds. The draft ordinance adopts those requirements, though state law applies whether or not the City adopts it. Accordingly, the City could remove the checklist and trust account requirements from the draft ordinance for clarity, if desired.

8.47.050 – Late fees

- **Criticism** – The cap on late fees in the draft ordinance is too harsh and will eliminate the incentive for tenants to pay rent on time.
- **Analysis** – This is a policy question to be weighed by Council. The cap is at 1.5% in the current draft of the ordinance. Neither increasing nor reducing the cap will affect the legal risk of this provisions, which is relatively low.

8.47.060 – Due date adjustment

- **Criticism** – Landlords have bills with due dates that cannot be adjusted, such that allowing for flexible rent due dates will affect the landlords' ability to pay their bills on time.
- **Analysis** – This is a policy question to be weighed by Council. This provision presents very low legal risk.

8.47.070 – Social security numbers.

- **Criticism** – Prohibiting landlords from requiring social security numbers (SSN) will limit their ability to verify that applicants are able to pay their rent and do not pose a threat to the property or other residents. Many landlords prefer to run their own background checks on applicants using SSNs.
- **Analysis** – This is a policy question to be weighed by Council. This provision presents very low legal risk. The practical implications of this provision relate to the type of credit/background check a landlord can do with and without an SSN. In general, a SSN

is not required to run a credit report or criminal background check, though the use of a SSN arguably ensures more accuracy in these reports. Many typical background checks used by landlords do require a SSN. However, there are methods of conducting background checks without a SSN. One such method is a “reusable tenant screening report,” which allows an applicant to obtain a screening report from a consumer reporting agency and submit the report to multiple landlords. This also helps applicants avoid paying screening fees every time they apply to a landlord. The draft ordinance requires landlords to accept these portable reports. Under RCW 59.18.030, these reports must include a credit report, criminal history, eviction history, employment verification, and rental history. There are also tenant screening services that landlords can use directly that do not require a SSN, though some landlords fear that these reports may not be as accurate (as noted by several landlords during public comment).

8.47.090 – Violations and Penalties

- **Criticism** – The enforcement provision of the ordinance is too harsh. The ordinance should include escalating warnings prior to punitive measures.
- **Analysis** – The draft ordinance creates a private right of action to enforce these provisions, meaning that a tenant must bring a claim against a landlord. Adding a structure of escalating warnings would create an administrative burden on the City. Whether the penalties themselves are too harsh is a policy question to be weighed by Council.

Status update of related pending/completed litigation

Washington Business Properties Association (“WBPA”) v. City of Kenmore (pending) -

There are no new developments in this case. Below is a summary of the claims brought against Kenmore in this matter:

- Requires 120-days’ written notice for rent increases greater than 3% and 180-days’ written notice for rent increases greater than 10%.
 - WBPA argues that this provision is preempted by RCW 35.21.830, which states that “controls on rent” are a state concern and may not be regulated by local governments. The strength of this argument is questionable, as this provision requires additional notice but does not limit the amount of rent chargeable. That said, it is still unknown how the courts will rule on this issue.
- Extends just cause eviction requirements to nonrenewal of lease agreements at expiration (i.e., closes the “lease loophole”).
 - WBPA argues that this provision is preempted by state law, as it prohibits something expressly allowed under state law. Specifically, it prohibits non-renewing a tenant’s lease at the end of its term without just cause, which the WBPA asserts is allowed under RCW 59.12.030. There is an unpublished (non-

binding) appellate court case supporting this argument. *See Rental Hous. Ass'n of Washington v. City of Burien*, 23 Wash. App. 2d 1015 (2022) (see below).

- Prohibits unfair, abusive, and deceptive practices by landlords.
 - WBPA argues that this is an unconstitutionally vague restriction on speech. This is a facially valid constitutional claim but is unknown how the courts will rule on the issue. The City Attorney's Office previously flagged this provision as high risk (red category).

Rental Housing Association of Washington v. City of Burien (2022) - This case is unpublished, meaning it is technically non-binding. However, it does provide guidance as to how courts might rule on closing the “lease loophole.”

Burien enacted an ordinance that extended just cause requirements to the non-renewal of a fixed term lease. This is what TRU refers to as “closing the lease loophole,” which would require landlords to renew a tenant’s lease at its expiration unless the landlord can show just cause for eviction under chapter 59.18 RCW.

The court held that Burien’s ordinance was preempted by state law, as it “prohibits what state statute allows: eviction at the end of a lease term.” This decision is based on RCW 59.12.030, which allows landlords to initiate an action to evict a tenant at the end of the lease term without showing one of the bases of just cause under RCW 59.18.650.

TRU maintains that this decision was wrongly decided, and has emphasized that it is unpublished, such that it does not prohibit closing the lease loophole. However, no subsequent lawsuits have tested this theory. Enacting such a provision carries a high risk of legal challenge.

Funding relationship with King County Bar Foundation Housing Justice Project

The City of Tukwila participates in a funding collaborative for the KCBA at a rate of \$10,000 per year in the current biennium. KCBA provides free legal assistance to low-income tenants facing eviction. Neighborhood legal clinics make legal information and referral available to low-income residents. Adoption of an ordinance relating to tenant protections would not impact this relationship currently or in the future.

Tukwila’s Rental Housing Inspection Program

The City Council received a briefing on the Rental Housing Program at its February 12, 2024 Committee of the Whole meeting. ([Meeting material](#))

The City of Tukwila’s Rental Housing Program is comparable to other cities in Washington; however, some are stricter, and some are more lenient. In January, our rental staff began meeting with rental staff in other Washington cities to collaborate and learn about how their programs work. These meetings have so far included Aberdeen, Auburn, Bellingham, Burien,

Kent, Lakewood, Lynnwood, Olympia, Pasco, Renton, Seattle, Spokane, and University Place. Of all the cities in Washington that have rental programs almost all of them require an annual registration (some charge a fee, some do not). The city of Tukwila has an annual license fee. All cities with rental programs require periodic rental inspections every 2-5 years. The city of Tukwila inspects rental properties prior to issuing the rental license and every 4 years thereafter. Auburn and Seattle have adopted renter protections. A few of the other cities are looking at adopting renter protections and a few others do not want to get involved in that level of regulation. The common goal of all the city's programs is to provide healthy and safe housing to tenants.

The City of Tukwila offers courtesy inspections for tenants concerned about their living conditions on the [rental licensing webpage](#) and in the Hazelnut newsletter.

RECOMMENDATION

Staff is seeking Council discussion and direction on the proposed ordinance.

ATTACHMENTS

Exhibit 1: Draft Ordinance

Exhibit 2: Comment Letters

DRAFT

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, REPEALING ORDINANCE NO. 2526, AS CODIFIED AT TUKWILA MUNICIPAL CODE (TMC) CHAPTER 8.47; REENACTING TMC CHAPTER 8.47, “RENTAL HOUSING TENANT PROTECTIONS;” PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, over the past several years, average rents in South King County have increased, and vacancies for affordable rental housing are at low levels, making it difficult for tenants, especially those with low incomes, to locate affordable rental housing; and

WHEREAS, the King County Regional Affordable Housing Task Force issued its *Final Report and Recommendations for King County, WA*, December 2018 (rev. October 2019) (hereafter referred to as “*Regional Affordable Housing Task Force Final Report*”), which identifies that renting rather than owning a home increases the chances of being severely cost burdened, and recognizes an existing affordable housing crisis in King County; and

WHEREAS, the Regional Affordable Housing Task Force Final Report includes a regional plan with goals, strategies and a Five-Year Action Plan to address the affordable housing crisis, and Goal 4 of the action plan is to “[p]reserve access to affordable homes for renters by supporting tenant protections to increase housing stability and reduce risk of homelessness”; and

WHEREAS, the King County Countywide Planning Policies, developed pursuant to the Washington State Growth Management Act, suggest that local jurisdictions “[a]dopt and implement policies that protect housing stability for renter households; expand protections and supports for moderate-, low-, very low-, and extremely low-income renters and renters with disabilities”; and

WHEREAS, the Tukwila community includes a relatively high percentage of renters compared to the Washington State average, with the most recent census data indicating that just 42.7% of housing units are owner-occupied, which is significantly lower than the statewide average of 63.6%; and

WHEREAS, enhanced tenant protections, in addition to those in the Residential Landlord-Tenant Act (chapter 59.18 RCW), are in the best interests of the residents of Tukwila and will promote the public health, safety, and welfare of the City; and

WHEREAS, the City Council is committed to maintaining vibrant and diverse neighborhoods while balancing the needs of landlords and tenants; and

WHEREAS, to ensure adequate time to educate landlords about the requirements and responsibilities imposed on them as a result of this ordinance, and to give landlords time to update their administrative processes to achieve compliance with this ordinance, the effective date of this ordinance shall be delayed to January 1, 2024.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Repealer. Ordinance No. 2526 is hereby repealed in its entirety, thereby eliminating Tukwila Municipal Code (TMC) Chapter 8.47, “Fair Housing Regulations.”

Section 2. TMC Chapter 8.47 Reenacted. TMC Chapter 8.47 is hereby reenacted to read as follows:

CHAPTER 8.47
RENTAL HOUSING TENANT PROTECTIONS

<u>Sections:</u>	
<u>8.47.010</u>	<u>Definitions</u>
<u>8.47.020</u>	<u>Applicability</u>
<u>8.47.030</u>	<u>Distribution of information required</u>
<u>8.47.040</u>	<u>Deposit requirements and installment payments permitted</u>
<u>8.47.050</u>	<u>Late fees</u>
<u>8.47.060</u>	<u>Due date adjustments</u>
<u>8.47.070</u>	<u>Social security numbers not required</u>
<u>8.47.080</u>	<u>Violations and penalties</u>

Section 3. Regulations Established. TMC Section 8.47.010 is hereby established to read as follows:

8.47.010 Definitions

The definitions of this section apply through this chapter unless the context clearly requires otherwise. The definitions of RCW 59.18.030 under the Residential Landlord-Tenant Act (RLTA), as now in effect or as may be subsequently amended, also apply to this chapter unless otherwise defined in this section.

“Dwelling” or “dwelling unit” has the same meaning as RCW 59.18.030(10), as now in effect or as may be subsequently amended, and means a structure or that part of a structure which is 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.

“Landlord” has the same meaning as RCW 59.18.030(16), as now in effect or as may be subsequently amended, excluding the living arrangements identified in RCW 59.18.040, and means the owner, lessor, or sublessor of the dwelling unit or the property of which it is a part, and further means any person designated as representative of the owner, lessor, or sublessor, including, but not limited to, an agent, a resident manager, or a designated property manager.

“Rent” has the same meaning as RCW 59.18.030(29), as now in effect or as may be subsequently amended, and means recurring and periodic charges identified in the rental agreement for the use and occupancy of the premises, which may include charges for utilities. Except as provided in RCW 59.18.283(3), rent does not include nonrecurring charges for costs incurred due to late payment, damages, deposits, legal costs, or other fees, including attorneys’ fees.

“Rental Agreement” or “lease” has the same meaning as RCW 59.18.030(30), as now in effect or as may be subsequently amended, and means all agreements which establish or modify the terms, conditions, rules, regulations, or any other provisions concerning the use and occupancy of a dwelling unit.

“Security Deposit” means a refundable payment or deposit of money, however designated, owed by the tenant to the landlord at the commencement of a rental agreement to secure performance of a rental agreement or any part of a rental agreement.

“Subsidized Housing” has the same meaning as RCW 59.18.030(33), as now in effect or as may be subsequently amended, and refers to rental housing for very low-income or low-income households that is a dwelling unit operated directly by a public housing authority or its affiliate, or that is insured, financed, or assisted in whole or in part through one of the following sources: (a) a federal program or state housing program administered by the Department of Commerce or the Washington State Housing Finance Commission; (b) a federal housing program administered by a city or county government; (c) an affordable housing levy authorized under RCW 84.52.105; or (d) the surcharges authorized in RCW 36.22.250 and any of the surcharges authorized in chapter 43.185C RCW.

“Tenant” has the same meaning as RCW 59.18.030(34), as now in effect or as may be subsequently amended, and excluding the living arrangements identified in RCW 59.18.040, and RCW 59.20.030(24), as now in effect or as may be subsequently amended, and means any person who is entitled to occupy a dwelling unit primarily for living or dwelling purposes under a rental agreement, and RCW 59.20.030 defines “tenant” as any person, except a transient, who rents a mobile home lot.

Section 4. Regulations Established. TMC Section 8.47.020 is hereby established to read as follows:

8.47.020 Applicability

The provisions of this chapter apply to tenancies governed by Chapter 59.18 RCW (Residential Landlord Tenant Act) and Chapter 59.20 RCW (Manufactured/Mobile Home Landlord-Tenant Act) and are in addition to the provisions provided in said chapters of the RCW. The provisions of this chapter shall not apply to rental agreements between an owner and tenant where the owner shares the dwelling unit as a primary residence with the tenant.

Section 5. Regulations Established. TMC Section 8.47.030 is hereby established to read as follows:

8.47.030 Distribution of information required.

A. The City shall prepare, and update as necessary, summaries of this chapter, the Nuisance Code (TMC Section 8.28.020), the Washington State Residential Landlord Tenant Act (Chapter 59.18 RCW), Forcible Entry and Unlawful Detainer (Chapter 59.12 RCW), and Fair Housing laws, describing the respective rights, obligations, and remedies of landlords and tenants, including information about legal resources available to tenants.

B. A landlord shall provide a copy of the summaries prepared by the City as described in subsection A of this section to any tenant or prospective tenant when a rental agreement is offered, whether the agreement is for a new or renewal agreement.

C. Where there is an oral rental agreement, the landlord shall give the tenant copies of the summaries as described in subsection A of this section, either before entering into the oral rental agreement or as soon as reasonably possible after entering into the oral rental agreement.

D. For existing tenants, landlords shall, within thirty (30) days after the summaries are made available by the City, distribute copies of the summaries to existing tenants.

E. The initial distribution of information to tenants must be in written form and landlords shall obtain the tenant's signature documenting tenant's receipt of such information. If a tenant refuses to provide a signature documenting the tenant's receipt of the information, the landlord may draft a declaration stating when and where the landlord provided tenant with the required information. After the initial distribution of the summaries to tenants, a landlord shall provide existing tenants with the most current summaries prepared by the City, which summaries may be distributed in electronic form, unless a tenant specifically requests written summaries in hard copy form.

F. The packet prepared by the City includes informational documents only, and nothing in the summaries therein shall be construed as binding on or affecting any judicial determination of the rights and responsibilities of landlords and tenants, nor is the City liable for any misstatement or misinterpretation of the applicable laws.

Section 6. Regulations Established. TMC Section 8.47.040 is hereby established to read as follows:

8.47.040 Deposit requirements and installment payments permitted.

A. The sum of any security deposits and nonrefundable move-in fees charged by a landlord before a tenant takes possession of a dwelling unit shall not exceed an amount equal to one month's rent, except in subsidized housing where the amount of rent is set based on the income of the tenant. The exception for subsidized housing shall not include tenancies regulated under Section 8 of the Housing Act of 1937, 42 U.S.C. Section 1437f, commonly known as the "choice voucher program."

B. Tenants entering rental agreements with terms lasting six or more months may choose to pay their move-in fees and security deposits in six equal monthly installments over the first six months occupying the dwelling unit.

C. Tenants entering rental agreements with terms lasting fewer than six months or month-to-month rental agreements may choose to pay move-in fees and security deposits in two equal monthly installments over the first two months occupying the dwelling unit.

D. Landlords may not impose any fee, charge any interest, or otherwise impose a cost on a tenant because a tenant elects to pay in installments.

E. Installment payments are due at the same time rent is due.

F. All installment schedules must be in writing, signed by both parties.

G. Paying in installments does not apply to a landlord obtaining a tenant screening report, which report cost paid by the tenant shall be limited to the standard and actual cost of the tenant screening report.

H. No security deposit may be collected by a landlord unless the rental agreement is in writing and a written checklist or statement specifically describing the condition and cleanliness of, or existing damages to, the premises and furnishings, including, but not limited to, walls, floors, countertops, carpets, drapes, furniture, and appliances, is provided by the landlord to the tenant at the beginning of the tenancy. The checklist or statement shall be signed and dated by the landlord and the tenant, and the tenant shall be provided with a copy of the signed checklist or statement.

I. A landlord must place any required security deposit in a trust account and provide a written receipt and notice of the name, address, and location of the depository and any subsequent change thereof to the tenant, in compliance with the requirements of RCW 59.18.270.

J. Nothing in this section prohibits a landlord from bringing an action against a tenant to recover sums exceeding the amount of the tenant's security deposit for damage to the dwelling unit for which the tenant is responsible. The landlord may seek attorney's fees for such an action as authorized by Chapter 59.18 RCW

Section 7. Regulations Established. TMC Section 8.47.050 is hereby established to read as follows:

8.47.050 **Late fees**

A. Any fees for late payment of rent shall not exceed 1.5% of monthly rent per month. No other fees may be charged for late payment of rent. Any rental agreement provision providing for such fees shall be deemed void with respect to any provision prohibited by this subsection. This subsection shall not apply to or limit decisions, orders, and rulings of courts of competent jurisdiction.

