



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Mayor Victoria Woodards; Bucoda Warren, Chief Policy Analyst to the Mayor  
**COPY:** City Council and City Clerk  
**SUBJECT:** Ordinance to amend Chapter 1.95 of the Municipal Code, relating to the Rental Housing Code  
**DATE:** June 21, 2023

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**SUMMARY AND PURPOSE:**

An ordinance amending Chapter 1.95 of the Municipal Code, relating to the Rental Housing Code, to require landlords to comply with health and safety laws; have a City business license before increasing rent or evicting tenants; set limits on late fees for rent and on pet deposits; require 120 day notice to raise rent; add new regulations for shared housing; and standardize screening criteria for the amount of tenant income required to qualify for housing, for reviewing a tenant’s criminal history and acceptable identification.

**COUNCIL SPONSORS:**

Mayor Victoria Woodards, Deputy Mayor Kristina Walker, and Councilmembers Catherine Ushka and John Hines.

**BACKGROUND:**

This recommendation is based on five years of administering the Rental Housing Code (RHC), research and ongoing engagement with the RHC Stakeholder Advisory Group, targeted community outreach efforts conducted in the Spring of 2023, and a year of engagement with the Council Community Vitality and Safety (CVS) committee.

Initial work to develop the RHC began in the Spring of 2018; the RHC Stakeholder Advisory Group was also formed at this time. The RHC was formally adopted through Ord. 28559 on November 20 of that year and went into effect on February 1, 2019. Two years later, in March 2021 staff and the RHC Stakeholder Advisory Group began work on updates to the RHC, including Just Cause Eviction (JCE) standards and the current proposed changes. The JCE Standards were adopted on September 21, 2021, by Substitute Ord. 28780. After that, work continued through the RHC Stakeholder Advisory Group to bring additional changes to the City Council.

Staff returned to CVS on July 28, 2022, and again on October 27, 2022, to discuss these proposed changes. After receiving committee feedback, staff conducted additional Council engagement to explain the proposed changes and began developing the community engagement plan discussed in the following section of this memo.

Since the outreach efforts on current code updates, a community initiative has recently been filed to address items covered by, or that would impact, the RHC. Over the course of May 2023, City Council sponsors including Mayor Victoria Woodards, Deputy Mayor Kristina Walker, and Council Members Catherine Ushka and John Hines met with signature gatherers to better understand the community proposal. Following these meetings, sponsors worked with RHC staff to take the proposed changes developed by the RHC Stakeholder Advisory Group and further develop protections that were shared with the CVS committee on May 25, and with the full Council on June 13 and 20.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

The primary targets of this legislation are tenants, landlords, and property managers, but because safe and affordable housing conditions affect all Tacoma residents, the legislation it expected to benefit the entire city. It will



strengthen protections for tenants, who disproportionately represent lower-income levels in Tacoma, and provide additional guidance and standards to landlords and property managers.

The proposed changes were developed by City staff in partnership with the RHC Stakeholder Advisory Group, who represent a diverse set of community members, including tenant advocates, landlord representatives, nonprofit housing providers, local government agencies, and relevant City offices.

Upon drafting the initial proposals, staff conducted a community survey, resulting in 1270 responses from tenants, landlords, and property managers, and hosted five community meetings with approximately 200 total attendees, to discuss the proposed changes.

After completing the community outreach, the sponsors amended several proposed changes after further consultation with the RHC Stakeholder Advisory Group, City Council, and Tacoma 4 All organizers.

The underrepresented community members involved in this process are renters, who are disproportionately low-income and less engaged in City policymaking.

## **2025 STRATEGIC PRIORITIES:**

### **Equity and Accessibility:**

As stated above, renters are more likely to be lower income than homeowners, making them more vulnerable to economic crises and displacement pressures. Additionally, the City's Homeownership Disparity Study, published in 2021, shows that BIPOC Tacoma renters are more likely to be cost burdened than white renters. The study also shows that renters are disproportionately residents of color, while homeowners are disproportionately white. This means that renters are more likely to be BIPOC and more likely to be lower income, and that BIPOC renters are the most likely to be lower income. Strengthening the RHC will most benefit these Tacoma residents.

### **Economy/Workforce: *Equity Index Score: Moderate Opportunity***

Increase the percentage of people relocating to the city and affordability of housing compared to neighboring jurisdictions.

### **Livability: *Equity Index Score: Moderate Opportunity***

Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

Increase positive public perception of safety and overall quality of life.

### **Explain how your legislation will affect the selected indicator(s).**

Strengthening renter protections will increase housing stability for low-income Tacoma renters by alleviating some displacement pressures and reducing the number who are cost burdened. It will help support a more robust rental market that is competitive and safe for both renters and landlords, making Tacoma a more desirable market for people who may look to relocate to Tacoma over other jurisdictions.



**ALTERNATIVES:**

<b>Alternative(s)</b>	<b>Positive Impact(s)</b>	<b>Negative Impact(s)</b>
1. Adopt proposed changes	Additional protections will be more quickly available for residents facing housing challenges.	
2. Reject Proposed Changes		Additional protections will be unavailable for tenants who continue to face housing challenges
3. Amend and adopt proposed changes	Additional conversation and refinement may lead to more comprehensive and strong policy and protections.	Some amendments may be less tested and could lead to unintended consequences.

**EVALUATION AND FOLLOW UP:**

Staff will continue to revisit the RHC on regular intervals, as the market changes and new practices are implemented.

**SPONSOR RECOMMENDATION:**

The Sponsors recommend adoption of the proposed changes to increase rental housing protections for tenants now.

**FISCAL IMPACT:**

There is no direct fiscal impact to adopting the rental housing code amendments.

**ATTACHMENTS:**

- Rental Housing Code Proposed Changes Summary Memo
- TMC 1.95 draft code