



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 (Updated August 23, 2024, see page 7 for new information)**

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.

Updates following June 10, 2024 Planning & Community Development Committee

The Planning & Community Development Committee discussed the draft ordinance at its June 10, 2024 meeting and made additional information requests addressed as follows:

1. Potential Small Landlord Exemption

Background

There is no legal restriction on providing an exemption from tenant protection provisions to small landlord. However, an exemption of this kind is not common in Washington. None of the renter protection ordinances passed since 2021 in Kenmore, Redmond, Kirkland, Issaquah, Burien, SeaTac nor Seattle have exempted landlords based on the number of units owned.

Several jurisdictions, including Auburn, Kenmore, and King County have considered such an exemption and ultimately opted not to pursue one.

Kenmore

Kenmore's city council discussed adopting an exemption for small landlords at its June 13, 2022 council meeting. A motion to add an exemption for landlords owning four or fewer units was not seconded, and the exemption was accordingly not included in Kenmore's ordinance. The reasons provided by councilmembers for not supporting the exemption included the following:

- Such an exemption is difficult to enforce. Companies commonly purchase properties under separate LLCs, making it difficult to tell exactly how many units are owned by one "landlord." This can lead to large companies benefiting from the exemption.
- Renters' rights should not be different depending on who they are renting from.
- The state legislature has considered small landlord exemptions in the past but has never enacted one because of the practical difficulty in targeting the correct "mom and pop" landlords, as well as enforcement.
- The city's tenant protection provisions are not so onerous as to cause substantial hardship on small landlords.

Arguments in favor of the exemption were similar to those heard by the Tukwila City Council throughout its consideration of a tenant protection ordinance:

- Small landlords do not have the capital to deal with difficult situations in the same way that larger companies do. This means limitations on security deposits and late fees can cause financial hardship.
- Many small landlords use rental income to pay mortgages or to fund retirement.
- Small “mom and pop” landlords evict tenants at a lower rate than large companies.

King County

King County passed a tenant protection ordinance in 2021 with many of the same provisions being considered by Tukwila, including a limit on move-in fees and late fees, increased notice of rent increases, and limitations on evictions. Councilmember Reagan Dunn proposed an exemption for landlords that own four or fewer units. The exemption was rejected by the council. Councilmembers who opposed the exemption provided as a rationale that a renter’s rights should not be different depending on who they are renting from.

2. Provide Information on Cost of Ballot Measures

The cost of placing a measure on a ballot in King County is variable and depends on factors including number of participating jurisdictions, number of voters in each jurisdiction, and total number of races and ballot measures each jurisdiction has on the ballot. There are also staffing costs associated with preparing for a ballot measure, which requires preparation and adoption of a resolution, preparation of an explanatory statement, soliciting and coordinating the pro/con committees, and submitting associated paperwork.

In Tukwila, the 2023 PSRFA annexation on the August primary ballot cost \$13K, and the 2022 minimum wage citizens’ initiative on the November general ballot cost \$27K.

RECOMMENDATION

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

ATTACHMENTS

Exhibit 1: Draft Ordinance

Exhibit 2: Comment Letters

Exhibit 3: Original TRU Policy Proposals May 2023

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,



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

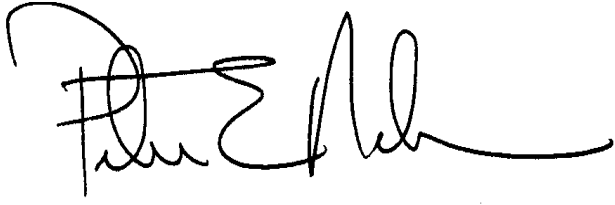
Can we all agree? Evictions are a bad thing. The tenant loses. The landlord loses. The taxpayers lose with increased court congestion. The only party that wins are the lawyers, and they are already doing well enough without our help!

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". The signature is fluid and cursive, with a large initial "P" and "N".

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,



Tukwila Renter Protections Policy Proposals

May 2023

1. Additional notice of rent increases
2. Cap move-in costs, allow payment in installments
3. Cap late fees
4. Just Cause Protections
5. Relocation assistance for large rent increases
6. Strengthen Tukwila's rental property inspection program
7. Regulate additional fees and costs added to rent
8. No Social Security Number requirement
9. Renters on fixed income can change rent due date
10. Ban deceptive and abusive practices
11. Additional protections worth considering
12. Ensure that protections cover all renters
13. Impact of renter protections on rental housing stock
14. Enforcement
15. WLIHA letter on 2023 state legislative session

1. Additional notice of rent increases

PROPOSAL

- 120 days notice for rent increases equal to or greater than 3 percent
- 180 days notice for rent increases equal to or greater than 5 percent
- Tenants faced with a rent increase equal to or over 5 percent can leave their lease early
- Clarify that “rent” includes *all* fixed monthly charges paid to the landlord (e.g. parking, pet rent, storage, and any flat utility fees) and not just base rent. This is consistent with the definition of rent in state law, RCW 59.18.030.

