

#### GENERAL GOVERNMENT COMMITTEE MEETING AGENDA

#### Online via Zoom

#### Wednesday, February 09, 2022 3:00 PM

- 1. Call to Order
- 2. Roll Call
- 3. Approval of Minutes: January 12, 2022
- 4. Ordinance No. O2022-003, Preliminary Docket for 2022 Comprehensive Plan Map and Text Amendments and Corresponding Rezones (Brad Medrud)
- 5. Tumwater Housing Action Plan Potential Measures for Addressing Tenant Protections (Brad Medrud)
- 6. Additional Items
- 7. Adjourn

#### **Remote Meeting Information**

To comply with Governor Inslee's Proclamation 20-28, the City of Tumwater meetings will be conducted remotely, not in-person, using a web-based platform. The public will have telephone and online access to all meetings.

#### Watch Online

https://us02web.zoom.us/j/89918605591

#### Listen by Telephone

Call (253) 215-8782, listen for the prompts and enter the Webinar ID 835 0739 6626 and Passcode 652765.

#### **Post Meeting**

Audio of the meeting will be recorded and later available by request, please email CityClerk@ci.tumwater.wa.us

#### Accommodations

The City of Tumwater takes pride in ensuring that people with disabilities are able to take part in, and benefit from, the range of public programs, services, and activities offered by the City. To request an accommodation or alternate format of communication, please contact the City Clerk by calling (360) 252-5488 or email <u>CityClerk@ci.tumwater.wa.us</u>. For vision or hearing impaired services, please contact the Washington State Relay Services at 7-1-1 or 1-(800)-833-6384. To contact the City's ADA Coordinator directly, call (360) 754-4128 or email <u>ADACoordinator@ci.tumwater.wa.us</u>.

CONVENE:	3:00 p.m.
PRESENT:	Chair Michael Althauser and Councilmembers Leatta Dahlhoff and Peter Agabi.
	Staff: City Administrator John Doan, City Attorney Karen Kirkpatrick, Communications Manager Ann Cook, and Planning Manager Brad Medrud.
SELECTION OF CHAIR:	City Administrator Doan invited nominations for Chair.
	Councilmember Dahlhoff nominated Councilmember Althauser to serve as Chair of the General Government Committee for a two-year term.
	With there being no other nominations, City Administrator Doan closed nominations for Chair.
VOTE:	A unanimous vote elected Councilmember Althauser to serve as Chair of the General Government Committee for a two-year term.
APPROVAL OF MINUTES -	
DECEMBER 8, 2021:	
	Councilmember Dahlhoff moved, seconded by Chair Althauser, to approve the minutes of December 8, 2021 as presented. Motion carried unanimously.
<b>DECEMBER 8, 2021:</b>	approve the minutes of December 8, 2021 as presented. Motion

cable, and streaming services, cable subscribers are declining. The rate of decline of subscribers in Tumwater is less than in neighboring

jurisdictions because of the addition of new homes in the City. Comcast's Infinity service is essentially streaming service providing Comcast with the option of providing both cable and streaming services. Comcast is preparing for a shift to provide only streaming service and it is likely the franchise agreement will be the final agreement with the City because of all options available.

During the term of the agreement and in conjunction with the pandemic, representatives from the jurisdictions negotiated the contract with assistance from a consultant and realized the importance of each jurisdiction to consider declining revenues from franchise fees and the allocation for PEG television. Because of technology a number of platforms are available for live streaming and broadcasting various services to include television.

Thurston County Media offering public access services closed its studio during the pandemic. Public access across the country is slowly disappearing. The Thurston County region is one of a few areas in the state that provides public access television with most jurisdictions only offering education and government television services. The reason for the decline of public television is cell phones with video, editing, and free distribution platforms through YouTube, Facebook, Instagram, Twitter, and other services enabling the public to be a broadcaster, sponsor a television show, or offer a free website without the need of studio and cameras. Consequently, the jurisdictions considered other technologies and demand level for public television.

When the FCC initially enabled funding for the local jurisdictions through a franchise agreement, TCTV formed a local station supported by the four largest jurisdictions in Thurston County with each jurisdiction renewing a service contract with TCTV each year with the jurisdiction paying a fee to TCTV to provide broadcasting services for City meetings.

With the advent of changes in technology and numerous competitive venues, the jurisdictions agreed to create an interlocal agreement to release a Request for Proposal (RFP) for either EG services or PEG services. Manager Cook noted the political environment surrounding cable television and the franchise fee has resulted in then loss of revenue to jurisdictions during the previous Administration that has not been recouped with cable companies retaining a larger share of the fees. The ability of jurisdictions to regulate is limited.

Chair Althauser questioned the purpose of the interlocal agreement. Manager Cook explained that the ILA would enable the jurisdictions to solicit bids as a collective unit increasing competitiveness to service

providers as one large umbrella comprised of four jurisdictions. The selection of a service provider provides each jurisdiction with the opportunity to separately contract with the service provider.

Chair Althauser asked whether TCTV would be able to submit a bid on the RFP. Manager Cook affirmed TCTV would be encouraged to submit a proposal as well. The previous process with TCTV involved an automatic renewal of the contract without the benefit of opening the process to the industry. However, based on changes in the industry, technology, and benefits to the public, the jurisdictions elected to open the process for competitive bidding.

City Administrator Doan said the decline in franchise fees within the City and its impact on the budget has been overshadowed by the quantity of new homes developed in the City. Without new home construction in the City, the budget would reflect a continual decrease in franchise fees. At some point, franchise fees will no longer exist. Streaming services in the area are available from nearly 50 different venues enabling the public to access content.

Councilmember Dahlhoff encouraged the process to consider how many elders in the community continue to rely on cable services as their only source of television service. Manager Cook said the franchise agreement includes provisions that speak to a designated service provider affording some flexibility and with access to a Comcast channel. The option would enable the City to be the service provider of the channel. The channel offered through cable during the last 10 years would continue until cable companies elect not to offer the service.

Manager Medrud recommended the committee forward a recommendation to the City Council to adopt the 2022 Long Range Planning Work Program on January 18, 2022 based on the results of the joint worksession with the Planning Commission in December. He invited any comments or questions on the work program.

Councilmember Dahlhoff said that based on the assumption that the City would hire the sustainability and economic development positions, the level of effort required in the work program would be possible. Manager Medrud affirmed the work program is based on a level of staffing that includes both the sustainability and economic development positions. Senior Planner Ginther has returned full-time, which has also increased resources. Staff is also seeking grant funding for consultant assistance for the Urban Forestry Management Plan actions.

#### 2022 LONG RANGE PLANNING WORK PROGRAM:

#### **CONSENSUS:**

TUMWATER HOUSING ACTION PLAN – POTENTIAL MEASURES FOR ADDRESSING TENANT PROTECTIONS:

### The General Government Committee supported scheduling the 2022 Long Range Planning Work Program for consideration by the City Council on January 18, 2022.

Manager Medrud briefed the committee on the status of discussions on potential tenant protections. At this point, staff believes the information is at a point to present to the City Council for further direction on next steps. The proposal is not tied to an ordinance at this point but is a summary of what actions could be pursued.

The initial discussions began in 2018 and evolved with adjustments to account for the booming housing market followed by the pandemic. The state has acted over the last three years <u>eliminating to address</u> some of the options that were under consideration. The next step is determining which measures should move forward for development of an ordinance this year.

Manager Medrud noted that the committee's agenda packet includes a summary of the City of Olympia's process to date. The City of Olympia elected to move forward separate from a regional process. However, some of the provisions would be more effective at a regional level to avoid implementing different requirements across the jurisdictions creating confusion to landlords and renters. Some provisions would be more effective as a regional effort.

Manager Medrud presented a table of a series of measures to consider for amendments to the Tumwater Municipal Code. The initial committee was comprised of City Attorney Kirkpatrick, Director Matlock, City Administrator Doan, Councilmember Althauser, Housing Consultant Paul Knox, and Manager Medrud. The committee reviewed each of the initial measures in terms of any changes in the landscape since initially considered.

Manager Medrud reviewed a list of proposed measures:

- 1. Prohibit use of online bidding platforms. Bidding platforms are typically promoted and available in high-density urban areas. The committee recommends no action at this time.
- 2. Require landlords to distribute certain housing related information, including rights and responsibilities to tenants. The proposed measure is a summary of the state requirements and any local requirements the City believes landlords and tenants should have access to and information about. The proposal would require an amendment to Title 5. *Councilmember Dahlhoff asked how the City could track the engagement to ensure both parties are utilizing the*

information. Manager Medrud replied that the committee identified potential negatives of each measure. Under this measure, the committee identified the potential difficulty to communicate or enforce as the City lacks any involvement in a rental agreement. The measure would require some educational efforts by the City to ensure landlords and tenants are aware of the new requirement, as well as providing the information on the City's website.

- 3. Require that deposits, as well, as recurring and one time fees be in written agreements. Recent changes occurred as part of the Renter Landlord Tenant Act for deposits and securities; however, the measure includes additional provisions to address one-time fees that are not addressed by state law.
- 4. Make landlord failure to comply a renter defense to eviction and the landlord subject to liability and penalties. The measure is partly addressed in RCW 59.18 but not at the level the City would prefer. The committee recommends including the provision in any code changes. *Chair Althauser agreed the provision is important to include as an amendment to ensure the provisions within the code are enforceable when instances occur. Councilmember Dahlhoff commented on the difficulty of tracking measures and connecting measures by adding an additional column reflective of compliance by a landlord.*
- 5. Prohibit waiving of city requirements. The committee recommends retaining prohibiting waiving of City requirements as part of a rental agreement.
- 6. Prohibit retaliation. The measure has been addressed by state law.
- 7. Require notification a set number of days prior to eviction due and of no-cause eviction. State law requires a 60-day notice prior to eviction. The committee discussed increasing the notice to 90 days. Councilmember Dahlhoff questioned whether the provision could affect a military family serving as the landlord receiving orders to transfer as most provisions can address anomalies or exceptions. Manager Medrud offered to conduct an additional review of specific conditions included in state law. Chair Althauser offered that evictions occurring for good cause, such as a military transfer, could include providing relocation assistance because the tenant is not at fault if a military landlord either transfers back to the property or transfers from the area. Councilmember Dahlhoff cited another instance where the death of the landlord occurs and the family sells the property to pay off the mortgage. Chair Althauser said he is unsure whether the tenant/landlord contract would be transferrable to another individual, which might require some additional research by staff.

- 8. Require notification a set number of days prior to any rent increase. Currently, state law requires a 60-day notice. The committee discussed extending the notice to 90 days.
- 9. Require a landlord to allow a tenant to pay the deposit and move in and administrative fees over a period of up to a number of months and allow tenants the ability to pay security and last month rent over a period of three months after moving in lieu of upfront so there is less initial barrier to entry. The committee recommends not including the provision as state law provisions address the concerns.
- 10. Add source of income protections in housing rental code. Recent changes in state law have addressed the issue.
- 11. Add citizenship status protections in housing rental code. Recent changes in state law have addressed the issue.
- 12. Limit fees a landlord could charge. The committee advises against the measure as it extends into the economic decisions of landlord/tenant decisions.
- 13. First-in-time tenancy required. The City of Seattle has enacted a similar provision. The committee engaged in a long discussion on whether the proposal would accomplish the intent and agreed not to recommend the measure.
- 14. Add criminal conviction status protections in housing rental code. The committee believes the measure should be addressed at the state level and not at the local level.
- 15. Require landlords to show good cause to terminate a monthtomonth tenancy and to refuse to renew a fixed term tenancy. Some new provisions in state law address some of the concern. The committee agreed not to recommend inclusion of the measure.
- 16. Tenant relocation assistance fund. The committee supports delaying consideration of the measure on the outcome of the recent court challenge to the surcharge. Additionally, the provision should be part of the efforts for consideration by the Regional Housing Council as the City has limited funds and any measures should be comprehensive across the region.
- 17. Provide relocation payment for any low-income tenant displaced by the reasons in Measure #7. The committee supports consideration of the measure regionally by the Regional Housing Council.

Manager Medrud reviewed recommended measures focused on education:

1. Create a list of landlords for communication regarding notices and enforcement. The committee recommends the action to

> ensure everyone receives the same information, as well as for enforcement purposes.

2. Contract with Dispute Resolution Center for tenant and landlord conflict resolution services. The committee recommends the action.

Manager Medrud reviewed strategies and actions related to landlords, tenants, and rentals approved by the Council within the Housing Action Plan. He asked members to provide feedback on whether some actions should be considered for further discussion during the year or as part of the budgeting process next year:

• Strategy 1: Increase the supply of permanent, incomerestricted affordable housing.

- Action 1.k. Enhance enforcement of property maintenance codes to keep housing in good repair. The action ensures housing is maintained. Staff supports the action and recommends some discussion as the current process is reactive-based enforcement initiated by citizen complaints. Councilmember Dahlhoff asked whether the City receives reports from the Department of Health on complaints. Manager Medrud advised that he receives information on rental housing but not reports on complaints for specific properties in Tumwater. He offered to follow up with the department. The Housing Action Team Rental Group is actively engaged in specific actions. The City could collaborate with the group to receive information.

• Strategy 2: Make it easier for households to access housing and stay housed.

- Action 2.a. Have developers provide tenants displaced by redevelopment with relocation assistance.

- Action 2.c. Adopt short-term rental regulations to minimize impacts on long-term housing availability. *Manager Medrud* reported the City of Olympia completed a similar action last year. At the staff level, the jurisdictions have discussed whether the issue is applicable to the City of Tumwater versus the City of Olympia. He asked members to advise staff if the City is experiencing any issues as staff could begin efforts to address the issue.

- Action 2.d. Support down payment assistance programs for homeownership and programs that assist people entering the rental market. *Manager Medrud advised that the action is broad and <u>it would be more effective at the regional or state level.</u>* 

- Action 2.e. Identify and implement appropriate tenant protections that improve household stability. *Manager Medrud advised that the purpose of the actions is to keep* 

people housed to avoid creating the larger issue of homelessness.

