

CITY OF REDMOND

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF REDMOND, WASHINGTON, CREATING A NEW CHAPTER 9.54 OF THE REDMOND MUNICIPAL CODE TO ADOPT TENANT PROTECTIONS INCREASING NOTICE FOR RENT INCREASES, CAPPING LATE FEES, CAPPING MOVE-IN FEES AND DEPOSITS, AND AUTHORIZING TENANT PAYMENT PLANS; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, over the past several years rents in East King County have increased, and vacancies for affordable rental housing are at low levels, making it difficult for tenants, especially those with low incomes, to locate affordable rental housing; and

WHEREAS, the King County Regional Affordable Housing Task Force issued its *Final Report and Recommendations for King County*, December 2018 (rev. March 2019) ("*Affordable Housing Task Force Final Report*"), which identifies that renting rather than owning a home increases the chances of being severely cost burdened,¹ and recognizes an existing affordable housing crisis in King County;² and

WHEREAS, renters occupy approximately 50 percent of the housing units located in Redmond and almost 14 percent of those renters are cost burdened or severely cost burdened;

WHEREAS, the *Affordable Housing Task Force Final Report* includes a regional plan with goals, strategies and a five-year action plan to address the affordable housing crisis, and Goal 4 of the action plan is to "[p]reserve access to affordable homes for renters by supporting tenant protections to increase housing stability and reduce risk of homelessness";³ and

WHEREAS, A Regional Coalition for Housing (ARCH) was created by interlocal agreement to help coordinate the efforts of Eastside cities to provide affordable housing; and

WHEREAS, the ARCH Interlocal Agreement (ILA) establishes a common purpose among ARCH members of acting cooperatively to formulate affordable housing goals and policies; and

WHEREAS, recent Census data estimated that 25,870 renter households in ARCH member jurisdictions are cost-burdened, paying more than 30 percent of income toward housing costs, and 12,550 renter households are severely cost-burdened, paying more than 50 percent of income toward housing costs; and

WHEREAS, local rental assistance programs are finite and have exhausted or nearly exhausted available resources for renters, and such programs are often limited to tenants who have received eviction notices; and

¹ King County Regional Affordable Housing Task Force, *Final Report and Recommendations for King County*, December 2018 (rev. March 2019) at 15.

² *Id.* at 7.

³ *Id.* at 8.

WHEREAS, residents of affordable rental housing created by ARCH member jurisdictions' policies and programs are subject to annual rent increases, based on changes in the area median income (AMI) as published by the Department of Housing and Urban Development (HUD); and

WHEREAS, residents of naturally occurring affordable housing that exists in Redmond are not protected by ARCH restrictive covenants governing annual rent increases and cost burden analysis; and

WHEREAS, the residents of ARCH monitored housing and naturally occurring affordable housing in Redmond will be subject to significant expected rent increases in 2022, which are anticipated to exacerbate cost burdens, and create economic displacement and other negative impacts; and

WHEREAS, the ARCH ILA establishes an Executive Board with responsibility for providing recommendations to ARCH member jurisdictions regarding local and regional affordable housing policies; and

WHEREAS, at its April 14, 2022, meeting, the ARCH Executive Board adopted Resolution 2022-01 providing for recommendations to ARCH members to adopt the following tenant protections: 1) increased notice of rent increases; 2) cap on late fees; and 3) cap on move in fees and deposits, and an allowance to pay in installments; and

WHEREAS, the City Council desires to create a new Chapter 9.54 of the Redmond Municipal Code to adopt the recommended tenant protections, and finds that such adoption is in the best interests of the residents of Redmond and will promote the public health, safety and welfare of the City; and

WHEREAS, this Ordinance is adopted pursuant to the City's police powers and regulatory authority derived from Wash. Const. art. XI, Section 11;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON DOES ORDAIN AS FOLLOWS:

Section 1. Findings. The City Council adopts the recitals set forth above as findings in support of this Ordinance, which are incorporated by reference as if set forth in full.