WHY THIS IS IMPORTANT

Rents have been increasing throughout King County at a rapid pace. Families are routinely getting monthly rent increase notices of \$200, \$300, and sometimes far more. People need time to find new housing or figure out a way to pay the additional rent. In a tight housing market, it is extremely difficult and labor-intensive for a family to find a new home, especially one in the same school district or near existing community networks and services. This provision makes it more likely that renters can adjust their finances or find a new rental home instead of falling into homelessness, which is ultimately far more harmful and costly.

WA CONTEXT AND LOCAL PRECEDENTS

Washington state currently requires 60 days notice of any rent increase.

HB 1124, which passed out of committee in the 2023 legislative session but was not called for a House floor vote, would have required 180 days notice for rent increases greater than 5 percent *and* given tenants faced with such an increase the right to leave their lease early.

Many King County jurisdictions have passed stronger local notice laws:

- *Seattle*: 180 days notice of *any* rent increase
- *Burien, SeaTac, Kenmore, Kirkland, and Redmond*: 120 days notice for rent increases larger than 3%, and 180 days notice for rent increases larger than 10%
- *Unincorporated King County*: 120 days notice for rent increases larger than 3%
- *Auburn*: 120 days notice for rent increases larger than 5%

Burien also gives tenants the right to leave a lease early when faced with a rent increase.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

This policy can be passed without significant new costs to the city.

Very low legal risk. No King County jurisdiction has faced a lawsuit over a policy like this.

2. Cap move-in costs, allow payment in installments

PROPOSAL

- Any upfront costs over and above the first month's rent are capped at a total equivalent of one month's rent.
- Tenant has the right to pay move-in costs in installments over 6 months, or 2 months for leases shorter than 6 months.

WHY THIS IS IMPORTANT

Large upfront costs are one of the main reasons renters have trouble finding new housing. In addition to the costs of hiring moving help and/or taking time off work to move, most rentals require upfront payment of first month's rent, last month's rent, a security deposit and various fees that often add up to another month's rent. King County is one of the most expensive rental markets in the country and depending on the unit size, the average rent is anywhere from \$1,400-\$3,200. Moving into a new apartment can easily cost \$5,000-\$9,000.

Most families do not have adequate savings and little excess income to pay multiple months of rent in advance in addition to moving costs. This creates a barrier that makes it extremely difficult for families to relocate and traps people in rental situations that they cannot afford. People often stay in unsafe housing or abusive relationships because they can't afford to move. In other cases, they simply become homeless.

In addition to making it easier for renters to move, limiting move-in costs relieves strain on non-profit service providers, who are often footing the bill for move-in costs for low-income families and domestic violence survivors to flee an abuser and find safer housing.

WA CONTEXT AND LOCAL PRECEDENTS

Unincorporated King County, Kenmore, Kirkland, Redmond, Burien, and SeaTac have all passed the policy proposed above. Seattle and Auburn have somewhat different policies limiting move-in fees and allowing payment in installments.

Washington state law allows payment in two or three monthly installments in most circumstances, upon the tenant's written request; see RCW 59.18.610.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

This policy can be passed without significant new costs to the city.

Very low legal risk. The Rental Housing Association of Washington sued Seattle over its move-in fee legislation in 2017. A Superior Court Judge ruled in favor of the City in 2018. In 2019, RHA sued Burien over a move-in fee installment policy, but the court found that RHA couldn't relitigate the issue against Burien since RHA hadn't appealed the Seattle lawsuit. (Burien's policy inspired the state law cited above.) Since then, none of the cities passing move-in fee policies have been sued.

3. Cap late fees

PROPOSAL

Cap late fees at \$10 per month

WHY THIS IS IMPORTANT

Currently, there is no state regulation on how much landlords can charge in late fees. We often see a flat rate of anywhere from \$50-200 and then a daily fee of \$5-50 until rent is paid in full. This sets renters up to become permanently behind on rent and stuck in a cycle of escalating fees and debt.

Renters consistently prioritize rent over other bills and expenses. As they say, “the rent eats first.” The risk of losing one’s housing or having an eviction filing on one’s record is a strong motivator; late fees are not needed to incentivize paying on time. The main impact of punitive late fees is to hurt a person’s credit history, which can make it difficult for them to apply for rental housing in the future.

Mistakes happen; there can be an accounting delay resulting in a late paycheck, or something goes awry with public benefits, or an unexpected expense comes up. If someone is unable to pay their rent on time, they’re unlikely to be able to pay steep late fees on top of catching up.

Service providers that aid in helping to stabilize the living situation for families behind on rent can do more when less of their limited funds are spent paying off high late fees.

