Tukwila Renter Protections Policy Proposals

May 2023

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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):

	July 2018		May 2020		August 2022	
Size Class	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