- Action 2.f. Develop a technical assistance or education program for small landlords. The issue is important and should be discussed as the larger landlord associations and larger landlord groups are well informed and have information to share between members. However, the City has a number of smaller landlords who rent homes or smaller properties who could benefit from shared education and technical assistance to help avert situations before they become issues. Chair Althauser recommended adding technical assistance for landlords to assist them in interacting with various rental subsidy programs to reduce barriers to entry. Councilmember Dahlhoff recommended convening a focus group of small landlords. She asked whether there are any plans to follow-up with landlords who participated in the Thurston Regional Planning Council survey to receive an update or pursue a relationship with those landlords completing the survey. Manager Medrud affirmed he would follow up with TRPC. Councilmember Dahlhoff said many of her friends are smaller landlords and many feel like they have been left out and their voices are not being considered.

- Action 2.g. Assist non-profits in the process of acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled. *Staff engaged in discussions with several non-profits prior to the pandemic on the process. Manager Medrud suggested it would be timely for staff to reconnect with non-profits to follow up on the discussions.* 

- Action 2.h. Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold. *Manager Medrud recommended the action is appropriate for a regional effort. He offered to contact the City of Olympia and City of Lacey for additional information.* 

• Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.

- Action 5.b. Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues. *The action is appropriate for discussion by the Regional Housing Council or another regional entity.* 

- Action 5.d. Establish a rental registration program to improve access to data and share information with landlords.

Manager Medrud asked about timing to schedule the issues for a discussion by the City Council and whether any additional information would be required for the City Council.

Chair Althauser questioned whether the actions would be added to the work program over the next 24 months or whether existing resources are available to ensure adequate capacity is available to address some of the actions. Manager Medrud advised that the Council discussion would identify some priorities and staff would develop information on the resources and timing required to accomplish the actions to enable the Council to select priorities with the understanding resources would be available. -He supported actions related to rental, registration, and inspections and recommended following up with other municipalities of similar size with successful programs.

Councilmember Dahlhoff said that her goal is to avoid evictions as it affects a person's rental record and can hamper securing housing. She also supports working closely with and receiving information other programs and activities currently in place to obtain some insights on whether some of the proposals would be possible for the City to pursue or whether the City could support the actions through other programs and activities in place through local non-profits and organizations.

Manager Medrud said he would follow up with local organizations prior to the Council's discussion to learn about potential options or how it might affect decisions by the Council.

Chair Althauser noted that the table lacks all the conversations and work staff has invested in reaching out to tenants and landlords in the community. He agreed on the importance of following up with nonprofits while acknowledging the City has done a good job of different forms of outreach and contact with the community.

Councilmember Dahlhoff said her preference is to receive a draft ordinance of the supported measures for the Council's review.

Councilmember Agabi supported moving the discussion to the Council and agreed a draft ordinance with language would be helpful to assist the Council in its review. Manager Medrud offered to forward a draft of prior language to provide more information on the direction of a proposed ordinance. He suggested scheduling the Council's worksession in late March or in April based on current work items.

Chair Althauser inquired about the possibility of receiving a draft ordinance in February prior to the Council's worksession. Manager Medrud advised that he could provide either a draft ordinance or an update on the status of the discussions and the questions remaining open.

<b>ADDITIONAL ITEMS:</b>	Councilmember Agabi acknowledged the meeting was his first and last
	meeting and he found the information to be very helpful and
	informative. He has been reassigned to the Public Health and Safety
	Committee.
	informative. He has been reassigned to the Public Health and Safety

ADJOURNMENT: With there being no further business, Chair Althauser adjourned the meeting at 4:12 p.m.

Prepared by Puget Sound Meeting Services, psmsoly@earthlink.net

Item 4

- TO: General Government Committee
- FROM: Brad Medrud, Planning Manager
- DATE: February 9, 2022
- SUBJECT: Ordinance No. O2022-003, Preliminary Docket for 2022 Comprehensive Plan Map and Text Amendments and Corresponding Rezones

#### 1) <u>Recommended Action</u>:

Review the amendments to determine which to include in the 2022 Comprehensive Plan Amendment Final Docket and schedule discussion on the Preliminary Docket with the City Council at their February 22, 2022 worksession.

#### 2) Background:

Pursuant to RCW 36.70A.130 and TMC 18.60.025(A)(2), proposed map and text amendments to the City's Comprehensive Plan and corresponding rezones are only considered once per calendar year.

The City's annual 2022 Preliminary Docket of Comprehensive Plan amendments includes two private applications for map amendments filed by the Monday, December 6, 2021 deadline and four City-sponsored Comprehensive Plan text and map amendments.

At their January 25, 2022 worksession, the Planning Commission recommended that all the items in the preliminary docket go forward for consideration as part of the final docket.

The City Council's General Government Committee will review the Planning Commission's recommendation on the Preliminary Docket in a briefing on February 9, 2022 and the City Council is scheduled to hold a worksession to discuss the Preliminary Docket on February 22, 2022. The City Council is scheduled to consider the Preliminary Docket on March 1, 2022.

The Planning Commission is scheduled to start consideration of the Final Docket of Comprehensive Plan amendments in July 2022.

#### 3) Policy Support:

Goal LPP-1: Provide sufficient and efficient services to Tumwater and the Urban Growth Area.

Goal LU-1: Ensure the Land Use Element is implementable and coordinated with all applicable City plans and the plans of other jurisdictions in the Thurston region.

- 3) <u>Alternatives</u>:
  - None

#### 5) <u>Fiscal Notes</u>:

This is an internally funded work program task. There are no significant fiscal impacts to the City because of the Land Use Plan changes.

- 4) <u>Attachments</u>:
  - A. Staff Report
  - B. Presentation

#### 2022 ANNUAL CITY OF TUMWATER COMPREHENSIVE PLAN MAP AND TEXT AMENDMENTS AND CORRESPONDING REZONES

#### PRELIMINARY DOCKET (ORDINANCE NO. 2022-003)

#### STAFF REPORT

#### GENERAL GOVERNMENT COMMITTEE BRIEFING

#### Introduction

Pursuant to RCW 36.70A.130 and TMC 18.60.025(A)(2), proposed map and text amendments to the City's Comprehensive Plan and corresponding rezones can only be considered once per calendar year.

The first part of the review process for the 2022 Comprehensive Plan amendments is a review of the preliminary docket to determine which items will move on to the final docket for staff review and consideration by the Planning Commission and City Council later this year.

The preliminary docket includes two private applications for a map amendment filed by the Monday, December 6, 2021 deadline for the 2022 Comprehensive Plan amendments from citizens or property owners, and the remaining four proposed amendments are City-sponsored Comprehensive Plan text and map amendments.

#### Private Map Amendments

- 1. Wells Littlerock Comprehensive Plan Land Use Map Amendment (TUM-21-1848) and Corresponding Rezone (TUM-21-1804)
- 2. Bath Littlerock Israel Comprehensive Plan Land Use Map Amendment (TUM-21-1873) and Corresponding Rezone (TUM-21-1872)

#### City Sponsored Text and Map Amendments

- 3. Neighborhood Character Review Comprehensive Plan Housing and Land Use Elements
- 4. Thurston Climate Mitigation Plan Update greenhouse gas emission (GHG) targets in the Conservation Element to address HB 2311
- 5. Essential Public Facilities Amendments

6. Comprehensive Plan Map Amendment and Corresponding Rezone to Change Triangle West of the Dennis Street SW and Linderson Way SW Intersection

The Planning Commission recommendation is that all the proposed amendments in the preliminary docket go forward for further study as part of the final docket.

#### Contents

Introduction1
A. 2022 PRIVATELY SPONSORED COMPREHENSIVE PLAN MAP AMENDMENTS AND CORRESPONDING REZONES
1. Wells Littlerock Comprehensive Plan Land Use Map Amendment (TUM-21- 1848) and Corresponding Rezone (TUM-21-1804)
2. Bath Littlerock Israel Comprehensive Plan Land Use Map Amendment (TUM-21-1873) and Corresponding Rezone (TUM-21-1872)7
B. 2022 CITY SPONSORED COMPREHENSIVE PLAN MAP AND TEXT AMENDMENTS AND CORRESPONDING REZONES
3. Neighborhood Character – Review Comprehensive Plan Housing and Land Use Elements
4. Thurston Climate Mitigation Plan – Update greenhouse gas emission (GHG) targets in the Conservation Element to address HB 2311
5. Essential Public Facilities Amendments
6. Comprehensive Plan Map Amendment and Corresponding Rezone to Change Triangle West of the Dennis Street SW and Linderson Way SW Intersection 13
Review and Approval Criteria
Proposed 2022 Comprehensive Plan Amendment Schedule (Note dates subject to change)
Public Notification
Staff Conclusions
Staff Recommendation
Staff Contact

#### A. 2022 PRIVATELY SPONSORED COMPREHENSIVE PLAN MAP AMENDMENTS AND CORRESPONDING REZONES

#### 1. <u>Wells Littlerock Comprehensive Plan Land Use Map Amendment (TUM-21-1848) and Corresponding Rezone (TUM-21-1804)</u>

Proposal	<ol> <li>Amend the City-Wide Land Use Map to change the current Comprehensive Plan land use map designation of the property from Single Family Medium Density Residential (SFM) Comprehensive Plan map designation to Multi- Family Medium Density Residential (MFM).</li> <li>Amend the City-Wide Zoning Map to change the current zone district of the property from Single Family Medium Density Residential (SFM) to Multifamily Medium Density Residential (MFM).</li> </ol>
Applicant	Glenn Wells
Owner	Marvin L. Beagles
Location	Three adjacent parcels located to the south of 7223 Littlerock Road SW
Parcel Number	Thurston County Assessor Parcel Numbers 1270-44-30901, 1270-44-30902, and 1270-44-30903
Property Size	2.76 acres

#### Background

- In accordance with Tumwater Municipal Code 18.60.025(A)(5), applications for 2022 Comprehensive Plan Amendments and associated rezones were due by the first Monday in December (December 6, 2021).
- The City published notice on September 30, 2021 that applications for 2022 Comprehensive Plan Amendments and associated rezones would be due Monday, December 6, 2021.
- The City received the rezone application (TUM-21-1804 (Rezone)) on November 17, 2021.
- Staff sent out a letter of incompleteness for the rezone application (TUM-21-1804 (Rezone)) on December 6, 2021.

- The City received the Comprehensive Plan map amendment application (TUM-21-1848 (CPA)) on December 6, 2021.
- Staff sent out a letter of completeness for the Comprehensive Plan map amendment and rezone applications (TUM-21-1804 (Rezone)/TUM-21-1848 (CPA)) on December 10, 2021.

#### Maps

Figure 1 (Parcels and Ownership)



#### Figure 2 (2019 Aerial)



SUBJECT PROPERTIES Ν Legend 400 1 inch = 400 feet Subject Properties Map Date: 1-3-2022 Map Date: 1-6-2022 MXD: Wells Littlerock Rezone 2022 DISCLAIMER: The City of Tumwater does not warrant, guarantee, or accept any liability for the accuracy, precision, or completeness of any information shown hereon or for any inferences made therefrom.

#### Figure 3 (Zoning)



Figure 3 – Wells Littlerock Comprehensive Plan Map Amendment and Associated Rezone Zoning Map 1270-44-30901, 1270-44-30902, and 1270-44-30903

#### 2. <u>Bath Littlerock Israel Comprehensive Plan Land Use Map Amendment</u> (TUM-21-1873) and Corresponding Rezone (TUM-21-1872)

Proposal	<ol> <li>Amend the City-Wide Land Use Map to change the current Comprehensive Plan land use map designation of the property from Mixed Use (MU) Comprehensive Plan map designation to General Commercial (GC).</li> <li>Amend the City-Wide Zoning Map to change the current zone district of the property from Mixed Use (MU) to General Commercial (GC)</li> </ol>
Applicant	Peter Condyles
Owner	Dayabir Bath
Location	Two adjacent parcels located at 6940 Littlerock Road SW and 1850 Israel Road SW
Parcel Number	Thurston County Assessor Parcel Numbers 1270-44-11000 and 1270-44-11200
Property Size	1.97 acres

#### Background

- In accordance with Tumwater Municipal Code 18.60.025(A)(5), applications for 2022 Comprehensive Plan Amendments and associated rezones were due by the first Monday in December (December 6, 2021).
- The City published notice on September 30, 2021 that applications for 2022 Comprehensive Plan Amendments and associated rezones would be due Monday, December 6, 2021.
- The City received the rezone application (TUM-21-1804 (Rezone)) on November 17, 2021.
- Staff sent out a letter of incompleteness for the rezone application (TUM-21-1804 (Rezone)) on December 6, 2021.
- The City received the Comprehensive Plan map amendment and rezone applications (TUM-21-1872 (Rezone) and TUM-21-1873 (CPA)) on December 6, 2021.

- Staff sent out a letter of incompleteness for the Comprehensive Plan map amendment and rezone applications (TUM-21-1872 (Rezone) and TUM-21-1873 (CPA)) on December 14, 2021.
- Staff sent out a letter of completeness for the Comprehensive Plan map amendment and rezone applications (TUM-21-1872 (Rezone) and TUM-21-1873 (CPA)) on January 3, 2022.
- The two adjacent parcels (1270-44-11000 and 1270-44-11200) of 1.97 acres located at 6940 Littlerock Road SW and 1850 Israel Road SW were part of the proposed 2017 Sullivan Comprehensive Plan Map and Zoning Map amendments (TUM-16-1325) that were considered by the City Council on January 16, 2018 as part of Ordinance No. O2017-024.
- The 2017 amendment changed the Bath Littlerock Israel property, along with four other parcels (Parcels #1 #6 of Exhibit "B" of Ordinance No. 02017-024), from Mixed Use Overlay (MUO) Comprehensive Plan map designation and zone district to Mixed Use (MU).
- The City Council decided not to support a further amendment of Parcels #1 #6 of Exhibit "B" of Ordinance No. O2017-024, which included the Bath Littlerock Israel property, to General Commercial (GC).