Section 2. New Chapter 9.54 of Redmond Municipal Code. The City Council hereby creates Chapter 9.54 of the Redmond Municipal Code as set forth below.

Chapter 9.54 TENANT PROTECTIONS

Sections:

9.54.010 Definitions.

9.54.020 Applicability.

9.54.030 Notice of Rent Increase.

9.54.040 Move in fees and security deposits – limits – exceptions – payments by tenants.

9.54.050 Late fees – limits.

9.54.060 Late fees - specification of dates - notice - accommodation request not excuse for refusal to enter rental agreement.

9.54.070 Provisions in violation of restrictions null and void; exemption.

9.54.080 Rental agreement that waives tenant's remedies prohibited – Exception.

9.54.090 Violation of chapter by landlord – liability.

9.54.010 Definitions.

The definitions of this section apply throughout this chapter unless the context clearly requires otherwise. The definitions of RCW 59.18.030 under the Residential Landlord-Tenant Act (RLTA) also apply to this chapter unless otherwise defined in this section.

A. "Dwelling" or "dwelling unit" has the same meaning as RCW 59.18.030(10), as may be amended. At the time of passage of the ordinance codified in this chapter, the RLTA defined "dwelling unit" to mean a structure or that part of a structure which is used as a home, residence, or sleeping place by one person or by two or more persons maintaining a common household, including but not limited to single-family residences and units of multiplexes, apartment buildings, and mobile homes.

B. "Landlord" has the same meaning as RCW [59.18.030](#)(16), as may be amended, and excluding the living arrangements identified in RCW [59.18.040](#). At the time of passage of the ordinance codified in this chapter, the RLTA defined landlord as the owner, lessor, or sublessor of the dwelling unit or the property of which it is a part, and included any person designated as representative of the landlord, including, but not limited to, an agent, a resident manager, or a designated property manager.

C. "Rental agreement" or "lease" has the same meaning as RCW [59.18.030](#)(30), as may be amended. At the time of the passage of the ordinance codified in this chapter, the RLTA defined "rental agreement" as all agreements which establish or modify the terms, conditions, rules, regulations, or any other provisions concerning the use and occupancy of a dwelling unit.

D. "Subsidized housing" has the same meaning as RCW 59.18.030(33), as may be amended. At the time of the passage of the ordinance codified in this chapter, the RLTA defined "subsidized housing" as rental housing for very low-income or low-income households that is a dwelling unit operated directly by a public housing authority or its affiliate, or that is insured, financed, or assisted in whole or in part through one of the following sources: (a) A federal program or state housing program administered by the department of commerce or the Washington state

housing finance commission; (b) A federal housing program administered by a city or county government; (c) An affordable housing levy authorized under RCW [84.52.105](#); or (d) The surcharges authorized in RCW [36.22.178](#) and [36.22.179](#) and any of the surcharges authorized in chapter [43.185C](#) RCW.

E. “Tenant” has the same meaning as RCW 59.18.030(34), as may be amended, and excluding the living arrangements identified in RCW [59.18.040](#), and RCW 59.20.030(24), as may be amended. At the time of passage of the ordinance codified in this chapter, the RLTA defined “tenant” as any person who is entitled to occupy a dwelling unit primarily for living or dwelling purposes under a rental agreement, and RCW 59.20.030 defined “tenant” as any person, except a transient, who rents a mobile home lot.

9.54.020 Applicability.

Sections 9.54.030 through 9.54.090 apply to tenancies governed by Chapter 59.18 RCW (RLTA) and Chapter 59.20 RCW (Manufactured/Mobile Home Landlord-Tenant Act) and are in addition to the provisions provided in said chapters.

9.54.030 Notice of rent increase.

A. Any *rental agreement* or renewal of a *rental agreement* shall state the dollar amount of the rent or rent increase and include, or shall be deemed to include, a provision requiring not less than:

1. one hundred twenty (120) days' written notice for rent increases greater than three percent (3%); or
2. one hundred eighty (180) days' written notice for rent increases greater than ten percent (10%).

