



TO: Elizabeth Pauli, City Manager
FROM: Tanja Carter, Director, Community and Economic Development (CED)
COPY: Community Vitality and Safety Committee; D'Angelo Baker, Staff Liaison
PRESENTER: Felicia Medlen, Housing Division Manager, Community and Economic Development Department
SUBJECT: Implementation Update on Tacoma Municipal Code 1.95, Tacoma Rental Housing Code and Tacoma Municipal Code 1.100, Landlord Fairness Code Initiative
DATE: April 24, 2025

PRESENTATION TYPE:
Informational Briefing

SUMMARY:

This presentation will provide an overview of the Rental Housing Code and the Landlord Fairness Code Initiative. This presentation will also provide an update on the implementation of these codes. This presentation will not provide an analysis of the impacts these two codes have had on the rental market as that information cannot be determined at this time.

BACKGROUND:

The Rental Housing Code (RHC), Tacoma Municipal Code (TMC) Chapter 1.95 which went into effect on February 1, 2019, and updated with Just Cause Eviction (JCE) standards passed by Council in September 2021.

In the Summer of 2022, City staff, in partnership with the RHC Stakeholder Advisory Group, a multi-organization group consisting of landlords, nonprofits, tenant advocates, and relevant City offices, began working on proposed changes to the RHC. On October 27, 2022, staff presented proposed changes to the Community Vitality and Safety Committee (CVS). After getting additional Council feedback on the proposed changes, staff conducted a community survey that garnered 1270 responses from landlords, tenants, and property managers and hosted a series of informational events that approximately 200 people attended. After conducting community outreach on the proposed changes, the City and the RHC Stakeholder Advisory Group, presented the proposed updates to Council and they were adopted on July 11, 2023, and became effective on July 23, 2023. The update included the following changes:

- Standardized tenant screening
- Added Rental Agreement Regulations
- Deposit requirements and installment payments
- Notice to increase rent requirements
- Late fees
- Shared housing standards
- Compliance and enforcement

Also in summer of 2023, Tacoma For All, a local tenant's rights group, was successful in obtaining enough signatures to have an initiative added to the November 2023 ballot. The initiative was titled the Landlord Fairness Code Initiative (LFCI) and consisted of the following items:

- Requires landlords to comply with tenant protection laws before raising rent or evicting a tenant
- Prohibits unfair or excessive fees
- Relocation assistance when significant rent increases require tenants to relocate

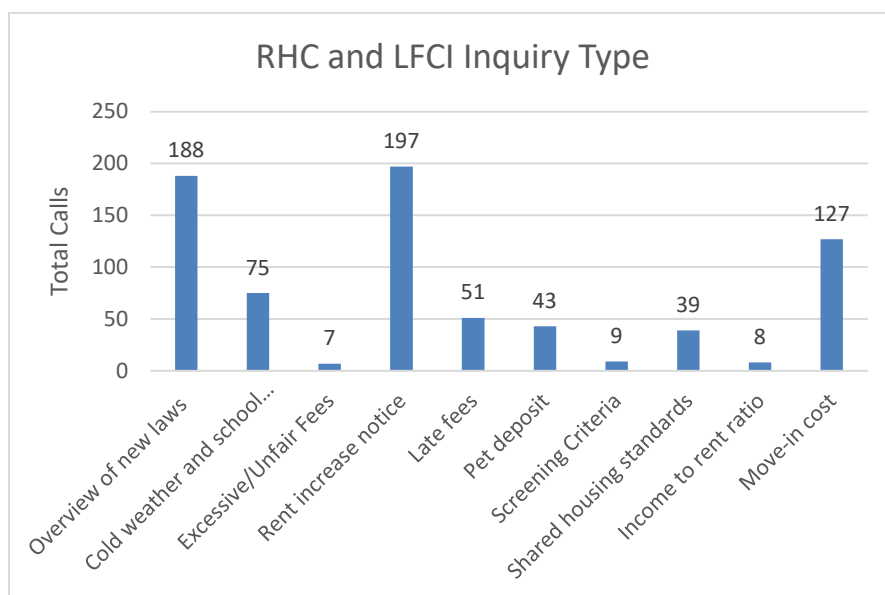


- Prohibit certain winter and school year evictions

The LFCI was passed and went into effect on December 8, 2023

Since December 8, 2023, staff has provided information to both landlords and tenants on their rights and responsibilities under the RHC and LFCI, created and/or updated required forms necessary to implement the codes, tracked the type of inquiries being made by the community, created standard operating procedures (SOPs), and enforced on violations of the RHC. The attached table highlights key differences between the RHC and LFCI.

From July 24, 2023, to February 28, 2025, staff has fielded 1455 inquiries from landlords and tenants on rental housing laws. Of those inquiries 51% (744) of inquiries were associated with the following:



The City works with every landlord to ensure they are complying with the RHC and LFCI. When there is a violation of the RHC, staff has been successful in getting landlords to come into voluntary compliance without initiating the enforcement process. Since August 2023, the enforcement process has only been initiated four times involving violations of the RHC. The types of violations include:

Type of RHC Violation
Failure to provide notice of resource
Improper notice to terminate tenancy
Failure to provide relocation assistance packet
Improper rent increase notice
Retaliation
Health and Safety standards
No rental business license/property not registered
Late Fees



ALTERNATIVES:

- This is an information briefing only. There are no alternatives.

