

CITY OF SEATTLE
ORDINANCE 126370
COUNCIL BILL 120090

AN ORDINANCE relating to new residential rental tenancies; giving a tenant a right of first refusal of a new tenancy after the expiration of a tenancy for a specified time; requiring a landlord to have just cause for declining to give a tenant the right of first refusal; requiring notice in advance of asserting just cause; creating a private right for action for the tenant; providing a defense to eviction when a landlord fails to give a tenant a right of first refusal; allowing a tenant to rescind a termination agreement; and amending Sections 7.24.030, 14.08.050, and 22.206.160 of the Seattle Municipal Code.

WHEREAS, upon expiration of a fixed-term tenancy, a tenant does not always have the opportunity to begin a new tenancy in the rental unit they already live in; and

WHEREAS, finding replacement housing in Seattle’s rental housing market is difficult; and

WHEREAS, 2018 Census data published by the U.S. Census Bureau in *2018 American Community Survey 5-Year Estimates Data Profiles for Seattle* shows that roughly half of Seattle residents are renters; and

WHEREAS, on January 5, 2020, the Seattle Times reported that 2018 Census data shows that out of residents in Seattle “renters pulled just about even with homeowners,” and “assuming the trend continues, renters will soon be in the majority”; and

WHEREAS, the State of Washington and The City of Seattle have established a requirement for a landlord to have just cause before evicting a tenant; and

WHEREAS, the Seattle City Council believes that a landlord should also need to prove just cause for declining to offer an existing fixed-term tenant a right of first refusal of a new tenancy on reasonable terms for the same rental unit; and

1 WHEREAS, it is not necessary to create a new list of just causes to apply to declining to make
2 that offer when the City has already legislated a list of just causes that are currently used
3 for eviction; and

4 WHEREAS, the policy goals of retaining stable housing through offering a new tenancy to an
5 existing fixed-term tenant are similar to the policy goals of requiring just cause before
6 evicting a tenant; and

7 WHEREAS, the rationale in establishing Seattle’s just cause eviction protections in Ordinance
8 109219 that “arbitrary eviction of responsible tenants imposes upon such tenants the
9 hardship of locating replacement housing and provides no corresponding benefit to
10 property owners” also applies to arbitrarily declining to offer a new tenancy to an existing
11 fixed-term tenant; and

12 WHEREAS, the Seattle City Council seeks to protect all tenants from arbitrary displacement
13 when tenants have stable housing; and

14 WHEREAS, the protections afforded by requiring landlords to make first-in-time tenancy
15 decisions do not conflict with requiring just cause for declining to offer a new tenancy to
16 an existing fixed-term tenant, because first-in-time requirements protect prospective new
17 tenants rather than existing tenants; NOW, THEREFORE,

18 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

19 Section 1. Section 7.24.030 of the Seattle Municipal Code, last amended by Ordinance
20 125951, is amended as follows:

21 **7.24.030 Rental agreement requirements**

22 * * *

23 J. Right of first refusal

1 1. Except as provided in subsection 7.24.030.J.2, the landlord must offer the
2 tenant for whom the tenancy for a specified time is expiring a new tenancy on reasonable terms
3 for the same rental unit, with the new tenancy starting on the day after the expiration of the
4 tenancy for a specified time. The landlord must make that offer between 60 and 90 days before
5 the expiration of the tenancy for a specified time and before the landlord offers tenancy to any
6 third party. The landlord must deliver a proposed rental agreement to the tenant in accordance
7 with RCW 59.12.040 and give the tenant 30 days to accept or decline the proposed rental
8 agreement. There shall be a rebuttable presumption that the landlord failed to offer a new
9 tenancy on reasonable terms if: the existing tenant declines to enter the proposed rental
10 agreement; and, within 30 days after the tenant has vacated, the landlord lists the unit for rent on
11 terms materially more favorable to a prospective tenant.