#### **Maps** Figure 4 (Parcels and Ownership)

Figure 4 – Bath Littlerock Israel Comprehensive Plan Map Amendment and Associated Rezone Parcel Map 1270-44-11000 and 1270-44-11200



2022 Comprehensive Plan Map and Text Amendments and Corresponding Rezones Preliminary Docket (Ordinance No. O2022-003) Page 9

#### Figure 5 (2019 Aerial)

Staff Report





#### Figure 6 (Zoning)



Figure 6 – Bath Littlerock Israel Comprehensive Plan Map Amendment and Associated Rezone Zoning Map 1270-44-11000 and 1270-44-11200

#### B. 2022 CITY SPONSORED COMPREHENSIVE PLAN MAP AND TEXT AMENDMENTS AND CORRESPONDING REZONES

#### 3. <u>Neighborhood Character – Review Comprehensive Plan Housing and</u> <u>Land Use Elements</u>

Proposal	1.	Review the Comprehensive Plan Housing and Land Use
		Elements and determine if there are amendments needed
		to address "neighborhood character."

Sponsor City of Tumwater

#### Background

Staff proposes to review the Comprehensive Plan Housing and Land Use Elements to evaluate the use of the term "neighborhood character" in support of the Tumwater Housing Action Plan.

- 4. <u>Thurston Climate Mitigation Plan Update greenhouse gas emission</u> (GHG) targets in the Conservation Element to address HB 2311
- **Proposal**1. Review the Comprehensive Plan Conservation and Land<br/>Use Elements and determine if there are amendments<br/>needed to address HB 2311.
- Sponsor City of Tumwater

#### Background

The proposed review of Comprehensive Plan policies would support the Thurston Climate Mitigation Plan.

#### 5. Essential Public Facilities Amendments

**Proposal**1. Review the Comprehensive Plan Land Use Element and<br/>determine if there are amendments needed to address<br/>essential public facilities.

Sponsor City of Tumwater

#### Background

The proposed review of the Comprehensive Plan Land Use Element and determine if there are amendments needed to address essential public facilities such as Inpatient facilities including substance abuse facilities (including but not limited to:

Item 4.

intensive inpatient facilities; long-term residential drug treatment facilities; recovery house facilities).

#### 6. <u>Comprehensive Plan Map Amendment and Corresponding Rezone to</u> <u>Change Triangle West of the Dennis Street SW and Linderson Way SW</u> <u>Intersection</u>

Proposal	1. Amend the City-Wide Land Use Map to change the current Comprehensive Plan land use map designation of the property from Single Family Medium Density Residential (SFM) to Multi-Family High Density Residential (MFH).
	2. Amend the City-Wide Zoning Map to change the current zone district of the property from Single Family Medium Density Residential (SFM) to Multifamily High Density Residential (MFH).
Sponsor	City of Tumwater
Location	6501 Linderson Way SW at the western corners of Linderson Way SW and Dennis Street SW
Parcel Number	Portion of Thurston County Assessor Parcel Number 1270-32- 40303
<b>Property Size</b>	Part of 5.73-acre parcel

#### Background

- In 2019 Staff proposed a cleanup of the City-Wide Land Use Map and City-Wide Zoning Map
- Figure 10 contains a portion of the 1984 zoning map
- Linderson Way SW used to run along the freeway all the way to Israel Road
- When the road location was changed, the zoning was not changed

#### Maps

Figure 7 (Parcels and Ownership)



#### Figure 8 (2019 Aerial)

Figure 8 – Triangle west of the Dennis Street SW and Linderson Way SW Comprehensive Plan Map Amendment and Associated Rezone Aerial Map (2019) A Portion of 1270-32-40303



Map Date: 1-3-2022 MXD: Wells Littlerock Rezone 2022 DISCLAIMER: The City of Tumwater does not warrant, guarantee, or accept any liability for the accuracy, precision, or completeness of any information shown hereon or for any inferences made therefrom.

#### Figure 9 (Zoning)







#### **Review and Approval Criteria**

Comprehensive Plan map and text amendments are subject to the criteria below from Tumwater Municipal Code (TMC) 18.60.025(B):

- 1. All amendments to the comprehensive plan must conform with the requirements of the Washington State Growth Management Act, Chapter 36.70A RCW, and all amendments for permanent changes to the comprehensive plan must be submitted to the Washington State Department of Commerce, pursuant to RCW 36.70A.106.
- 2. Text amendments and site-specific rezone applications should be evaluated for internal consistency with the comprehensive plan, and for consistency with the county-wide planning policies, related plans, and the comprehensive plan of Thurston County or cities which have common borders with Tumwater.
- 3. Whether conditions in the area for which comprehensive plan change/zoning amendment is requested have changed or are changing to such a degree that it is in the public interest to encourage a change in land use for the area.
- 4. Whether the proposed comprehensive plan zoning amendment is necessary in order to provide land for a community-related use which was not anticipated at the time of adoption of the comprehensive plan.

### Proposed 2022 Comprehensive Plan Amendment Schedule (Note dates subject to change)

#### 2022 Preliminary Docket Process

#### Planning Commission

- January 11, 2022 Planning Commission briefing Completed
- January 25, 2022 Planning Commission worksession Completed

#### City Council

- February 9, 2022 General Government Committee briefing
- February 22, 2022 City Council worksession
- March 1, 2022 City Council consideration

#### 2022 Final Docket Process

Notice of Intent and SEPA Review

• July 2022 – Submit Notice of Intent to Commerce

Item 4.

• July 2022 – SEPA Review

#### Planning Commission

- July 26, 2022 Planning Commission briefing
- August 9, 2022 Planning Commission worksession
- August 23, 2022 Planning Commission hearing

#### City Council

- September 14, 2022 General Government Committee briefing
- September 27, 2022 City Council worksession
- October 4, 2022 City Council consideration

#### **Public Notification**

A Notice of Public Hearing for the Planning Commission will be issued after the Planning Commission establishes a hearing date on the final docket. The notice will be posted in the proposed map amendment area, published as a press release, distributed to interested individuals and entities that have requested such notices, and published in *The Olympian*. Letters notifying all property owners within 300 feet of the exterior boundaries of the proposed map amendment area of the public hearing are expected to be sent out around at the same time.

#### Staff Conclusions

- 1. All the proposed Comprehensive Plan map and text amendments and corresponding rezones will need to meet the review and approval criteria found in TMC 18.60.025(B).
- 2. All the proposed Comprehensive Plan map and text amendments and corresponding rezones will need to be consistent with the goals of the Washington State Growth Management Act.
- 3. All the proposed Comprehensive Plan map and text amendments and corresponding rezones will need to be consistent with the goals of the Conservation Element of the Comprehensive Plan.
- 4. All the proposed Comprehensive Plan map and text amendments and corresponding rezones will need to be consistent with the goals of the Housing Element of the Comprehensive Plan.
- 5. All the proposed Comprehensive Plan map and text amendments and corresponding rezones will need to be consistent with the goals of the Land Use Element of the Comprehensive Plan.

- 6. The potential impacts of all the proposed 2022 Comprehensive Plan map and text amendments and corresponding rezones will need to be considered together with the criteria found in TMC 18.60.025(B) and proposed amendments should not create any inconsistencies when evaluated together.
- 7. Based on the above review and analysis, staff will need to conclude that all the proposed Comprehensive Plan map and text amendments and corresponding rezones are consistent with the requirements of the Washington State Growth Management Act, Thurston County-Wide Planning Policies, the goals of Sustainable Thurston, and the Comprehensive Plan.

#### **Planning Commission Recommendation**

1. The Planning Commission recommends that all the amendments go forward.

#### **Staff Contact**

Brad Medrud, AICP, Planning Manager City of Tumwater Community Development Department (360) 754-4180 bmedrud@ci.tumwater.wa.us

Attachment B

## 2022 Comprehensive Plan Map & Text Amendments and Associated Rezones Preliminary Docket

February 9, 2022 General Government Committee Briefing



# 2022 Proposed Amendments

- 1. Two proposed private map amendments and associated rezones
- 2. Three proposed public text amendments
- 3. One proposed public map amendment and associated rezone

## **2022 Private Amendments**

# Proposed Private Map Amendments and associated rezones:

- Wells Littlerock Comprehensive Plan Land Use Map Amendment (TUM-21-1848) and Corresponding Rezone (TUM-21-1804)
- Bath Littlerock Israel Comprehensive Plan Land Use Map Amendment (TUM-21-1873) and Corresponding Rezone (TUM-21-1872)

ltem 4.
## **1. Wells Littlerock**

**Glenn Wells Proponent:** Marvin L. Beagles **Owner:** Three adjacent parcels located to the Location: south of 7223 Littlerock Road SW Parcel Numbers: 1270-44-30901, 1270-44-30902, and 1270-44-30903 2.76 Acres Area Size: **Current Use:** Vacant







## Current Comprehensive Plan map designation and zone district:

• Single Family Medium Density Residential (SFM)

# Proposed Comprehensive Plan map designation and zone district:

• Multi-Family Medium Density Residential (MFM)

## 2. Bath Littlerock Israel

**Proponent:** Peter Condyles

Dayabir Bath

Location:Two adjacent parcels located at 6940Littlerock Road SW and 1850 IsraelRoad SW

Parcel Numbers: 1270-44-11000 and 1270-44-11200

Area Size: 1.97 Acres

**Current Use:** Single family house and vacant

ltem 4.

**Owner:** 







## Current Comprehensive Plan map designation and zone district:

• Mixed Use (MU)

# Proposed Comprehensive Plan map designation and zone district:

• General Commercial (GC)

 The two parcels were part of the proposed 2017 Sullivan Comprehensive Plan Map and Zoning Map amendments (TUM-16-1325) that were considered by the City Council on January 16, 2018 as part of Ordinance No. 02017-024

 The 2017 amendments changed the Bath Littlerock Israel property, along with four other parcels (Parcels #1 - #6 of Exhibit "B" of Ordinance No. 02017-024), from Mixed Use Overlay (MUO) Comprehensive Plan map designation and zone district to Mixed Use (MU)

 The City Council decided not to support a further amendment of Parcels #1 - #6 of Exhibit "B" of Ordinance No. O2017-024, which included the Bath Littlerock Israel property, to General Commercial (GC)

## **2022 Text Amendments**

- 3. Neighborhood Character Review Comprehensive Plan Housing and Land Use Elements and determine if there are amendments needed to address "neighborhood character"
- 4. Thurston Climate Mitigation Plan Update greenhouse gas emission (GHG) targets in the Conservation Element to address HB 2311 Review Comprehensive Plan Conservation and Land Use Elements and determine if there are amendments needed to address HB 2311

### 2022 Text Amendments

**Essential Public Facilities Amendments** – 5. Review the Comprehensive Plan Land Use Element and determine if there are amendments needed to address essential public facilities, including but not limited to: intensive inpatient facilities; long-term residential drug treatment facilities; recovery house facilities

## 6. Dennis/Linderson Triangle

**Proponent:** 

City of Tumwater

- Location: 6501 Linderson Way SW at the western corners of Linderson Way SW and Dennis Street SW
- Parcel Numbers: Portion of 1270-32-40303
- Area Size: Portion of 5.73 Acres

Current Use: Vacant







ltem 4.



# Current Comprehensive Plan map designation and zone district:

• Single Family Medium Density Residential (SFM)

# Proposed Comprehensive Plan map designation and zone district:

• Multifamily High Density Residential (MFH)

## Recommendation

### **Planning Commission Recommendation**

 All the amendments in the preliminary docket go forward for further review as part of the final docket

## Next Steps

### **Preliminary Docket Process:**

- February 22, 2022 City Council worksession
- March 1, 2022 City Council consideration

Staff review of the Final Docket would start in March 2022 and the Final Docket is expected to come back to the Planning Commission in July 2022

- TO: General Government Committee
- FROM: Brad Medrud, Planning Manager
- DATE: February 9, 2022
- SUBJECT: Tumwater Housing Action Plan Potential Measures for Addressing Tenant Protections

#### 1) <u>Recommended Action</u>:

Discuss potential actions in the attached memorandum and schedule further discussion at the City Council worksession on February 22, 2022.

#### 2) <u>Background</u>:

After the City Council adopted Resolution No. R2018-016 in the summer of 2018, the City has undertaken a number of actions to address homelessness, increase affordable housing, and continue to work with other jurisdictions and agencies to explore regional solutions to these issues. As part of that process, the City has been reviewing tenant protections to look for ways to make it easier for people in the City who rent to access housing and stay housed.

In September 2021, the City Council adopted the Tumwater Housing Action Plan, which will inform the City's Comprehensive Plan policies and development regulations and guide implementation strategies to help the City meet its housing needs.

The attached memorandum discusses potential actions that could be taken by the City alone or on a regional basis to address tenant protection issues listed in order of action to be taken. The second attachment provides an update on where the City of Olympia is in working on the issue.

The General Government Committee discussed a draft of the attached memorandum at their January 12, 2022 meeting and asked staff to revise the memorandum.

#### 3) <u>Policy Support</u>:

Housing Element Goal H-3: To provide adequate, affordable housing for residents of all income groups, including sufficient housing affordable to low and moderate-income groups.

4) <u>Alternatives</u>:

None.

#### 5) Fiscal Notes:

This is an internally funded work program task, although individual actions may have a cost if eventually pursued.

### 6) <u>Attachments</u>:

- A. Tumwater Housing Action Plan Potential Measures for Addressing Tenant Protections Memorandum
- B. Olympia Rental Housing Solutions: Interim Council (LUEC) Brief Working Draft: 10-26-2021

### Attachment A



City Hall 555 Israel Road SW Tumwater, WA 98501-6515 Phone: 360-754-5855 Fax: 360-754-4138

### Memorandum

Date:	February 9, 2022
То:	City Council and Mayor
From:	Brad Medrud, Planning Manager
Subject:	Tumwater Housing Action Plan – Potential Measures for Addressing Tenant Protections

### lssue

After the City Council adopted Resolution No. R2018-016 in the summer of 2018, the City has undertaken a number of actions to address homelessness, increase affordable housing, and continue to work with other jurisdictions and agencies to explore regional solutions to these issues.

Since 2018, the City has been reviewing actions and measures to take to support tenant protections as a way to make it easier for people in the City who rent to access housing and stay housed.

In September 2021, the City Council adopted the *Tumwater Housing Action Plan*, which will inform the City's Comprehensive Plan policies and development regulations, guide implementation strategies, and provide actions to help the City meet its housing needs.

