



TO: Elizabeth Pauli, City Manager
FROM: Jacques Colon, Committee Executive Liaison
COPY: Community Vitality and Safety Committee; City Council; ChiQuata Elder, Landlord-Tenant Program Specialist, Office of Equity and Human Rights; Ted Richardson, Strategic Initiatives Coordinator, Office of Strategy, Debra Casparian, Deputy City Attorney, Legal
SUBJECT: Follow up to Community Vitality and Safety Questions Regarding Proposed Changes to the Rental Housing Code
DATE: June 5, 2023

This memo is meant to address questions from the Community Vitality and Safety (CVS) committee that arose at the May 25, 2023 presentation regarding the City Rental Housing Code (RHC). The remainder of the memo is in question and answer format.

Do other jurisdictions have similar laws to what has been proposed? Specifically, do any other jurisdictions have any prohibitions on eviction related to weather or school year?

Jurisdiction	Economic eviction protection	Notices for Rent Increases	Ban rent increases if code violations exist	Ban evictions during winter months and/or school year	Move-in Caps
WA State	No	60 days for any amount	No	No	No
Auburn	No	120 days for >5%	No	No	Fees + deposits may not exceed one month's rent. However, additional security deposits may be added for tenants that have pets (AMC 5.23.040)
Bellingham	No	60 days for >10%	No		No
Olympia	No	120 days for >5% 180 days for >10%	No	No	<ul style="list-style-type: none">• Non-refundable fees may not be collected.• Refundable security deposit may not exceed one month's rent.



					<ul style="list-style-type: none"> • Pet deposit may not exceed 25% of one month's rent(may collect in addition to security deposit).
Redmond	No	120 days for >3% 180 days for >10%	No		Fees + deposits may not exceed one month's rent.
Seattle	Yes, defense to eviction (SMC 22.212)	180 days for any amount	SMC 22.206.180-landlord can't increase rent "against a tenant for the reason that the tenant has in good faith reported violations" of the building code."	Yes, defense to eviction (SMC 22.205). December to March. Only winter eviction ban (Dec. to March) upheld by the courts.	<ul style="list-style-type: none"> • Fees + deposits may not exceed one month's rent. • Non-refundable fee may not exceed 10% of one month's rent. • Pet deposit may not exceed 25% of one month's rent (may be collected in addition to security deposit).
Burien	No	120 days' for > 3% and 180 days' for > 10 %	No	No	Fees + deposits may not exceed one month's rent. Includes last month's rent.
Federal Way*	No	No	No	No	No
Tacoma	No	60 days for any amount	No		No

*Federal Way only has "just cause eviction" ordinance.

What is the definition of "shared housing?"

"Shared Housing" is when a tenant rents a private room or shared room in a dwelling unit but shares common areas such as a kitchen, gathering spaces, and/or bathroom with other tenants.



Could different penalties be assessed for violations based on how many properties an owner has, and/or could we assess different penalties on landlords who do not reside in Tacoma (addressing out of city investor owners)?

This may be possible but requires additional research. The City would need to explain why the penalties would be different for different landlords, and for out-of-state landlords. Also, legal research is needed to determine if penalizing them differently would be defensible.

How does eviction data for Tacoma/Pierce County compare to King County?

In 2018, 2.5 evictions were filed for every 100 renter households in Pierce County, equating to approximately 3,100 total filings. The rate in King County during this period was 1.1 evictions filed per 100 renter households. For that year, Pierce County's eviction filing rate was the highest in all of Washington.¹

Pierce County Assessor data shows the evictions by the most recent years for the entirety of Pierce County were:

- 2018: 3024 evictions filed
- 2019: 2641 evictions filed
- 2020: 718 evictions filed (moratorium)
- 2021: 528 evictions filed (moratorium)
- 2022 1/1 to 10/19: 1610 evictions filed

Previously, the City has worked with the Urban Displacement Project out of UC Berkeley. Researchers there are currently working on updated eviction data more specific to individual cities. This will allow us to have Tacoma specific data rather than just countywide data.

How frequently has the existing Relocation Assistance program been accessed in the last year?