FISCAL IMPACTS:

- This is an information briefing only. There is no fiscal impact.

RECOMMENDATIONS:

- This is an information briefing only. There is no recommendation.

Attachment 1

Table Title Definitions

Policy: The policy column names the policy as outlined in the State Law (RCW 59.18, Washington State Residential Landlord-Tenant Act, RLTA), Rental Housing Code (TMC 1.95, RHC), and Landlord Fairness Code initiative (TMC 1.100, LFCI).

Current State Law: The current State Law represents the RLTA as it exists before any proposals being considered.

RLTA Proposed Changes: These changes are based on proposals under HB 1217, during current legislative session.

Rental Housing Code: Represents the Tacoma Rental Housing Code based on work by staff and the Rental Housing Code (RHC) Stakeholder advisory group members. This column represents the current law that is enforced within Tacoma.

Tacoma Landlord Fairness Code Changes: Represents the Landlord Fairness Code Initiative presented by Tacoma For All and passed by voters in the November election. This column represents the current law that is not enforced within Tacoma and tenant must seek civil remedies.

Impacts and Conflicts: Outlines any conflicts and the impacts the two housing codes may have on rental housing in Tacoma.

Policy	Current State Law (RCW 59.18)	Proposed State Law	Rental Housing Code (TMC 1.95)	Landlord Fairness Code (TMC 1.100)	Impacts/Conflicts
1.Standardized Screening Criteria	None	None	<ul style="list-style-type: none">• Sets the standard income to rent requirement as 2.5x or 3x monthly rent based on HUD fair rental rates.• Prohibits landlord from having a blanket ban on a tenant with felony convictions, and arrest records.• Requires landlords to do individual assessments of proposed tenants' criminal history to determine eligibility based on the severity and how long ago the offense occurred.• Prohibit the landlord from requiring an SSN as the only way a tenant can apply for housing.	None	
2. Rental Agreement Regulations	None	None	<p>Rental Agreements must include:</p> <ul style="list-style-type: none">• Number of legal occupants as outlined in TMC 2.01.060.V (based on legal bedrooms).• List uninhabitable spaces such as attics, basements, and garages that have not been properly permitted for occupancy. <p>Landlords are prohibited from:</p> <ul style="list-style-type: none">• Assessing penalties or forfeiture of deposit if a tenant	None	None

			<p>terminates the tenancy before expiration of a minimum term month-to-month rental agreement.</p> <ul style="list-style-type: none"> Regulating or restricting dogs based on breeds, unless they have an insurance company-required breed restrictions, provided that any breed of service animal shall be allowed. 		
3. Fee and Deposit Standards	None	None	<ul style="list-style-type: none"> Allows tenants to pay move-in cost in installment payments. Requires landlord to provide tenant with “Installment Payment Plan Request” form at the time of application. Limits the amount of late fee the landlord to 1.5% and cannot exceed \$75 max per month. Requires the landlord to actively take steps to recover late fees during tenancy, such as serving monthly or quarterly notices or invoices. Prohibit landlords who do not address late fees during tenancy from withholding them from deposit or reporting them to prospective landlords at end of tenancy. Pet damage deposit cannot exceed 25% of one month’s rent and any portion not used to 	<p>Prohibits:</p> <ul style="list-style-type: none"> Rental application fees not complying with RCW 59.18.257 Any non-refundable fee charged at the beginning of the tenancy including but not limited to a fee to hold a unit prior to the tenant taking possession, Move-in fees that in total exceed the first month’s rent including but not limited to fees required to apply for tenancy (including processing fees and credit and background check charges), security deposits, prepayment of rent (e.g., “last month’s rent”), but excluding a valid pet fee. Any fee or charge for late payment of rent exceeding \$10.00 per month. Pet damage deposit exceeding 25% of one month’s rent. 	<ul style="list-style-type: none"> Landlords will use the late fee requirements in the RHC and charge the 1.5% instead of the \$10 outlined in the LFCI. Landlords will charge the \$10 late fee in the LFCI, when the charge is less using the 1.5% required in the RHC.