This memorandum discusses potential actions and measures that could be taken by the City alone or on a regional basis to address tenant protection issues following the strategies and actions in the *Tumwater Housing Action Plan*.

### Background

Since 2018, a City work group has been guided by the following action item in Resolution No. R2018-016:

### GOAL: Boost Housing Affordability

Action #9 – Enact policies to protect tenants experiencing housing instability, which may include:

- a. Review current eviction/renter protection policies, laws, and legal services and assess possible actions.
- b. Assess need for/knowledge of landlord-tenant conflict resolution services.

Tumwater Housing Action Plan – Potential Measures for Addressing Tenant Protections February 9, 2022 Page 2

c. Support renter resources (mediation, etc.).

The City work group, which included Councilmember Michael Althauser, City Administrator John Doan, City Attorney Karen Kirkpatrick, Community Development Director Michael Matlock, Housing Consultant Paul Knox, and Planning Manager Brad Medrud, explored a range of potential measures to address Resolution No. R2018-016 Action #9, so that the City Council could make an informed decision on which actions to pursue.

The City work group met in 2018 and 2019 to review the City's current tenant protections found in TMC Chapter 5.70 *Unfair Housing Practices*, as well as the state's requirements under the Residential Landlord-Tenant Act (RLTA) (RCW 59.18) and what other jurisdictions are doing to address tenant protections. The City work group prepared a draft list of potential measures that the City could undertake. The City Council discussed the draft list of potential measures at a worksession on March 26, 2019 and moved one potential measure to an action item.

The draft list of potential measures was updated on April 8, 2019 to address additional upfront costs to tenants and to change immigration status to citizenship status.

Since 2019, the state legislature has passed a number of bills on the state level addressing tenant protections in the RLTA.

The draft list of potential measures was updated on May 14, 2019 to address actions taken by the state legislature and governor through the following:

- ESHB 1138 "Concerning the armed forces exceptions for giving notice of termination of a tenancy" effective April 17, 2019
- ESHB 1440 "Providing longer notice of rent increases" effective April 23, 2019
- ESSB 5600 "Concerning residential tenant protections" effective May 9, 2019
- HB 1462 "Providing notice of plans to demolish, substantially rehabilitate, or change use of residential premises" effective July 28, 2019

The draft list of potential measures was updated on November 15, 2021 to address taken by the state legislature and governor through the following:

- ESHB 1236 "Residential Tenancies—Various Provisions" effective May 10, 2021
- ESSHB 1272 "Eviction Prevention—Recorded Document Surcharge" effective July 25, 2021
- EHB 1694 "Tenants—Payments in Installments" effective June 11, 2020
- HB 2535 "Past Due Rent—Tenant Grace Period" effective June 11, 2020
- ESSSB 5160 "Landlord and Tenant Relations" effective April 22, 2021
- ESSB 6378 "Residential Tenants—Various Provisions" effective June 11, 2020, Except for sections 5 through 8, which become effective April 2, 2020

In addition, the draft list of potential measures was updated on December 12, 2019 to reflect the Washington Supreme Court decisions on November 14, 2019 in Yim v. Seattle I (No. 98513.-

Tumwater Housing Action Plan – Potential Measures for Addressing Tenant Protections February 9, 2022 Page 3

1) and Yim v. Seattle II (No. 96817-9) which found first in time preference for rental housing applicants constitutional.

In December 2019, the City work group shared its list of potential measures with staff at Thurston County and the cities of Olympia and Lacey with the intent of working on some of the potential measures regionally. There were some regional discussions, but no actions were taken before the COVID pandemic started in early 2020 and the state had to undertake emergency statewide tenant protection actions.

In late 2019 and early 2020, City staff met with individual landlords and tenants to discuss the list of potential measures.

### **Housing Action Plan Actions and All Potential Measures**

#### **Housing Action Plan Actions**

The *Tumwater Housing Action Plan* adopted in September 2021 contains three strategies and ten actions that the City has agreed to undertake that are most relevant to addressing tenant protections. A full description of the actions, including their implementation status, effort to implement, effect on housing supply, comments, and City resources needed is found in Appendix 1.

Strategy 1: Increase the supply of permanent, income-restricted affordable housing.

Action 1.k. Enhance enforcement of property maintenance codes to keep housing in good repair.

Strategy 2: Make it easier for households to access housing and stay housed.

- 2.a. Have developers provide tenants displaced by redevelopment with relocation assistance.
- 2.c. Adopt short-term rental regulations to minimize impacts on long-term housing availability.
- 2.d. Support down payment assistance programs for homeownership and programs that assist people entering the rental market.
- 2.e. Identify and implement appropriate tenant protections that improve household stability.
- 2.f. Develop a technical assistance or education program for small landlords.
- 2.g. Assist non-profits in the process of acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled.
- 2.h. Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold.
- Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.

Tumwater Housing Action Plan – Potential Measures for Addressing Tenant Protections February 9, 2022 Page 4

- 5.b. Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.
- 5.d. Establish a rental registration program to improve access to data and share information with landlords.

### Potential Measures to Consider for Amendments to the Tumwater Municipal Code

With the end of the state moratorium on evictions, in the fall of 2021 the City work group discussed the following draft list of potential measures to consider for amendments to the Tumwater Municipal Code and evaluated what measures should be developed further. A full description of the potential measures, including potential positives and negatives, and discussion are found in Appendix 2. The City work group Go or No Go recommendation follows each potential measure.

Measure 1:	Prohibit use of online bidding platforms No Go
Measure 2:	Require landlords to distribute certain housing related information, including rights and responsibilities to tenants Go
Measure 3:	Require that deposits, as well as recurring and one time fees be in written agreements <mark>Go</mark>
Measure 4:	Make landlord failure to comply a renter defense to eviction and the landlord subject to liability and penalties Go
Measure 5:	Prohibit waiving of city requirements Go
Measure 6:	Prohibit retaliation No Go
Measure 7:	Require notification a set number of days prior to eviction due and of no- cause eviction <mark>Go</mark>
Measure 8:	Require notification a set number of days prior to any rent increase Go
Measure 9:	Require a landlord to allow a tenant to pay the deposit and move in and administrative fees over a period of up to a number of months and allow tenants the ability to pay security and last month rent over a period of three months after moving in in lieu of upfront so there is less initial barrier to entry No Go
Measure 10:	Add source of income protections in housing rental code No Go
Measure 11:	Add citizenship status protections in housing rental code No Go
Measure 12:	Limit fees a landlord could charge No Go
Measure 13:	First-in-time tenancy required No Go
Measure 14:	Add criminal conviction status protections in housing rental code No Go
Measure 15:	Require landlords to show good cause to terminate a month-to-month tenancy and to refuse to renew a fixed term tenancy No Go
Measure 14:	Add criminal conviction status protections in housing rental code No Go Require landlords to show good cause to terminate a month-to-month

Measure 16: Tenant relocation assistance fund No Go

Measure 17: Provide relocation payment for any low-income tenant displaced by the reasons in Measure #7 No Go

### Potential Measures to Consider for Education and Communication

In addition, the City work group discussed the following draft list of potential measures to consider for education and communication and evaluated what measures should be developed further. A full description of the potential measures, including potential positives and negative, and discussion are found in Appendix 3. The City work group Go or No Go recommendation follows each potential measure.

- Measure 18: Create a list of landlords for communication regarding notices and enforcement Go
- Measure 19: Contract with Dispute Resolution Center for tenant and landlord conflict resolution services Go

### Proposed Actions and Measures for City Council Discussion in Order of Priority to Undertake

The *Tumwater Housing Action Plan* actions and City work group measures list below is an integrated list of *Tumwater Housing Action Plan* actions and potential City work group measures listed in order of priority to undertake that the City Council could consider to address the Action #9 in Resolution No. R2018-016.

The list includes actions and potential measures that could be considered as amendments to the Tumwater Municipal Code as well as actions and potential measures that could be addressed through education and communication efforts led by the City. For most of the actions and potential measures, the City Council should discuss funding through the City Council's biennial budgeting process, the schedule for staff to develop and run such a program, and staffing, as well developing a communications strategy to let landlords and tenants know what the City is doing.

As part of the communications strategy for the adoption of such actions and potential measures, the City work group suggests that there should be conversations with tenants, housing advocates, such as Together! and Homes First, and property owners, landlords, and real estate management companies, to review and provide comment on the implementation of the actions and potential measures considered. The updated draft list of actions and potential measures could also be sent to housing staff at Thurston County and the cities of Lacey and Olympia to get their thoughts.

Some of the potential *Tumwater Housing Action Plan* actions and City work group measures would involve registration of property owners providing rental units as a first step to gather information on number of units and contacts for education and updates on City programs. A list will be needed to make existing and proposed regulations effective.

Page 6

Suggested Priority	Tumwater Housing Action Plan actions and City work group measures							
	Measure 18:	Create a list of landlords for communication regarding notices and enforcement						
	Action 5.d.	Establish a rental registration program to improve access to data and share information with landlords.						
	<ul> <li>A list of la below effective</li> </ul>	ndlords will be needed to make existing and proposed regulations ective						
1	• This may be best considered as a regional action.							
1	• It could be similar to the City of Lacey's Residential Building Rental Registration Program (LMC 14.02) (see Appendix 4) or the City of Auburn's program (see Appendix 5).							
	Review th	e City of Hoquiam and Aberdeen's programs						
	Cost and r	resources needed would depend on scope of the program.						
		is expected to require a high level of effort to implement and have ct on housing supply.						
	Measure 19:	Contract with Dispute Resolution Center for tenant and landlord conflict resolution services						
2	<ul> <li>Mediation of disputes by an independent third party (RCW 59.18.315) is an option both parties can agree to, and it is free of charge. Dispute Resolution Centers serve this purpose and operate in all counties. There are also statewide organizations like the Tenants Union of Washington State that ca help tenants connect with legal services. It would avoid the cost and time o going through the court system.</li> </ul>							
	-	cil would decide if it would pay full or subsidized cost up to a amount. Prices range on length of interaction.						
	Action 5.b.	Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.						
		e good to have an ombudsperson resource for renters established ne Regional Housing Authority or another regional organization.						
3	• Discuss fu	rther with Thurston County Coordinated Entry program						
	Use trained volunteers were possible.							
	• This action is expected to require a high level of effort to implement and have a medium effect on housing supply.							

		ntify and implement appropriate tenant protections that prove household stability.				
	"Rental Housin	rojections could include code amendments as part of a new ng Code" chapter in TMC Title 5 "Business Taxes, Licenses and hat would address the following:				
	Measure 2:	Require landlords to distribute certain housing related information, including rights and responsibilities to tenants				
	• Woul	d need to develop set of standard required information				
	• Bette	r landlord and tenant education				
	• Best i	f cross jurisdictional				
	Measure 3:	Require that deposits, as well as recurring and one time fees be in written agreements				
	-	ired in RLTA (RCW 59.18.260) for deposits or securities for s one year and longer				
	Measure 4:	Make landlord failure to comply a renter defense to eviction and the landlord subject to liability and penalties				
	• Right	to council for indigent tenants per RCW 59.18.640				
4	City p	provides education packet and requires information				
	• Civil p	penalties would likely be available a deterrent				
	• Woul	d likely be applicable only if a court case is filed				
	Measure 5:	Prohibit waiving of city requirements				
	• Same 59.18	e waiver protections for municipal requirements as RLTA (RCW 8.230)				
	Measure 7:	Require notification a set number of days prior to eviction due and of no-cause eviction				
		law requires a 60-day notice period to end tenancy by ords unless specific conditions are met per ESHB 1236				
	<ul> <li>Would 90 days be more useful and when would be the best situations?</li> </ul>					
		nonth to month, 120-day notice required for change to ominium, demolition, or substantial rehabilitation by landlord				
	Need	to review state law for exemptions for military families.				
	Measure 8:	Require notification a set number of days prior to any rent increase				

Suggested Tumwater Housing Action Plan actions and City work group measures Priority 60-day notice for increase in rent in RCW 59.18.140 added by ESHB • 1440 in 2019 Do we want to go to 90 days? See City of Kenmore example Discuss with Elisa Sparkman with the Thurston County Housing Action Team, and the County Healthy Homes Program Tenant protections can mean putting a burden on small owners, who often are unable to afford to subsidize their rental property. Start this program with larger rental properties. This action is expected to require a high level of effort to implement and have a medium effect on housing supply. Enhance enforcement of property maintenance codes to keep Action 1.k. housing in good repair. Move beyond the current complaint driven process, to consider periodic • inspections of rental property such as mold/vermin inspections. 5 Suggest starting as a voluntary program. • Review City of Lacey, City of Pasco, and City of Aberdeen's programs and look at cost to tenant. This action is expected to require a high level of effort to implement and have a medium effect on housing supply. Action 2.f. Develop a technical assistance or education program for small landlords. 6 This action is expected to require a medium level of effort to implement and • have a medium effect on housing supply. Action 2.h. Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold. 7 This action is expected to require a medium level of effort to implement and have a low effect on housing supply. Action 2.g. Assist non-profits in the process of acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled. 8 This action is expected to require a high level of effort to implement and have a medium effect on housing supply.

Page 9

Suggested Priority	Tumwater Housing Action Plan actions and City work group measures							
	Action 2.d. Support down payment assistance programs for homeownership and programs that assist people entering the rental market.							
9	• While it is beyond the financial capacity of the City to manage such programs and it would be better as state or regional programs, the City could support regional programs with non-profit management.							
	<ul> <li>This action is expected to require a high level of effort to implement and have a medium effect on housing supply.</li> </ul>							
	Action 2.c. Adopt short-term rental regulations to minimize impacts on long-term housing availability.							
10	• City staff will consider the work necessary to implement the action if we start to see a problem, but the work has not been scheduled.							
10	<ul> <li>Consider requiring on site ownership for accessory dwelling units used as short-term rentals.</li> </ul>							
	• This action is expected to require a high level of effort to implement and have a low effect on housing supply.							
	Action 2.a. Have developers provide tenants displaced by redevelopment with relocation assistance.							
11	<ul> <li>It may be best implemented through funding to nonprofits, CDBG funding, and work through policies from the Regional Housing Council.</li> </ul>							
	Research housing impact fee.							
	<ul> <li>This action is expected to require a high level of effort to implement and have a medium effect on housing supply.</li> </ul>							

### **Additional Notice Required**

Pursuant to EHB 2971, passed by the 2016 state legislature and codified at RCW 64.06.080 and RCW 43.110.030(2)(e), the Municipal Research and Service Center is directed to provide the following on its website:

- A summary of all requirements imposed by cities, towns, and counties on landlords or sellers of real property to provide information to a buyer or tenant "pertaining to the subject property or to the surrounding area"; and
- An internet link to the ordinances, resolutions, or policies imposing those requirements.