There have not been any requests for relocation assistance submitted in 2023. In 2022, the City served 25 households with relocation assistance in the amount of \$2000, in which the landlord paid \$1000, and the City paid the other \$1000.

What Landlord-tenant bills passed at the State legislature this year?

SHB 1074 - ADDRESSING DOCUMENTATION AND PROCESSES GOVERNING LANDLORDS' CLAIMS FOR DAMAGE TO RESIDENTIAL PREMISES

Prime Sponsor: Representative Thai

Effective date 7/23/2023

- Requires a landlord to substantiate the cost of any damages withheld from a tenant deposit with estimates received, invoices paid, or other specified documentation.
- Extends the timeline for a landlord to provide a statement and documentation for retaining any portion of a tenant deposit from 21 days to 30 days.

¹ [Eviction Map & Data \(Version 2.0\) | Eviction Lab](#)



- Establishes a three-year statute of limitations for a landlord to file a lawsuit against a tenant to recover sums exceeding the amount of the damage deposit.

ESSB 5197 - ADDRESSING LANDLORD-TENANT RELATIONS BY PROVIDING TECHNICAL CHANGES TO EVICTION NOTICE FORMS AND MODIFYING CERTAIN EVICTION PROCESSES

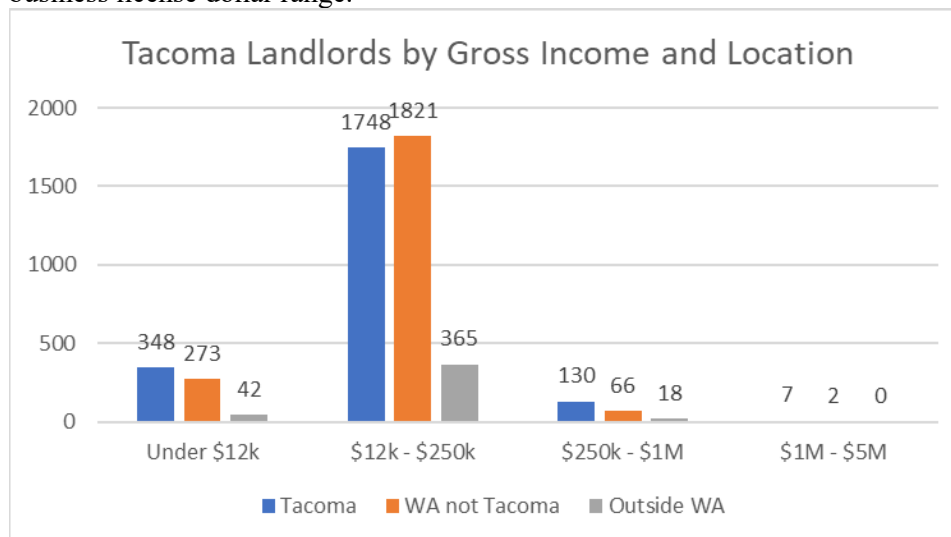
Prime Sponsor: Senator Kuderer

Effective date 7/23/2023

- Allows remote participation by any party in forcible and unlawful detainer actions.
- Modifies certain eviction processes including allowing tenants who provide a pledge of financial assistance letter from a government or nonprofit entity up until the date of eviction to satisfy an unlawful detainer judgment; allowing judges to consider the validity of 14-day pay or vacate notices served as the basis for prohibition on eligibility for tenants to seek good cause judicial discretion; and extending permanently the exception to the prohibition on eligibility for good cause judicial discretion for tenants using the tenancy preservation program.
- Removes language in the uniform 14-day pay or vacate notice requiring landlords to provide 14-day pay or vacate notices to dispute resolution centers upon expiration of the eviction resolution pilot program.

How many landlords in Tacoma are “Mom and Pop” landlords vs. larger landlords?