One reason we prefer the flat \$10 cap to a percentage-based cap is that, in the latter case, many landlords will write the percentage instead of a fixed dollar amount into their leases. This creates confusion for the tenant in calculating the late fee, especially if it’s unclear what costs (base rent, parking, storage fees, pet rent, etc.) it is based on. A percentage-based cap also penalizes the most cost-burdened tenants; unfortunately paying higher rent does not mean that a tenant has higher income and is able to afford higher fees. Very often it simply means that a tenant is paying a higher percentage of their income every month in rent and therefore has less disposable income.

WA CONTEXT AND LOCAL PRECEDENTS

Auburn was the first King County city to cap late fees at \$10 per month, in 2020. Since then, both Burien and Seattle have done the same.

Kenmore, Redmond, and unincorporated King County have all capped late fees at 1.5% of monthly rent. SeaTac has capped late fees at 2% of monthly rent.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

This policy can be passed without significant new costs to the city.

Very low legal risk. No King County jurisdiction has faced a lawsuit over a policy like this.

4. Just Cause Protections

PROPOSAL

Enact local Just Cause protections that strengthen the statewide just cause eviction law (RCW 59.18.650) in the following ways:

1. Landlords must be licensed with the City of Tukwila and have passed an inspection before filing an eviction.
2. Require that eviction notices state in writing that a tenant may qualify for no-cost legal representation, with information about where to call to seek assistance.
3. Require that a landlord offer a tenant a new rental agreement at least 90 days before a lease expires, unless the landlord has a just cause to end the tenancy; or the lease automatically converts to month-to-month.
4. Establishing a defense to eviction in cases where a landlord does not comply with the above rules.

WHY THIS IS IMPORTANT

The statewide Just Cause law passed in 2021 is a good foundation but it has some weaknesses that leave many tenants vulnerable.

One major loophole is that the statewide law excludes most renters on fixed term leases, leaving them vulnerable to no-cause evictions at the end of their lease. Evictions and lease terminations very often lead to homelessness and landlords should always have a legitimate reason to take this disruptive step. Just Cause protects renters from losing their housing because of discriminatory or retaliatory reasons. All renters deserve this basic protection.

WA CONTEXT AND LOCAL PRECEDENTS

Several King County jurisdictions established local Just Cause laws *before* the statewide law passed in 2021: Seattle (1980), Burien (2019), Federal Way (2019, by voter initiative), and Auburn (2020).

Federal Way's and Auburn's laws explicitly cover tenants on fixed terms leases, requiring that landlords have a good cause to terminate a tenancy at the end of a lease.

Unincorporated King County (July 2021) and Kenmore (July 2022) passed local Just Cause laws *after* the statewide law passed. Both of these laws also explicitly cover tenants on fixed terms leases, requiring that landlords have a good cause to terminate a tenancy at the end of a lease.

Also in 2021, after the statewide law passed, Seattle closed the lease loophole in its longstanding Just Cause ordinance by offering tenants a "right of first refusal" to stay or leave their home when their lease is up. SMC 7.24.030.J requires owners to offer a lease renewal to existing tenants when their term lease is expiring unless there is just cause.

In October 2022, Burien strengthened its Just Cause law in several ways, including language to close the lease loophole. In early 2023, Burien struck this language in response to an unpublished court

opinion as described below.

In April 2023, SeaTac passed a local Just Cause law modeled on Burien's, also removing the language protecting tenants on fixed term leases due to fear of lawsuits.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

This policy can be passed without significant new costs to the city.

Washington appellate courts in *Margola Associates v. City of Seattle* (1993) and *Rental Housing Association v. City of Seattle* (2022) upheld the rights of cities to enact legislation providing defenses to eviction.

The Rental Housing Association sued Burien after passage of its 2019 law, in *Rental Hous. Ass'n of Wash. v. City of Burien*. In August 2022, the Washington Court of Appeals issued an unpublished opinion in this case, stating that "BMC 5.63.070(1) [Burien's law] is preempted to the extent that it conflicts with [state statute] RCW 59.12.030(1) and (2)." Specifically, this opinion held that Burien's law as passed in 2019 *implicitly* extended to tenants on fixed term leases, and that this extension was preempted by state law.

While Burien chose to strike some language in its Just Cause law in response to this decision, we believe this was unnecessary. First, the Court of Appeals decision is unpublished and therefore non-binding; it did not in practice interfere with the successful use of Burien's law in court. Second, the decision itself is based on a misunderstanding of state law. The state statute it refers to applies only to commercial, not to residential tenancies. We believe there was no conflict between Burien's law covering residential tenant protections and state law.

This is supported by the fact that five King County jurisdictions (Federal Way, Auburn, Seattle, Kenmore, unincorporated King County) still have Just Cause laws that explicitly cover tenants on fixed term leases, and these laws are being used successfully in court to defend tenants against unlawful eviction. None of these cities has been sued over these provisions.

We recommend that Tukwila include language modeled after Seattle's "right of refusal" law to cover tenants on fixed term leases. We think it is likely that the Rental Housing Association or other landlord interests could threaten to sue over the inclusion of language covering fixed term leases, pointing to the Burien opinion to make this threat believable. In case of a lawsuit, the Housing Justice Project is willing to represent the City in court at no cost to the City.

