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**Ordinance No. 107500**

AN ORDINANCE declaring a housing emergency and imposing a moratorium on the conversion of certain rental units to condominiums, and providing penalties for violations.

7-14-78 UDAH Recommendation:  
PASS as amended

**ENGROSSED Council Bill No. 99571**

INTRODUCED: July 10, 1978	BY: HILDT
REFERRED: July 10, 1978	TO: URBAN DEVELOPMENT & HOUSING
REFERRED:	
REPORTED: JUL 17 1978	SECOND READING: JUL 17 1978
THIRD READING: JUL 17 1978	SIGNED: JUL 17 1978
PRESENTED TO MAYOR: JUL 18 1978	APPROVED: JUL 18 1978
RETD. TO CITY CLERK: JUL 18 1978	PUBLISHED:
VETOED BY MAYOR:	VETO PUBLISHED:
PASSED OVER VETO:	VETO SUSTAINED:
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ORDINANCE 107500

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2 AN ORDINANCE declaring a housing emergency and imposing a  
3 moratorium on the conversion of certain rental units  
4 to condominiums, and providing penalties for violations.

5 WHEREAS, the vacancy rate for rental units in the City  
6 is between one and two percent; and

7 WHEREAS, projections indicate no increase in the vacancy  
8 rate in the foreseeable future; and

9 WHEREAS, there has been a substantial increase in the  
10 number and percentage of rental units converted to  
11 condominiums in the last 18 months; and

12 WHEREAS, there has been a substantial increase in the  
13 number and percentage of condominium declarations filed  
14 in the last six months and especially in the last two  
15 months; and

16 WHEREAS, the conversion of rental units to condominiums  
17 reduces the number of available rental units in an already tight  
18 rental market; and

19 WHEREAS, the conversion of rental units to condominiums  
20 is causing severe hardships for tenants, especially the  
21 elderly and those with low and moderate incomes who are  
22 displaced by conversion of their apartments to condominiums,  
23 and who are least able to cope with the housing shortage;  
24 and

25 WHEREAS, it is necessary to review the problem in order  
26 to devise adequate regulations to alleviate such hardships;  
27 and

28 WHEREAS, it is anticipated that there will be attempts  
29 to convert rental units to condominiums during the review  
30 period so as to avoid the impending regulations; and

31 WHEREAS, this rush to convert will have the effect of  
32 worsening an already critical situation and diminishing  
the effectiveness of any regulatory scheme devised; and

WHEREAS, it is the intention of the City Council to provide  
a moratorium period in which to carefully develop and adopt  
regulations governing the conversion of rental dwellings to  
condominiums, and to end such moratorium period as soon as  
such regulations are adopted;  
NOW, THEREFORE

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The following terms used in this ordinance  
shall have the meanings set forth below:

RENTAL UNIT means any dwelling unit as defined in Section 3.13  
of the Seattle Housing Code (Ord. 106319), which has been  
occupied since July 1, 1978, under a rental agreement,

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express or implied.

OWNER means the person or persons who have title to or a beneficial interest in any existing building designed or intended to be used or used for human habitation.

TENANT means any person occupying or holding possession of a building or any portion thereof for purposes of habitation pursuant to a lease or rental agreement.

CONDOMINIUM BUILDING means a building in which the owner of one or more dwelling units is entitled to the exclusive ownership and possession of his or her unit and has the common right to share, with other unit owners, the common areas and facilities or which is governed by the Horizontal Property Regimes Act (RCW 64.32.010 et seq.).

CONDOMINIUM UNIT shall mean a single unit in a condominium building.

SALE shall mean the acceptance of an offer to purchase a rental or condominium unit provided that the sale of an entire building shall not be considered a sale for the purpose of this ordinance.

OFFER FOR SALE shall mean any advertisement, inducement, solicitation, or attempt to encourage any person to purchase an identifiable condominium unit, <sup>of</sup> ~~other than as security for~~ <sup>of</sup> ~~an obligation.~~

PERSON includes any individual, corporation, partnership, association, trustee, or other legal entity.

Section 2. From the effective date of this ordinance until November 6, 1978, it shall be unlawful for any person to sell or offer for sale any rental unit or condominium unit where such rental unit was rented as of July 1, 1978, at or below the following schedule of rents:

1	Studio	\$250
2	One-bedroom	275
3	Two-bedroom	325
4	Three-bedroom	350
5	Four-bedroom	400
6	Five-bedroom	425

7  
8 Section 3. The requirements of Section 2 of this Ordinance shall not apply to:

- 9 a) condominium ~~units~~ <sup>rental</sup> or units which have not been occupied  
10 by a tenant since July 1, 1978; or  
11 b) Rental units where an owner can show, with clear,  
12 cogent and convincing evidence, that (1) the units have been  
13 sold or offered for sale as condominium units prior to  
14 July 1, 1978, or (2) that he or she prior to July 10, 1978  
15 incurred significant financial obligations with the  
16 intention of meeting such obligations with the proceeds of  
17 the sale of the units, and the provisions of this ordinance  
18 will prevent him <sup>or</sup> her from meeting such obligations; ~~and~~ <sup>or</sup>  
19 (c) condominium ~~units~~ <sup>or</sup> rental units which are offered for  
20 sale and sold to the tenant occupying such unit on July 1,  
21 1978.  
22

23 Section 4. Commission of the act made unlawful by  
24 Section 2 of this ordinance shall constitute a violation subject  
25 to the provisions of Chapter 12A-01 and Chapter 12A-02 of  
26 the Seattle Criminal Code, and any person convicted thereof  
27 may be punished by a civil fine or forfeiture not to exceed  
28 five hundred dollars (\$500.00). Each day's violation shall  
29 constitute a separate offense.  
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1           Section 5. The City Council finds that conditions exist  
2 as set forth in the "Whereas" clauses above, which are incorpor-  
3 ated here by reference, and in particular that the rapid increasing  
4 pace of conversion to rental units to condominium apartments in  
5 an extremely tight rental market is steadily reducing the number  
6 of rental units available, thereby causing severe hardships for  
7 tenants, especially elderly tenants and tenants with low or fixed  
8 incomes, and that sales of condominium units without adequate  
9 regulations may impose hardships on the purchasers of condominium  
10 units, and that the City's announced intention to consider methods  
11 of regulating conversions to condominiums has caused the already  
12 rapid conversion rate to increase, resulting in additional  
13 hardships for the groups to be protected and diminishing the  
14 effectiveness of any regulations enacted, and that it is therefore  
15 necessary for the preservation of public peace, health, and  
16 safety that regulation of the conversion of certain rental units  
17 occupied by such tenants to condominiums be immediately implemented  
18 and that this ordinance take effect without delay. By reason  
19 of the facts set forth in this section an emergency is declared  
20 to exist; Therefore, this ordinance shall take effect and  
21 be in force after its approval, if approved by the Mayor;  
22 if not so approved it shall take effect and become law at  
23 the time and in the manner provided for non-emergency ordinances  
24 under the provisions of the City Charter.

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PASSED by three-fourths (3/4) of all the members of the  
City Council the 17 day of July, 1978,  
and signed by me in open session in authentication of its  
passage this 17 day of July, 1978.

Phyllis Langhorne  
President \_\_\_\_\_ of the City Council.

Approved by me this 18 day of July, 1978.  
Charles Royer  
Mayor.

Filed by me this 18 day of July, 1978.

Attest: E. L. King  
City Comptroller and City Clerk.

(SEAL)

Published \_\_\_\_\_  
Phyllis Langhorne  
Deputy Clerk.

ADD

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ADD TO SECTION FIVE (5) AS FOLLOWS:

The City Council finds that conditions exist as set forth in the "Whereas" clauses above, which are incorporated here by reference, and in particular that the rapidly increasing pace of conversion to rental units to condominium apartments in an extremely tight rental market is steadily reducing the number of rental units available, thereby causing severe hardships for tenants, especially elderly tenants and tenants with low or fixed incomes, and that sales of condominium units without adequate regulations may impose hardships on the purchasers of condominium units, and that the City's announced intention to consider methods of regulating conversions to condominiums has caused the already rapid conversion rate to increase, resulting in additional hardships for the groups to be protected and diminishing the effectiveness of any regulations enacted,



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AN ORDINANCE declaring a housing emergency and imposing a moratorium on the conversion of certain rental units to condominiums, and providing penalties for violations.

WHEREAS, the vacancy rate for rental units in the City is between one and two percent; and

WHEREAS, projections indicate no increase in the vacancy rate in the foreseeable future; and

WHEREAS, there has been a substantial increase in the number and percentage of rental units converted to condominiums in the last 18 months; and

WHEREAS, there has been a substantial increase in the number and percentage of condominium declarations filed in the last six months and especially in the last two months; and

WHEREAS, the conversion of rental units to condominiums reduces the number of available rental units in an already tight rental market; and

WHEREAS, the conversion of rental units to condominiums is causing severe hardships for tenants, especially the elderly and those with low and moderate incomes who are displaced by conversion of their apartments to condominiums, and who are least able to cope with the housing shortage; and

WHEREAS, it is necessary to review the problem in order to devise adequate regulations to alleviate such hardships; and

WHEREAS, it is anticipated that there will be attempts to convert rental units to condominiums during the review period so as to avoid the impending regulations; and

WHEREAS, this rush to convert will have the effect of worsening an already critical situation and diminishing the effectiveness of any regulatory scheme devised;

NOW, THEREFORE

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The following terms used in this ordinance shall have the meanings set forth below:

RENTAL UNIT means any dwelling unit as defined in ~~the~~ Seattle Housing Code (Ord. 106319), which has been occupied since

July 1, 1978, under a rental agreement, express or implied. OWNER means the person or persons who have title to or a beneficial interest in any existing building designed or intended to be used or used for human habitation.

INSERT: *Whereas the City Council enacts this ordinance to develop appropriate regulations to provide a moratorium on the conversion of rental dwellings to condominiums, and to end such moratorium period as soon as such regulations are adopted;*

*J.F.*

*PR Section 3.15 of the*

*PR July 1, 1978, under a rental agreement, express or implied.*

INSERT: OFFER FOR SALE shall mean any advertisement, inducement, solicitation, or attempt to encourage any person to purchase a identifiable condominium unit, other than as security for an obligation.

1 TENANT means any person occupying or holding possession  
 2 of a building or any portion thereof for purposes of  
 3 habitation pursuant to a lease or rental agreement.

4 <sup>PR</sup> CONDOMINIUM BUILDING means a building in which the owner  
 5 of ~~each~~ <sup>one or more</sup> dwelling units <sup>OK</sup> is entitled to the exclusive ownership  
 6 and possession of his or her unit and has the common  
 7 right to share, with other unit owners, the common areas  
 8 and facilities <sup>or</sup> ~~and~~ which is governed by the Horizontal  
 9 Property Regimes Act (RCW 64.32.010 et seq.).

10 CONDOMINIUM ~~APARTMENT~~ <sup>UNIT</sup> shall mean a single unit in a  
 11 condominium building.

12 SALE shall mean the ~~transfer of title of any condominium~~ <sup>acceptance of an offer to purchase a rental</sup>  
 13 ~~or condominium unit provided that the sale of an entire~~ <sup>building shall not be considered a sale for the purposes of this ordinance.</sup>  
 14 ~~PERSON~~ <sup>PR</sup> includes any individual, corporation, partnership,  
 15 association, trustee, or other legal entity.

16 Section 2. ~~For a period of time extending from the~~ <sup>From the effective date of this ordinance until</sup>  
 17 ~~Mayor's approval of this ordinance to November 6, 1978, it~~  
 18 shall be unlawful for any ~~owner~~ <sup>person</sup> to offer for sale any rental unit  
 19 ~~in a condominium apartment,~~ <sup>or</sup> where such rental unit was rented  
 20 as of July 1, 1978, at or below the following schedule of rents:

21	Studio	<del>\$216</del>	250 <sup>PR</sup>
22	One-bedroom	<del>247</del>	275 <sup>PR</sup>
23	Two-bedroom	<del>277</del>	325 <sup>PR</sup>
24	Three-bedroom	<del>308</del>	350 <sup>PR</sup>
25	Four-bedroom	<del>327</del>	400 <sup>PR</sup>
26	Five-bedroom	<del>366</del>	425 <sup>PR</sup>

27 <sup>PR</sup> Section 3. The requirements of Section 2 of this Ordinance  
 28 shall ~~apply to:~~ <sup>not</sup> apply to:

- 29 a) ~~rental units which have been sold or offered for~~ <sup>PR</sup> rental units which have ~~not~~ <sup>not</sup> been occupied by  
 30 ~~sale as condominium apartments prior to July 1, 1978, or~~ <sup>tenant since July 1, 1978, or</sup>  
 31 b) Rental units where an owner can show, with clear, cogent and  
 32 ~~convincing evidence, that (1) prior to July 1, 1978, or (2)~~ <sup>the units have been sold or offered for sale as condominium units</sup>

BL  
prior to July 10, 1978

1 he or she incurred significant financial obligations  
2 with the intention of <sup>meeting such obligations with the proceeds of</sup> ~~selling or offering for sale such~~  
3 ~~the~~ <sup>of</sup> ~~specific, identifiable units as condominium apartments~~  
4 ~~during the period referred to in Section 2, and (2) that~~  
5 the provisions of this Ordinance will prevent him or  
6 her from meeting such obligations; and <sup>c) condominium units or</sup>  
7 <sup>rental units which are offered for sale and sold to the tenant occupying</sup>  
8 such unit on July 7, 1978.  
Section 4. Commission of the act made unlawful by

9 Section 2 of this ordinance shall constitute a violation subject  
10 to the provisions of Chapter 12A-01 and Chapter 12A-02 of  
11 the Seattle Criminal Code, and any person convicted thereof  
12 may be punished by a civil fine or forfeiture not to exceed  
13 five hundred dollars (\$500.00). Each day's violation shall  
14 constitute a separate offense.

15 Section 5. ~~whereas a substantial number of elderly and~~  
16 ~~low income tenants in the city face the threat of immediate~~  
17 ~~dislocation due to condominium conversion,~~ <sup>and that it is therefore</sup> necessary  
18 for the preservation of public peace, health, and safety  
19 that regulation of the conversion of certain rental units  
20 occupied by such tenants to condominiums be immediately implemented  
21 and that this ordinance take effect without delay. By reason  
22 of the facts set forth in this section an emergency is declared  
23 to exist; Therefore, this ordinance shall take effect and  
24 be in force after its approval, if approved by the Mayor;  
25 if not so approved it shall take effect and become law at  
26 the time and in the manner provided for non-emergency ordinances  
27 under the provisions of the City Charter.

28 PASSED by three-fourths (3/4) of all the members of the  
29 City Council the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
30 and signed by me in open session in authentication of its passage this  
31 \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

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\_\_\_\_\_  
President \_\_\_\_\_ of the City Council.

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

\_\_\_\_\_

Mayor.

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

Attest: \_\_\_\_\_

City Comptroller and City Clerk.

(SEAL)

Published \_\_\_\_\_ By \_\_\_\_\_

Deputy Clerk.

**ORDINANCE 107500**

AN ORDINANCE declaring a housing emergency and imposing a moratorium on the conversion of certain rental units to condominiums, and providing penalties for violations.

WHEREAS, the vacancy rate for rental units in the City is between one and two percent; and

WHEREAS, projections indicate no increase in the vacancy rate in the foreseeable future; and

WHEREAS, there has been a substantial increase in the number and percentage of rental units converted to condominiums in the last 18 months; and

WHEREAS, there has been a substantial increase in the number and percentage of condominium declarations filed in the last six months and especially in the last two months; and

WHEREAS, the conversion of rental units to condominiums reduces the number of available rental units in an already tight rental market; and

WHEREAS, the conversion of rental units to condominiums is causing severe hardships for tenants, especially the elderly and those with low and moderate incomes who are displaced by conversion of their apartments to condominiums, and who are least able to cope with the housing shortage; and

WHEREAS, it is necessary to review the problem in order to devise adequate regulations to alleviate such hardships; and

WHEREAS, it is anticipated that there will be attempts to convert rental units to condominiums during the review period so as to avoid the impending regulations; and

WHEREAS, this rush to convert will have the effect of worsening an already critical situation and diminishing the effectiveness of any regulatory scheme devised; and

WHEREAS, it is the intention of the City Council to provide a moratorium period in which to carefully develop and adopt regulations governing the conversion of rental dwellings to condominiums, and to end such moratorium period as soon as such regulations are adopted; NOW, THEREFORE

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The following terms used in this ordinance shall have the meanings set forth below:

**RENTAL UNIT** means any dwelling unit as defined in Section 3.13 of the Seattle Housing Code (Ord. 106319), which has been occupied since July 1, 1978, under a rental agreement, express or implied.

**OWNER** means the person or persons who have title to or a beneficial interest in any existing building designed or intended to be used or used for human habitation.

**TENANT** means any person occupying or holding possession of a building or any portion thereof for purposes of habitation pursuant to a lease or rental agreement.

**CONDOMINIUM BUILDING** means a building in which the owner of one or more dwelling units is entitled to the exclusive ownership and possession of his or her unit and has the common right to share, with other unit owners, the common areas and facilities or which is governed by the Horizontal Property Regimes Act (RCW 64.32.010 et seq.).

**CONDOMINIUM UNIT** shall mean a single unit in a condominium building.

**SALE** shall mean the acceptance of an offer to purchase a rental or condominium unit provided that the sale of an entire building shall not be considered a sale for the purpose of this ordinance.

**OFFER FOR SALE** shall mean any advertisement, inducement, solicitation, or attempt to encourage any person to purchase an identifiable condominium unit.