12 2. A landlord may decline to offer a new tenancy under subsection 7.24.030.J.1 if:

13 a. The tenant, at least 60 days before the expiration of the tenancy for a
14 specified time, provides the landlord written notice that the tenant intends to vacate voluntarily
15 after the rental agreement expires;

16 b. The landlord asserts a just cause under subsection 22.206.160.C.1 and
17 complies with subsection 7.24.030.J.3;

18 c. The existing rental agreement provides for the tenancy to continue as a
19 month-to-month tenancy after the agreement expires; or

20 d. More than 90 days before the expiration of the tenancy for a specified
21 time, the landlord and tenant agree to a new rental agreement for the same rental unit, with the
22 new tenancy starting on the day after the expiration of the previous tenancy for a specified time.

1 3. If a landlord asserts a just cause for declining to offer a new tenancy under
2 subsection 7.24.030.J.2.b, the landlord must provide the tenant written notice between 60 and 90
3 days before the expiration of the tenancy for a specified time. The notice must inform the tenant
4 of any just cause the landlord asserts and the facts supporting each cause. The landlord is
5 responsible for any notice requirements, including, but not limited to applicable notice periods,
6 relocation assistance, or other remedies applicable to that just cause under subsection
7 22.206.160.C.1.

8 4. If a landlord fails to comply with subsections 7.24.030.J.1 or 7.24.030.J.3, the
9 landlord shall be liable to the tenant in a private right for action for the cost of three months' rent
10 under the terms of the expired rental agreement, costs of suit, and reasonable attorney's fees.

11 K. Nothing in this section 7.24.030 shall be interpreted or applied so as to create any
12 power or duty in conflict with federal law. In the event of any conflict, federal requirements shall
13 supersede the requirements of section 7.24.030.

14 Section 2. Subsection 14.08.050.A of the Seattle Municipal Code, which section was last
15 amended by Ordinance 125228, is amended as follows:

16 **14.08.050 First-in-time**

17 A. Effective January 1, 2017, and after complying with subsection 7.24.030.J as required,
18 it is an unfair practice for a person to fail to:

19 1. provide notice to a prospective occupant, in writing or by posting in the office
20 of the person leasing the unit or in the building where the unit is physically located and, if
21 existing, on the website advertising rental of the unit, in addition to and at the same time as
22 providing the information required by RCW 59.18.257(1), of:

1 a. the criteria the owner will use to screen prospective occupants and the
2 minimum threshold for each criterion that the potential occupant must meet to move forward in
3 the application process; including any different or additional criteria that will be used if the
4 owner chooses to conduct an individualized assessment related to criminal records.

5 b. all information, documentation, and other submissions necessary for the
6 owner to conduct screening using the criteria stated in the notice required in subsection
7 14.08.050.A.1.a. A rental application is considered complete when it includes all the
8 information, documentation, and other submissions stated in the notice required in this
9 subsection 14.08.050.A.1.b. Lack of a material omission in the application by a prospective
10 occupant will not render the application incomplete.

11 c. information explaining how to request additional time to complete an
12 application to either ensure meaningful access to the application or a reasonable accommodation
13 and how fulfilling the request impacts the application receipt date, pursuant to subsection
14 14.08.050.B and C.

15 d. the applicability to the available unit of the exceptions stated in
16 subsections 14.08.050.A.4.a and b.

17 2. note the date and time of when the owner receives a completed rental
18 application, whether submitted through the mail, electronically, or in person.