5. Relocation assistance for large rent increases

PROPOSAL

- In case of a very large rent increase (10 percent or more in a 12-month period), if the tenant moves out the landlord must pay relocation assistance equal to three months' rent.
- Clarify that "rent" includes *all* fixed monthly charges paid to the landlord (e.g. parking, pet rent, storage, and any flat utility fees) and not just base rent. This is consistent with the definition of rent in state law, RCW 59.18.030.

WHY THIS IS IMPORTANT

When property owners seek to dramatically increase rents, and thereby profit from future tenants, current tenants forced to relocate bear the financial burden for the future gain of the property owner. Landlord-paid relocation assistance helps ensure families can safely find new housing that works within their budget, and softens the cost of moving.

Large rent increases are a common way of getting rid of lower-income tenants in a gentrifying neighborhood, especially if a landlord is unable to evict them due to just cause eviction protections. Due to Washington state's ban on local rent regulation, King County jurisdictions cannot directly limit the size of rent increases, as some other states and cities have done. Mandatory relocation assistance is one way of at least mitigating the worst impacts of large rent increases. It provides some funds for households that are economically displaced by rapidly rising rents, increasing the chances that they can find new stable housing instead of becoming homeless or housing insecure.

WA CONTEXT AND LOCAL PRECEDENTS

Portland, Oregon passed a [Mandatory Renter Relocation Assistance law](#) in 2017. It covers rent increases of 10 percent or more over a 12-month period and some other situations. Upon request of the tenant, the landlord must pay relocation assistance of \$2,900 - \$4,500, depending on unit size. There is no income requirement.

Seattle passed similar legislation in 2021. The Economic Displacement Relocation Assistance (EDRA) program covers rent increases of 10 percent or more over a 12-month period, and requires the landlord to pay relocation assistance equal to three months' rent to tenant households up to 80 percent of area median income.

Seattle's longer-standing [Tenant Relocation Assistance Ordinance](#) provides assistance for renters displaced by development or renovation; tenant households up to 50 percent of area median income receive relocation assistance of \$4,486, half paid by the city and half by the property owner. This amount is adjusted for inflation annually. This program is enabled by RCW 59.18.440.

[This article](#) reviews how Seattle's EDRA program has been working since it went into effect in July 2022, compares it to Portland's approach, and makes some recommendations for smaller cities like Tukwila.

Voters in the City of Tacoma may vote on a relocation assistance policy (among other renter protections) this fall, pending the success of a citizen's initiative currently underway.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

A 10 percent rent increase is larger than what would be allowed at all if either of the statewide rent stabilization bills considered in the 2023 legislative session had passed; HB 1388 and HB 1389 would have limited rent increases to a maximum of between 3 percent and 7 percent, depending on the rate of inflation.

This policy can be passed without substantial new costs to the city, as long as the payment of relocation assistance is a direct transaction between landlord and tenant, not financially mediated by the city. Landlords would simply report to the city that a payment has been made. This is similar to Portland's approach, which the Tacoma initiative is also following. In contrast, the administration of Seattle's law does require significant labor and resources because the tenant applies to and receives funds directly from the City, which then attempts to recover those funds from the landlord.

Low legal risk. Seattle has not been sued over its relocation assistance policy. Portland was sued but prevailed in court.

6. Strengthen Tukwila’s rental property inspection program

1. Allow tenants to vacate their lease if properties fail to pass inspection.
2. Retaliation protections and a stay on evictions for units that fail inspection. A tenant behind on rent may be discouraged from requesting an inspection or pursuing other remedies for fear of no-cause lease termination, eviction for a minor lease violation or late rent, or other forms of retaliation or mistreatment.
3. Increase fines/penalties for property owners who fail to resolve identified issues in a timely manner. Currently, the fines have a low cap and are attached to the property, but the city has little authority to collect, and the fines are not significant enough to deter violations.
4. Establish a proactive education and outreach program to let tenants know they have a right to an inspection, and update the public facing interface of the inspection program to be more clearly tenant focused.
5. Posting requirements in a public area (if possible) and documentation provided at time of lease signing and annually thereafter.
6. No rent increases permitted for units that have failed to pass inspection or are in the process of being inspected at the request of a tenant, or have outstanding requests for repairs, or have defective conditions making the dwelling unlivable, or are otherwise in violation of RCW 59.18.060.
7. Increase audits and assess the efficacy of third party inspection companies. Assess if changes should be made to improve the inspections process.

WHY THIS IS IMPORTANT

Tukwila has a registration and inspection program that is intended to ensure safe living conditions for rental units in the city. Many tenants still experience unsafe living conditions, and currently there is little protection for tenants wishing to seek remedies for these unsafe conditions.

WA CONTEXT AND LOCAL PRECEDENTS

Burien, SeaTac, unincorporated King County, and Seattle have all prohibited rent increases if a property is in defective condition.

Burien, Kent, and Seattle also have rental registration and inspection programs. (Renton and Auburn have rental registration programs but do not require regular inspections of all rental units.) It might be useful to look more closely at these programs to see if any offer examples along the lines of some of the proposals above.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

Some of these ideas could easily be implemented without significant new costs to the City, namely the proposals numbered 1 and 6.

The proposal numbered 2 could include provisions that are implementable without significant costs to the city, but to be effective, some retaliation protections may require city involvement.

The proposal numbered 5 would likely be most effective if the City proactively creates the materials that landlords are required to post and/or provide to tenants explaining their rights. The City would incur some costs in creating these materials and keeping them up-to-date.

The proposal numbered 3 could potentially generate revenue for the inspection program, although staff time and resources would also be required if the City were to take a more active role in assessing and collecting fines.

The proposals numbered 4 and 7 would likely require more staff time and resources to implement. However, it's possible that additional costs could be at least partly covered by increasing rental registration fees and/or fines.

These changes to Tukwila's rental registration and inspection program can likely be implemented with little legal risk, depending on the details as the proposals as they are further developed.

7. Regulate additional fees and costs added to rent

PROPOSAL

Ban or limit various fees that corporate landlords are increasingly charging, including:

- Notice delivery fees
- Administrative and lease renewal fees
- Month-to-month fees
- Service and billing fees
- Etc.

One option is to simply enumerate the types of rental charges and fees that are permissible, and prohibit all others. This would help to prevent the invention of creative new ways to charge fees.

A related issue is the regulation of tenant screening and application fees. The city could create a “universal” screening program so that a person or family searching for a rental home only needs to pay for a single screening, which is then used by all potential landlords during a certain time period.

WHY THIS IS IMPORTANT

Property owners, especially corporate landlords, are increasingly charging a wide variety of arbitrary and/or punitive fees, for everything from delivering a notice to signing a lease renewal to turning on the HVAC.

Several stories of King County renters facing such fees are [documented here](#).

Regarding tenant screening and application fees, someone searching for a rental home often must pay these multiple times, for each prospective unit, even if the landlord chooses another applicant. These fees can add up to many hundreds of dollars during an apartment search.

Earlier this year, U.S. Department of Housing and Urban Development (HUD) Secretary Marcia L. Fudge penned an open letter to the housing industry calling for action on junk fees that renters face, joining President Biden’s call to eliminate these hidden fees, charges, or add-ons. These fees can weaken market competition, raise costs for consumers and businesses, and hit the most vulnerable Americans the hardest. ([Source and letter](#))

WA CONTEXT AND LOCAL PRECEDENTS

Seattle banned Notice Delivery Fees in the same ordinance that capped late fees at \$10 a month, which passed in April 2023.

In February 2023, Spokane passed Ordinance 36366, which creates a “portable” background and credit check that landlords can voluntarily accept. The originally proposed version of the ordinance would have created a “universal” background and credit check, where a tenant could pay for the service once and all Spokane landlords would be required to accept it. ([Source](#))

HB 1388 and HB 1389, the two Rent Stabilization bills that were considered in the 2023 legislative session but did not reach a floor vote, would have banned month-to-month fees: “A landlord may not

charge a higher rent or include terms of payment or other material conditions in a rental agreement that are more burdensome to a tenant for a month-to-month rental agreement than for a rental agreement where the term is greater than month-to-month, or vice versa.”

This is an emerging issue. King County jurisdictions have an opportunity to set examples that state and local governments around the country can follow.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

These policies can be passed without significant new costs to the city, with the possible exception of a universal screening program; the details of such a program and the city’s role in it would need to be studied further.

Seattle has not been sued over its ban on Notice Delivery Fees and there is no indication that landlord groups are planning or have any plausible grounds for a lawsuit.

The other types of fees listed above have not yet been regulated or prohibited in any Washington state jurisdiction, so further analysis is needed to make an assessment of legal risk.

In particular, banning month-to-month fees (or stating that landlords cannot charge more for a month-to-month lease than for a longer term lease) may carry some legal risk, with opponents arguing that this is a form of local rent regulation. If the City chooses not to include this element in its legislation, it should at least clarify that, if multiple alternative lease terms are offered at different rates, the rent increase that triggers the length-of-notice and relocation assistance provisions is based on the highest of these rates. For example, if a landlord offers a year-long lease at a 4% rent increase or a month-to-month lease at a 20% increase, the landlord should give 180 days notice and offer relocation assistance. There are many instances where a tenant may need to choose a shorter lease option, such as planning to move out of state a few months after their current lease ends.

8. No Social Security Number requirement

PROPOSAL

8. Prohibit landlords from requiring a social security number for the purposes of screening a prospective tenant.
9. Stronger additional option: Prohibit landlords from making any inquiry regarding or based on the immigration or citizenship status of a tenant or prospective tenant.

WHY THIS IS IMPORTANT

The practice of requiring a social security number impacts immigrant communities, making it hard for undocumented people to find housing. Credit reports and other tenant screenings are obtainable without a social security number. This provision helps to ensure fair access to the basic human right of housing, regardless of immigration status. Creating barriers for people to find homes is harmful to the whole community.

WA CONTEXT AND LOCAL PRECEDENTS

Burien, SeaTac, Kenmore, Redmond, and unincorporated King County have all prohibited landlords from requiring a social security number for the purposes of tenant screening.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

This policy can be passed without significant new costs to the city.

Very low legal risk. No King County jurisdiction has faced a lawsuit over a policy like this.

9. Renters on fixed income can change rent due date

PROPOSAL

Rental agreements must include a provision allowing tenants to adjust the due date of rent payments if the tenant has a fixed income source such as SSI that makes it hard to pay rent on the date otherwise specified in the rental agreement.

WHY THIS IS IMPORTANT

Renters on fixed income such as SSI or SSDI may not receive it on the first of the month, leading to situations where they don't have enough left over for rent when it comes due. Fixed income, especially from federal assistance programs like these, is often very low and requires careful budgeting to make ends meet. Renters who are surviving on a fixed income shouldn't have to worry about being charged late fees or even getting an eviction notice when they don't have control over when their income arrives.

WA CONTEXT AND LOCAL PRECEDENTS

Burien, SeaTac, Kenmore, Redmond, and unincorporated King County have all passed this policy.

Washington state law (RCW 59.18.170) allows a change in the rent due date of up to five days, if the tenant's sole income is from government assistance and they make the request in writing. The stronger protection proposed here would allow the date to be adjusted based on when the tenant actually receives income.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

This policy can be passed without significant new costs to the city.

Very low legal risk. No King County jurisdiction has faced a lawsuit over a policy like this.

10. Ban deceptive and abusive practices

PROPOSAL

Landlords are prohibited from unfair, abusive or deceptive acts or practices.

WHY THIS IS IMPORTANT

Landlords generally have greater knowledge of landlord-tenant laws than renters do. This provision helps to protect tenants from misrepresentations and landlords who take unreasonable advantage of a lack of understanding on the part of the tenant regarding the conditions of the tenancy or the tenant's rights under the law. Tenants who don't speak English may be especially vulnerable to misrepresentations. For example:

- A landlord may threaten to evict a tenant or issue notices for late or legal fees, even when this is illegal.
- A landlord may refuse to do repairs and make tenants believe they are responsible for all repairs.
- A landlord may convince tenants to sign mutual termination forms or repayment plans without going through the mediation process, or give them a new lease or change the terms of a lease without approval from the tenant.

Better defining and establishing clearer consequences for such behavior (such as making a landlord who violates this provision liable to the tenant for damages as set forth in RCW 19.86.090) can help.

WA CONTEXT AND LOCAL PRECEDENTS

Kenmore and unincorporated King County have passed this policy.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

This policy can be passed without significant new costs to the City. It is not anticipated that the City would be directly involved in the interpretation or enforcement of this provision; but including this language is helpful to housing attorneys representing tenants whose landlords have engaged in deceptive or abusive practices.

Very low legal risk. No King County jurisdiction has faced a lawsuit over a policy like this.

11. Additional protections worth considering

PROPOSAL

10. *Fair Chance Housing law*: prevents landlords from unfairly denying applicants housing based on criminal history.
11. *First-in-Time law*: landlords must provide notice of screening criteria and rent to the first qualified applicant.
12. *Winter Eviction Protections*: provides a defense to eviction in many residential tenancies between December 1 and March 1. The law applies to tenants with low to moderate income, with some exceptions.
13. *School Year Eviction Protections*: limits eviction during the school year for households with students (childcare - under 18), educators, and employees of schools.

WHY THIS IS IMPORTANT

Fair Chance Housing and First-in-Time laws are aimed at reducing racial and other forms of discrimination in the application process for rental housing.

Winter and School Year Eviction Protections are aimed at reducing the types of evictions that have the most harmful human consequences.

WA CONTEXT AND LOCAL PRECEDENTS

Seattle has implemented all of these policies.

CONSIDERATIONS: CITY RESOURCES, LEGAL RISK, ETC.

These policies can be passed without significant new costs to the city.

Because these laws have already been implemented in Seattle and several have been litigated, they can be passed in other jurisdictions with little risk of further lawsuits.

Seattle was sued over its Fair Chance Housing Ordinance. On March 21, 2023, a panel of the 9th Circuit Court of Appeals ruled that the portion of the Ordinance banning landlords from asking tenants and applicants about criminal history is unconstitutional. However, the Court upheld the portion that bans landlords from taking adverse actions, such as denying housing based on criminal history. The City is appealing the ruling, and the timeline for a decision is unknown. In the meantime, a jurisdiction considering this policy may want to omit the portion that was held unconstitutional.

Seattle was also sued over the First In Time Law and the Winter Eviction Protections. These laws were both upheld in court.

Seattle was not sued over its School Year Eviction Protections.

12. Ensure that protections cover all renters

We believe it's vital that these protections cover *all* Tukwila renters, regardless of how many units or properties their landlord owns.

It is important to remember the stakes for the different Tukwila residents impacted by these policies. For tenants, the stability that these renter protections provide will help families meet basic needs alongside housing costs, increase the likelihood that students can stay in the same school community, and avoid the traumatic experience of homelessness. For landlords, these protections may require minor changes in the way they manage their rental housing investments. These measures are so needed in part due to the high-cost, low-vacancy housing market in our region, which has also resulted in a rapid rise in the value of these investments.

Tenants also have no way of knowing or verifying with certainty how many units any particular landlord owns. It is an extremely common practice for landlords to own each of their units in individual LLCs and/or in different companies, sometimes with different investors or different partners. An individual tenant cannot be certain how many units are owned and, therefore, if renter protections exempt small landlords, whether they are protected or not.

Unfortunately, there is no evidence that landlords who own only one or a few units are less likely to evict or are otherwise better landlords. Tenants of small landlords need the same protections as tenants of larger landlords. A small landlord loophole also raises significant equity concerns. Tenants who seek to rent single family homes tend to be tenants with families and children. Treating these tenants differently raises fair housing issues. As you know, families with children are a protected class under state fair housing laws.

Advocates, including the Washington Low Income Housing Alliance and members of the Stay Housed Stay Healthy Coalition, have been working on state-level tenant protections for many years. So-called "small landlord" exemptions have consistently been rejected by the state legislature for a variety of sound public policy reasons. It is significant that landlord lobby groups have consistently asked for these loopholes over the last two decades and that state legislators have consistently refused them.

Other local jurisdictions in King County, when considering local renter protections, have also been asked to include such exemptions and have also rejected them. For example, the city of Auburn was asked by the landlord lobby to exempt small landlords when it passed its local source of income discrimination ordinance several years back. The City did a study and found that it would leave a very significant number of tenants without protections and therefore rejected the amendment. None of the renter protection ordinances passed since 2021 in unincorporated King County, Kenmore, Redmond, Kirkland, Issaquah, Burien, SeaTac, or Seattle has exempted landlords based on the number of units owned, despite pressure from landlord lobby groups and some individual landlords to add exemptions. (The sole exception to

this rule that we are aware of is Seattle’s winter eviction moratorium, to which an amendment was added exempting landlords with fewer than five rental units in Seattle.)

We urge Tukwila not include such an exemption in your local protections. To do so would add an unnecessary level of confusion, make these protections extremely difficult to enforce, and leave many renters unnecessarily vulnerable to housing instability and bad landlord behavior, especially families with children. It would also set a dangerous precedent that could impact future efforts in other jurisdictions and statewide. Nothing about this legislation causes an undue burden on smaller landlords. Most importantly, these basic protections should be universal to all tenants – not dependent on how many properties their landlord owns and operates.

13. Impact of renter protections on rental housing stock

In the past few years, several news stories have reported that renter protection laws in Seattle may have caused a significant sell-off of single family home rental properties. These claims, seeded by landlord lobby groups, are a distortion of the reality. They are based on data from the Seattle Department of Construction and Inspections showing a decline in the number of smaller rentals that have been registered or reregistered with the city during the pandemic in compliance with the City’s Rental Registration & Inspection Ordinance (RRIO):

Size Class	July 2018		May 2020		August 2022	
	Properties	Units	Properties	Units	Properties	Units
Single Unit	21174	21174	23853	23853	18740	18740
2 to 4 Units	5145	13529	5420	14156	4072	10678
5 to 20 Units	3239	30951	2824	27394	2536	24951
21 to 50 Units	877	27503	829	26069	805	25353
51 to 99 Units	286	20112	290	20482	307	21633
100 to 199 Units	155	21291	164	23108	169	23428

However, as the City’s explanation accompanying this table indicates, the accuracy and interpretation of these data are not at all clear:

“This data has significant limitations for estimating the total number of properties. RRIO includes short-term rentals, nearly all of which are in the small size classes. The RRIO system does not distinguish these properties so they could not be removed from the counts. RRIO also has an apparent problem with non-compliance, with an unknown, but potentially large drop in registrations during the pandemic.”

During the pandemic, when SDCI nearly halted RRIO outreach and enforcement, an as-yet-unknown percentage of landlords failed to register or reregister their rentals. It's reasonable to think that small landlords, much more than larger and corporate landlords with professional management staff, might disproportionately let their registrations lapse during this period of crisis.

If it does turn out that an unusual number of small rental properties were sold or taken off the market during the pandemic, there is a further crucial question of interpretation. It would not be surprising if many small landlords chose to sell their properties, given the extraordinary financial stresses caused by the pandemic. Emergency eviction moratoriums and rent freezes were part of this challenging landscape, with many renters unable to pay rent for long periods of time, and rental assistance programs slow to get up and running. Combine all this with a hot housing market, characterized by soaring property values, which created extremely attractive circumstances in which to sell property.

Even if the RRIO data does partially reflect greater-than-normal sales of small rental properties since 2020, it does not at all follow that the various *permanent* renter protection laws in place in Seattle and some other jurisdictions are a significant contributing factor. In fact, the [longer-term evidence suggests otherwise](#).

A research team at the University of Washington has recently examined property market data in the Seattle area to assess the claim that the City of Seattle's renter protection laws are driving sales of small rental properties. They examined patterns of ownership and sales inside and outside Seattle city limits, and looked for correlations with the different regulatory environments in different jurisdictions. Their research, which is still in peer review and not yet published, suggests that Seattle's stronger renter protections have not significantly impacted property sales.

14. Enforcement

Adequate enforcement of renter protections is a challenge, especially for smaller cities that don't have the resources to devote numerous staff to landlord-tenant issues. In practice, for a tenant whose landlord breaks the law, often the only effective recourse is to sue, and not many people have the money or time for that.

However, advocates are working to improve this situation. One solution was considered the 2022 legislative session: House Bill 2023 aimed to create a streamlined "summary proceedings" process for tenants to address violations and obtain relief in Superior Court, without having to lawyer up.

In this year's legislative session, HB 1389 would have applied the Consumer Protection Act to the Residential Landlord-Tenant Act and the Manufactured/Mobile Home Landlord-Tenant Act. It would have given the Attorney General more authority to investigate and address abusive landlord practices and violations of tenant protection laws. Reforms like these could help a lot.

In the meantime, cities like Tukwila should not let the challenges of enforcement deter them from passing good policies. Even imperfect landlord compliance means that many thousands of renters are enjoying the benefits of stronger protections and greater housing stability.

The City could also explore partnerships with legal aid organizations that provide services to renters, including the Tenant Law Center, the Housing Justice Project, and the Northwest Justice Project. A modest commitment of city resources could enable one of these organizations to provide advice and/or legal representation to some Tukwila renters who face especially egregious mistreatment or discrimination from a landlord.



WASHINGTON LOW INCOME
Housing Alliance

Dear Tukwila City Councilmembers:

The Washington Low Income Housing Alliance has over 14 years experience advocating for stronger protections for renters in Washington state. We supported several important bills that were introduced in the 2023 legislative session:

HB 1388 and **HB 1389** would have limited rent increases to between 3 and 7 percent annually, depending on the rate of inflation, and prohibited month-to-month fees. This was the first year these bills were introduced and each had a large number of sponsors – about 30. The bills differed in approach to how rents would be regulated to give lawmakers opportunity to consider multiple options, and legislators and advocates eventually coalesced around an amended version of HB 1389. This bill gained significant support in the House Housing and Appropriations Committee, but was not given a vote on the House Floor. Over 40 tenants and landlords testified in support of the bills.

HB 1124 would have required 180 days notice for rent increases greater than 5 percent annually, and given tenants faced with such an increase the right to leave their lease early. HB 1124 also passed out of the House Housing Committee with strong support from Democratic legislators across the state. But ultimately was not given a vote on the House Floor due to time constraints.

As you know, legislative politics in Olympia are complex, and often good bills with strong popular support can take years to cross the finish line, if they ever do. In the case of renter protections in particular, the corporate landlord and real estate lobby increasingly hold extremely conservative positions, even when their own members testify in support of tenant protections. So unfortunately in Olympia, tenant protections often face fierce opposition.

In this year’s legislative session, advocates ultimately came together to successfully pass a fourth bill that was first introduced four years ago:

HB 1074 requires landlords to document repairs before withholding a security deposit. Previously, under RCW 59.18.280, landlords were required to “give a full and specific statement of the basis for retaining any of the deposit.” This vague language created a loophole that made it easy for landlords to withhold security deposits without proof of actual damages or of the cost of the repair.

Under the new rules, landlords are required to provide tenants with copies of estimates, invoices, bills, and receipts related to fixing any alleged damage to the property. Landlords must also include a statement of time spent making repairs, and the hourly rate charged by contractors. These additional documentation requirements should allow tenants to better understand how their deposit is being used, and make it easier to dispute exaggerated or false charges.

It is disappointing that HB 1389 and HB 1124 failed to pass, in a moment when so many families in King County and across the state are being destabilized by large rent increases. Rent increases are a driver of homelessness and it is incumbent on local elected officials to take action to reduce instability when the state fails to act. This is a crisis that is impacting renter households of all but the highest incomes, it's critical that local elected officials step up to provide protections for the many renters in your city who are struggling to keep a roof over their heads. More notice of rent increases and providing renter households with the opportunity to move earlier if they cannot afford the rent increase will improve housing security and prevent displacement and homelessness in your community and in our region.

Sincerely,

Michele Thomas

Director of Policy and Advocacy

Washington Low Income Housing Alliance and Housing Alliance Action Fund