For that reason, City should provide to Municipal Research and Service Center a summary of any pertinent ordinance, resolution, or policy that impose requirements on sellers or landlords to disclose designated information to purchasers or renters; and an internet link to the ordinance, resolution, or policy.

### Appendix 1. Tumwater Housing Action Plan – Actions Related to Landlords, Tenants, and Rentals

Strategy 1: Increase the supply of permanent, income-restricted affordable housing. Action		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
1.k.	Enhance enforcement of property maintenance codes to keep housing in good repair. Gaps/Needs Addressed:	(ĨX)	Η	Μ	The City is currently implementing this action and may look at moving beyond the current complaint driven process, to consider periodic inspections of rental property such as mold/vermin inspections. Suggest starting as a voluntary program. Review City of Lacey, City of Pasco, and City of Aberdeen's programs and look at cost to tenant.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>

Strategy 2: Make it easier for households to access housing and stay housed. Action		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
2.a.	Have developers provide tenants displaced by redevelopment with relocation assistance. <i>Gaps/Needs Addressed:</i>	ШÖ	Η	Μ	The City will consider the work necessary to implement the action, but the work has not been scheduled. More details would need to be provided for the action. It may be best implemented through funding to nonprofits, CDBG funding, and work through policies from the Regional Housing Council. Research housing impact fee.	<ul> <li>Funding for displacement assistance from developers.</li> <li>Funding for running program through the City Council's biennial budgeting process</li> <li>Time for staff to develop and run such a program.</li> </ul>
Strategy 2: Make it easier for households to access housing and stay housed. Action		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
--	--	--------------------------	------------------------	-----------------------------	--	---
2.c.	Adopt short-term rental regulations to minimize impacts on long-term housing availability. <i>Gaps/Needs Addressed:</i>	8	Η	L	The City will consider the work necessary to implement the action if we start to see a problem, but the work has not been scheduled. Consider requiring on site ownership for accessory dwelling units used as short-term rentals.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> <li>Time for staff to develop and run such a program.</li> </ul>
2.d.	Support down payment assistance programs for homeownership and programs that assist people entering the rental market. <i>Gaps/Needs Addressed:</i>	Ξõ	Η	Μ	The City will consider the work necessary to implement the action if we start to see a problem, but the work has not been scheduled. While it is beyond the financial capacity of the City to manage such programs and it would be better as state or regional programs, the City could support regional programs with non-profit management.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for staff to develop and run such a program.</li> </ul>

Strategy 2: Make it easier for households to access housing and stay housed. Action		Implementation Status	Effort to Implement	Effect on Housing Supply	Comment	City Resources Needed
2.e.	Identify and implement appropriate tenant protections that improve household stability. <i>Gaps/Needs Addressed:</i> $\overrightarrow{\begin{tabular}{lllllllllllllllllllllllllllllllllll$	(XX)	Н	Μ	The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Rental Housing Amendments. Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 9) <i>Enact</i> <i>policies to protect tenants experiencing housing</i> <i>instability</i> under B) <i>Boost Housing Affordability</i> – <i>Actions to increase affordable housing</i> to address this action. Tenant protections can mean putting a burden on small owners, who often are unable to afford to subsidize their rental property. Start this program with larger rental properties.	<ul> <li>Time for staff to review and develop ordinance updating development code.</li> <li>Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>
2.f.	Develop a technical assistance or education program for small landlords. Gaps/Needs Addressed:	8	Μ	Μ	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>

Strategy 2: Make it easier for households to access housing and stay housed. Action		Implementation Status Effort to Implement Effect on Housing		Effect on Housing Supply	Comment	City Resources Needed
2.g.	Assist non-profits in the process of acquiring mobile home parks to turn them into public trusts so that lot rental fees can be controlled. Gaps/Needs Addressed:		Н	Μ	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>
2.h.	Fund an energy assistance program for rental housing/make landlords do upgrades when the unit is sold. <i>Gaps/Needs Addressed:</i>	ΞŌ	Μ	L	The City will consider the work necessary to implement the action, but the work has not been scheduled.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>

Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies. Action		Implementation Status Effort to Implement Effect on Housing Supply		Effect on Housing Supply	Comment	City Resources Needed	
5.b.	Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues. Gaps/Needs Addressed:	Шð	Η	Μ	The City will consider the work necessary to implement the action, but the work has not been scheduled. It would be good to have an ombudsperson resource for renters established through the Regional Housing Authority or another regional organization. Use trained volunteers were possible.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	
5.d.	Establish a rental registration program to improve access to data and share information with landlords. Gaps/Needs Addressed:	(XX)	Η	L	The City has begun the work necessary to implement the action, but it is not yet fully implemented as part of Rental Housing Amendments. Resolution No. R2018-016 Homelessness and Affordable Housing identified Action 9) <i>Enact</i> <i>policies to protect tenants experiencing housing</i> <i>instability</i> under B) <i>Boost Housing Affordability</i> – <i>Actions to increase affordable housing</i> to address this action. This may be best considered as a regional action. A rental registration program will give the City a way to educate landlords about issues.	<ul> <li>Funding through the City Council's biennial budgeting process.</li> <li>Time for staff to develop and run such a program.</li> </ul>	

#### Key to Housing Action Plan Tables Above

1. Seven gaps identified in the Housing Needs Assessment:



**Affordability.** Reduce the cost of housing for low-income and cost-burdened households.



**Supply.** Increase the inventory of housing for all households.



Variety. Increase the variety of housing sizes and types



Seniors. Increase the stock of housing options needed for aging seniors.



**Improvements.** Maintain the existing housing stock, including improving energy efficiency and air quality.



**Stability.** Increase household wealth by providing safe, stable options for rental housing and pathways to homeownership.



**Supportive Housing.** Increase permanent housing options for people with disabilities and those at risk of or experiencing homelessness.

2. Implementation status for the City, as represented by the following symbols:



**The action is pending** – the City has begun the work necessary to implement the action, but it is not yet fully implemented.

<u>...</u>

**The action will be considered** – the City will consider the work necessary to implement the action, but the work has not been scheduled.

3. Effort to Implement:

**High** – Action would require significant resources to implement (funding, staff, political effort, etc.)

Medium – Action would require medium resources to implement (funding, staff, political effort, etc.)

Low – Action would require few resources to implement (funding, staff, political effort, etc.)

- N/A Action not applicable to the City
- 4. Effect on Housing Supply:

**High** – Action would result in a significant increase in desired housing units

**Medium** – Action would result in a medium increase in desired housing units

Low – Action would result in a small increase in desired housing units

N/A – Action not applicable to the City

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>
1	Prohibit use of online bidding platforms	<ul> <li>Easy policy decision</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Is this addressing an issue in the City?</li> <li>Potentially difficult to enforce</li> </ul>	<ul> <li>Not clear if this is an issue in the City</li> <li>Would need communications strategy</li> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> </ul>	Originally Go Recommend No Go as this has not been demonstrated to be an issue in the City
2	Require landlords to distribute certain housing related information, including rights and responsibilities to tenants	<ul> <li>Easy policy decision</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Potentially difficult to communicate or enforce</li> </ul>	<ul> <li>May need to require landlord registration to identify landlords operating in the City</li> <li>Would need to develop set of standard required information (See footnote on the City of Auburn's requirements)<sup>1</sup></li> <li>Better landlord and tenant education</li> <li>Would need communications strategy</li> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> </ul>	Originally <mark>Go</mark> Recommend <mark>Go</mark>

• <sup>1</sup> As an example, the following is what is required by the City of Auburn as of 2020 at three different phases of the rental process:

- 1. At time of application the landlord must provide the tenant with their written rental criteria and the website address designated by the City for the purpose of obtaining information on:
  - Local code enforcement action relating to the property
  - Website address to the Washington Secretary of State for the purposes of registering to vote or changing address if already registered to vote.
- 2. When a rental agreement/lease is offered, the landlord must provide the tenant with a written copy of the summaries prepared by the City, which includes information on the following:
  - Rental Housing Code (ACC 5.23)

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>
3	Require that deposits, as well as recurring and one time fees be in written agreements	<ul> <li>Required in RLTA (RCW 59.18.260) for deposits or securities for leases one year and longer</li> <li>Best if cross jurisdictional</li> <li>Could include in as part of Measure #2</li> </ul>	<ul> <li>How would this be enforced?</li> <li>How would this address monthto-month leases and leases of less than a year?</li> <li>Not clear if necessary</li> </ul>	<ul> <li>Not clear if required for leases less than one year</li> <li>Would need communications strategy</li> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> </ul>	Originally <mark>Go</mark> Recommend <mark>Go</mark>

- Auburn Building and Property Maintenance Code
- Washington State Residential Landlord-Tenant Act (RLTA) (RCW 59.18)
- Forcible Entry and Forcible Unlawful Detainer (RCW 59.12)
- 3. During tenancy, landlords must provide tenants with a notice of resources prepared by the City when the landlord serves any notice to a tenant under RCW 59.12.030 which include:
  - 14-day pay or vacate
  - 3-day for waste or nuisance
  - 10-day comply or vacate
  - Notice to terminate tenancy

Landlords are required to provide copies of summaries to existing tenants within 30 days of them being made available by the City of Auburn. The initial distribution of information to tenants must be in written form and landlords must obtain tenant's signature documenting receipt of such information. If a tenant refuses to provide a signature documenting the tenant's receipt of the information, the landlord may draft a declaration stating when and where the landlord provided tenant with the required information. After the initial distribution of the summaries to tenants, a landlord shall provide existing tenants with updated summaries by the City, and may do so in electronic form unless a tenant otherwise requests written summaries.

٠

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>
4	Make landlord failure to comply a renter defense to eviction and the landlord subject to liability and penalties	<ul> <li>Would be tied to other municipal code measures</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Only applicable to municipal ordinances</li> <li>Would likely be applicable only if a court case is filed</li> </ul>	<ul> <li>Right to council for indigent tenants per RCW 59.18.640, may need to update forms</li> <li>If City provides education packet and requires information</li> <li>Would need communications strategy</li> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> <li>Civil penalties would likely be available a deterrent</li> </ul>	Originally <mark>Go</mark> Recommend <mark>Go</mark>
5	Prohibit waiving of city requirements	<ul> <li>Same waiver protections for municipal requirements as RLTA (RCW 59.18.230)</li> <li>Best if cross jurisdictional</li> </ul>	Court case	<ul> <li>Is this needed if policies are set?</li> <li>Would need communications strategy</li> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> <li>Civil penalties would likely be available a deterrent</li> </ul>	Originally <mark>Go</mark> Recommend <mark>Go</mark>
6	Prohibit retaliation	<ul> <li>Protects those who seek to pursue their legal rights for municipal law as RLTA (RCW 59.18)</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Potentially difficult to communicate or enforce</li> </ul>	<ul> <li>Addressed by RCW 59.18.240 <i>Reprisals or retaliatory</i> <i>actions by landlord—Prohibited</i></li> <li>Would need communications strategy</li> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> <li>Civil penalties would likely be available a deterrent</li> </ul>	Originally <mark>Go</mark> Recommend No Go as this has been addressed at the state level

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>	
		Could set policy	May incentivize	<ul> <li>State law requires a 60-day notice period to end tenancy by landlords unless specific conditions are met per ESHB 1236 "Residential Tenancies—Various Provisions" effective May 10, 2021 (RCW 59.18)</li> <li>Would 90 days be more useful and when would be the best situations?</li> <li>For month to month, 120-day notice required for change</li> </ul>		
	Require notification a set number of days	for all rent increases	regular percentage increases under	to condominium, demolition, or substantial rehabilitation by landlord (RCW 59.18.200) added by HB 1462	Originally <mark>Go</mark>	
7	prior to eviction due and of no-cause eviction	<ul> <li>Makes the most impact</li> </ul>	<ul> <li>threshold</li> <li>Potentially</li> <li>Related to the no cause eviction</li> <li>Would need major communications strategy</li> </ul>	<ul><li>Related to the no cause eviction</li><li>Would need major communications strategy</li></ul>	Recommend <mark>Go</mark>	
		<ul> <li>Best if cross jurisdictional</li> </ul>	difficult to communicate or enforce	<ul> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> </ul>		
				• May address the new "Fourteen-Day Notice to Pay Rent or Vacate the Premises" that is a part of ESSB 5600		
				• May address the new requirements for a 60-day notice for increase in rent in RCW 59.18.140 added by ESHB 1440 in 2019		
				• 60-day notice for increase in rent in RCW 59.18.140 added by ESHB 1440 in 2019	-	
	Require notification a	Makes the most	<ul> <li>Potentially difficult to communicate or enforce</li> </ul>	Potentially	• Do we want to go to 90 days?	Originally <mark>Go</mark>
8	set number of days prior to any rent increase	<ul><li>impact</li><li>Best if cross</li></ul>		<ul><li>See City of Kenmore example</li><li>Would need major communications strategy</li></ul>	Recommend Go	
		jurisdictional		<ul> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> </ul>		