19 3. screen completed rental applications in chronological order as required in
20 subsection 14.08.050.A.2 to determine whether a prospective occupant meets all the screening
21 criteria that are necessary for approval of the application. If, after conducting the screening, the
22 owner needs more information than was stated in the notice required in subsection
23 14.08.050.A.1.b to determine whether to approve the application or takes an adverse action as

1 Section 3. Subsection 22.206.160.C of the Seattle Municipal Code, which section was
2 last amended by Ordinance 126278, is amended as follows:

3 **22.206.160 Duties of owners**

4 * * *

5 C. Just cause eviction

6 1. Pursuant to provisions of the Washington State Residential Landlord-Tenant
7 Act (RCW 59.18.290), an owner may not evict a residential tenant without a court order, which
8 can be issued by a court only after the tenant has an opportunity in a show cause hearing to
9 contest the eviction (RCW 59.18.380). An owner of a housing unit shall not evict or attempt to
10 evict any tenant or otherwise terminate or attempt to terminate the tenancy of any tenant, unless
11 the owner can prove in court that just cause exists. Regardless of whether just cause for eviction
12 may exist, an owner may not evict a residential tenant from a rental housing unit if: the unit is
13 not registered with the Seattle Department of Construction and Inspections if required by Section
14 22.214.040; the landlord has failed to comply with subsection 7.24.030.J as required and the
15 reason for terminating the tenancy is that the tenancy ended at the expiration of a specified term
16 or period; or if subsections 22.206.160.C.8 or 22.206.160.C.9 provide the tenant a defense to the
17 eviction.

18 An owner is in compliance with the registration requirement if the rental housing
19 unit is registered with the Seattle Department of Construction and Inspections before issuing a
20 notice to terminate tenancy. The reasons for termination of tenancy listed below, and no others,
21 shall constitute just cause under this Section 22.206.160:

22 a. The tenant fails to comply with a 14 day notice to pay rent or vacate
23 pursuant to RCW 59.12.030(3); a ten day notice to comply or vacate pursuant to RCW

1 59.12.030(4); or a three day notice to vacate for waste, nuisance (including a drug-related
2 activity nuisance pursuant to chapter 7.43 RCW), or maintenance of an unlawful business or
3 conduct pursuant to RCW 59.12.030(5);

4 b. The tenant habitually fails to pay rent when due which causes the owner
5 to notify the tenant in writing of late rent four or more times in a 12 month period;

6 c. The tenant fails to comply with a ten day notice to comply or vacate that
7 requires compliance with a material term of the rental agreement or that requires compliance
8 with a material obligation under chapter 59.18 RCW;

9 d. The tenant habitually fails to comply with the material terms of the
10 rental agreement which causes the owner to serve a ten day notice to comply or vacate three or
11 more times in a 12 month period;

12 e. The owner seeks possession so that the owner or a member of the
13 owner's immediate family may occupy the unit as that person's principal residence and no
14 substantially equivalent unit is vacant and available in the same building, and the owner has
15 given the tenant at least 90 days' advance written notice of the date the tenant's possession is to
16 end. The Director may reduce the time required to give notice to no less than 20 days if the
17 Director determines that delaying occupancy will result in a personal hardship to the owner or to
18 the owner's immediate family. Personal hardship may include but is not limited to hardship
19 caused by illness or accident, unemployment, or job relocation. For the purposes of this Section
20 22.206.160, "Immediate family" includes the owner's domestic partner registered pursuant to
21 Section 1 of Ordinance 117244 or the owner's spouse, parents, grandparents, children, brothers
22 and sisters of the owner, of the owner's spouse, or of the owner's domestic partner. There is a
23 rebuttable presumption of a violation of this subsection 22.206.160.C.1.e if the owner or a

1 member of the owner's immediate family fails to occupy the unit as that person's principal
2 residence for at least 60 consecutive days during the 90 days immediately after the tenant
3 vacated the unit pursuant to a notice of termination or eviction using this subparagraph as the
4 cause for eviction;