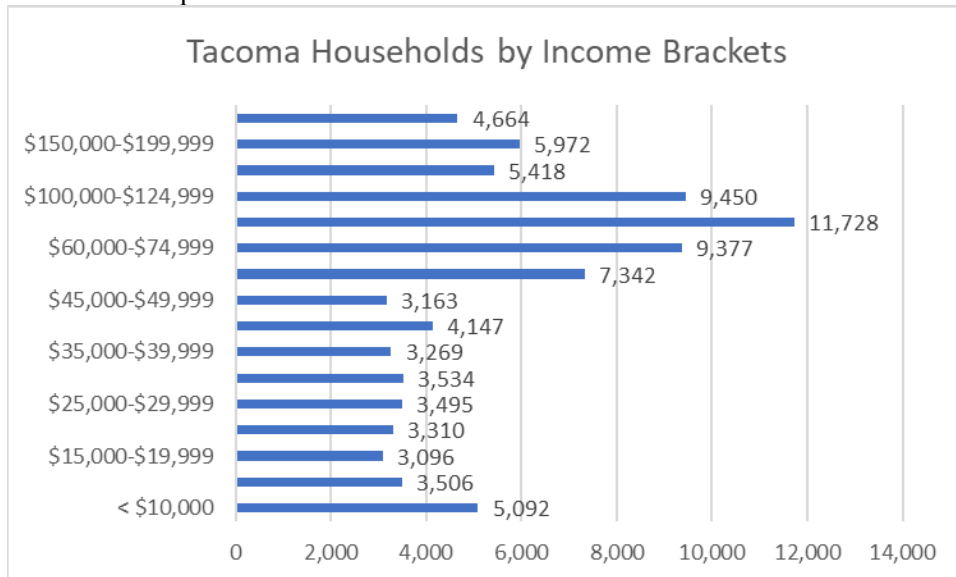
The only way we can currently assess this is by annual gross income. The graph below from Tax and Licensing uses rental business license data to show the number of landlords that fall into the different gross income brackets the City currently tracks. Note that the City currently does not track the number of units per rental business license, so it is impossible to determine how many total renters fall into each business license dollar range.



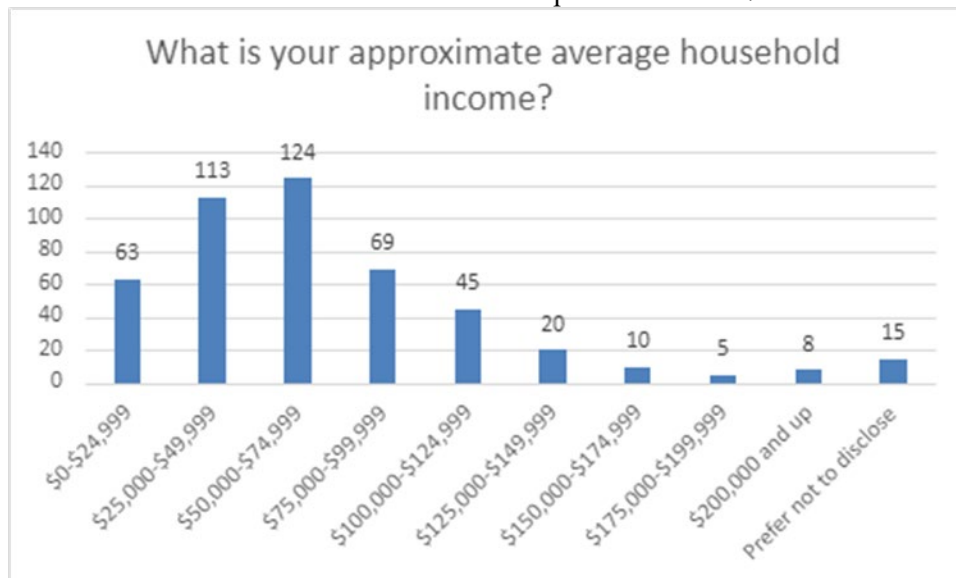


Do we have data that shows number of renters by income level?