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>
9	Require a landlord to allow a tenant to pay the deposit and move in and administrative fees over a period of up to a number of months and allow tenants the ability to pay security and last month rent over a period of three months after moving in in lieu of upfront so there is less initial barrier to entry	<ul> <li>Would help address the economic issues</li> <li>Very helpful for low or medium income renters</li> <li>Address month to month costs</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Has this been challenged?</li> <li>Potentially difficult to communicate or enforce</li> </ul>	<ul> <li>RCW 59.18.253 limits the deposit to hold to 25% of first month's rent</li> <li>RCW 59.18.610 allows for payments in installments any deposits, nonrefundable fees, and last month's rent without penalty or interest</li> <li>Tied to term of lease</li> <li>Payment period could be over three to four months</li> <li>Would need major communications strategy</li> <li>Could be addressed as a potential code amendment as part of a new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> </ul>	Originally <mark>Go</mark> Recommend No Go as this has been addressed at the state level
10	Add source of income protections in housing rental code	<ul> <li>Easy policy change</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Potentially difficult to communicate or enforce</li> </ul>	<ul> <li>Source of income protected under state law (RCW 59.18.255) in 2018</li> <li>"Fair chance housing"</li> <li>Would need communications strategy</li> <li>Proposed code amendments to TMC 5.70 "Unfair Housing Practices" and as part of new "Rental Housing Code" chapter in TMC Title 5 "Business Taxes, Licenses and Regulations"</li> </ul>	Originally <mark>Go</mark> Recommend <mark>No Go</mark>
11	Add citizenship status protections in housing rental code	<ul> <li>Easy policy change</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Potentially difficult to communicate or enforce</li> <li>Potential conflict with federal law</li> </ul>	<ul> <li>Citizenship status protections found in RCW 49.60.222 Unfair practices with respect to real estate transactions, facilities, or services.</li> <li>Source of income protected under RLTA, but not citizenship status</li> <li>"Fair chance housing"</li> </ul>	Originally <mark>Go</mark> Recommend <mark>No Go</mark>

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>
12	Limit fees a landlord could charge	<ul> <li>Would help address economic issues</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Regulating actual business decisions</li> <li>Potentially difficult to communicate or enforce</li> <li>How would fees be justified?</li> <li>Needs further research</li> </ul>	<ul> <li>Did not find a cap on a security deposit in RLTA</li> <li>Possible limits on nonrefundable fees</li> <li>Security deposit would not be more than one month's rent</li> <li>Would need major communications strategy</li> <li>No action will be taken on this option for now</li> </ul>	Originally <mark>No</mark> Go Recommend No Go
13	First-in-time tenancy required	<ul> <li>First qualified applicant accepted</li> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Difficult to communicate and enforce</li> <li>May not address economic issues</li> <li>Would need source of income</li> </ul>	<ul> <li>Equity issue – See Seattle example</li> <li>Can the City purchase a database of owners of rental property?</li> <li>Would need major communications strategy</li> <li>Washington Supreme Court decisions on November 14, 2019 in the Yim v. Seattle I (No. 985131) and Yim v. Seattle II (No. 96817-9) which found first in time preference for rental housing applicants constitutional.</li> </ul>	Originally No Go Recommend No Go
14	Add criminal conviction status protections in housing rental code	<ul> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Potentially difficult to communicate or enforce</li> </ul>	<ul> <li>Recommended that this be addressed at state level</li> <li>Source of income protected under state law, but not criminal conviction status</li> <li>"Fair chance housing"</li> <li>Seattle includes criminal conviction status</li> <li>Would need major communications strategy</li> <li>No action will be taken on this option</li> </ul>	Originally <mark>No</mark> Go Recommend No Go

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>
15	Require landlords to show good cause to terminate a month- to-month tenancy and to refuse to renew a fixed term tenancy	<ul> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Often tenants appreciate month to month flexibility</li> <li>Potentially difficult to communicate or enforce</li> <li>Takings analysis required</li> </ul>	<ul> <li>State law requires a 60-day notice period to end tenancy unless specific conditions are met per ESHB 1236 "Residential Tenancies—Various Provisions" effective May 10, 2021</li> <li>Add this to notice requirements discussion elsewhere in this table</li> <li>Would need major communications strategy</li> <li>Is this legal?</li> <li>No action will be taken on this option</li> </ul>	Originally <mark>No</mark> Go Recommend No Go
16	Tenant relocation assistance fund	<ul> <li>Addresses economic relocation</li> <li>Not for cause</li> </ul>	<ul> <li>Would need more study to determine criteria and funding</li> <li>Current City of Portland litigation</li> </ul>	<ul> <li>HB 1277 in 2021 established a \$100.00 surcharge on certain recorded documents to fund various housing services. It also creates the Eviction Prevention Rental Assistance Program and requires Commerce to develop performance metrics for each county receiving funding from the surcharge and to dedicate a portion of funding to performance-based allocations</li> <li>Could be property owner funded</li> <li>Some programs go through a municipality, while other directly to a tenant</li> <li>Would need major communications strategy</li> <li>No action will be taken on this option</li> </ul>	Originally No Go Recommend No Go

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No Go</mark>
17	Provide relocation payment for any low- income tenant displaced by the reasons in Measure #7	<ul> <li>Best if cross jurisdictional</li> </ul>	<ul> <li>Potentially difficult to communicate or enforce</li> <li>Could be a disincentive to property fixes or improvements</li> <li>Would need an income standard</li> </ul>	<ul> <li>HB 1277 in 2021 established a \$100.00 surcharge on certain recorded documents to fund various housing services. It also creates the Eviction Prevention Rental Assistance Program and requires Commerce to develop performance metrics for each county receiving funding from the surcharge and to dedicate a portion of funding to performance-based allocations</li> <li>Long term</li> <li>Would need major communications strategy</li> <li>No action will be taken on this option</li> </ul>	Originally <mark>No</mark> Go Recommend No Go

	Measures	Potential Positives	Potential Negatives	Discussion	Staff <mark>Go</mark> or <mark>No</mark> Go
18	Create a list of landlords for communication regarding notices and enforcement	<ul> <li>A list will be needed to make existing and proposed regulations effective</li> </ul>	<ul> <li>Potentially difficult to generate</li> </ul>	<ul> <li>List would include name, contact information, number of units, and location of units</li> <li>Would need communications strategy</li> </ul>	Originally <mark>Go</mark> Recommend <mark>Go</mark>
19	Contract with Dispute Resolution Center for tenant and landlord conflict resolution services	<ul> <li>Easy service to test for use</li> </ul>	<ul> <li>No clear incentives for sides to engage once in conflict</li> <li>Landlord has upper hand in power dynamic</li> <li>Cost of Dispute Resolution Center services</li> </ul>	<ul> <li>The Landlord-Tenant Act (RCW 59.18) has remedies and procedures to resolve most landlord-tenant issues. Mediation of disputes by an independent third party (RCW 59.18.315) is an option both parties can agree to, and it is free of charge. Dispute Resolution Centers serve this purpose and operate in all counties. There are also statewide organizations like the Tenants Union of Washington State that can help tenants connect with legal services.</li> <li>City would pay full or subsidized cost up to a particular amount</li> <li>Prices range on length of interaction</li> <li>Would need communications strategy</li> </ul>	Originally <mark>Go</mark> Recommend <mark>Go</mark>

#### Appendix 4: City of Lacey's Residential Building Rental Registration Program (LMC 14.02)

#### **Chapter 14.02 Residential Building Rental Registration Program**

Sections: 14.02.010General 14.02.020Purpose 14.02.030Registration information 14.02.040Registration fees 14.02.050Incentives

#### 14.02.010 General.

All properties containing five or more dwelling units in the same complex which, for payment of money, goods and/or services, are rented or leased to any individual or group of individuals shall be registered annually with the community and economic development department. All new buildings within such complexes shall be registered during the final inspection or certificate of occupancy process. All existing buildings or building complexes containing five or more dwelling units shall be registered with the city within thirty days after notification by the city to the building owner or property manager following enactment of this chapter and prior to January 31st of each year thereafter. (Ord. 1539 §1, 2019; Ord. 1095 §1, 1999).

#### 14.02.020 Purpose.

The purpose of the Residential Building Rental Registration Program is to prevent neighborhood blight and deterioration by providing accurate information for the notification of owners, or the owners' agents by officers of the City of Lacey, so as to be able to respond quickly and accurately if a complaint is filed against the property. It is also the intent of this program to offer incentives for the voluntary compliance by the owners of all residential rental buildings with the Crime Prevention Through Environmental Design (CPTED) Program, and participation by the owners of all multiple family rental buildings in the Crime Free Multi-Family Housing Program. (Ord. 1095 §1, 1999).

#### 14.02.030 Registration information.

A. In order to register residential rental buildings, the following information shall be provided to the community and economic development department:

- 1. The address of the residence of the owner, or corporation officers, if a corporation;
- 2. The address where the owner will receive mail;
- 3. The owner's telephone number;
- 4. The address of each residential rental property owned, within the city of Lacey;

5. List the number of dwelling units at each rental address, with the gross floor area of each unit, and number and floor area, excluding closet space, of each bedroom within the unit;

6. Whether a tenant-screening agency is being used;

- 7. Telephone number of the on-site manager; and if applicable
- 8. Telephone number of the security agency.

B. In addition to the information required by subsection A of this section, each owner whose principal place of residence is outside a fifty-mile radius measured from the Lacey City Hall, at 420 College Street S.E., shall provide the following information:

- 1. The name of one local agent for each property;
- 2. The address where the local agent will receive mail; and
- 3. The local agent's telephone number.

All of the above information shall be submitted to the community and economic development department on forms provided for that purpose. (Ord. 1539 §2, 2019; Ord. 1095 §1, 1999).

#### 14.02.040 Registration fees.

A. An annual registration fee of \$5.00 per living unit shall be paid by each owner or corporation of residential rental properties, with a maximum fee of \$500.00 per complex.

B. Changes in ownership shall require a new registration.

C. Ten percent of the fees received pursuant to Chapter 14.02 LMC are designated for use in conducting the Crime Prevention Through Environmental Design (CPTED) Program and the Crime Free Multi-Family Housing Program. The balance of such fees is designated for use in the enforcement of the City of Lacey Property Maintenance Code by the city and for abatement costs incurred by the city. (Ord. 1187 §1, 2002; Ord. 1095 §1, 1999).

#### 14.02.050 Incentives.

The annual registration fee shall be waived for all owners of residential rental properties which voluntarily participate in the Lacey Crime Free Housing Program, and meet the certification requirements. Loss of certification will revoke this waiver of registration fees. Participation in the training component of the Lacey Crime Free Housing Program by a property manager employed by the owner shall constitute compliance with the training requirement by such owner. (Ord. 1095 §1, 1999).

#### Appendix 4: City of Auburn's Residential Rental Registration Program

#### From

https://www.auburnwa.gov/city\_hall/community\_development/landlord\_tenant\_info/landlords/rental\_housing

Most forms of renting or leasing residential property in the City of Auburn requires an owner to obtain a Rental Housing License. The purpose of the licensing program is to ensure that non-owner occupied properties are properly maintained and managed. The licensing program ensures that we have current and accurate property ownership/management information so that we are approaching the correct party when we receive a complaint rather than directing our communications towards tenants. The following table provides a general overview of the more common types of living arrangements that include some form of property rental or leasing.

Rental Type	Requirements
<b>Owner Occupied Home: Rental of Rooms -</b> Allowed Residential Zones: RC, R-1, R-5, R-7, R-10, R-16, R-20	<ul> <li>City License Requirement: If renting to 2 or fewer persons, no license</li> <li>Occupancy Limit: Family +2</li> <li>Fee: \$0</li> <li>Inspection: None</li> <li>City License Requirement: If renting to more than 2 persons, an annual <u>City Rental License</u> (PDF) is required</li> <li>Occupancy Limit: Family +4</li> <li>Fee: \$53</li> <li>Inspection: None</li> </ul>
Non-Owner Occupied Home: Single Lease Agreement for Entire Home - Allowed Residential Zones: RC, R-1, R-5, R-7, R-10, R16, R-20	<ul> <li>An annual <u>City Rental License</u> (PDF) is required for each address.</li> <li>Occupancy Limit: IPMC</li> <li>Fee: \$53</li> <li>Inspection: None</li> </ul>
Non-Owner Occupied Home: More than One Lease Agreement within Home (a.k.a Communal residence) - Allowed Residential Zones: RC, R-1, R-5, R-7, R-10, R-16, R-20	<ul> <li>An annual <u>City Rental License</u> (PDF) is required for each address.</li> <li>Occupancy Limit: 4</li> <li>Fee: \$150</li> </ul>

#### **Residential Rental Housing Summary**

Rental Type	Requirements	
	<ul> <li>An initial inspection is required prior to issuance of City Rental License. Annual Inspection required prior to renewal.</li> </ul>	
<b>Apartments -</b> Allowed Residential Zones: R-10, R-16, R-20	<ul> <li>An annual <u>City Rental License</u> (PDF) is required for the complex.</li> <li>Occupancy Limit: IPMC</li> <li>1-4 units:\$53, 5-24 units:\$106, &gt;24 units:\$212</li> <li>Inspection: None</li> </ul>	
State Licensed Facilities: Adult Family Home, Group Residence, Assisted Care, Foster Care, Nursing Home, Supportive Housing - Allowed Residential Zones: Varies depending upon the type of facility	<ul> <li>An annual City <u>Business License</u> <u>Application</u> (PDF) is required for each address.</li> <li>Occupancy Limit: Varies depending upon the type of facility.</li> <li>Fee: \$50</li> <li>Inspection: An initial city inspection is required prior to issuance of the State License.</li> </ul>	

#### **Residential Rental Housing Details and Resources**

The City requires a rental housing business license for anyone renting a unit, either single-family residential or multi-family **residential**. The application form is available in the link below. A rental housing business license is renewed annually with notices sent out by the City of Auburn at the end of November each year. It is the landlord's responsibility to renew the license by January 1 of each year. If you operate a communal residence then the landlord is responsible for scheduling an inspection with the City prior to the license or renewal being issued.

The Rental Housing Manager Training schedule is now available. For more information or to register, please visit **www.auburnwa.gov/ManagerTraining**.

If you would like to learn more about the rules and licensing requirements for rental housing in the City of Auburn you can review the code citations below.