B. Any notice to pay or vacate served under RCW 59.12.030(3) shall include within the notice in at least sixteen (16) point bold font for the following information:

“You have 14 days to pay the rent required by this notice. After 14 days, you may pay the rent but will have to include a late fee totaling at most 1.5% of monthly rent for each month of rent owed. If the landlord has started a court case to evict you and the case is filed in court, you will need to pay court costs as well before the hearing date to avoid eviction.”

Section 8. Regulations Established. TMC Section 8.47.060 is hereby established to read as follows:

8.47.060 **Due date adjustments**

All rental agreements executed after the adoption of this ordinance shall include, or be deemed to include, a provision allowing tenants to adjust the due date of rent payments if the tenant has a regular monthly source of governmental assistance, or fixed income source (e.g., Social Security) that the tenant receives on a date of the month that is incongruent with paying rent on the date otherwise specified in the rental agreement. A landlord shall not refuse to rent to a prospective tenant or terminate a lease based on a request for a due date adjustment.

Section 9. Regulations Established. TMC Section 8.47.070 is hereby established to read as follows:

8.47.070 **Social Security numbers not required**

A landlord may request but shall not require a social security number for the purposes of screening a prospective tenant as allowed under RCW 59.18.257. A landlord shall not refuse to enter into a rental agreement with a prospective tenant or prospective occupant because the prospective tenant or prospective occupant does not agree to provide a social security number. Alternative proof of financial eligibility such as portable screening reports or other proof of income must be accepted, where available, if offered by the tenant or prospective tenant.

Section 10. Regulations Established. TMC Section 8.47.080 is hereby established to read as follows:

8.47.090 Violations and penalties

A landlord found in violation of any of the provisions in this chapter, unless otherwise provided in this chapter, shall be liable to such a tenant in a private right of action for the greater of double the tenant’s economic and noneconomic damages, or three times the monthly rent of the dwelling unit at issue, and reasonable litigation costs and attorneys’ fees.

Section 11. Corrections by City Clerk or Code Reviser Authorized. Upon approval of the City Attorney, the City Clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; references to other local, state or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering.

Section 12. Severability. If any section, subsection, paragraph, sentence, clause or phrase of this ordinance or its application to any person or situation should be held to be invalid or unconstitutional for any reason by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this ordinance or its application to any other person or situation.

Section 13. Effective Date. This ordinance or a summary thereof shall be published in the official newspaper of the City, and shall take effect and be in full force five days after passage and publication as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this _____ day of _____, 2024.

ATTEST/AUTHENTICATED:

Andy Youn, CMC, City Clerk

Thomas McLeod, Mayor

APPROVED AS TO FORM BY:

Filed with the City Clerk: _____
Passed by the City Council: _____
Published: _____
Effective Date: _____
Ordinance Number: _____

Office of the City Attorney

From: [Lori Solberg](#)
To: [Laurel Humphrey](#)
Subject: FW: Home sold/Input for City Council
Date: Friday, December 15, 2023 9:18:45 AM

Hi Laurel,
Are you the correct person to forward these to?

Thanks,
Lori

From: Carly <carlywillis253@gmail.com>
Sent: Thursday, December 14, 2023 10:07 PM
To: Rental Housing <RentalHousing@TukwilaWA.gov>
Subject: Home sold/Input for City Council

Hi there,

We sold our home located at 13706 34th Ave S, Tukwila 98168.
We got out of King county due to unreasonable restrictions on rentals and we were screwed over too many times by renters who damaged our property, didn't pay rent for months on end, or both. I highly recommend the City Council stops protecting renters and starts protecting owners of properties. Once all the property owners who were offering reasonably priced rentals sell their homes, there will be no more rentals or the competition for the few that remain will be so fierce that no one will be able to afford renting anymore. This is what is happening. Please pass this along to City Council. Good luck.

--



Carly Willis
Owner, Blue Sage Properties & Antique Marketplace

[\(253\) 691-7645](tel:2536917645) | BlueSagePropertiesLLC.com
carlywillis253@gmail.com | [1809 Howard Road, Suite B](#)
[Auburn, WA 98002](#)

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CAUTION: This email originated from outside the City of Tukwila network. Please **DO NOT** open attachments or click links from an unknown or suspicious origin.

From: [Clearbrook Manager](#)
To: [CityCouncil](#)
Cc: [Cathy Reiner](#); [Cliff Godwin](#)
Subject: Proposed Rental Housing laws
Date: Wednesday, December 20, 2023 11:22:01 AM

As 40-year landlords of 1 property in Tukwila and a couple in Burien and Seattle, we URGE you to be careful that any new laws enacted take the small landlords into consideration.

It's already very difficult to be a landlord, and if we can't collect a security deposit AND last -month's rent, we have little security when a tenant doesn't pay rent, but we still have mortgages and expenses to pay.

Capping late fees means little incentive for a renter to pay on time. And we still have mortgages and expenses to pay on time.

Removing some screening assistance such as social security numbers means we don't really know WHO the tenant is, nor what their background is.

Evictions are very difficult on landlords as well as tenants, and the courts are so crowded that it can take many months. Therefore we want good tenants, with good records, so we never have to evict.

We want to be fair and good landlords, but when a city (such as Burien or Seattle) makes it excessively hard on the landlords, we can't stay in business.

If small landlords have to leave the system, the city makes FEWER rental units available, when more are needed.

Thank you

Cathy Godwin

Property Manager

(206) 228-3143

clearbrookmanager@yahoo.com

CAUTION: This email originated from outside the City of Tukwila network. Please **DO NOT** open attachments or click links from an unknown or suspicious origin.

Greg & Vanessa Zaputil
15171 52nd Ave. S. #5
Tukwila, WA 98188

1/24/24

Lori Solberg
Rental Housing Program Administrator
City of Tukwila Dept. of Community Development
6200 Southcenter Blvd.
Tukwila, WA 98188

RE: Draft Rental Protections Ordinance

As a small landlord who has provided housing in Tukwila since 1979 in the form of four townhomes, we wish to object to the proposed draft rental protection ordinance. We are (and have always been) resident landlords who have weathered the ups and downs of markets, treating our tenants with respect and compassion while choosing to remain in Tukwila to provide housing to our community. As active Tukwila Community members, we are very familiar with the challenges tenants in our area face and the few bad actors that unfortunately stereotype all landlords unfairly as slumlords. Costs for landlords have significantly increased over the past several years with wage increases, cost of living increases across all sectors, and property tax increases (both due to voter-approved initiatives and burden shifting through exempting properties from taxes).

While we appreciate the barriers that our community faces regarding access to housing, we believe a regulatory approach such as this will create the opposite effect- less clarity, less understanding, and less affordable housing. This approach creates confusion between applicable laws. In a community where communication barriers have been consistently identified; we should be making things easier, not more complicated. Many barriers traditionally have stemmed from misunderstanding, or not even being aware of the WA Landlord Tenant Act. This Act is comprehensive, and legislators have consistently updated it, often annually, primarily increasing tenant protections.

Much of what this new Tukwila Ordinance brings forward is already covered in the WA Landlord Tenant Act, while further creating an administrative burden for the City. Ensuring the ordinance remains relevant and in compliance, as new state legislation is enacted or repealed will require constant and onerous oversight for the City without accomplishing stated goals. Additionally, this will create yet another administrative burden, especially on small landlords. The goal, and resources, should be first and foremost educational for both the tenants and the landlords not authoritative and punitive.

Some specific comments we have regarding sections of the draft will additionally support and highlight why we object to the regulatory approach the City is proposing.

8.47.030 Distribution of information required.

D) The requirement to distribute copies of new summaries to Tenants “within 30 days” after being made available by the City lacks clarity. How is it made available? When specifically does the clock start? How is the City ensuring equitable distribution to all landlords, including those with language barriers?

E) Electronic communication is inconsistent with WA Landlord Tenant Act provisions- it is unclear if tenants receive notices. Requiring Tenants to specifically request a hard copy, if desired, in a community with language barriers is inconsistent with equitable access. Furthermore, if landlords inadvertently change communication methods, or are on vacation, providing copies, within 30 days becomes a barrier and subject to punishment.

8.47.040 Deposit requirements and installment payments permitted.

A) With inflationary costs escalating due to increased minimum wages and cost of living, it has forced landlords to increase deposits and fees simply to break even. For example, Non-Refundable fees for redecorating costs such as carpet cleaning, and house cleaners have had to increase. Similarly, Security Deposits to secure the property for damage have had to increase due to significant rises in construction costs such as drywall repair, plumbers, supply chain materials, etc. Landlords need to have this provision to safeguard their investment. If limitations on deposits are imposed, rents would need to increase to cover any restoration costs not covered by tenants who have been granted a low, insufficient Security Deposit, and are unable to pay on move-out. Litigating tenants who cannot afford to pay on move-out is a costly and impractical solution, only further escalating the landlord’s costs and consequently less affordable rent.

B, C, D, E, F, G) Installments are already provided for in RCW 59.18.610. Providing contrary language promotes confusion.

H) Checklists are already provided for in RCW 59.18.260. Providing additional language promotes confusion and burden in cross-referencing for both the tenant and the landlord.

I) Trust accounts for deposits are already provided for in RCW 59.18.270. Providing additional language promotes confusion and burden in cross-referencing for both the tenant and the landlord.

8.47.050 Late fees

A) Capping the rental late fee provides no incentive for the Tenant to pay on time or move out. This cap would severely limit the ability of the landlord to pay their bills or in the case of complete failure to pay, to regain possession of their property (investment) without a costly legal procedure. For example, a 1.5% cap on an average Tukwila rental (according to rental.com) of \$1,890 would equate to \$28.35/month. Capping late fees will have the opposite of the City’s desired effect by creating an unattractive environment for quality landlords if they cannot protect their investment/retirement.

B) 14-day notices are already provided for in RCW 59.18.057. Adding this would require duplicative and confusing notices.

8.47.060 Due date adjustments

Landlords have payments with due dates (Mortgage, Property Tax, City of Tukwila Rental License Fees)- requiring flexible due dates will impact the landlord's ability to pay their bills. There is already a 5-day grace period built into RCW 59.18.057.

8.47.070 Social Security numbers not required

Landlords must be able to require as permitted by RCW 59.18.257 a screening process whereby tenants provide required information to a tenant screening company (including a Social Security number) to protect their properties and the existing tenants. Credit/Background screening is a reliable and established risk assessment indicator. Furthermore, requiring a "portable" credit screening report to be accepted unfairly targets small landlords who do not have the resources to verify the credibility of such reports. Allowing the landlord to administer their own uniform and identical screening methods across all tenants is equitable and eliminates the potential for language and content barriers on both sides.

8.47.090 Violations and penalties

These penalties are unduly and unnecessarily harsh. Considering the City of Tukwila's known language and communication barriers this unfairly targets small landlords who may not have the resources or the knowledge to discern the differences and nuances between the WA Landlord Tenant Act and the City of Tukwila Regulations. To not have an escalating structure that includes warnings and education before punitive damages is counter to an inclusive City culture. This additional layer of regulations will unnecessarily create the unintended consequence of less affordable housing. Small landlords will be challenged to comply and rather opt to sell at higher market values and push housing costs higher.

Rather than create another layer of government regulations and administrative burden, we advocate for the City to address the core issue in our community which are barriers to understanding Tenant rights as set out in the current WA State Landlord Tenant Act, and landlords not fully understanding that act.

Assisting tenants would be best accomplished through:

- Tasking the Human Services Dept. with a better and more focused effort at connecting Tenants with resources and advocates.
- Providing information to Tenants in means and formats that are recognized to them is also a best practice.
- Providing links to rental information on the main City webpage so they are easily found and navigable.

Efforts must be made to communicate and connect landlords with information to allow them to succeed as well. This includes:

- Providing and implementing improved and verifiable communication practices to distribute current City regulations such as the rental licenses/inspections as well as state laws and information.
- Including an FAQ on the City Website for both Tenants and Landlords that explains the WA Landlord Tenant Act in plain English.

Punishing and unduly burdening landlords (especially smaller ones who provide affordable, quality housing) will have the opposite effect and decrease and diminish affordable housing. Moreover, the fiscal capacity of landlords to reinvest, maintain, or improve housing will also decrease.

Regards,

Greg & Vanessa Zaputil

March 18, 2024



Dear Tukwila City Councilmembers,

Last spring, Tukwila renters and community organizations in the Stay Housed Stay Healthy coalition came to you urging action to address rising rents, housing insecurity, and habitability issues in Tukwila's rental housing market. We proposed a set of renter protection policies, most of which have already been implemented, successfully, in other nearby jurisdictions.

We appreciate the work that's been done so far to review our proposals. But we're also concerned that the ordinance drafted last year is very weak and we don't yet have a clear timeline for passing legislation. Renters are facing urgent problems affecting their quality of life and sometimes even leading to their displacement out of the city, so it's frustrating to feel that there may be a lack of urgency from their elected representatives to improve this situation.

Last November, Tacoma voters approved a set of renter protections by citizen's initiative that went significantly beyond what we have proposed, including, for example, bans on winter evictions and evictions of families with school-age children and educators during the school year. This measure passed despite aggressive opposition from the landlord and real estate industries, outspending the campaign 3-to-1; despite being an odd year election; and despite the fact that only about 43% of Tacoma households are renters.

We have no doubt that Tukwila voters would approve a set of renter protections much stronger than those we've proposed to the council. We would prefer not to run a citizen's initiative, and we believe that this council can support good legislation. But we have made a commitment to Tukwila renters to make significant improvements. If it's not possible for the council to pass adequate protections, we may have no choice but to take this issue to the voters.

After many conversations with Tukwila renters, here is what we think is a minimum set of policies that would be acceptable:

1. Require 180 days notice for rent increases of 3 percent or more.
2. Tenant can terminate lease and move with 20 days notice if rent increase is 3 percent or more.

3. Tenant is entitled to landlord-paid relocation assistance for large rent increases.
4. Prohibit rent hikes in defective, unsafe or unlivable housing.
5. Cap move-in costs additional to first month's rent at no more than one month's rent, and allow payment in installments.
6. Cap late fees at \$10 a month and ban notice delivery fees.
7. Strengthen Just Cause protections, including closing the lease loophole.
8. Social security number cannot be required for rental applications.
9. Renters on fixed income can change their rent due date.
10. Ban unfair, deceptive and abusive practices.

These protections should apply to all Tukwila renters regardless of how many units their landlord owns, and they should cover mobile and manufactured home parks as well as residential tenants.

We understand that some councilmembers and staff may be worried about legal risks. We believe these concerns are overblown, as all of these policies (or very similar ones) are already in place in other jurisdictions in King County. If we did go to the trouble to run an initiative, we would certainly make these protections even stronger and add more to the list, likely including some that haven't yet been passed elsewhere. In this case, the City may well be in a position of having to defend voter-approved legislation in court.

We also understand that there are several new members of the council and that it takes some time at the beginning of the year to get things rolling. We and other members of the Stay Housed Stay Healthy coalition are available to help get everyone up to speed on the policy discussions in Tukwila so far, as well as the history and wider context of work on renter protections throughout King County and Washington state.

We hope that you will make it a high priority in the next few months to pass legislation that includes at least the policies listed above, and also consider adding some of the other elements we've previously proposed. We are ready to assist in this effort in whatever way is most helpful. Thank you for your attention to this important issue.

Sincerely,

A handwritten signature in black ink that reads "Katie Wilson". The signature is written in a cursive, flowing style.

Katie Wilson
General Secretary
Transit Riders Union

From: [David Puki](#)
To: [CityCouncil](#)
Subject: Renter protections policy
Date: Wednesday, March 27, 2024 5:31:14 PM

Council members,

I don't see the need to create a renter's policy. I have not been made aware of any issues by my friends or other residents living here in the city. Artie my neighbor who supports all the socialist causes and belongs to the groups that promote them, couldn't give me examples of actual landlord abuse here in Tukwila. He had lots of stories but could not give me verifiable examples. I've asked Chief Drever if he had any issues of landlord abuse and he said none he could think of. Also, who will pay the cost to support and enforce this new policy?

So, to me it looks like a solution looking for a problem.

Thanks,
Dave Puki

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Proposed Tukwila Landlord/Tenant Draft Ordinance

The Rental Housing Association of Washington (RHAWA) represents small mom and pop rental housing providers all over the state. Our average member owns about two units. Small housing providers supply much of the affordable housing available in their communities. They live in the communities they serve.

Many of the new more restrictive policies across the state have caused increasing anxiety that one bad experience could leave them in financial ruin. According to a [Seattle Auditor's Report](#) from December 2023, Seattle lost nearly 7,000 single family and small multi-family housing units from 2016 to 2022.

RHAWA members house more than 2,200 residents and/or families in the City of Tukwila.

8.47.050 Late Fees

The proposed late fee cap of 1.5% would impose great economic hardship on rental housing providers. If a housing provider is late on their mortgage payment, the cost to them is much higher than 1.5%. No one wants to collect late fees, but they need to be high enough to encourage residents pay rent on time. According to Zillow, the average rent in Tukwila is \$1,795.00 which would put the late fee of 1.5% at \$26.92 which, for comparison, is less than the \$30 Shut-Off Notice Fee that Tukwila Public Utilities charges to shut off water after non-payment of utilities or the \$50 fee to turn the water back on. We would hope to see something closer to 10% if a cap is going to be instituted.

8.47.070 Social Security Numbers Not Required

Restricting a housing provider's ability to screen a possible tenant using their social security number limits the information a housing provider can learn about their prospective resident when performing a background check. This lack of verifiable screening information could jeopardize the safety and well-being of current residents and the housing provider. It is crucial that prospective tenants are properly screened to ensure they will not pose a threat to the property or other residents. If a tenant occupies their residence and then becomes a problem to others in the future; evictions have been taking up to a year in King County even to remove problem residents from their communities. During that legal process, their neighbors still need to navigate living in close proximity to the problem resident. If a potential resident is properly screened ahead of time, these types of issues are less likely to occur. As such, if passed, the ordinance should include language that a tenant may be denied if their identity cannot be confirmed in the absence of supplying a Social Security Number.

Policymaker Resource

It is essential to include the voices of local rental housing providers to create policy that creates and preserves affordable rental housing for Tukwila residents and families. These proposed policies would put an increased financial burden on housing providers, severely restricting their flexibility, and leading to a more exponential rise in rents across Tukwila. RHAWA remains available and willing to discuss alternative policies that will have a positive impact in the Tukwila rental housing market.

Corey Hjalseth | External Affairs Manager
Direct (206) 905-0603 | chjalseth@RHAWA.org

From: [Arc Di](#)
To: [CityCouncil](#)
Subject: I support a Renters' Bill of Rights
Date: Sunday, April 21, 2024 2:40:09 PM

Tukwila City Council,

I want to thank City Council for working on this important issue. Housing is a basic human right. Renters in our city deserve stability. Comprehensive renter protections like more notice of rent increases, limiting steep move-in fees, and relocation assistance will help make sure renters can afford a place to live. Enforcing protections already in place can make such a big impact as well. Please strengthen the inspection program to ensure healthy homes.

Arc Di
arc.di93@gmail.com
15300 33rd Ave S Apt N229
Seatac, Washington 98188

From: [Al Awnur](#)
To: [CityCouncil](#)
Subject: We need strong renter protections in Tukwila
Date: Sunday, April 21, 2024 2:52:08 PM

Tukwila City Council,

I support a strong Renters' Bill of Rights for Tukwila. Rents prices are skyrocketing and people are struggling to keep up. Capping move-in costs and requiring property owners to offer relocation assistance for steep rent increases would help make sure renters can afford a place to live. Please pass comprehensive renter protections now!

Al Awnur
aawnur@gmail.com
14225 42nd Ave s 109
Tukwila , Washington 98168

From: [James Burdick](#)
To: [CityCouncil](#)
Subject: I support a Renters' Bill of Rights
Date: Sunday, April 21, 2024 2:37:13 PM

Tukwila City Council,

I want to thank City Council for working on this important issue. Housing is a basic human right. Renters in our city deserve stability. Comprehensive renter protections like more notice of rent increases, limiting steep move-in fees, and relocation assistance will help make sure renters can afford a place to live.

James Burdick
jamesburd@aol.com
3824 South 154th Lane, 14
Tukwila, Washington 98188

From: [Artie Nosrati](#)
To: [CityCouncil](#)
Subject: In support of a Renters' Bill of Rights
Date: Sunday, April 21, 2024 11:00:36 AM

I am writing to express my support for strong renter protections in Tukwila. Renters in Tukwila deserve safe and healthy homes. Many renters are living in homes that aren't being kept up by their landlords. I encourage you to strengthen our inspection program to protect Tukwila renters along with a comprehensive Renters' Bill of Rights.

Artie Nosrati
artie@transitriders.org
4219 S Othello St
Seattle, Washington 98118

From: [Anika Mckenzie](#)
To: [CityCouncil](#)
Subject: I support a Renters' Bill of Rights
Date: Monday, April 22, 2024 11:10:43 AM

Tukwila City Council,

I want to thank City Council for working on this important issue. Housing is a basic human right. Renters in our city deserve stability. Comprehensive renter protections like more notice of rent increases, limiting steep move-in fees, and relocation assistance will help make sure renters can afford a place to live.

Anika Mckenzie
shawtywamynameiz@gmail.com
5565 S 152nd St, #37
Tukwila, Washington 98188

From: [Debra Wendorff](#)
To: [CityCouncil](#)
Subject: In support of a Renters' Bill of Rights
Date: Monday, April 22, 2024 2:54:22 PM

Tukwila City Council,

I am writing to express my support for strong renter protections in Tukwila. Renters in Tukwila deserve safe and healthy homes. Many renters are living in homes that aren't being kept up by their landlords. I encourage you to strengthen our inspection program to protect Tukwila renters along with a comprehensive Renters' Bill of Rights.

Debra Wendorff
dewinfine@gmail.com
15445 39th Ln S, D-105
Tukwila, Washington 98188

From: [Allen Thompson](#)
To: [CityCouncil](#)
Subject: Please pass strong renter protections for our city
Date: Monday, April 22, 2024 7:30:46 AM

Tukwila City Council,

We need strong renter protections in Tukwila. Renters need some stability in their lives. Many are given very little notice for huge rent increases and have no time to adjust their budgets or find a new place they can afford. I urge you to pass a Renter's Bill of Rights for our city.

Allen Thompson
allencaps@gmail.com
4014 s 152nd st
Tukwila, Washington 98188



PO Box 78358
Seattle, WA 98178

(206) 990-9006
info@fullservicepm.com

May 7, 2024

Dear Councilmembers,

Good afternoon. My name is Peter Nelson. I am CEO and Designated Broker for Full Service Property Management. Full Service manages four properties within the City of Seatac, and hundreds more throughout King and Snohomish Counties.

I have been managing rental real estate for over 38 years. I purchased my first house in 1985, with a MIL apartment. I was an instant landlord, and learned the hard way how to treat tenants fairly, and how to not get burned by them.

Full Service has been in business for 12-1/2 years. During that time, I am proud to say that we have had zero discrimination complaints, and only one court-ordered eviction! The key: treat everyone fairly and respectfully.

Over the past 4 decades I have witnessed many changes. Increased regulations are driving the mom-and-pop landlords – small businesses, if you will – out of the industry. More and more small landlords are either hiring a property manager or

getting out of the business entirely. Even as a property manager, this saddens me. Small business, and the dream of owning and operating a small business, have always been a dream for so many Americans.

Life is all about choices. You selected where you wanted to live, and who you want to do business with. Give small business owners that same latitude, without over-regulating them. We are in America. Land of the free. Give small business owners the freedom to operate their business as they see fit.

Housing has gotten increasingly expensive; there is no doubt about that. This proposed ordinance is not going to “fix” the housing crisis, and I know you do not expect it to. I believe you hope it will help tenants weather the storm. A band-aid if you will. On a short-term basis, you may be right. Let’s take a look at the longer-term implications.

By making it easier for tenants to get into properties, you increase the likelihood of delinquencies, defaults, and evictions. Two to three years from now those delinquencies are going to show up on credit reports and verifications of rent, exacerbating the problem for tenants to find suitable housing.

Tenants with previously good rental history will be prevented from purchasing a home. Emotionally, many tenants will feel the stress of not meeting their

obligations. The overall health of tenants and the rental industry in the City of Tukwila will decline.

I am not here to preach to you, or argue the pros and cons of the moral imperative of a healthy rental market sustaining the local economy. But I do ask you to act consciously because the decision you make in the coming weeks will have consequences well into the future.

I want to take a moment to dispel a common and dangerous myth. After a 10-year run-up in asset values, it is a commonly held belief that landlords are wealthy landowners who can afford to shoulder the burden of their tenants. I can tell you, with God as my witness, that while some have built equity in their homes, all of them are dependent upon the rent to meet their mortgage obligations. Many of them are one missed rent payment, one expensive turnover, away from serious financial hardship. Be careful: your actions could have a cascading effect.

Imagine what will happen 5 or 10 years from now when the boom in rents we have recently experienced becomes a bust. Small landlords will be on the verge of foreclosure. Regulating an industry like so many local jurisdictions have tried to do does not fix the problem – it only complicates it long-term.

You are going to hear (and probably have already heard) from a group of tenants and tenant advocacy groups. They are going to plead with you that their lives will be adversely affected, if not ruined, if they are not afforded certain tenant protections. I agree. Tenant protections have merit against overzealous landlords. I can assure you that the bulk of our landlords are kind, compassionate individuals, who were once renters themselves, and only want a successful landlord-tenant relationship.

I want to remind (point) each and every one of you that after hearing the pleas of renters, you still have an obligation to fulfill Tukwila's destiny of carving a landlord-tenant relationship that will sustain this city, and this economy, not just today or tomorrow or next week, but well into the future.

