

Req. #23-0708

SUBSTITUTE **RESOLUTION NO. 41239**

BY REQUEST OF MAYOR WOODARDS, DEPUTY MAYOR WALKER, AND COUNCIL MEMBERS HINES AND USHKA

A RESOLUTION relating to the Rental Housing Code; directing the City Manager to prioritize questions and topics related to the Rental Housing Code, to develop options and timelines for advancing additional tenant protections within 60 days, including all items considered by Council in the 2023 Rental Housing Code update.

WHEREAS over the last five years of administering the Rental Housing Code ("RHC"), research and ongoing engagement with the RHC Stakeholder Advisory Group ("Group"), targeted community outreach efforts conducted in the Spring of 2023, and a year of engagement with the City Council Community Vitality and Safety ("CVS") Committee, recommendations meant to further strengthen the RHC were developed to bring to the City Council, and

WHEREAS over the course of May 2023, City Council sponsors including Mayor Woodards, Deputy Mayor Walker, and Council Members Hines and Ushka met with signature gatherers to better understand a community proposal that will be placed as Measure 1 on the November ballot, and

WHEREAS following these meetings, sponsors worked with RHC staff to further develop the protections that were shared with the CVS Committee on May 25th, and with the full City Council on June 13th and 20th Amended Substitute Ordinance No. 28894, and

WHEREAS the City Council approved second reading of Amended Substitute Amended Substitute Ordinance No. 28894 on July 11, 2023, that contains the sponsors' finalized initial recommendations, as well as Resolution



No. 41238 transmitting a ballot measure to the Pierce County Auditor to be placed on the ballot for the General Election on Tuesday, November 7, 2023, which includes the City Council proposed Measure No. 2, and

WHEREAS during the review of RHC changes, community stakeholders, City Council members and staff identified additional opportunities to strengthen the RHC to serve the community, and the sponsors recognize these topics are nuanced and have the potential to have harmful unintended consequences on the rental housing market and broader community, and

WHEREAS the importance of continuing work on the RHC in a meaningful way led the sponsors to bring this companion Resolution No. 41239 forward alongside Amended Substitute Ordinance No. 28894 on July 11, 2023, and

WHEREAS through the continued work on RHC issues, additional clarity emerged on the limited ability to amend or repeal the City's RHC for a two-year period following enactment if a majority of voters support either RHC ballot measure, per Tacoma City Charter Section 2.24, unless such amendatory or repealing ordinance is submitted to the qualified voters, and

WHEREAS in light of this, consideration of Resolution No. 41239 was continued one week to July 18, 2023, to allow the sponsors to expand on their proposed approach to continued exploration and testing of additional protections, allowing continued progress on additional protections in alignment with feedback from the community and their peers on the City Council, and

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WHEREAS the following research questions were captured as a part of the RHC comparison chart and subsequent conversations by the sponsors:

General topics

- Can the City require digital notices and tenant information packets rather than printed in some or all cases while still ensuring proper notice to tenants to cut down on costs to housing providers;
- 2) What are the demographics of housing providers in the City, including income, age, ethnicity, gender, those with limited English-speaking ability, veteran or current military status, female head of household, or differently abled;
- 3) What are the demographics of renters in the City, including income, those defined as Asset Limited, Income Constrained, Employed (ALICE), age, ethnicity, gender, those with limited English-speaking ability, veteran or current military status, female head of household, or differently abled;
- 4) Research what other communities are doing to regulate out of state/out of city housing providers, and what communities are doing to incentivize local housing providers to build and/or maintain local rental units; and
- 5) Provide options for defining low-income under the RHC and how that can be implemented throughout the code, including provisions for reconsidering tenants' eligibility for certain programs when they lose their job or income level changes during a lease.



Screening criteria

Research what other communities are doing when it comes to addressing landlord limitations on dog breeds in their units if they allow pets, and alternative methods that may be used to limit pets other than breed.

Fees and deposit standards

- Research what other communities are doing to limit monthly fees
 associated with pets, and what current housing providers in the City
 charge for pets at their properties;
- 2) Determine if the City should adopt protections that limit certain move-in fees, including whether the City should limit move-in fees that exceed the first month's rent; and define allowable/prohibited move-in fees including "last month's rent"; and
- 3) Define and determine which refundable deposits are allowable/prohibited at move-in, and provide options on how additional deposits can be utilized to mitigate risks of housing providers renting to higher risk tenants.

Business license requirement

Through the annual business license and/or through an annual survey, what information should be asked of housing providers to collect usable data? For example, rental rates across landlord's portfolio, and rent increases implemented that year.



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Relocation assistance

Provide options for implementing an economic displacement relocation program for low-income tenants that provides financial assistance when their rent increases beyond a certain level in a year, including what proportion the City/landlord each pay, how much assistance is provided, how a tenant applies, and other questions required for implementation.

Eviction protections

What specific concerns do tenants have around no-cause evictions and termination of tenancy during cold weather or school year months for certain low income/fixed income tenants that are not covered by just cause eviction protections?

Penalties and enforcement

- 1) What funding sources can support relocation assistance, or support programs for smaller housing providers? For example, can penalties assessed by the RHC, or rental business license funding be utilized;
- Determine if the RHC allows penalties assessed by the City to be given to the tenant if the tenant was due relocation assistance under current code and the landlord did not comply, and whether this source of funding should be used to support rental/relocation assistance or incentives for housing providers; and
- 3) Research options for penalizing scammers who falsely list rental properties who are not the property owner and determine if these



penalties can and/or should be used to fund financial crimes enforcement, and

WHEREAS this resolution directs the City Manager to prioritize questions and topics related to the RHC and bring back information, options, and timelines for advancing additional tenant protections through the following avenues, but does not preclude adding additional topics as they become timely:

- (1) Additional research and outreach on items related to the RHC for discussion at the CVS Committee, including analysis of current available data and the data gaps related to the questions stated above as well as analysis and clarification on what amendments may be made to the TMC following the vote on the RHC Ballot Measure pursuant to Tacoma City Charter Section 2.24;
- (2) Advocacy at the state and federal level through the City's legislative agenda;
- (3) Exploration of possible pilot programs and/or partnerships to allow study and collection of local data for temporary protections that do not require the formal adoption into City code; and
- (4) Identification of any available alternate legislative pathways for advancing additional tenant protections, and

WHEREAS the sponsors recommend adoption of this companion resolution to prioritize research into additional questions that were not considered as part of Amended Substitute Ordinance No. 28894 amending the Tacoma Municipal Code, Chapter 1.95, "Rental Housing Code"; Now, Therefore,



City Clerk

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the City Manager is hereby directed to prioritize questions and topics related to the Rental Housing Code, to develop options and timelines for advancing additional tenant protections within 60 days, including all items considered by the Council in the 2023 Rental Housing Code update. Adopted Mayor Attest:

Approved as to form:

Deputy City Attorney