Tumwater Housing Action Plan – Potential Measures for Addressing Tenant Protections February 9, 2022 Page 31

#### **Ordinances and Regulations**

Auburn City Code <u>Chapter 18.04</u> - Definitions for Communal Residence, Family, Foster Care Homes, Group Residence Facilities, Renting of Rooms, Assisted Living Facilities, Convalescent Homes, Supportive Housing

Auburn City Code Chapter 18.07.020 - Permitted Use Table For Residential Zones

Auburn City Code Chapter 18.31.130 - Communal Residence Standards

Ordinance 6560 - 2015 Communal Residence Code Amendments

Auburn City Code Chapter 5.22 - Rental Housing Business License Requirements

The following is what is required by the City of Auburn as of 2020 at three different phases of the rental process:

- 1. At time of application the landlord must provide the tenant with their written rental criteria and the website address designated by the City for the purpose of obtaining information on:
  - Local code enforcement action relating to the property
  - Website address to the Washington Secretary of State for the purposes of registering to vote or changing address if already registered to vote.
- 2. When a rental agreement/lease is offered, the landlord must provide the tenant with a written copy of the summaries prepared by the City, which includes information on the following:
  - Rental Housing Code (ACC 5.23)
  - Auburn Building and Property Maintenance Code
  - Washington State Residential Landlord-Tenant Act (RLTA) (RCW 59.18)
  - Forcible Entry and Forcible Unlawful Detainer (RCW 59.12)
- 3. During tenancy, landlords must provide tenants with a notice of resources prepared by the City when the landlord serves any notice to a tenant under RCW 59.12.030 which include:
  - 14-day pay or vacate
  - 3-day for waste or nuisance
  - 10-day comply or vacate
  - Notice to terminate tenancy

Landlords are required to provide copies of summaries to existing tenants within 30 days of them being made available by the City of Auburn. The initial distribution of information to tenants must be in written form and landlords must obtain tenant's signature documenting receipt of such information. If a tenant refuses to provide a signature documenting the

tenant's receipt of the information, the landlord may draft a declaration stating when and where the landlord provided tenant with the required information. After the initial distribution of the summaries to tenants, a landlord shall provide existing tenants with updated summaries by the City, and may do so in electronic form unless a tenant otherwise requests written summaries.

# **Olympia Rental Housing Solutions: Interim Council (LUEC) Brief**

Working Draft: 10-26-2021

### **INTRODUCTION**

#### **Background and Context**

In 2019, the City initiated a community conversation to explore rental housing challenges and potential solutions. Soon thereafter, COVID-19 arrived and, with it, a surge of housing market transformations that have exacerbated an already challenging market. In the midst of the pandemic, the Washington State Legislature enacted some of the very renter protections previously under consideration. This has necessitated a shift in the conversation to include an evaluation of the relative impact of those new laws in addition to identifying any gaps or opportunities that remain to be actualized.

While the pandemic resulted in a pause for some parts of the community conversation, other work has continued apace. The project team (staff and consultant) have completed research and evaluation of renter protections and solutions proposed or implemented in peer communities, conducted direct interviews with Olympia renters, renter advocates and landlords, and developed a preliminary assessment of potential solutions. Those findings are summarized here as follows:

- What We Have Learned So Far
- What Olympia is Doing to Address Housing Needs
- Rental Market Stabilization Concepts
- Next Steps

#### The Path Forward

Over the last quarter of 2021 and first quarter of 2022, the project team will continue direct stakeholder engagement and develop options for consideration by the City Council Land Use and Environment (LUEC) Committee. This is in line with the original schedule, though larger group engagement ultimately may be postponed due to the persistence of the pandemic and related crowd gathering restrictions.

# WHAT WE HAVE LEARNED SO FAR

#### **Updated Situational Context**

While generally acknowledged that renter stability was becoming increasingly challenging by 2019, several additional facts should be considered when exploring potential solutions:

- Thurston County housing prices are currently at all-time high and have risen sharply over two years.
- Over the past year, purchasing power and rent capacity have been further eroded by rapid inflation in consumer costs, relative to much milder wage growth.

Item 5.

- Many renters are feeling desperation: future home ownership was already hard to imagine; now, it is a struggle to even maintain rent.
- COVID led to the single largest job loss in the modern history of our nation (in one six-week period). Many have not been able to return to work or have not yet been able to close the lost income gap.
- Federal COVID-based rent relief is now available and may be helpful with initial triage.

#### Advice on Conversation Approach

Based on feedback from stakeholders, the project team is pursuing a strategic engagement approach that allows for meaningful input from all parties while reducing the potential for conflict or unproductive dialogue. In particular, we have taken the following feedback and advice to heart:

- This is an emotional issue involving people's housing and, at least in some cases, other people's retirement income. At yet another level, it is about the right to conduct business with the attendant constitutional provisions and protections attached.
- Those who attended the original open house appreciated the invitation but were disappointed when it devolved into emotional arguments by adversarial camps. They advise the City to continue the conversation independently for now, learning from and sharing the perspectives from all sides.
- In particular, they are supportive of:
  - Conducting cohort-specific focus groups i.e., renters, renter advocates, landlord advocates and landlords (the latter possibly broken down by large and small landlord cohorts)
  - o Providing easily-accessible reports and support documents on the City website
  - Maintaining an ongoing comment portal on the website, with alternating questions depending on the current phase of conversation (stories, ideas, actions, evaluations)
- Generally, renters and renter-advocates are interested in exploring any and all forms of relief, while landlords are generally opposed to nearly every new control or intervention proposal.
- Enter into this understanding many people will be at least a little disappointed with the outcome(s) no matter what action is pursued. It may be wise to pursue an incremental approach and adjust strategy as early solutions are evaluated for success e.g., don't jump into solutions that may end up making matters worse for renters and landlords alike.
- Acknowledge the value of and challenges faced by all sides during all exchanges.
  - Dispel and dissuade the use of stereotypes in this conversation: while there are exceptions, very few renters are going to present major challenges for the landlord, and most landlords are not looking for profits far above their cost of operations
  - Many landlords are sympathetic to challenges renters face, and many renters understand landlords must meet certain financial requirements to remain in the rental market
  - o Start with mutually-beneficial approaches or solutions that reduce adversarial interactions

#### Impacts and Concerns Assessment

While each individual renter and landlord faces a unique set of challenges, there appears to be a number of core barriers for each group. The table below provides key take-aways from each primary stakeholder perspective, by central challenge or issue area. A preliminary assessment of what may or may not work to address these issues and find a middle-ground follows.

Key Challenge	Renter Perspective	Landlord Perspective
Recent Rent Increases	Sudden and steep for many. For some, rising above income level and ability to pay, with threat of homelessness in some cases.	Necessary to keep up with rising property taxes, catch up with maintenance after years of suppressed rent following great recession.
Current Rent Rates Very little stock remaining at rates households can realistically afford ocurrent incomes.		What market allows and demands. Not always like this. Not our fault. Need more housing stock or fewer renters.
High Move-In Fees	Prohibitive to entry. Can include first and last month, security deposit, pet deposit and even pet rent fee. Few have reserves to cover cumulative cost in one transfer.	Fees will increase with risk. Inability to evict, extended eviction times and other protections make entry payments more crucial to protecting economic bottom line.
Barriers to Entry	Imperfect credit or criminal record histories are often due to circumstances beyond renter's control or reflect disproportionalities (e.g., medical bills, unequal access to credit, protection under the law). Does not necessarily reflect ability to pay rent.	Some indicate willingness to give second chance, but not interested in reduced screening. Need to know what the risk profile is and adjust accordingly.
Rental Stock Condition	Some units in bad condition, not all tenants feel comfortable asking for repairs, fear retaliation, or can't get response if they do.	Some landlords delayed improvements due to lower rents after recession. Others can't improve without raising rents to cover costs and fear losing tenants.
Access to Resources	Don't know where to go when needing help with temporary rent gap funding; uneasy or unable to communicate with landlord; unsure of legal options; unable to afford move-in fees for new place following rent increase.	Hard to keep up on evolving rules; agreeing to learn more about resources sounds like more hassle and cost; at some point, the profit margin or loss calculus will cause me to leave market.
Potential Solutions	Rent control (not allowed); extended payment plan for move-in costs; extended notice of rent increase; help finding resources/subsidy, especially for move-in costs; current landlord offering similar unit for let when repairs are needed for current unit; required landlord use of universal screening reports to prevent multiple fees for prospective renters.	Target solutions to those actually struggling (lower-income, MFH v SFH); spread cost over entire community v placing on landlords alone; consider tax credits for those who rent to low-income; defer to State laws, no new local laws; make it easier to build affordable housing and let market work.

These are preliminary challenges and perspectives. This inventory will be updated as additional outreach is conducted and the resulting feedback incorporated into recommendations forwarded to City Council.

# WHAT OLYMPIA IS DOING TO ADDRESS HOUSING NEEDS

The City recently completed a Housing Needs Assessment and created a Housing Action Plan. The City identified six key strategies to address housing needs in the community:

- 1. Increase the supply of permanent, income-restricted affordable housing.
- 2. Make it easier for households to access housing and stay housed.
- 3. Expand the overall housing supply by making it easier to build all types of housing projects.
- 4. Increase the variety of housing choices.
- 5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
- 6. Establish a permanent source of funding for low-income housing.

Here are examples of progress under each strategy:

- 1. Increase the supply of permanent, income-restricted affordable housing.
  - A. Portion of Rescue Act (ARPA) funds dedicated to acquisition of new affordable housing (Quince Street Property, former site of Quality Inn Hotel)
  - B. Exploring dedication of the former Mitigation Site on Franklin to income-restricted housing targeted to downtown employees
  - C. Create income requirements for private housing redevelopment of the former Griswold's building and Boulevard Road property
  - D. Purchased property at 2828 Martin Way in 2018, donated it to Interfaith Works/Low Income Housing Institute housing and shelter development
  - E. Awarded \$4.25m from the Olympia Home Fund to help build permanent supportive housing at Unity Commons (2828 Martin Way) and the Family Support Center. The Home Fund leveraged over \$37m in non-city funds to build these projects.
  - F. Affordable Housing Density Bonus: The City allows 1 additional residential unit for each lowincome unit provided, up to a 20% bonus
  - G. Impact Fee Abatement: The City may grant impact fee discounts and exemptions for projects that are 100% low-income
  - H. Engaging with LOTT as they complete their cost-of-service study. As part of this they are exploring how they might support local partners with housing affordability objectives, including potential lower hook-up fees for low-income housing
  - I. Reinstating a revolving loan program for rehabilitation and maintenance of low-income housing through the Community Development Block Grant (CDBG) program to provide low-interest loans to keep rental and owned properties affordable

#### 2. Make it easier for households to access housing and stay housed.

- A. Facilitating community conversations that will result in recommendations for rental housing code changes intended to improve rental housing access and stability
- B. The City has an updated Tenant and Landlord resources webpage, with legal updates and COVID-specific assistance
- C. City Council adopted an eviction moratorium during COVID

- D. Added over 100 tiny homes for homeless individuals, managed by nonprofit partners since 2018
- E. Passed Emergency Housing Ordinance to encourage faith and nonprofits to provide temporary emergency housing or shelter (used by faith communities and nonprofit partners to offer shelter beds)
- F. The City has used general funds to support projects like Family Support Center Shelter expansion, the Interfaith Works 3444 shelter, and day centers which offer shower, laundry facilities and other needed services
- G. The City has utilities payment assistance programs for qualifying low-income households

#### 3. Expand the overall housing supply by making it easier to build all types of housing projects.

- A. Multi-family Tax Exemption: incentivizes development of housing in targeted areas (there is both a market-rate tax incentive and an affordable housing tax incentive). Currently exploring an expansion of the program to more geographic areas and to maximize its use for affordable housing.
- B. Decreased parking requirements for affordable housing units near transit routes
- C. The following housing actions are also underway now or in the coming year, and could be applied specifically to low-income housing:
  - a. Subarea and SEPA planned action for the Capital Mall Area scope to include assessing risk and strategies to mitigate displacement
  - b. Reduce parking requirements for multifamily in areas with frequent transit
  - c. Reviewing our fees and regulations to reduce barriers to housing construction
  - d. Re-tooling the multifamily tax exemption to maximize its use for affordable housing, increase locations and assess its efficacy in 3 areas planned for high density housing development (downtown, Capital Mall area, Pacific/Martin Way area)

#### 4. Increase the variety of housing choices.

- A. Housing code changes to allow more construction of duplexes, triplexes, other infill housing
- B. Free accessory dwelling unit plans which meet the City's code requirements, new codes with more flexibility to allow these in more areas
- C. Exploring funding sources and best practices to support models that lead to homeownership and long-term affordability of the property, such as land trusts, cooperatives and models like Habitat for Humanity

# 5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.

- A. The City participates in a Regional Housing Council, Housing Advisory Team, Rental Housing Workgroup and many other cross-jurisdictional workgroups, to pool resources and identify gaps in housing that can be addressed at a regional level
- B. Olympia supporting consulting work to improve Coordinated Entry homeless triage and placement system
- 6. Establish a permanent source of funding for low-income housing.
  - A. Home Fund created to provide revenue stream for building affordable and permanent supportive housing (has contributed to several new multifamily projects for formerly

homeless community members), can also fund other housing and homeless-related operating costs

- B. Affordable and Supportive Housing revenue adopted (from HB 1406), which allows city to hold back state sales tax revenue and dedicate it to affordable and supportive housing
- C. Support for county-wide Home Fund (under discussion)

## **RENTAL MARKET STABILIZATION CONCEPTS**

# **Peer Community Insights**

Cities across Washington have implemented various rental housing stabilization measures under consideration here in Olympia. The table below provides a summary of peer city feedback and insights with respect to the relative effectiveness of various policies following implementation:

Name of Policy	Pros	Cons	Other Notes
Rental registration or license and inspection program	<ul> <li>Helpful to know where landlords are and how to communicate with them</li> <li>Neighborhood on the whole benefits from code compliance and minimal standards of habitability (property values)</li> <li>Inspections help with safety of rental housing units</li> <li>Tenants can be afraid to report problems due to fear of retaliation from landlord</li> <li>Landlords become aware of maintenance issues sooner</li> <li>Can provide training or other resources as part of license or registration program (code compliance, fair housing, licensing requirements, fire inspection and building codes, programs or resources available)</li> </ul>	<ul> <li>Can be difficult to get compliance even with fines in place. Don't want to revoke licenses to result in displacing tenants or losing additional rental housing, so fines or other requirements for repeated violations are needed.</li> <li>Requires staff in code enforcement or building inspections, as well as administrative (licensing or registration and payments), as well as tracking and scheduling of inspections, and enforcement</li> <li>Enforcement processes can be slow, and tenant may not benefit from improved condition by the time they are remedied</li> </ul>	<ul> <li>Most cities have a housing inspection component. Varies by city: some have processes for self-certification with a code checklist, and some proactive, required periodic inspections.</li> <li>Some cities use state business licensing process (through DOR), which helps with administrative aspects, but limits information collected and imposes fee</li> <li>Landlords/ managers often won't respond to requests for info/data unless required</li> <li>All cities recommended having strong enforcement mechanisms in place</li> <li>Documentation and tracking can be burdensome if you don't have a business license process or other administrative structure in place</li> <li>Several cities indicated they have found a lot of problems and repair issues in small unit properties. More abuses, even if not intentional.</li> <li>Some cities have exemptions, or exemptions for just the inspection component but not the registration.</li> <li>Many more cities than interviewed have licensing and inspection programs, including Pasco, Lakewood, Kent, Tukwila</li> </ul>

