



Rental Housing Code

City of Tacoma | Office of Equity and Human Rights

**THA Landlord Informational Session
May 10, 2022**





Timeline and Process



- Effective February 1, 2019
- Provide landlords with information on the code via Rental Business License and RHC webpage (www.cityoftacoma.org/rentalhousingcode).
- Amended in July to align with State Law that went into effect on July 28, 2019 (rent increase notice/notice to terminate to demolish, substantially rehab, or change of use).
- Amended October 1, 2021 to align with State Law that went into effect on June 11, 2020 (deposit installments) and May 10, 2021 (“Just Cause Eviction”).

Rental Housing Code: TMC 1.95

Original Code



- Distribution of Information--1.95.030
 - Provide RHC website at time of application to check on code/discrimination cases.
 - Provide hard copy of “Renting In Tacoma” booklet and obtain signature at the time lease/rental agreement is signed.
 - Provide “Notice of Resource” when serving notice that can lead to eviction.
- Notice requirement generally – reasonable accommodation request.
 - Landlord must review and comply with all reasonable accommodation request as outlined in TMC 1.29.120D
- Deposit Requirements and Installment Payment allowed-1.95.40
 - State Law RCW 59.18.610- effective June 11, 2020
 - Rental agreement must in writing/signed move-in condition checklist
 - Move-in cost exceed 25% of first month rent
 - Fixed lease of three months or more- three equal payments
 - Month-to-Month rental agreement- two equal payments
 - Request from tenant must be in writing and landlord cannot deny

Rental Housing Code: TMC 1.95

Original Code



- Notice to Increase Rent Requirements-1.95.060
 - 60-day written notice
- Notice to Terminate Tenancy- 1.95.070B
 - Demolish, Substantially Rehab, or Change of Use(does not include selling property)
 - 120-day written notice
 - State Law RCW 59.18..200(2)(C)(I)-effective July 28, 2019
- Tenant Relocation Assistance-1.95.080
 - State Law RCW 59.18.440- Demolish, Substantially Rehab, or Change of Use
 - Low- income tenants:\$2,000 (50/50 split between landlord and City of Tacoma)
 - State Law RCW 59.18.085- Property condemned by government official-\$2,000 or three times the monthly rent (landlord fully responsible)
- Enforcement and Compliance- 1.95.090
 - Retaliation (tenant exercises right and landlord takes adverse action within 90-days)
 - Includes tenants right to organize
 - State Law RCW 59.18.240 and RCW 59.18.250

Rental Housing Code: TMC 1.95

Recent Changes



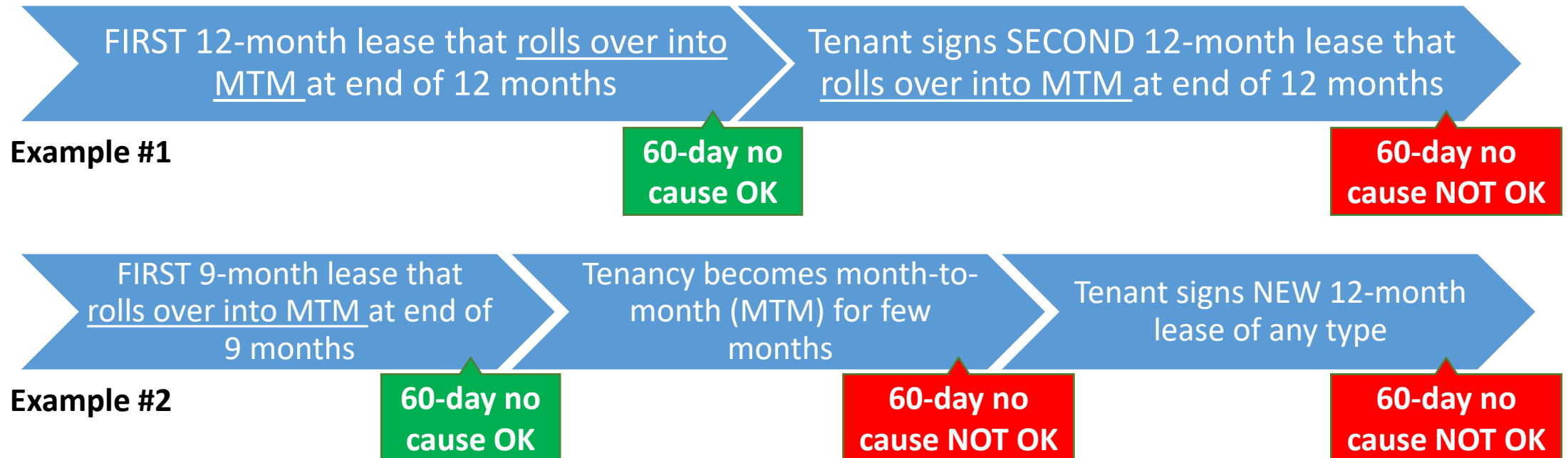
- Just Cause Eviction (JCE)- HB 1236
 - Effective May 10, 2021
 - Codified in RCW 59.18.650
 - 17- JCE Reasons
 - Allows no cause notice in two situations
- Just Cause Eviction (JCE)- TMC 1.95.070.B
 - Effective October 1, 2021
 - 17- JCE Reasons
 - Allows no cause notice in two situations
 - Allows for enforcement

Rental Housing Code: TMC 1.95



No Cause Terminations Requirements:

- **Situation #1:** If tenancy is for a fixed term of 6-12 months, then rolls over into a periodic or month-to-month tenancy by the terms of the rental agreement, then:
 - **NO CAUSE** termination allowed with 60 or more days' notice BUT ONLY at end of initial 6-12 month term;
 - If the landlord does not terminate at end of first term, then **JUST CAUSE** applies thereafter.
 - RCW 59.18.650(1)(b).

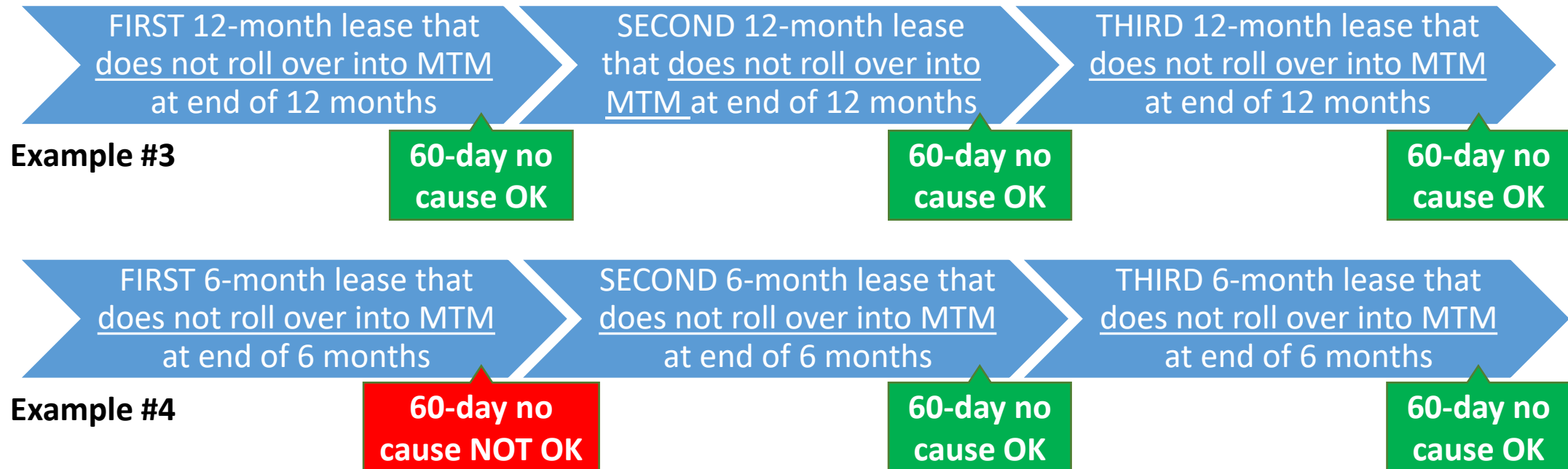


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No Cause Terminations Requirements:

- **Situation #2:** If a tenancy is for a fixed term and DOES NOT roll over into a periodic or month-to-month tenancy afterwards, then **NO CAUSE** termination at end of any term with 60 or more days notice **BUT ONLY IF:**
 - The original fixed term was 12 months or more OR tenancy was for two or more consecutive 6-month fixed terms; **AND**
 - The tenancy never became periodic or month-to-month at any point.
 - RCW 59.18.650(1)(c).



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Just Cause Evictions- Legal Reasons to Terminate Tenancy



- **Nonpayment of Rent:** 14-Day Notice to Pay or Vacate
 - “Rent” can include monthly charges, such as utility bills
 - Default payment under a deposit installment plan OR repayment plan under HB 5160
- **Breach of Lease:** 10-Day Notice to Comply or Vacate
 - Nonmonetary breaches of material lease terms
 - Tenant can remedy
- **Waste/Nuisance/Illegal Activity:** 3-Day Notice to Quit
 - No cure period for tenant, they must vacate
 - Nuisance” generally is a substantial and unreasonable interference with the ability of neighbors or the landlord to use and enjoy the premises.
- **Landlord or Immediate Family to Occupy Unit:** 90-Day Notice to Vacate
 - Immediate family includes registered domestic partner, parents, grandparents, in-laws, etc.
 - Not applicable if landlord has another apartment or house that is vacate and substantially the same.
 - Landlord or immediate family must live in the unit as a principal residence for at least 60 continuous days during the 90 days immediately after tenants vacate the unit.

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Just Cause Evictions- Legal Reasons to Terminate Tenancy



- **Intent to sell:** 90-Day Notice to Vacate
 - Only if single family home
 - Landlord must take steps to sell the house within 30 days after tenant vacates - listing the house for sale at a reasonable price.
 - Presumption is that the landlord did not really intend to sell the house if landlord did not list the property within 30 days after tenant vacates or takes the property off the market or rents the house to someone else within 90 days after tenant vacates.
- **Demolish, Substantially Rehabilitate, Change of Use:** 120-Day Notice to Vacate
 - “Demolish” means destruction of premises
 - “Substantially rehabilitate” means repair or remodel requiring a permit that displaces the tenant.
 - “Change in Use” means conversion of the premises from a residential use to nonresidential use that requires displacement of the tenant.
 - May trigger relocation assistance for low-income tenants.

Rental Housing Code: TMC 1.95

Just Cause Evictions- Legal Reasons to Terminate Tenancy



- **Conversion to Condominiums:** 120-Day Notice to Vacate
 - Landlord plans to make rental a condo.
- **Premises Are Condemned:** 30-Day Notice to Vacate or sooner (if the local agency's order requires less)
 - Government authority has certified the premises to be "uninhabitable" AND landlord would be subject to penalties if a tenant continues to reside at the premises.
 - May trigger relocation assistance (all legal tenants eligible and not just low-income).
- **Shared Space(with owner):** 20-Day Notice to Vacate
 - If the tenant rents space in landlords dwelling and share kitchen and bathroom: **except when the landlord rents to four or more tenants in the same dwelling unit. The landlord must use one of the other causes to terminate tenancy.**
- **Transitional Housing:** 30-Day Notice to Vacate
 - Tenant finishes or no longer qualifies for the program
- **Failure to Sign New Lease/Rental Agreement:** 30-Day Notice to Vacate
 - Tenant refuses to sign new lease/rental agreement.
 - Lease provided thirty days before expiration of current agreement.
 - Terms of new agreement must be reasonable

Rental Housing Code: TMC 1.95

Just Cause Evictions- Legal Reasons to Terminate Tenancy



- **Application fraud: 30-Day Notice to Vacate**
 - Tenant provided “intentional, knowing, and material misrepresentations or omissions” on rental application.
 - Landlord would have denied the application or requested more information.
- **Other Economic/Business Reason: 60-Day Notice to Vacate**
 - Landlord has a legitimate “business or economic reason” to no longer rent the dwelling not covered under any other cause.
- **Repeated Lease Violations: 60-Day Notice to Vacate**
 - Tenant has received four or more written “10-Day” notices within the past 12 months.
 - Must specify the reason and be served with or after the fourth or subsequent written notice to comply

Rental Housing Code: TMC 1.95

Just Cause Evictions- Legal Reasons to Terminate Tenancy



- **Sex Offender: 60-Day Notice to Vacate**
 - If tenant must register as a “sex offender” during the tenancy
 - Tenant did not disclose that they were registered on the rental application.
- **Sexual Harassment: 20-Day Notice to Vacate**
 - If the landlord believes the tenant has made unwanted sexual advances or sexually harassed the property owner, a manager, or another tenant, in violation of the lease.
 - If landlord believes tenant harassed this other person on the basis of race, gender, or other protected status.
- **Holdover Occupants Not on Rental Agreement: 30-Day Notice to Vacate**
 - If tenants have been living in the rental for at least six months and person on the lease moves out, then:
 - Remaining tenants can get 30-Day Notice to submit a rental application.
 - Landlord must use the same criteria to consider as any other applicant

Rental Housing Code: TMC 1.95

Amendments and Other Changes



- Other Changes- TMC 1.95.090
 - Any rental agreement with illegal lease provisions as outlined in RCW 59.18.230, as it currently exists or hereinafter amended.
 - Violation if the landlord requires a tenant to give more than a 20-day notice to vacate as outlined in the RCW 59.18.650.

Compliance and Enforcement: TMC 1.95.90

Rental Housing Code



- \$500 penalty(per unit) for first violation and \$1,000 (per unit) for each subsequent violation in three-year period:
 - Distribution of Information
 - Deposit requirements/Installment payments
 - Reasonable Accommodation
 - Notice of Rent Increase
- \$250 per day(per unit) for first ten days of noncompliance and \$500 per day beyond ten days of noncompliance:
 - Notice to vacate
 - Tenant Relocation Assistance
 - Retaliation
 - Illegal provisions in rental agreement
 - Requiring more than 20-days notice to vacate

Rental Housing Code: TMC 1.95



Rental Housing Code (RHC):

- Only applies to rental properties within Tacoma city limits.
- RHC has an enforcement mechanism where RLTA only has civil remedies.
- COT can only enforce violations of the RHC.
- Tenant must follow the steps under the RLTA in order to use enforcement mechanism under RHC (proper notice, dispute properly).
- COT can only enforce violations of our own code which include RHC, TMC 2.01, and TMC 1.29.

Enforcement:

- COT serves the landlord with notice to come into compliance.
- If landlord does not come into compliance, they will be served with penalty.
- RHC enforcement cannot make the landlord change practices but gives the tenant a defense in court.
- Voluntary compliance is always first choice. Enforcement is last resort.

Source of Income

RCW 59.18.255 (effective 9/30/18) & TMC 1.29.100 (effective 2/1/19)



- **RCW 59.18.255: A landlord may not, based on the source of income of an otherwise eligible prospective tenant or current tenant:**
 - Refuse to rent to, evict, or make distinction in price or terms or conditions.
 - Represent to person the dwelling is not available to rent, refuse to accept section 8 voucher or subsidy.
 - Coerce, intimidate, threaten, or interfere with enjoyment of dwelling.
- **Screening:**
 - If a landlord requires that a prospective tenant or current tenant have a certain threshold level of income, any source of income in the form of a rent voucher or subsidy must be subtracted from the total of the monthly rent prior to calculating if the income criteria have been met.
- **Violations:**
 - Civil action up to four and one-half times the monthly rent, court costs and reasonable attorneys' fees.
- **TMC 1.29.100:**
 - Discrimination claim can be filed under Fair Housing Laws (investigation by COT Human Rights Division).
 - Can result in monetary damages and/or mandatory training.
 - Tenant is still able to seek civil action.

Rental Housing Code

Proposed changes



- **Shared Housing Standards:**
 - Ensuring only authorized spaces are rented
 - Eviction standards when master lease is involved
 - Preventing overcrowding of residential neighborhoods
 - Ensuring tenants are living in habitable spaces and healthy living conditions.
- **Late Fee Standards:**
 - Establish standards on how landlord addresses late fee during tenancy.
 - Prohibit landlords who do not address late fees during tenancy from collecting or reporting to perspective landlord at end of tenancy.
 - Limits to amount of late fee landlord can charge as outlined in RLTA.
- **Proposed Sale of Low-Income Housing:**
 - Require landlord to notify COT when selling property that have low-income tenants occupying the property.
 - Gives non-profits and Housing Authorities “Right of First Refusal” to purchase 17 property.
 - Preserves affordable housing stock

Rental Housing Code

Proposed changes



- **Rent Increase Notices:**
 - Require 60-day written notice for 6% or less increase.
 - Require a 180-220 (6-7 month) written notice for increase over 6%
 - Written notice must be served in accordance with RCW 59.12.040.
 - Landlord cannot charge for rent increase notice to be served.
 - Waive requirement for tenant to serve a proper 20-day written notice to vacate or tenant will not be penalized if tenant vacates based on the rent increase.
- **Restrictions on filing evictions if the housing providers does not have a valid COT Rental Business License:**
 - Rental Business License is required for all types of rental housing transactions in COT
 - Rental Business License is used as outreach to landlords on code updates



Next Steps



- **Community Outreach:**

- Hold community outreach events in all four sectors/council districts
- Conduct focus groups/surveys
- Townhalls

- **Work with Stakeholders:**

- Landlord Associations/Tenants Associations/Real Estate Associations
- Landlord and Tenant Legal Representation
- Shared Housing Partners/Tacoma-Pierce County Coalition to End Homelessness
- Tacoma-Pierce County Affordable Housing Consortium
- Tacoma Housing Authority
- COT Departments
- Tacoma Pierce County Health Department

- **Present to Council**



Contact Information



- **For information or assistance with the Rental Housing Code:**
 - www.cityoftacoma.org/rentalhousingcode
 - Call 311 or 253-591-5000
 - Online at [TacomaFIRST 311 - City of Tacoma](http://TacomaFIRST311-CityofTacoma)
- **For Information or to Provide Input on Proposed Changes:**
 - www.cityoftacoma.org/rentalhousigcode
 - TacomaRHC@cityoftacoma.org



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