			repair pet damage must be returned to tenant upon termination of tenancy.	And: <ul style="list-style-type: none">Any rental agreement shall be deemed void to the extent it requires payment of fees prohibited by this section.	
4.Notice of Rent Increase	<ul style="list-style-type: none">Requires a 60-day written notice.No cap on rent increase.No enforcement mechanism, only civil remedies for tenants.	<ul style="list-style-type: none">Limit rent increase to 7% during any 12-month period (w/certain exceptions)Prohibiting rent increases during the first year of a new lease.Requiring a certain form for rent increase.Authorizes the tenant or attorney general to bring court action to enforce compliance.	<ul style="list-style-type: none">Requires a 120-day written notice before increasing rent.Requires the use of “Notice of Rent Increase” form provided by the COT.No cap on rent increase.Allows enforcement for violations (civil penalties).No rent increase w/o COT rental business license.	<ul style="list-style-type: none">Requires two written notices to increase rent:<ul style="list-style-type: none">1st notice between 210-180 days.2nd notice between 120-90 days.Requires the use of “Notice of Rent Increase” form provided by the COT.No rent increase w/o COT rental business license.Allows enforcement for violations (civil remedies).Requires relocation assistance if rent increase is 5% or more.	<p>Although, staff encourages landlords to follow the LFCI, if the landlord provides the RHC minimum of 120-day notice we are not able to enforce the violation.</p> <p>If the landlord does not comply with the requirements of the LFCI, a tenant must seek civil remedies for enforcement outlined in the code.</p>

5.Shared Housing Standards	None	None	<ul style="list-style-type: none">• Require that the master lease holder provide contact information for the sublet tenants and the property owner at time of tenancy.• Require separate leases when renting to four or more tenants.• Require lease to state the legal number of occupants and habitable spaces in the unit (TMC prohibits the renting of attics, basements, and/or garages that have not been properly permitted).• Require the property owner to serve any notices that can lead to eviction to the master lease holder and appropriate number of notices for all sublet tenants.• Require master lease holder to serve any notices that can lead to eviction by property owner to all sublet tenants.• Prohibits property owner with a master lease agreement from starting the Unlawful Detainer Action (eviction) if they cannot show notices were served to all sublet tenants.	None	None
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6. Business License Requirement and Health and Safety Compliance	None	None	<ul style="list-style-type: none"> Landlord shall not serve a notice to vacate or rent increase unless they have complied with a business license and health and safety requirements. Defense to eviction in court. 	<ul style="list-style-type: none"> Landlord cannot raise rent if landlord is determined to be in violation of laws related to health and safety, according to the procedures detailed in TMC 2.01.050 OR the dwelling unit has defective conditions making the dwelling unit uninhabitable per RCW 59.18.060 Defense to eviction in court. 	
7. Relocation Assistance	Allows jurisdictions to implement code or ordinance that requires relocation assistance to low-income tenants when they are displaced due to significant rehabilitation, demolition, change in use of their rented residence.	None	<ul style="list-style-type: none"> Low-income tenants are entitled to relocation assistance in the amount of \$2,000 in relocation assistance to assist in the costs of moving in situations where they are being displaced due to significant rehabilitation, demolition, change in use of their rented residence. This is a 50/50 split between the City and the landlord. Landlord must comply with relocation assistance and its requirements pursuant to RCW 59.18.085, when the unit is deemed uninhabitable by the city. 	<p>Relocation assistance owed to tenant when rent increases within 30 days:</p> <ul style="list-style-type: none"> 5% rent increase = 2 mo. relocation 7.5-10% rent increase = 2.5 mo. relocation Over 10% or more rent increase = 3 mo. Relocation If the tenant is unable to relocate and remains in the dwelling unit at the increased rent, the tenant must repay the relocation assistance. The requirement to pay tenant relocation assistance will not apply to: <ul style="list-style-type: none"> a landlord and tenant living on the same site if the site has four or fewer dwelling units tenants who have lived in the dwelling unit for less than six months a landlord that temporarily rents out the landlord's principal residence during the landlord's absence due to active-duty military service. 	<ul style="list-style-type: none"> City is only able to enforce violations of the relocation assistance requirement of the RHC. Violations of the LFCI, requires the tenant to seek civil remedies in court, which is confusing to tenants.

8. Eviction Prohibitions	JCE provisions	None	JCE provisions which are year-round and includes occupation.	<ul style="list-style-type: none"> Prohibit economic evictions during school year, for households with students or children under 18 Prohibit evictions between November 1 to April 1, Landlord cannot evict a tenant based on status as a member of the military, first responder, senior, family member, health care provider, or educator. <p>Landlords can still carry out evictions at any time if tenants are posing a threat to others or their property, using their apartments for illegal purposes, an owner or family moves to occupy the unit, the unit is condemned for uninhabitability, or desire for roommate to vacate</p>	
9. Penalties and Enforcement	RLTA allows tenants to seek civil remedies	None	The RHC contains administrative process that allows the City to assess civil penalties when a landlord is in violation and does not come into voluntary compliance.	<ul style="list-style-type: none"> Tenants can sue for violations and obtain actual damages, costs, reasonable attorney's fees AND obtain \$500 or 5 times the mo. rent per violation. If fail to pay relocation asst. then penalty is 3x the relocation asst. amount Tenants' organization can sue on behalf of tenants. <p>A landlord may seek a court order allowing a particular eviction or exempting them from a provision of this chapter if they can show that a provision</p>	

				of this chapter, if fully enforced, would constitute either (a) an undue and significant economic hardship, or (b) a takings under the United States or Washington State constitutions, or (c) that the chapter as applied is preempted by federal or state law	
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