Name of Policy	Pros	Cons	Other Notes
Informational materials required	<ul> <li>Educates both landlords and tenants about their rights and responsibilities</li> <li>Helps initiate contact with City for various rental housing issues</li> </ul>	<ul> <li>Can be difficult to enforce if don't have staff and/or enforcement mechanisms in place. It is hard to know if landlords are providing packet to tenants, aside from receiving calls from landlords or tenants.</li> </ul>	<ul> <li>One city stated that perhaps a webpage would be as effective</li> <li>Translate into most commonly spoken languages</li> <li>Some landlords complain when require distribution of printed copy, but one city felt information was getting buried in electronic move-in documents provided by landlords</li> </ul>
Limits to security deposits/move-in fees	Helps tenants access housing, due to rising costs at move-in	Unintended consequence: kneejerk rent increase.	<ul> <li>One city stated the benefits outweigh risk of possible rent increases</li> <li>Another city cautioned against any measure which could be construed as rent control</li> </ul>
Just Cause eviction	Tenant and LL have common understanding re what could cause them to lose their tenancy. Everyone should be on same page about reason tenancy could be terminated.	Could be confusing due to recent changes in statewide laws	<ul> <li>Some cities wondering if they should keep their ordinance due to statewide adoption of Just Cause protections, have to ensure their policies and informational materials align with changes.</li> <li>One city implemented Just Cause protections right before the eviction moratorium, so policy has not been tested with the exception of property sales.</li> <li>One city cautioned that need staff to enforce protections if enact them.</li> </ul>
Housing Ombudsperson	<ul> <li>Provide education and resources to both landlords and tenants</li> <li>Hear stories on the ground to inform policy</li> <li>Local expert helps implement policies/enforcement of policies</li> </ul>	• Cost	<ul> <li>Burien never hired the staff recommended through community process due to eviction moratorium being enacted shortly after Burien adopted new rental housing policies</li> <li>Tacoma has two landlord/tenant-focused staff</li> <li>Feedback is that if you don't have staff or clear enforcement mechanisms, it's not worth implementing the policies</li> </ul>

Name of Policy	Pros	Cons	Other Notes
Tenant relocation assistance for substantial remodel, demolition or change of use	Mitigates displacement of tenants when property is remodeled, demolished or sold	Cost	<ul> <li>Authorized by State law, sets parameters for program.</li> <li>Tacoma didn't include 'change of use' in relocation assistance program due to feedback that some property buyers purchase a single-family home with the intent of living in it, rather than continuing to rent it out.</li> <li>Seattle's budget for direct payments: \$300,000-\$400,000/year. Use Real estate excise tax 1 (REET1) and general fund, if needed. 1.5 FTE to administer.</li> <li>Tacoma: Feb 2019-Nov 2019 paid \$6,000, for 6 qualifying units. Use general funds. Difficult to gauge ongoing costs due to moratorium since enacted. Since moratorium lifted, had 4 requests.</li> </ul>
Extended notice for rent increases	<ul> <li>Provides more time for tenants to find alternative housing in a tight rental market if can't afford the increase</li> </ul>	Unintended consequence: 100-300% rent increases to beat the new law	Build in a period of time for outreach     before law needs to be applied
Notice of sale of low-income housing	May help preserve affordable housing, prevent displacement of low-income tenants	<ul> <li>Calculations tricky for which units qualify as affordable for tenants earning 80% AMI or &lt;</li> <li>Has to be updated each year.</li> <li>Hard to enforce; owners don't always know months in advance that they will sell.</li> <li>Has not preserved affordable units in Seattle or Burien.</li> <li>Most affordable housing providers do not have enough reserves to purchase within 60-day timeframe.</li> <li>Many housing providers don't want to buy old properties that may need rehab.</li> </ul>	<ul> <li>One city felt if any affordable housing was preserved, it would be worth it, however, two other cities felt it was an administrative burden that hasn't had the impact intended by the policy.</li> <li>In Seattle, an auditor's report will be coming out soon to give transparent feedback.</li> <li>Seattle's policy has a Tenant Opportunity to Purchase (TOPO) element.</li> <li>One city didn't write good enforcement process. Doesn't put in structure, timelines, appeal process.</li> </ul>

#### Key Takeaways from Cities Interviewed

- Consider the enforcement processes carefully. Some codes allow issuance of citations which can
  result in a recording on the property title, which must be cured before owner can sell. Some
  codes require a lengthy legal process to enforce, and don't produce a helpful result for the
  tenant making a complaint. Some codes require private right of action, but not many tenants
  have the resources to bring affirmative cases.
- Invest in staff to enforce the mechanisms created. If there aren't staff or enforcement tools in place, consider whether it's just an administrative hoop for the most highly compliant landlords to jump through.
- Consider your goals in implementing the policy. Is a landlord registry aimed at communication and sharing information, or is it also a tool in facilitating compliance with other policy measures?
- Be willing to evaluate and adapt policies and programs over time.
- Be mindful when planning stakeholder engagement. One City had the experience of holding a meeting where landlords made statements that were very hurtful in generalizing about tenants who use rental subsidies, and felt the meeting was harmful to the tenants in attendance.
- Bring everyone to the table when making policy changes. Allow for stories, as those stories can help guide the policymaking process. Listen to all sides, as they may come up with ideas not considered yet. Approach the topic knowing that everyone is not going to be 100% happy but work towards creating something everyone can live with. This approach creates buy-in, so stakeholders can identify why a provision was included, even if they don't agree with it.

# Ideas That Might Work in Olympia

While this initiative is focused on solutions to keep more renters in stable housing now, the evaluation of options also includes a number of suggestions for longer-term structural considerations. All longer-term solutions reflect direct input from stakeholders.

#### **Near-Term Solutions**

The project team evaluated and tested with stakeholders a number of potential solutions deployed in peer communities. Other policies ideas arose during stakeholder conversations and have been included for consideration. The following ideas may have some beneficial impact in Thurston County, pending additional discussion and vetting by all parties:

Policy Evaluated	Why it could work	
Required provision of renter rights and information packets	Information and resources are helpful to everyone involved. Where to turn when unable to pay full rent. Renter rights. Landlord resources and technical assistance. Much of this information can be produced online and in print by City staff. Landlords are already required to provide certain info, so this would be an enhanced package.	

Relocation assistance program in the case of demolition or long-term remodel	An emergency fund available to low-income renters displaced by demolition, change of use or substantial remodel. Funds could be used to cover or offset first, last month and security deposit to facilitate entry to a new rental unit. Could be supplemented with new residence research assistance provided by City staff or nonprofit partners. Would require public funding to work. Program model is outlined in State law (requires public hearing, tenants eligible if below 50% AMI, limits funding to \$2,000 per unit, cost split by landlord and City). Landlord could offer option to relocate tenant to existing comparable unit, if one exists.
Extended rate increase notification	Unpopular among landlords but could be helpful in reducing
period	relocation assistance demands. Extending period would allow renters who are priced out of current housing to find affordable replacement, potentially with assistance from City or nonprofits.
Credit and criminal history screening restrictions	Landlords are divided. Many indicate new State rules requiring Just Cause for evictions make screening more important or even tighter. Most landlords already require income of 3 times the rent. Some are actively renting to people with minor credit or criminal offenses. This could work if limited and crafted in partnership with landlords (and according to legal allowances). There are two primary concerns: renters who may harm or otherwise negatively impact other renters; and renters who do not have ability to pay (time and expense of eviction process is a concern).
Landlord registration system to enhance communications and compliance	A landlord registry would enable the City to understand who landlords are in Olympia for communications purposes. The registry would facilitate dissemination of information on resources (e.g., the current COVID rent relief programs), new or updated rental rules and opportunities for training. Some peer cities require a business license and mandatory periodic inspections, with loss of license for certain violations.
Prohibition of "pet rent" fees	If a landlord collects a pet deposit, there is no real need for a recurring pet rent. There is some risk that prohibiting this charge will reduce the number of units available to pet owners.
Low interest loans or grants to landlords for repairs in exchange for rent stability	Could incentivize completion of needed repairs while also protecting against the need for rent increases to offset cost. Could be funded through City and/or through partnership with CDFI lender(s). Could mirror State landlord mitigation fund program for landlords renting to tenants with subsidy or provide broader eligibility.
Limits to security deposit and move-in fees (e.g., not greater than one month's rent), and/or limit to late fees	Provides greater ability to access housing, as move-in costs can be prohibitive. Late fees can accumulate per day and be difficult to pay off, though landlords are required to apply any payments by tenant to rent first. Landlords have stated they will increase rent to offset costs and mitigate risk.
Reusable Tenant Screening Report	State law allows landlords to decide whether or not they will accept a comprehensive reusable screening report from applicants. Most landlords do not accept these reports, causing tenants to pay for multiple applications and screening reports with essentially the same information. Requiring use of these reports would lessen the cost burden on tenants, who frequently pay \$40-\$50 per application, in addition to other move-in costs.

# **Other Ideas to Consider**

This section provides a summary of potential solutions discussed in stakeholder conversations as well as ideas that have been implemented in peer communities. The assessment as to why any particular idea may not work is based on stakeholder feedback and consideration of existing Washington State law.

Policy Evaluated	Notes
Rent control	Not currently allowed per state constitution, but laws are continually evolving.
Expanded timeframe for installment payments for	In 2020, state law changed to allow a tenant to request
move-in fees and deposits	installment payments for move-in fees and deposits.
Expand Just Cause eviction requirements for any tenancy	In 2021, state law changed to provide Just Cause protections. Select changes could be considered (law provides exceptions for some 6-12 month leases, which can be terminated with 60 days' notice at the expiration of the lease without providing a reason). Landlords feel state law was highly negotiated and the City should not reinvent new provisions. Renter advocates have informed us that some tenants are being asked to sign longer lease terms that fit into these exceptions or pay a higher rate for a month to
	month lease that is subject to Just Cause protections.
Require City notification before putting rental units on the market	This would enable City to notify nonprofits/lending partners so the property could potentially be purchased, and the units preserved as permanently affordable housing. Some cities have indicated that it is difficult for a nonprofit or housing authority to pull together funds to purchase a
	property in 60 days, hasn't had intended impact.
Economic Displacement Relocation Assistance	Newly passed by Seattle, not yet implemented and will likely be litigated due to claims that it is effectively rent control. EDRA requires landlords to pay relocation assistance to a low-income (80% of AMI) tenant who is displaced by a rent increase of 10% or more. Could be considered after evaluating impact of Seattle's ordinance. Seattle model requires landlords to use City as pass- through for funds, which creates additional administrative burden and cost on City (estimated \$1M). Portland model only requires City step in if landlord doesn't comply, which saves a significant cost in implementation of program.
Permanent Alternative Dispute Resolution Process	Thurston County currently requires using dispute resolution services for nonpayment of rent cases related to COVID before filing an eviction. This clause included in state law will expire in July 2023. Support for a permanent program may help both landlords and tenants avoid the cost of going through a court filing, as well as help tenants avoid having an eviction on their record. The state will evaluate this program and may decide to fund on an ongoing basis. Cooperation with Thurston County Superior Court may be required for implementation. May be approached more effectively on a regional scale.

# **Longer-Term Solutions**

Stakeholders also offered suggestions for addressing affordable housing challenges over the long term. Some ideas are already captured in Olympia's Housing Action Plan. Others are novel, or variations on ideas previously introduced. Ultimately, while there is universal agreement that more affordable housing is required, opinions on how to go about accomplishing it vary. Stakeholder suggestions include:

- Facilitating cooperative housing solutions:
  - Work with coops to purchase or build manufactured and multifamily housing that renters can purchase through equity mechanism
  - Enact a Tenant Opportunity to Purchase ordinance that provides first right of refusal to tenants prior to a property being placed on the open market
- Building additional stock with public funds:
  - Redirect existing general fund dollars
  - Ask voters for additional tax funding or pursue a councilmanic tax on real estate transactions over a certain amount:
    - To purchase lower value homes
    - To purchase and convert unused commercial space
    - To purchase and develop or redevelop specific lots toward the goal of supplying demand identified in Housing Needs Analysis
  - Use technology to create more affordable options (e.g., 3-D print housing to help assuage current homeless proliferation)
- Acquiring additional stock by partnering with nonprofits to:
  - Purchase rental housing before it goes on market
  - Transfer ownership and management to housing nonprofit that can help maintain subsidized, permanently affordable rental units
- Incentivizing the building of additional stock:
  - Property tax credits beyond existing options e.g., commensurate reduction in property tax for every \$100 landlord offers rent below market average for similar rental unit
  - Pursue conversions of hotels or other existing structures that can provide housing options sooner than new development
  - Work with willing developers to pilot affordable housing solutions (e.g., fee waivers on new low-income multifamily development that can be transferred to nonprofit housing services managers once developers have recouped expenses/profit
- Reducing additive costs that may or may not artificially increase housing and rental expenses:
  - o Targets include land use laws, impact fees, design standard requirements

Action Item	Estimated Delivery/Execution Date
Peer Community Outreach	October 2021
Stakeholder Interviews	September-October 2021
Revised LUEC Briefing Memo	October 2021
Preliminary LUEC Briefing	December 2021
Focus Groups	January-February 2022
Online Survey (priorities and preferences)	February-March 2022
Community Open Houses (if viable, possibly online)	TBD
Council Options Presentation	April 2022