



Memorandum

Date: 8/2/2023
Meeting of: City Council

File No. AM No. 23-116
Type: Staff Report

TO: Members of the City Council
FROM: Mayor Angela Birney
DEPARTMENT DIRECTOR CONTACT(S):

Planning and Community Development	Carol Helland	425-556-2107
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DEPARTMENT STAFF:

Planning and Community Development	Seraphie Allen	Deputy Director
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TITLE:

Tenant Protection Ordinance No. 3091 Feedback Summary

OVERVIEW STATEMENT:

This is a staff report to provide information requested by City Council. On July 19, 2022, Redmond City Council adopted Ordinance No. 3091, establishing new tenant protections. This action created a new chapter 9.54 of the Redmond Municipal Code to adopt Tenant Protections, which became effective on July 30, 2022. The ordinance increased notification for rent increases, capped late fees, capped move-in fees and deposits, authorized tenant payment plans, and provided for severability, including establishing an effective date. As part of discussion leading up to ordinance adoption, City Council requested Planning and Community Development staff to report back the following year regarding feedback they received on the effects of the ordinance adoption.

☐ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☒ **Receive Information** ☐ **Provide Direction** ☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Housing Action Plan
- **Required:**
Chapter 9.54 of the Redmond Municipal Code
- **Council Request:**
July 19, 2022
- **Other Key Facts:**
City Council requested staff to report back to about implementation feedback from stakeholders.

OUTCOMES:

- **Overall Impact:**
 - The ordinance has been largely successful with most landlords and property management companies complying with new rules when informed.
 - Renters are still concerned with the pace and magnitude of rent increases and some renters have made requests for more regulations that increase flexibility and stability.
- **Impact on new development:**
 - Since July of 2022, staff have not been made aware of any development application that was withdrawn or not submitted because of Ordinance No. 3091 requirements. Like many other cities, staff do report a slowdown in pre-applications for development. This is most likely an indication of a changing economic environment due to inflation, cost of materials, and high-interest rates.
- **Private Right-of-Action:**
 - Staff have not been apprised of any cases. One renter reported difficulties finding an attorney willing to pursue a private right of action.
 - Eastside Legal Assistance Program (ELAP) reported high compliance from landlords after sending an initial letter on behalf of tenant clients.
 - ELAP has received requests for assistance from 10 tenants in the past year that do not meet the low-income requirement, so they could not provide assistance.
- **Lack of consistency and information between jurisdictions:**
 - Numerous cities and unincorporated King County implemented tenant protections last year with a range of differing requirements. Refer to Attachment A.
 - As part of Redmond's legislative agenda, the City has included a request for a statewide approach to tenant protections to address the current confusion and lack of consistency between jurisdictions. No bills were passed regarding tenant protections in the last legislative session.
 - The City of Redmond will lobby for tenant protections at a statewide level next session.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
July 2022 to July 2023
- **Outreach Methods and Results:**
After the City Council passed Ordinance No. 3091; City staff received numerous inquiries for information from property managers, tenants, and interested parties. Due to the volume of requests, City staff created a Frequently Asked Questions landing page on the city website, utilized the city's e-newsletter and social media channels, and co-promoted Eastside Legal Assistance Program's tenant workshops at the Redmond Library. After six months since the ordinance had gone into effect, Redmond staff proactively engaged relevant stakeholders to solicit feedback regarding the effects of the ordinances.

Stakeholders engagement:

- Responded to numerous constituents (mostly tenants) that reached out to staff seeking support.
- 10+ meetings with impacted tenants and tenant assistance organizations including Eastside Legal

Assistance Program (ELAP), Transit Riders Union, and others.

- 10+ meetings with landlords, property management organizations, and other stakeholders including OneRedmond Government Affairs committee and Washington Multifamily Housing Association.
- In the past two weeks, Mayor and City Council have received over 50+ form emails from constituents requesting adoption of new regulations. Some suggestions included:
 - Allowing tenants to break lease agreements early if there is notice of substantial rent increases;
 - Adding a just cause clause that goes beyond the statewide requirements;
 - Creating guidelines for when a landlord can request a tenant re-sign a lease after providing rental increase notices;
 - Adopting a rental property registration program;
 - Creating a housing ombudsman; and
 - Increasing staff support and legal assistance for tenants.

- **Feedback Summary:**

Most feedback from stakeholders centered on the increased timeline requirements, and some felt it was still too early to tell what kind of impact the ordinance would have on the market. While most tenants appreciated the changes and reported landlord compliance after notification of the rules, some reported a lack of compliance and difficulty with pursuing a private right of action. Many tenants shared they did not think the City had gone far enough with protections and made a number of other suggested regulations as mentioned above. A couple tenants resported their landlords requiring a response (acceptance or non-acceptance) to the rent increase notice before the 120 or 180 days period past, thus defeating the opportunity for the tenant to use the notice period to decide how to adjust to the increase. One property management company reported concern about an increase in late payments since the ordinance went into effect and another expressed concern about the inability to require a Social Security number for background checks. One small landlord cited concerns about tenants' ability to pursue legal action after the tenants had vacated the unit as a way to avoid paying damage costs to the unit and suggested a cure. All cited the need for more information and dispute resolution resources.

BUDGET IMPACT:

Total Cost:

There is currently no fiscal impact associated with the Tenant Protection Ordinance. Staff implementing the tenant protections adopted with Ordinance No. 3091 are funded through the adopted budget.

Approved in current biennial budget: ☒ Yes ☐ No ☐ N/A

Budget Offer Number:

0000037 Housing and Human Services

Budget Priority:

Vibrant and Connected

Other budget impacts or additional costs: ☐ Yes ☐ No ☒ N/A

If yes, explain:

N/A

Funding source(s):
General Fund

Budget/Funding Constraints:
N/A

☐ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
7/19/2022	Business Meeting	Approve

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

Time Constraints:
N/A

ANTICIPATED RESULT IF NOT APPROVED:
N/A

ATTACHMENTS:

Attachment A: Tenant Protection Eastside Matrix