I do not claim to be an economic genius, but the economist Adam Smith (and not our Rep. Adam Smith!) came up with a pretty simple, long-term solution to this housing crisis. Supply & demand. Flood the market with rentals and housing prices will surely drop. To put a band-aid on a problem without addressing the underlying cause will not take care of the problem. Councilmembers – work with your planning department to get more rentals in the market.

Johann Wolfgang Von Goethe once said “Whatever you can do, or dream you can, begin it! Boldness has genius, power and magic in it.” I challenge you to be bold. Don’t just ‘follow the leader’. Find long-term solutions that work for your fair city. It will bring genius, power, and magic!

I wish now to shift gears and address the elements of your proposed ordinance:

1. Information Provided by a Landlord to a Renter

There is little economic impact to either party through good communication.

Depending on the content of the material, it can be a very good thing. I suggest rather than have your staff prepare the document in a black box, that you enlist the services of stakeholders, and develop a constructive, well-thought document.

2. Renter Fees

Are you really ‘protecting renters’ by allowing them to move in to a rental owing money? Absolutely not! You are setting many of them up to have ruined credit which will further impact their housing choices in the future.

Councilmembers, I implore you to take a long-term view of what we are doing. If a tenant moves into a home that he/she cannot afford, that might fix the problem short-term. But long-term you are setting that tenant up for failure in housing.

Regarding the proposal to limit late fees to a paltry \$10, my response is....are you kidding? Late fees are not there as an income source! They are there solely as an incentive to encourage good payment behavior. My ultimate goal as a fee-based property manager is to collect zero dollars in late fees!

I have to believe that many if not all of you have children. When raising those children, you likely applied a “cause-and-effect” approach. Good behavior was rewarded, and bad behavior punished.

Please apply that same strategy to late fees. Encourage tenants to pay on time, and build good credit that could help them purchase a home in the future – the American dream. Fannie Mae came out just last year saying they would use rental history as a form of credit.

A low, \$10 late fee *encourages* tenants to pay late without thinking of the long-term consequences. It ruins their rental credit for buying a home, as well as limiting their future rental housing choices.

I support protection for tenants from landlords who charge excessive late fees and gouge the tenants. If you want to impose late fee regulations, restrict excessive late fees!

As a side note, we have taken over management of rental property from small landlords who charged an excessive late fee – often something like \$100/day. It is laughable because by the end of the month the tenant owes thousands of dollars. No one would ever pay that kind of late fee even if they could. At Full Service, we like to charge a late fee that hurts a little, to get the tenant's attention, to encourage good behavior, but not so much that it burdens them into rolling lates. By limiting the gouging, you can actually help landlords with better business practices while also helping the tenants.

As another side note, at Full Service we require first, last and security deposit at move in. Why? Because we want to ensure that tenants and owners alike do not have to suffer through the financial hardship resulting from tenants getting in over their head. We stage the last month's rent deposit over 4 months, beginning with the second month because: 1) we know most tenants are not walking around with 3 months' rent in their pockets, and; 2) we want to lessen the burden on the tenants. The beauty of this system is that it is a savings account for

tenants so when the time does come for them to move on, they don't have to pay rent their last month, and can save money for their next place. You see? There are solutions that don't have to penalize anyone. It just takes creativity.

3. Rent

For rent increases of 10% or more, I do not understand the rationale behind requiring 180-day notice. 6 months? Is that really "protecting" tenants? It does not take 6 months for a tenant to figure out he/she cannot afford that kind of increase, and find another place. Just because "big brother Seattle" did it, doesn't make it logical or right. Let's be practical here. 120 days is sufficient time for a tenant to figure out whether they need to move, and then find another place.

Regarding the rent due date: again, leave this to be negotiated between the landlord and tenant. In the Information Provided by Landlord to Tenant, include best practices. One of those best practices is for the landlord to encourage timely payments by being flexible. The large majority of landlords, including myself and Full Service Property Management, do NOT want late fees. We just want rent to be paid on time. As agreed. While you are educating tenants on their rights as tenants, educate landlords on best practices for happy leases! Instead of

punishing landlords with restrictions, find ways to encourage them and reward them for their flexibility. Be bold. Be creative. Be positive.

Finally, regarding uninhabitable units, you do not need to govern or regulate them. The very term 'uninhabitable' has taken care of that for you. If landlords do not maintain a unit as required by law, then let building enforcement take over. Let the tenants know they can report unlawful conditions, and your existing building code officials can take care of the rest. There is no need to compound the authority with more, confusing regulation.

4. Social Security Numbers

It is unclear how this is 'protecting' tenants. It opens the door for tenants with really bad credit – with no regard for what they agree to pay – to continue their bad habits of taking advantage of small business owners. Again, councilmembers, do NOT encourage bad behavior under the guise of "protecting tenants". Find ways to encourage good behavior.

Running a credit check is at the very core of most landlords' screening process. To take that away is like putting a blindfold on them, and denying them the right to due process. I am no lawyer, but I am pretty sure this measure is illegal.

5. Evictions

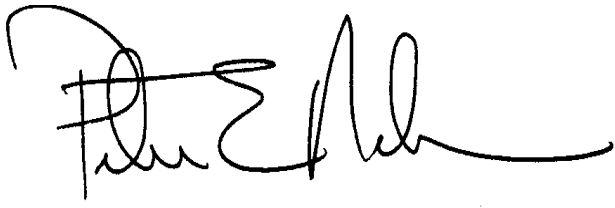
Can we all agree? Evictions are a bad thing. The tenant loses. The landlord loses. The taxpayers lose with increased court congestion. The only party that wins are the lawyers, and they are already doing well enough without our help!

If you are going to require landlords to get a business license, then pass (or don't pass) laws just as you would for any other business.

- Do you require other businesses to not accept full payment at the time they enter into a business agreement with a customer or client?
- Do you limit how much businesses can charge, or raise their prices?
- Do you regulate the terms under which a business can terminate a relationship with a customer or client?

Of course you don't. To do so would be highly discriminatory and illegal. Which exactly what this ordinance is!

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter Nelson', with a stylized, cursive script.

Peter Nelson
CEO

From: [Peter Nelson](#)
To: [Laurel Humphrey](#)
Subject: Re: Enhanced Renter Protections
Date: Wednesday, May 8, 2024 9:55:43 AM

Thank you, Laurel.

I recently had one more thought that I do not think made it into my comments. I have been in real estate for 39+ years. I have seen a lot. But I do not think I can think of another industry that is being regulated like housing. These rules are a knee-jerk reaction to the run-up in rental rates between 2010-2020 with no thought to the long term.

The housing market will turn just like every other market turns. The question is not "if" but when. And WHEN it does, there are going to be a lot of small business owners (landlords) who will be financially strapped with falling rents. On top of that will be the burdens placed on them by all of this legislation.

I am not worried about the big hedge funds that manage 30,000 units. They can withstand that. But I am concerned about the moms-and-pops. It is their entrepreneurial spirit that made this country great. If there was a way for legislation to distinguish between the two then the big corporations could weather their storm and the moms and pops could, too.

The hard part will be distinguishing between the two since hedge funds often do not own the properties they manage. But the distinction could be "If you own or manage more than 1,000 units..."

Everyone is on the tenant bandwagon, and I get that. Most property management companies (PMCs) are worried about their own bottom line. I have discovered that if we help tenants solve their problems, then we solve ours! If it is a temporary problem then we work with them. If it is more permanent, and they moved into too much house, then we try to talk them into breaking their lease and getting a less expensive place.

There needs to be a paradigm shift within the PM industry. Legislation is one part of the solution. Too many legislators think it is THE solution. It is not. There needs to be temperance.

Best of luck.

On Tue, May 7, 2024 at 7:25 PM Laurel Humphrey <Laurel.Humphrey@tukwilawa.gov> wrote:

Hello Mr. Nelson, it is not too late as the draft ordinance is still under consideration. Thank you for your comments.

Sincerely,

Laurel Humphrey

Legislative Analyst | City of Tukwila

6200 Southcenter Blvd | Tukwila, WA 98188

Mobile: 206.491.2297

<http://tukwilawa.gov>

From: Peter Nelson <peter@fullservicepm.com>

Sent: Tuesday, May 7, 2024 5:34 PM

To: CityCouncil <CityCouncil@TukwilaWA.gov>

Subject: Enhanced Renter Protections

Greetings.

I do not know if it is too late, but attached is some testimony I provided to the City of SeaTac that I have modified for Tukwila. Most of the points are still very relevant.

Thank you.

--

Sincerely,

Peter Nelson, Founder/CEO

Full Service Property Management

"Good property management just got better!"