5 f. The owner elects to sell a single-family dwelling unit and gives the
6 tenant at least 90 days' written notice prior to the date set for vacating, which date shall coincide
7 with the end of the term of a rental agreement, or if the agreement is month to month, with the
8 last day of a monthly period. The Director may reduce the time required to give notice to no less
9 than 60 days if the Director determines that providing 90 days' notice will result in a personal
10 hardship to the owner. Personal hardship may include but is not limited to hardship caused by
11 illness or accident, unemployment, or job relocation. For the purposes of this Section
12 22.206.160, an owner "elects to sell" when the owner makes reasonable attempts to sell the
13 dwelling within 30 days after the tenant has vacated, including, at a minimum, listing it for sale
14 at a reasonable price with a realty agency or advertising it for sale at a reasonable price in a
15 newspaper of general circulation. There shall be a rebuttable presumption that the owner did not
16 intend to sell the unit if:

17 1) Within 30 days after the tenant has vacated, the owner does not
18 list the single-family dwelling unit for sale at a reasonable price with a realty agency or advertise
19 it for sale at a reasonable price in a newspaper of general circulation, or

20 2) Within 90 days after the date the tenant vacated or the date the
21 property was listed for sale, whichever is later, the owner withdraws the rental unit from the
22 market, rents the unit to someone other than the former tenant, or otherwise indicates that the
23 owner does not intend to sell the unit;

1 a) The number of such individuals was more than is lawful
2 under the current version of Title 23 but was lawful under Title 23 or Title 24 on August 10,
3 1994;

4 b) That number has not increased with the knowledge or
5 consent of the owner at any time after August 10, 1994; and

6 c) The owner is either unwilling or unable to obtain a
7 permit to allow the unit with that number of residents.

8 2) The owner has served the tenants with a 30 day notice,
9 informing the tenants that the number of tenants exceeds the legal limit and must be reduced to
10 the legal limit,

11 3) After expiration of the 30 day notice, the owner has served the
12 tenants with and the tenants have failed to comply with a ten day notice to comply with the limit
13 on the number of occupants or vacate, and

14 4) If there is more than one rental agreement for the unit, the owner
15 may choose which agreements to terminate; provided that, the owner may either terminate no
16 more than the minimum number of rental agreements necessary to comply with the legal limit on
17 the number of occupants, or, at the owner's option, terminate only those agreements involving
18 the minimum number of occupants necessary to comply with the legal limit;

19 1.

20 1) The owner seeks to reduce the number of individuals who reside
21 in one dwelling unit to comply with the legal limit after receipt of a notice of violation of the
22 Title 23 restriction on the number of individuals allowed to reside in a dwelling unit, and:

1 a) The owner has served the tenants with a 30 day notice,
2 informing the tenants that the number of tenants exceeds the legal limit and must be reduced to
3 the legal limit; provided that no 30 day notice is required if the number of tenants was increased
4 above the legal limit without the knowledge or consent of the owner;

5 b) After expiration of the 30 day notice required by
6 subsection 22.206.160.1.1.a, or at any time after receipt of the notice of violation if no 30 day
7 notice is required pursuant to subsection 22.206.160.1.1.a, the owner has served the tenants with
8 and the tenants have failed to comply with a ten day notice to comply with the maximum legal
9 limit on the number of occupants or vacate; and

10 c) If there is more than one rental agreement for the unit,
11 the owner may choose which agreements to terminate; provided that the owner may either
12 terminate no more than the minimum number of rental agreements necessary to comply with the
13 legal limit on the number of occupants, or, at the option of the owner, terminate only those
14 agreements involving the minimum number of occupants necessary to comply with the legal
15 limit.

16 2) For any violation of the maximum legal limit on the number of
17 individuals allowed to reside in a unit that occurred with the knowledge or consent of the owner,
18 the owner is required to pay relocation assistance to the tenant(s) of each such unit at least two
19 weeks prior to the date set for termination of the tenancy, at the rate of:

20 a) \$2,000 for a tenant household with an income during the
21 past 12 months at or below 50 percent of the county median income, or

22 b) Two months' rent for a tenant household with an income
23 during the past 12 months above 50 percent of the county median income;

1 termination the crime alleged to have been committed and the general facts supporting the
2 allegation, and has assured that the Seattle Department of Construction and Inspections has
3 recorded receipt of a copy of the notice of termination. For purposes of this subsection
4 22.206.160.C.1.p, a person has "engaged in criminal activity" if the person:

5 1) Engages in drug-related activity that would constitute a
6 violation of chapters 69.41, 69.50, or 69.52 RCW, or

7 2) Engages in activity that is a crime under the laws of this state,
8 but only if the activity substantially affects the health or safety of other tenants or the owner.