B. If the *rental agreement* governs *subsidized housing* where the amount of rent is based on the income of the *tenant* or circumstances specific to the subsidized household, the *landlord* shall provide a minimum of thirty (30) days' prior written notice of an increase in the amount of rent to each affected *tenant*.

9.54.040 Move in fees and security deposits – limits – exceptions – payments by tenants.

A. All move in fees and security deposits charged by a *landlord* before a *tenant* takes possession of a *dwelling unit* shall not exceed one month's rent, except in *subsidized housing* where the amount of rent is set based on the income of the tenant. The exception for *subsidized housing* shall not include tenancies regulated under Section 8 of the Housing Act of 1937, 42 U.S.C. Sec. 1437f, commonly known as the housing choice voucher program.

B. *Tenants* entering *rental agreements* with terms lasting six or more months may choose to pay their move-in fees and security deposits in six equal monthly installments over the first six months occupying the *dwelling unit*.

C. *Tenants* entering *rental agreements* with terms lasting fewer than six months or month-to-month *rental agreements*, may choose to pay move in fees and security deposits in two equal monthly installments over the first two months occupying the *dwelling unit*.

9.54.050 Late fees - limits.

Late fees and penalties due to nonpayment of rent charged to a *tenant* shall not exceed one and one-half percent (1.5%) of the *tenant's* monthly rent.

9.54.060 Late fees - specification of dates - notice - accommodation request not excuse for refusal to enter rental agreement. Rental agreements shall include a provision stating that when late fees may be assessed after rent becomes due, the tenant may propose that the due date be altered to a different date of the month. Additionally, the provision shall specify that, according to RCW 59.18.170(3), a landlord shall agree to such a proposal if it is submitted in writing and the tenant can demonstrate that his or her primary source of income is a regular, monthly source of governmental assistance that is not received until after the date rent is due in the rental agreement. A landlord shall not refuse to enter into a rental agreement with a prospective tenant because the prospective tenant requests such accommodations.

9.54.070 Provisions in violation of restrictions null and void - Exemption.

A. Any provisions in violation of 9.54.030 through 9.54.060 in a *rental agreement* are null and void and of no lawful force and effect.

B. Nothing in this chapter shall be interpreted or applied so as to create any conflict with federal law. In the event of any conflict, federal requirements shall supersede the requirements of this chapter.

9.54.080 Rental agreement that waives tenant's remedies prohibited – Exception.

A. No *rental agreement*, whether oral or written, may provide that the *tenant* waives or foregoes rights or remedies under this chapter, except as provided by subsection B of this section.

B. A *landlord* and *tenant* may agree, in writing, to waive specific requirements of this chapter if all of the following conditions have been met:

1. The agreement to waive specific provisions is in writing and identifies the specific provisions to be waived; and
2. The agreement may not appear in a standard form written *lease* or *rental agreement*; and
3. There is no substantial inequality in the bargaining position of the two parties; and

4. The attorney for the *tenant* has approved in writing the agreement as complying with subsections B.1, B.2, and B.3 of this section.

9.54.090 Violation of chapter by landlord - liability.

A *landlord* found in violation of any of the provisions in this chapter, unless otherwise provided in this chapter, shall be liable to such a *tenant* in a private right of action for the greater of double the *tenant's* economic and noneconomic damages or three times the monthly rent of the *dwelling unit* at issue, and reasonable litigation costs and attorneys' fees.

Section 3. Severability. If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this ordinance.

Section 4. Effective Date. This ordinance shall take effect five (5) days after passage and publication of an approved summary consisting of the title.

ADOPTED by the Redmond City Council this __ __ day of _____, 2022.

CITY OF REDMOND

ANGELA BIRNEY, MAYOR

ATTEST:

_____(SEAL)
CHERYL D. XANTHOS, CMC, CITY CLERK

APPROVED AS TO FORM:

JAMES HANEY, CITY ATTORNEY

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
SIGNED BY THE MAYOR:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.

YES: