

ORDINANCE NO. 996

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON
ESTABLISHING A NEW CHAPTER, CHAPTER 9.35 RESIDENTIAL
TENANT PROTECTIONS OF THE SHORELINE MUNICIPAL CODE.**

WHEREAS, current estimates state that the City's median income is \$95,623; in 2021, the City Council approved the Housing Action Plan which denotes that 52 percent of the City's household earns less than the median income and of those, 27 percent earn less than 50 percent of the median income; and

WHEREAS, approximately 30% of the City's residents are renters, the average rent, which has been increasing substantially in the past decade, is \$2,100, requiring an annual household income of \$82,000, or 85 percent of the median income, to ensure that no more than 30 percent of income is spent on housing; and

WHEREAS, when households spend more than 30 percent of their income on housing, they are cost burdened and struggle to afford other necessities; the Housing Action Plan states that only 12 percent of the City's households earn between 80 – 100 percent of the median income, resulting in most households not being able to afford the average rent in the City; and

WHEREAS, the lack of affordable housing increases economic insecurity among households and also creates challenges for employers striving to retain and recruit workers that live within the City; and

WHEREAS, providing residential tenant protections greater than the Washington State Residential Landlord Tenant Act, chapter 59.18 RCW, will provide households with stability through more predictability on future rent increases, limiting upfront costs and prevent financial burden by allowing for more installment payments of those, providing flexibility on due dates, setting a maximum amount for late fees, and providing legal remedies will help ensure renters in the City can stay in their homes, while still allowing landlords to raise the rent, collect reasonable costs, and make a fair profit;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF
SHORELINE, WASHINGTON DO ORDAIN AS FOLLOWS:**

Section 1. Shoreline Municipal Code Chapter 9.35 Residential Tenant Protections. A new chapter, Chapter 9.35 Residential Tenant Protections, is added to Title 9 Public Peace, Morals, and Welfare of the Shoreline Municipal Code as set forth in Exhibit A.

Section 2. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 3. Severability. Should any section, subsection, paragraph, sentence, clause, or phrase of this Ordinance or its application to any person or situation be declared unconstitutional

or invalid for any reason, such decision shall not affect the validity of the remaining portions of this Ordinance or its application to any person or situation.

Section 4. Publication and Effective Date. A summary of this Ordinance consisting of the title shall be published in the official newspaper. This Ordinance shall become effective five days after publication.

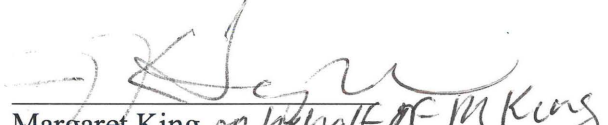
PASSED BY THE CITY COUNCIL ON DECEMBER 11, 2023.


Keith Scully, Mayor

ATTEST:


Jessica Simulcik Smith
City Clerk

APPROVED AS TO FORM:


Margaret King on behalf of M King
City Attorney ASST City Attorney

Date of Publication: December 14, 2023
Effective Date: December 19, 2023

SMC Chapter 9.35 - Residential Tenant Protections

9.35.010 Purpose and applicability.

A. The purpose of this chapter is to provide for and promote the health, safety and welfare of the general public by promoting stability in the city's rental housing market and limit adverse financial impacts on tenants by establishing reasonable regulations that provide more protections than Revised Code of Washington (RCW), chapter 59.18 Residential Landlord-Tenant Act (RLTA), in specified circumstances, and are in addition to and supplement any existing rights provided to residential tenants by state or federal law.

B. This chapter only applies to tenancies governed by Chapter 59.18 RCW (RLTA).

C. The obligation of complying with the requirements of this chapter and the liability for failing to do so is hereby placed upon the landlord and the tenant. The tenant shall be solely responsible for pursuing a private right of action against a landlord for violation of the provisions of this chapter. This chapter does not impose any duty upon the city or any of its officers, officials, or employees to enforce such requirements.

9.35.020 Definitions.

The definitions set forth in RCW 59.18.030 of the Residential Landlord-Tenant Act apply to this chapter in addition to the ones shown below. All references in this chapter to any federal, state, or local law or regulation is to that law or regulation as it exists now or as amended.

Except where specifically defined herein, all words used in this chapter shall carry their customary meanings. Words used in the present tense include the future, and the plural includes the singular; the word "shall" is always mandatory, whereas the word "may" denotes a use of discretion in making a decision.

"Base Rent" means a recurring and periodic charge identified in the rental agreement for use and occupancy of a dwelling or dwelling unit. Base Rent may include charges for utilities but does not include those the charges defined as Optional Rent.

"Day" or "Days" means a calendar day unless otherwise provided.

"Late Fees" mean any fee, cost, or charge by the landlord for the tenant's failure to pay Rent in full within five (5) days following its due date.

"Move in Fees" means a one-time non-refundable fee or fees charged by the landlord to the tenant before a tenant takes possession of a dwelling unit. This term does not include the prepayment of the last month's rent or a one-time nonrefundable fee related any item considered Optional Rent.

"Optional Rent" means recurring and periodic charges identified in the rental agreement that are not required for use and occupancy but that a tenant voluntarily agrees to, such as charges for a parking space or a pet.

"Rent" means the total combined amount of Base Rent and Optional Rent.

"Security Deposit" means a refundable monetary payment to the landlord by the tenant before a tenant takes possession of a dwelling unit as security for performance of the tenant's obligations set forth in the rental agreement. This term does not include any payment as security for performance of the tenant's obligations in relationship to Optional Rent.

9.35.030 Notice of rent increase.

A. Any rental agreement shall include, or shall be deemed to include, a provision requiring prior written notice to each affected tenant for an increase in the Base Rent of not less than:

1. One hundred twenty days for Base Rent increases greater than three percent but less than 10 percent; or
2. One hundred eighty days for Base Rent increases of 10 percent or greater.

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

C. Any rental agreement shall include, or shall be deemed to include, a provision requiring prior written notice to each affected tenant for an increase in the Optional Rent of not less than sixty days, regardless of the amount of the increase.

D. Any increase in the amount of Base Rent or Optional Rent shall not become effective prior to the completion of the term of a then existing rental agreement except for subsidized housing, which may be effective sooner upon mutual consent.

9.35.040 Move in fees, security deposits, and last month's rent - limits and installment payments.

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

B. Installment Payments.

1. Tenants entering rental agreements with terms lasting six or more months may choose to pay their move in fees, security deposits, and last month's rent in six equal consecutive monthly installments over the first six months occupying the dwelling unit.
2. Tenants entering rental agreements with terms lasting fewer than six months may choose to pay move in fees, security deposits, and last month's rent in two equal consecutive monthly installments over the first two months occupying the dwelling unit.
3. Tenant must provide a landlord with a written request for installment payments prior to occupying the dwelling unit. If requested in writing, a landlord shall not refuse to enter into an installment schedule.

4. Installment schedules shall be in writing and signed by the landlord and the tenant. Unless otherwise agreed to, installment payments are due at the same time as the Base Rent is due.
5. A landlord may not impose any fee, charge any interest, or impose a cost on a tenant because a tenant elects to pay in installments.

9.35.050 Late fees.

- A. Late fees charged to a tenant shall not exceed one and one-half percent of the tenant's monthly Rent.
- B. Rental agreements shall include, or shall be deemed to include, a provision stating that when late fees may be assessed after Rent becomes due, the tenant may propose, in writing, that the due date for Rent in the rental agreement be altered to a different date of the month if the tenant's primary source of income is a regular, monthly source of government assistance. The landlord shall agree to such proposal if the tenant can demonstrate that the government assistance is not received until after the Rent due date.

9.35.060 Tenant screening information.

- A. A landlord may utilize information including, but not limited to, previous names, addresses, personal references and work history to screen prospective tenants. A landlord shall maintain the right to take adverse actions, as provided in RCW 59.18.257, because of inaccurate, unfavorable or unavailable screening results.
- B. A landlord may request, but shall not require, a social security number or other type of tax identification number for the purposes of screening a prospective tenant. A landlord shall not utilize a prospective tenant's non-disclosure of such a number as the sole basis for denial of a rental agreement for the prospective tenant.

9.35.065 Additional fees.

- A. In addition to Base Rent and Optional Rent, all fees to be charged to a tenant, whether one-time or re-occurring, must be disclosed in an addendum to the rental agreement which must be acknowledged by the tenant.
- B. A landlord may not charge a fee for a tenant's access to common areas and/or a prorata share of utilities for such areas, providing tenant services such as mail collection and distribution, or for the performance of any landlord duty required by Washington's Residential Landlord-Tenant Act, chapter 59.18 RCW, as amended.
- C. A landlord may not charge a fee associated with the issuance of a notice to a tenant, whether or not the notice is required by state law, including but not limited to a fee for preparing and delivering a notice regarding late payment of rent, a notice to pay or vacate, or a notice of noncompliance with a rental agreement.

9.35.070 Provisions in violation of restrictions null and void – Exemption.

A. Any provisions in violation of this chapter in a rental agreement are null and void and of no lawful force and effect.

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

9.35.080 Rental agreement that waives tenant’s remedies prohibited – Exception.

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

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

1. The agreement to waive specific provisions is in writing and identifies the specific provisions to be waived;
2. The agreement shall be a separate document from the rental agreement requiring signatures of both the landlord and the tenant; and
3. The attorney for the tenant has approved, in writing, the agreement to waive.

9.35.090 Violation of chapter by landlord – Liability.

A. The tenant shall be solely responsible for pursuing a private right of action against a landlord for violation of the provisions of this chapter.

B. A landlord found in violation of any of the provisions in this chapter, unless otherwise provided in this chapter, may be liable to such a tenant for the greater of double the tenant’s economic and noneconomic damages or up to three times the monthly Base Rent of the dwelling unit at issue, and reasonable litigation costs and attorneys’ fees.