9 2. Any rental agreement provision which waives or purports to waive any right,
10 benefit or entitlement created by this subsection 22.206.160.C shall be deemed void and of no
11 lawful force or effect.

12 3. With any termination notices required by law, owners terminating any tenancy
13 protected by this Section 22.206.160 shall advise the affected tenant or tenants in writing of the
14 reasons for the termination and the facts in support of those reasons.

15 4. If a tenant who has received a notice of termination of tenancy claiming
16 subsection 22.206.160.C.1.e, 22.206.160.C.1.f, or 22.206.160.C.1.m as the ground for
17 termination believes that the owner does not intend to carry out the stated reason for eviction and
18 makes a complaint to the Director, then the owner must, within ten days of being notified by the
19 Director of the complaint, complete and file with the Director a certification stating the owner's
20 intent to carry out the stated reason for the eviction. The failure of the owner to complete and file
21 such a certification after a complaint by the tenant shall be a defense for the tenant in an eviction
22 action based on this ground.

1 5. In any action commenced to evict or to otherwise terminate the tenancy of any
2 tenant, it shall be a defense to the action that there was no just cause for such eviction or
3 termination as provided in this Section 22.206.160.

4 6. It shall be a violation of this Section 22.206.160 for any owner to evict or
5 attempt to evict any tenant or otherwise terminate or attempt to terminate the tenancy of any
6 tenant using a notice that references subsections 22.206.160.C.1.e, 22.206.160.C.1.f,
7 22.206.160.C.1.h, 22.206.160.C.1.k, 22.206.160.C.1.l, or 22.206.160.C.1.m as grounds for
8 eviction or termination of tenancy without fulfilling or carrying out the stated reason for or
9 condition justifying the termination of such tenancy.

10 7. An owner who evicts or attempts to evict a tenant or who terminates or
11 attempts to terminate the tenancy of a tenant using a notice which references subsections
12 22.206.160.C.1.e, 22.206.160.C.1.f or 22.206.160.C.1.h as the ground for eviction or termination
13 of tenancy without fulfilling or carrying out the stated reason for or condition justifying the
14 termination of such tenancy shall be liable to such tenant in a private right for action for damages
15 up to \$2,000, costs of suit, or arbitration and reasonable attorney's fees.

16 8. Except as provided in subsection 22.206.160.C.8.d, it is a defense to eviction if:

17 a. The eviction would result in the tenant having to vacate the housing unit
18 at any time between December 1 and March 1; and

19 b. The tenant household is a moderate-income household as defined in
20 Section 23.84A.016; and

21 c. The housing unit that the tenant would have to vacate is owned by a
22 person who owns more than four rental housing units in The City of Seattle. For purposes of this
23 subsection 22.206.160.C.8.c, "owns" includes having an ownership interest in the housing units.

1 d. If the reason for termination of the tenancy is due to conditions
2 described in subsections 22.206.160.C.1.e, 22.206.160.C.1.f provided that the tenant was
3 provided at least 90 days' written notice prior to the date set for vacating the unit,
4 22.206.160.C.1.j, 22.206.160.C.1.k, 22.206.160.C.1.l, 22.206.160.C.1.m, 22.206.160.C.1.n,
5 22.206.160.C.1.o, or 22.206.160.C.1.p, or if the reason for termination is due to the tenant's
6 failure to comply with a three day or ten day notice to vacate for a drug-related activity nuisance
7 pursuant to chapter 7.43 RCW or maintenance of an unlawful business or conduct pursuant to
8 RCW 59.12.030(5) or because the tenant's conduct has a substantial detrimental impact on, or
9 constitutes an imminent threat to, the health or safety of other tenants in the rental building or the
10 owner, the eviction may occur as otherwise allowed by law.