**PERSON** includes any individual, corporation, partnership, association, trustee, or other legal entity.

Section 2. From the effective date of this ordinance until November 6, 1978, it shall be unlawful for any person to sell or offer for sale any rental unit or condominium unit where such rental unit was rented as of July 1, 1978, at or below the following schedule of rents:

Studio .....	\$250
One-bedroom .....	275
Two-bedroom .....	325
Three-bedroom .....	350
Four-bedroom .....	400
Five-bedroom .....	425

Section 3. The requirements of Section 2 of this Ordinance shall not apply to:

a) condominium or rental units which have not been occupied by a tenant since July 1, 1978; or

b) Rental units where an owner can show, with clear, cogent and convincing evidence, that (1) the units have been sold or offered for sale as condominium units prior to July 1, 1978, or (2) that he or she prior to July 10, 1978 incurred significant financial obligations with the intention of meeting such obligations with the proceeds of the sale of the units, and the provisions of this ordinance will prevent him or her from meeting such obligations; or

c) condominium or rental units which are offered for sale and sold to the tenant occupying such unit on July 1, 1978.

Section 4. Commission of the act made unlawful by Section 2 of this ordinance shall constitute a violation subject to the provisions of Chapter 12A-01 and Chapter 12A-02 of the Seattle Criminal Code, and any person convicted thereof may be punished by a civil fine or forfeiture not to exceed five hundred dollars (\$500.00). Each day's violation shall constitute a separate offense.

Section 5. The City Council finds that conditions exist as set forth in the "Whereas" clauses above, which are incorporated here by reference, and in particular that the rapid increasing pace of conversion to rental units to condominium apartments in an extremely tight rental market is steadily reducing the number of rental units available, thereby causing severe hardships for tenants, especially elderly tenants and tenants with low or fixed incomes, and that sales of condominium units without adequate regulations may impose hardships on the purchasers of condominium units, and that the City's announced intention to consider methods of regulating conversions to condominiums has caused the already rapid conversion rate to increase, resulting in additional hardships for the groups to be protected and diminishing the effectiveness of any regulations enacted, and that it is therefore necessary for the preservation of public peace, health, and safety that regulation of the conversion of certain rental units occupied by such tenants to condominiums be immediately implemented and that this ordinance take effect without delay. By reason of the facts set forth in this section an emergency is declared to exist; Therefore, this ordinance shall take effect and be in force after its approval, if approved by the Mayor; if not so approved it shall take effect and become law at the time and in the manner provided for non-emergency ordinances under the provisions of the City Charter.

PASSED by three-fourths (3/4) of all members of the City Council the 17th day of July, 1978, and signed by me in open session.

Authentication of its passage this 17th day of July, 1978.

PHYLLIS LAMPHIERE,  
President of the City Council.

Approved by me this 18th day of July, 1978.

CHARLES ROYER,  
Mayor.

Filed by me this 18th day of July, 1978.

Attest: E. L. KIDD,  
City Comptroller and  
City Clerk.

By WAYNE ANGEVINE,  
(Seal) Deputy Clerk.

Publication Ordered By E. L. KIDD, Comptroller & City Clerk.

Date of Official Publication in Daily Journal of Commerce, Seattle, July 20, 1978. (C-540)

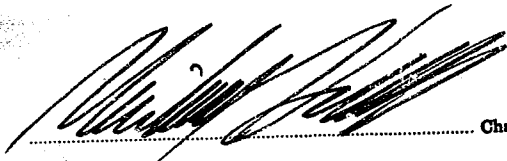
# The City of Seattle--Legislative Department

MR. PRESIDENT:

Your Committee on *Urban Development & Housing* Date Reported and Adopted *JUL 17 1978*  
to which was referred C.B. 99571

Declaring a housing emergency and imposing a moratorium on the conversion of certain rental units to condominiums, and providing penalties for violations.

*Recommends that Same Pass Is Amended.*



Chairman

Chairman

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Committee

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Committee

C-540

## Affidavit of Publication

### STATE OF WASHINGTON KING COUNTY—SS.

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a .....

Ordinance No. 107500

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was published on July 20, 1978  
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Subscribed and sworn to before me on  
July 20, 1978  
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.....  
Notary Public for the State of Washington,  
residing in Seattle.

TIME AND DATE STAMP

**SPONSORSHIP**

THE ATTACHED DOCUMENT IS SPONSORED FOR FILING WITH THE CITY COUNCIL BY  
THE MEMBER(S) OF THE CITY COUNCIL WHOSE SIGNATURE(S) ARE SHOWN BELOW:

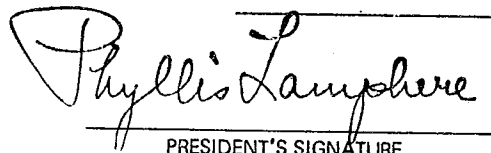
  
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**FOR CITY COUNCIL PRESIDENT USE ONLY**

COMMITTEE(S) REFERRED TO: UD&H

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PRESIDENT'S SIGNATURE