This graph shows all Tacoma households, renters and owners, divided by income brackets using 2020 census data. Further work is needed to disaggregate renter and owner data, but we can likely assume renters skew to the lower income ranges and owners skew to the higher ones. In 2020, the homeownership rate in Tacoma was 53.6%.²



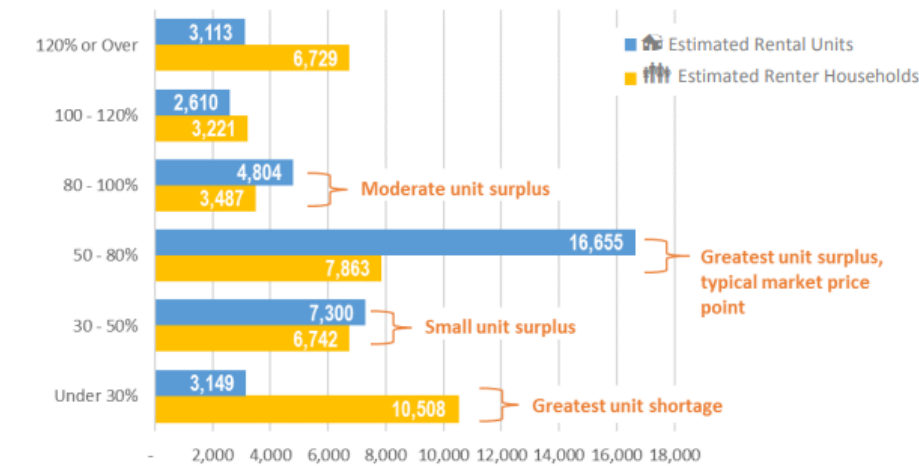
Staff also asked the question in the survey to renters “What is your approximate average household income?” The chart below details the answers provided from 472 tenants:



² [Tacoma, WA | Data USA](#)

Several years ago, Council was shown a graph that match renter incomes to rental housing, is this graph available still and could it be updated?

Exhibit 19 Gap Analysis of Rental Households by Income and Rental Housing by Gross Rent, Tacoma



3

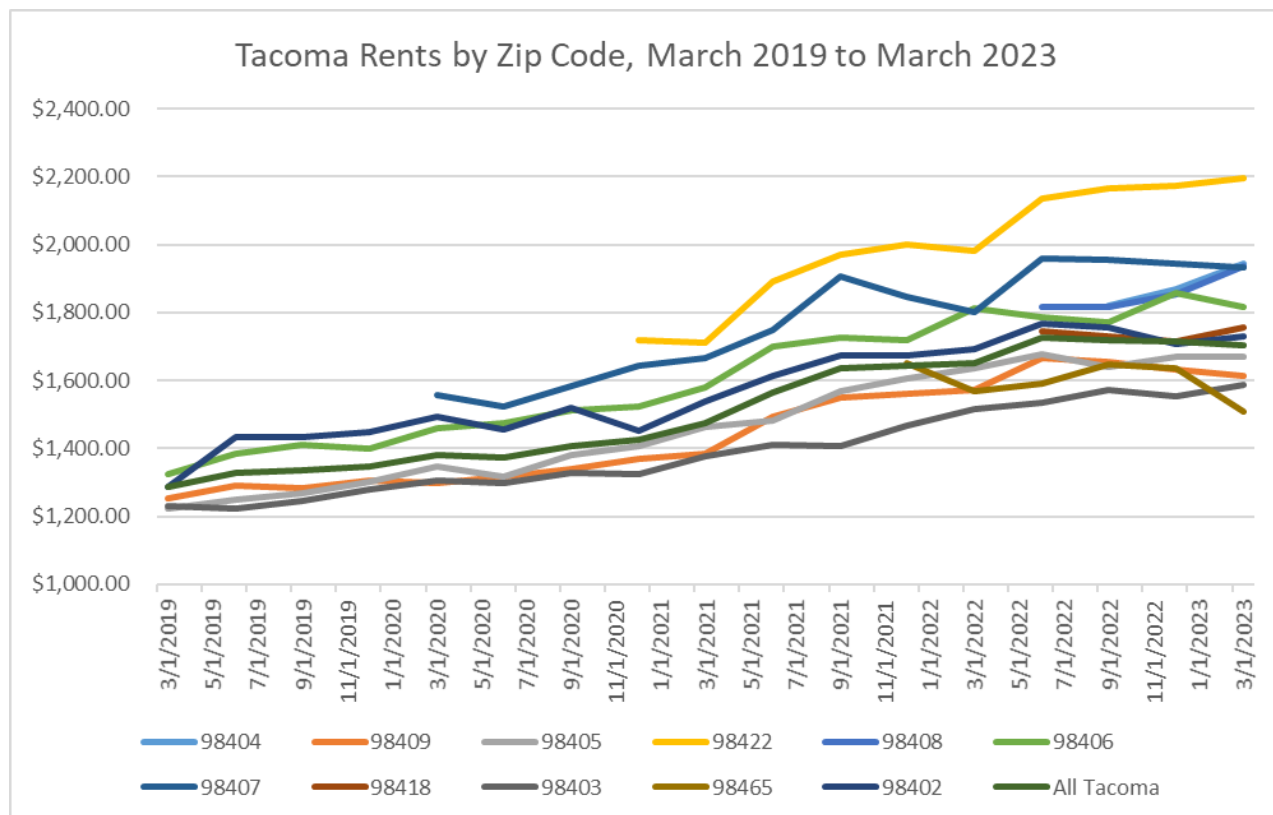
Above is the chart Councilmember Blocker referenced from the 2016 Tacoma Community Needs Assessment done by BERK Consulting. More work is needed to update this chart with more recent data.