From: [Elizabeth Koch](#)
To: [De"Sean Quinn](#); [Dennis Martinez](#); [Hannah Hedrick](#); [Laurel Humphrey](#); [CityCouncil](#)
Subject: Fwd: Rental Housing Provider
Date: Tuesday, May 21, 2024 11:18:13 AM

----- Forwarded message -----

From: **Elizabeth Koch** <kochfamily1234@gmail.com>
Date: Tue, May 21, 2024 at 11:15 AM
Subject: Rental Housing Provider
To: <citycouncil@tukwila.gov>

I understand the desire to help people. I get that. However, are you aware of how your laws are impacting those you are trying to help?

I have owned properties in Tukwila since 2004. I have always been willing to work with people. Now you have taken that right away from the one who owns the property. I have had tenants stay for 19.5 years. I don't want them to vacate. I want them to stay.

In the past, I had always given 60 to 90-day notice for rent increases even before you mandated such nonsense. In the past, I have always worked with tenants to schedule their rent around their pay dates, social security, etc. Before your intrusion I was able to work with people with evictions, felonies, high debt with a plan to pay off, now I have to treat everyone the same which now excludes good people and has contributed to our homeless problem. No longer can I give someone a chance due to the nonsense of asking someone to vacate "my" property because **they have chosen to not comply with what they agreed to**. In the past, if a tenant was unable to pay for rent due to unforeseen circumstances there were organizations to help. My tenants never took advantage of that but some would use it on a 1 time which required me to wait on rent and agree to no late fee if the organization was willing to help. I believe more money going into these organizations rather than providing tenants with all the rights in the world with paid attorneys would be a better direction to go.

When will the City of Tukwila pay my property taxes or pay for the renovations that are required? I'm waiting for an answer. Oh yeah, I owner of the property and I am responsible for those. You have NO RIGHT to tell me who I can and cannot rent to; yet in this Bannana Republic you feel you have that right! COMMUNISM will not last here.

I feel you have overstepped our Constitutional rights big time. We do not need more government control. We need housing providers who can give someone a chance and if they make poor choices have a remedy to have them move. This is purely common sense.

My registration fee is not a fee it is a tax! This too is unconstitutional!

You are forcing good landlords to exit the rental industry leaving fewer homes available for those that need one; but isn't that the goal of "You will own nothing and be happy"? We are not a socialist country we are a Republic. Your government control is the TRUE PROBLEM!

Respectfully,



INFORMATIONAL MEMORANDUM

TO: Planning and Community Development Committee

FROM: Nora Gierloff, DCD Director

BY: Lee Sipe, Acting Building Official

CC: Mayor Thomas McLeod

DATE: June 4, 2024

SUBJECT: Permit Review Contract Amendments

ISSUE

Two contracts for permit review by consultants are nearing their maximum amount and need to be increased in order to prevent building permit issuance delays.

BACKGROUND

The Building Division uses private consultants to assist with review of development permits. BHC Consulting LLC provides plan review and inspections for larger projects or when the workload is too high for City staff to maintain response timelines. Reid Middleton provides structural review in a more cost-effective manner than the City hiring an in-house engineer.

DISCUSSION

During the budget process staff estimates the cost needed for these permit services over the next two years and contracts for that dollar amount. We are experiencing higher permit volumes/values than anticipated and so need to increase the contracts in line with the City's needs. BHC is willing to extend their contract through 2025 at the current rates. Reid Middleton has not developed their 2025 fee schedule, so that will need to be addressed separately before the end of 2024.

FINANCIAL IMPACT

Staff is proposing to amend the "not to exceed" amount for the two contracts from \$150,000 to \$300,000 each. Only the amount needed to keep up with review of future permit submittals will be spent. The funds for these services come from the permit fees paid by applicants for plan review and inspections and do not impact the general fund.

RECOMMENDATION

The Council is being asked to approve these contract amendments and forward these items to the Consent Agenda at the June 17, 2024, Regular Meeting.

ATTACHMENTS

- A. Amendment to contract 23-002 with BHC Consulting
- B. Amendment to contract 23-003 with Reid Middleton



City of Tukwila

6200 Southcenter Boulevard, Tukwila WA 98188

Agreement Number:

CONTRACT FOR SERVICES

Amendment # 1

Between the City of Tukwila and BHC Consultants LLC

That portion of Contract No. **23-002** between the City of Tukwila and **BHC Consultants LLC** is hereby amended as follows:

Sections:

3. Duration of Agreement; Time for Performance. This Agreement shall be in full force and effect for a period commencing upon 1/2/2023 and ending on **12/31/2025**, unless sooner terminated under the provisions hereinafter specified. Work under this agreement shall commence upon written notice by the City to the Consultant to proceed. The Consultant shall perform all services and provide all work product required pursuant to this Agreement no later than **12/31/2025** unless an extension of such time is granted in writing by the City.

4. Payment. The Consultant shall be paid by the City for completed work and for services rendered under this Agreement as follows:

- A. Payment for the work provided by the Consultant shall be made as provided on Exhibit "B" attached hereto, provided that the total amount of payment to the Consultant shall not exceed **\$300,000.00** without express written modification of the Agreement signed by the City.

All other provisions of the contract shall remain in full force and effect.

Dated this _____ day of June, 2024.



City of Tukwila

6200 Southcenter Boulevard, Tukwila WA 98188

Agreement Number:

CITY OF TUKWILA

CONTRACTOR:

Thomas McLeod, Mayor

By: _____

Printed Name: _____

ATTEST/AUTHENTICATED:

Title: _____

Andy Youn, City Clerk

APPROVED AS TO FORM:

Office of the City Attorney



City of Tukwila

6200 Southcenter Boulevard, Tukwila WA 98188

Agreement Number:

CONTRACT FOR SERVICES

Amendment # 1

Between the City of Tukwila and Reid Middleton Inc.

That portion of Contract No. **23-003** between the City of Tukwila and **Reid Middleton Inc.** is hereby amended as follows:

4. Payment. The Consultant shall be paid by the City for completed work and for services rendered under this Agreement as follows:

- A. Payment for the work provided by the Consultant shall be made as provided on Exhibit "B" attached hereto, provided that the total amount of payment to the Consultant shall not exceed **\$300,000.00** without express written modification of the Agreement signed by the City.

All other provisions of the contract shall remain in full force and effect.

Dated this _____ **day of June, 2024.**

CITY OF TUKWILA

CONTRACTOR:

Thomas McLeod, Mayor

By: _____

Printed Name: _____

ATTEST/AUTHENTICATED:

Title: _____

Andy Youn, City Clerk

APPROVED AS TO FORM:

Office of the City Attorney



City of Tukwila

6200 Southcenter Boulevard, Tukwila WA 98188

Agreement Number:



INFORMATIONAL MEMORANDUM

TO: **Planning and Community Development**

FROM: **Nora Gierloff, DCD Director**

BY: **Isaac Gloor, Associate Planner**
Maxwell Baker, Development Review Supervisor

CC: **Mayor Thomas McLeod**

DATE: **June 10, 2024**

SUBJECT: **Permitting Process Improvements**

ISSUE

Amendments to Tukwila Municipal Code Titles 8, 16, 17, 18, and 19 are needed to consolidate and simplify permit procedures and comply with recently passed Washington State legislation [SB 5290](#) and [HB 1293](#).

BACKGROUND

Tukwila's Permitting Process

The City of Tukwila Department of Community Development accepts and reviews applications for land use projects and development. The Tukwila Municipal Code (TMC) distinguishes various permits by type and contains standards for the processing of those permits. Review of land use permits is subject to timelines for various steps, which are broken down below. These timelines are largely dictated by State law.

- Notice of Complete / Incomplete Application:
 - The City of Tukwila must determine whether an applicant has submitted all necessary documents for review, like site plans, building plans, environmental reports, etc.
 - This step is subject to the following timelines:
 - The Department must determine whether a permit application is complete or incomplete within 28 calendar days of permit submittal. Should the Department fail to provide a determination within that time, the application shall be deemed automatically “*Complete*” for the purposes of this step.
 - An application is “*Incomplete*” if the Department determines that the permit submittal doesn't contain all required documents.
 - The applicant has 90 calendar days from the date of the “Notice of Incomplete Application” to provide required materials. If the applicant fails to do so, the Permit Application will expire. Any refundable fees paid will be returned to the applicant.
 - If the Department determines that the permit submittal is “*Complete*”, the Department shall provide a “Notice of Complete Application” that informs the applicant that formal review of the application will begin.
- Notice of Application:
 - Some permit types require the public to be notified that an application has been submitted. In those cases, the Department has 14 calendar days to issue this

“*Notice of Application*”. That notice can be provided via email to all interested parties and agencies with jurisdiction, via mail to nearby property owners and residents, and by a physical sign erected on the subject property. Some permit types require all these notice formats to be utilized.

- A “*Notice of Application*” is accompanied by a comment period. This is a set period in which the Department will accept comments from the public or agencies with jurisdiction regarding the project. During the comment period, the Department will not make a final determination on the project’s compliance with Tukwila Municipal Code. This period can range from 14 calendar days to 21 calendar days, depending on the Permit Type.
- If the Permit Type requires that the final decision be made in a hearing, this step will also include a “*Notice of Hearing*”. This notice must be provided at least 14 calendar days prior to the hearing.
- Permit Review:
 - The Department must provide a final determination regarding whether a proposal complies with the TMC within 120 calendar days from the date that the applicant was sent a “*Notice of Complete Application*”.
 - The 120-calendar day countdown runs for the entire time that the Department is *reviewing* a project. However, that countdown stops whenever the Department determines that the application must be revised to comply with the TMC. At that point, the status of the application is changed to “*Corrections Required*” and a Correction Letter will be sent to the applicant that details all required submittals.
 - When the status is changed to “*Corrections Required*”, the applicant has 90 calendar days to submit all required materials. If they fail to do so, the application will expire.

Tukwila’s Zoning code was adopted in 1995 and is approximately 29 years old. Original sections have been built on, expanded, and edited over time. Because of the patchwork nature of Tukwila’s code, sections are occasionally repetitive, confusing, refer to nonexistent permits or standards, or conflict with other sections. It has been a goal of the Department of Community Development to simplify and correct the TMC, as well as to bring all the TMC’s Titles into alignment with each other.

New Legislation

2023 was an active year for State Legislation, with Governor Inslee signed into law many bills affecting Tukwila. Among them were Senate Bill 5290, now called the “Local Project Review Act” (LPRA), and House Bill 1293. These bills mandate sweeping changes to permit reviews for all local governments planning under the Growth Management Act, including Tukwila. They are intended to increase the timeliness and predictability of local review, both of which have large impacts on project costs for development.

Changes mandated by these two bills, and relevant to this code update proposal, are summarized below:

- SB 5290: New Permit Review Timelines
 - For projects that do not require public notice, the final decision must be issued within **65 calendar days** of the “*Notice of Complete Application*”.
 - For projects that do require public notice, the final decision must be issued within **100 calendar days** of the “*Notice of Complete Application*”.

- For project permits which require both notice and a public hearing, the final decision must be issued within **170 calendar days** of the “*Notice of Complete Application*”.
- If a project permit fails to meet these timelines, in addition to other measures that an applicant may seek, the local jurisdiction would be required to refund up to 20% of an applicant’s permit fees.
 - However, local jurisdictions may implement at least 3 of 10 optional measures set forth in SB 5290 that are intended to further speed up permit review timelines. If a jurisdiction enacts these measures, refunds would not need to be provided even if permit timelines are not met.
- **HB 1293: Limits on Design Review Meetings**
 - Cities may not hold more than a single public meeting for design review projects. This severely limits the utility of public hearing for design review, as the only possible decisions that a Design Review body can make are to approve or deny a proposal. They cannot require corrections, as that would entail another design review meeting.
 - HB 1293 also requires that design review standards be clear, objective, and be based on an ascertainable guideline or criterion. The intent of this is that an applicant should be able to determine whether a design will meet the review criteria simply by reading the criteria themselves.

While this may sound straightforward, as most code is clearly legible for developers, many jurisdiction’s design review criteria (including Tukwila’s) contain standards that are clearly *subjective* in nature. This includes standards such as requirements that a project “match the character of the surrounding neighborhood” or that a building “feature a high-quality design”. These standards are necessarily reliant on the eye of the beholder, and thus enforcement can differ based on who is the decision maker.

The Department is not currently proposing reform to the design review standards. That work will be presented as part of a separate code update package. However, as the limit on the number of public meetings/hearings portion of this bill has implications for the new standards set forth in SB 5290, the Department proposes to implement this aspect of the bill as part of this update.

Tukwila must implement the new permitting timeline requirements by December 31st, 2024. The requirements of House Bill 1293 must be implemented by mid-2025, or, 6 months after the City adopts its next Comprehensive Plan.

DISCUSSION

This code update would amend the portions of Titles 8, 16, 17, 18, and 19, that relate to project permitting, permit types, review timelines, appeals, and design review. It would consolidate permit types, establish new permitting timelines, and speed up the review of applications for Design Review by removing the requirement to hold public hearings before the Board of Architectural Review (BAR). It also includes corrections to scrivener’s errors, as well as removals of redundant or expired code sections.

The proposal would bring the City’s codes fully into compliance with the LPRA and would implement a requirement from HB 1293 that correlates well with the rest of the amendments. It

also would help achieve Department and City goals regarding permit review timelines, particularly relating to the timeliness of Design Review applications.

The current City of Tukwila review timelines for most permit types already meet the new statutory requirements, and virtually all permits currently meet the (now superseded) 120-day timeline, as shown below.

	September 2021	February 2022	February 2023	February 2024
Fire Reviews	28 – 0 Overdue	41 - 1 Overdue	48 – 0 Overdue	23 – 0 Overdue
Building Reviews	47 – 9 Overdue	11 - 4 Overdue	3 – 0 Overdue	19 – 0 Overdue
Planning Reviews	128 – 95 Overdue	31 - 8 Overdue	38 – 13 Overdue	51 – 0 Overdue
Engineering Reviews	178 – 78 Overdue	60 - 8 Overdue	61 – 8 Overdue	65 – 0 Overdue

(First number are permits actively Under Review which includes those that are overdue.)

However, Design Review projects that require review by the BAR commonly reach or exceed timelines, largely due to the need to schedule a Public Hearing. These hearings occasionally must be scheduled months ahead of time to be accommodated in busy agenda schedules.

The Department has a strong interest in accelerating the review of permits that require design review, many of which are related to the development of new housing. A commonly cited barrier to development is timely and predictable procedures within the permitting process. This proposal would amend the portions of Title 18 that relate to design review applications to establish that all design review would be an administrative process. The BAR, whose members consist of the Planning Commission, would continue to serve in their roles and perform all functions of the Commission other than the administration of a public hearing and quasi-judicial review for Design Review permits. Public notice would still be required for Design Review applications, and the City’s timeline for approval of a design review permit would be set at 100 calendar days, in accordance with state requirements (as opposed to 170 days for those decisions which require a public hearing). The Design Review standards would not change as part of this proposal; however, all departures from the standards would be reviewed administratively as opposed to at a hearing by the Board of Architectural Review.

As part of their implementation strategies, some jurisdictions are considering complying with these new state requirements by changing their review procedures for certain permit types in a way that would increase the permit timelines. This could be accomplished by adding public notice requirements where they currently don’t exist, or requiring a public hearing for a permit type when currently it can be reviewed administratively. In this way, a permit timeline could legally be extended from a state requirement of 65 days up to a maximum of 170 days. While these changes would comply with the letter of the law, the Department is not proposing any amendments that would lengthen reviews.

These changes are expected to provide greater clarity and predictability for applicants, simplify permit review processes for both applicants and staff, speed up review timelines, and push Tukwila another step towards compliance with new State requirements.

FINANCIAL IMPACT

Eliminating public hearing design review would lower the fees for that permit type but also save considerable staff time.

RECOMMENDATION

The Committee is being asked to forward this issue to the Planning Commission for a recommendation. It will then be returned to the Council in ordinance form for a hearing and decision.

ATTACHMENTS

Attachment A: Example Permit Timeline

Attachment A: Example Permit Timeline

Project:

New Duplex within the Medium Density Residential zoning district

Permit Case Study:

Design Review Application

Current Project Pathway:

Proposed Project Pathway:

Application Submitted:
City has 28 days to determine whether the application is complete. If the application is complete, staff will notify the public of the application.

Application Submitted:
City has 28 days to determine whether the application is complete. If the application is complete, staff will notify the public of the application.

Permit Review:
The Department will review the project for compliance with Tukwila Municipal Code and Design Review Guidelines and issue corrections if necessary.

Upon determining that the project permit complies with the TMC and Design Review Guidelines, the Department will then prepare a detailed staff report.

Permit Review:
The Department will review the project for compliance with Tukwila Municipal Code and Design Review Guidelines and issue corrections, if necessary.

The final decision maker is the Director of Community Development. Thus, when staff review is complete, the Department can prepare a staff report and issue the permit.

Public Hearing:
The Department must schedule a Public Hearing at the next available Planning Commission session. As the Commission meets monthly, if the next meeting agenda is full the applicant may need to wait more than 30 days.

Two weeks of notice must be given to the public for this hearing. Staff will present the project and explain the Design Review Criteria to the Board of Architectural Review, who will make the final determination.

Maximum Time to Issue Final Determination:
100 calendar days
No additional time for scheduling or public notice for hearings is required.

Maximum Time to Issue Final Determination:
120 calendar days
Actual review time is highly variable and frequently extended.