What is current Tacoma rent increase and inflation data? This could inform decision on relocation assistance for increases above 5%.

RENT DATA:

The chart below shows rent increases by each Tacoma zip code quarter over quarter from March 2019 to March 2023. As a whole, Tacoma rents started at \$1,288.24, peaked in June 2022, and have declined slightly since then. This data is pulled from the Zillow Observed Rent Index: [Housing Data - Zillow Research](#)

³ [Tacoma Community Needs Assessment.pdf \(cityoftacoma.org\)](#) (page 23)



This same data is displayed in the chart below, but by percent increase year over year. The red cells represent rent increases of over 5% that would trigger relocation assistance. The two zip codes that experienced increases of over 5% between March 2022 and March 2023 were 98422 (Northeast Tacoma) and 98407 (North Tacoma north of N 26 st.).



Zip Code	3/31/2019	% Increase	3/31/2020	% Increase	3/31/2021	% Increase	3/31/2022	% Increase	3/31/2023
98404		NA		NA		NA		NA	\$1,944.46
98409	\$ 1,251.65	3.69%	\$1,297.78	6.66%	\$1,384.15	13.63%	\$ 1,572.84	2.59%	\$1,613.61
98405	\$ 1,221.53	10.17%	\$1,345.79	8.78%	\$1,464.01	11.66%	\$ 1,634.72	2.23%	\$1,671.21
98422		NA		NA	\$1,709.72	15.85%	\$ 1,980.72	10.96%	\$2,197.71
98408		NA		NA		NA		NA	\$1,937.47
98406	\$ 1,324.34	10.29%	\$1,460.62	8.25%	\$1,581.17	14.56%	\$ 1,811.42	0.36%	\$1,817.97
98407		NA	\$1,558.69	6.91%	\$1,666.33	8.22%	\$ 1,803.31	7.19%	\$1,932.93
98418		NA		NA		NA		NA	\$1,755.35
98403	\$ 1,231.13	6.09%	\$1,306.05	5.56%	\$1,378.72	10.03%	\$ 1,517.03	4.74%	\$1,589.00
98465		NA		NA		NA	\$ 1,569.99	-3.89%	\$1,508.90
98402	\$ 1,287.78	16.10%	\$1,495.06	2.97%	\$1,539.47	9.88%	\$ 1,691.60	2.31%	\$1,730.72
All Tacoma	\$1,288.24	7.09%	\$1,379.57	6.87%	\$1,474.40	12.05%	\$1,652.07	3.13%	\$1,703.71

Despite the flattening increase in rental rates seen across most Tacoma zip codes, THA reports a number of their voucher holders have still experienced significant rent increases. Between October 1, 2022, and April 19, 2023 THA reported 956 market rate rent increase requests. By bedroom size, those increases are:

- Percentage of units with an increase of 10% or more.
 - o 0BR - 35%
 - o 1BR - 74%
 - o 2BR - 64%
 - o 3BR - 59%
 - o 4BR - 66%
 - o 5BR - 42 %
 - o
- Percentage of units with an increase of 20% or more
 - o 0BR - 1%
 - o 1BR - 18%
 - o 2BR - 26%
 - o 3BR - 22%
 - o 4BR - 22%
 - o 5BR - 28 %

The vast majority of our participants live in 1 and 2 bedroom units. Here are some examples of large increases in 1 and 2 bedroom units: The large increases typically come from units that were rented historically significantly under market rates and/or have had a change in management or ownership.



One-bedroom units:

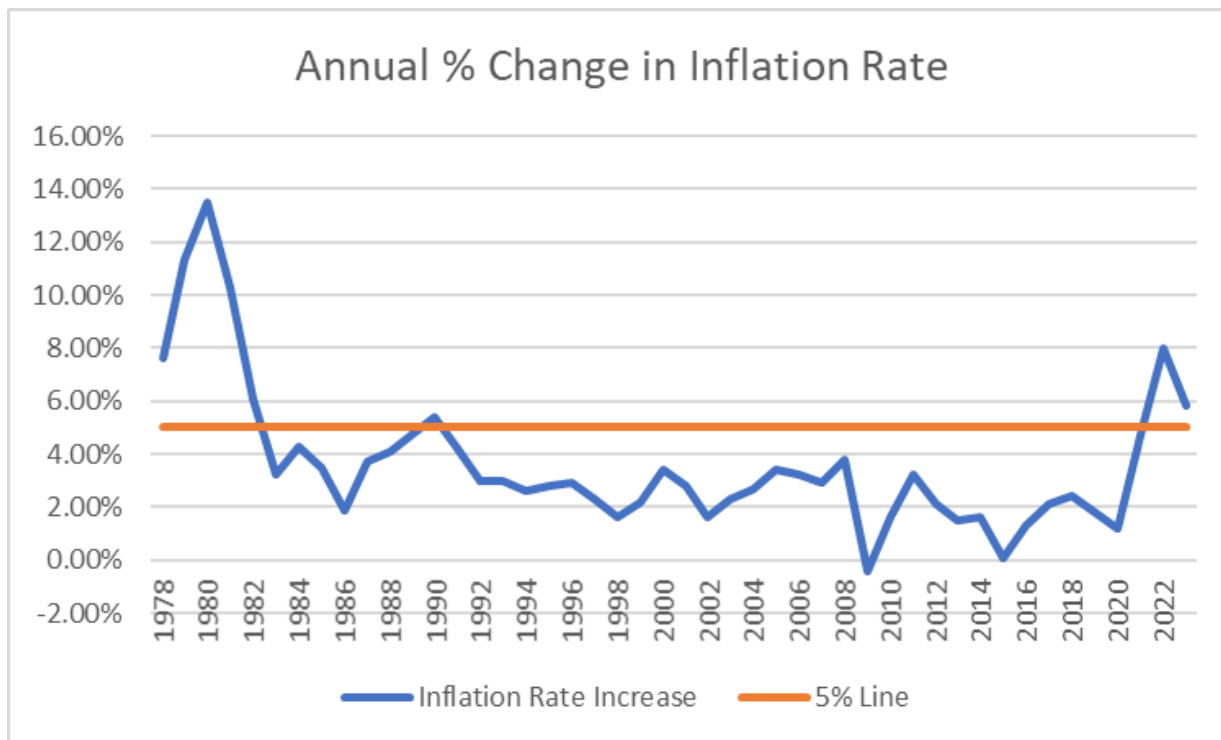
\$903.00	\$1,443.00	60%
\$870.00	\$1,260.00	45%
\$1,135.00	\$1,601.00	41%
\$725.00	\$1,020.00	41%
\$725.00	\$1,020.00	41%
\$1,035.00	\$1,425.00	38%
\$770.00	\$1,050.00	36%

Two-bedroom units:

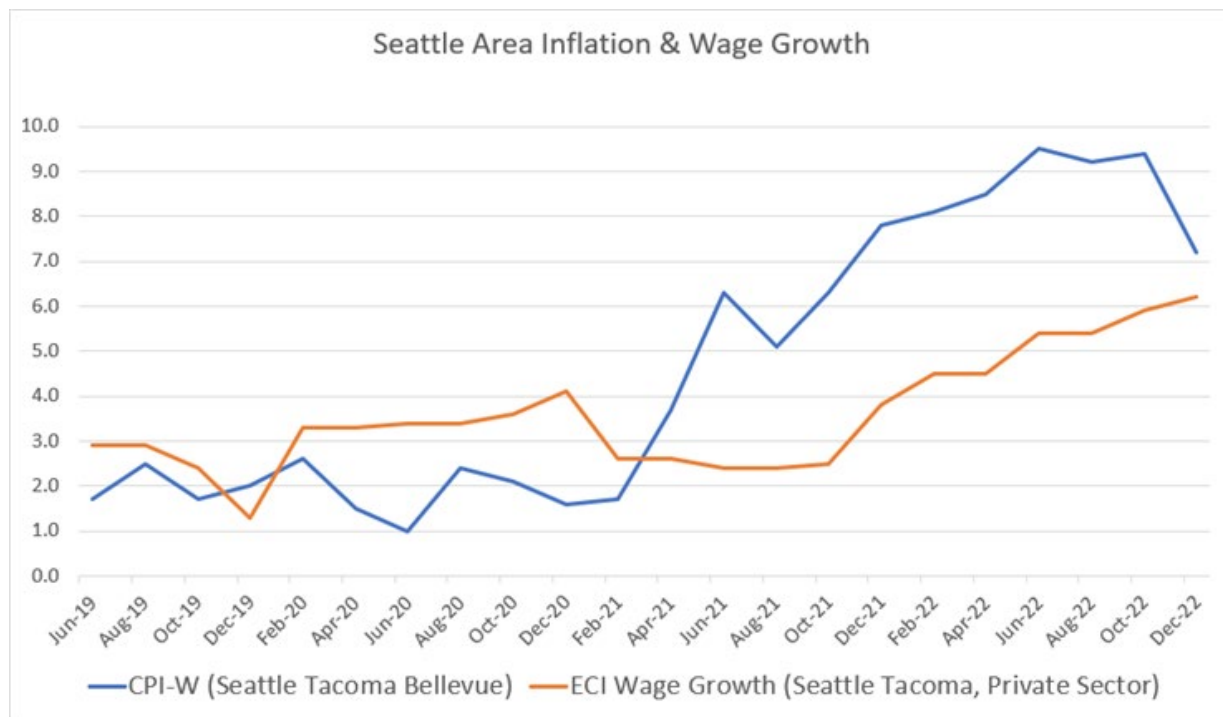
\$1,000.00	\$1,725.00	73%
\$785.00	\$1,300.00	66%
\$785.00	\$1,300.00	66%
\$725.00	\$1,200.00	66%
\$875.00	\$1,435.00	64%
\$920.00	\$1,435.00	56%
\$1,015.00	\$1,558.00	53%
\$1,395.00	\$2,124.00	52%
\$1,120.00	\$1,643.00	47%
\$895.00	\$1,300.00	45%

INFLATION DATA:

Between 1978 and 1989, inflation was above 5% in five of the years. Since 1990, inflation has been above 5% three times (1990 and the last two years). The average CPI since 1990 is 2.7%. The chart below shows which years the inflation rate increased by more than 5%.



Since 2021 prices, as measured by the Consumer Price Index (CPI) have gone up much more than in previous years. The graph below shows Seattle metro area specific data and how the wages have grown compared to cost growth. Renters and landlords are all affected by increased costs, especially because wages have not kept up. As demonstrated by the graph above though, this is a historically rare phenomenon.



How many Tacomans are on a fixed income?

We have not yet answered this question. We need to start with a list of everything that counts as “fixed income,” a legally defensible definition may be the first place to start.