11 e. A rent mitigation fund is created to provide funds to eligible low-
12 income tenant households at risk of residential eviction during the period described in subsection
13 22.206.160.C.8, if other sources of funds are not available to assist the tenant, or to provide
14 financial assistance to a non-profit corporation or other housing provider that cannot evict a
15 tenant from a rental housing unit during the period described in subsection 22.206.160.C.8
16 because the unit is subject to restrictions on tenant incomes or rent as a condition of that
17 assistance.

18 1) Tenant eligibility. To be eligible to receive funds, (1) the reason
19 for termination must include nonpayment of rent; and (2) the tenant household must be a low-
20 income household as defined in Section 23.84A.016; and (3) the tenant must demonstrate that the
21 tenant does not have the financial resources to avoid eviction; and (4) the tenant must request
22 mitigation funds on or before the date a writ of restitution is executed.

1 information for the notice shall be adopted by the Seattle Department of Construction and
2 Inspections by rule.

3 9.

4 a. Subject to the requirements of subsection 22.206.160.C.9.b, it is a
5 defense to eviction if the eviction would result in the tenant having to vacate the housing unit
6 within six months after the termination of the Mayor's eviction moratorium, and if the reason for
7 terminating the tenancy is:

8 1) The tenant fails to comply with a 14-day notice to pay rent or
9 vacate pursuant to RCW 59.12.030(3) for rent due during, or within six months after the
10 termination of, the Mayor's residential eviction moratorium; or

11 2) The tenant habitually fails to pay rent resulting in four or more
12 pay-or-vacate notices in a 12-month period.

13 For purposes of this subsection 22.206.160.C.9, "termination of the
14 Mayor's residential eviction moratorium" means termination of subsection 1.C (creating a
15 defense to a pending eviction action) of the moratorium on residential evictions ordered by the
16 Mayor's civil emergency order, as amended by the Council in Resolution 31938 on March 16,
17 2020.

18 b. The tenant may invoke the defense provided in subsection
19 22.206.160.C.9.a only if the tenant has submitted a declaration or self-certification asserting the
20 tenant has suffered a financial hardship and is therefore unable to pay rent.

21 c. If a landlord issues a notice to terminate a tenancy due to a reason listed
22 in subsections 22.206.160.C.9.a.1—2, and if the landlord issues that notice within six months
23 after the termination of the Mayor's residential eviction moratorium, the notice must contain the

1 following statement: "If you cannot pay rent, during or within 6 months after the end of the
2 Mayor's moratorium on evictions, your inability to pay is a defense to eviction that you may raise
3 in court." It is a defense to eviction if the notice does not contain that statement.

4 d. An award of attorneys' fees and statutory court costs to a landlord
5 arising from an eviction proceeding arising from a notice to terminate a tenancy due to a reason
6 listed in subsections 22.206.160.C.9.a.1—2 is prohibited unless otherwise allowed by law.

7 10. If a tenant has agreed to terminate a tenancy, including but not limited to
8 termination within a rental agreement or in a separate termination agreement, the tenant may
9 rescind that agreement to terminate a tenancy:

10 a. Within ten business days after signing the agreement by delivering written
11 notice of rescission to the landlord, unless subsection 22.206.160.C.10.c applies; or

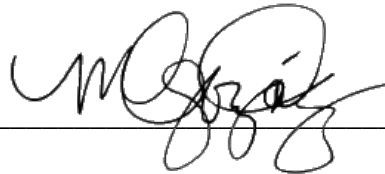
12 b. More than ten business days after signing the agreement by delivering written
13 notice of rescission to the landlord if the tenant signed the agreement: without representation by
14 an attorney or other tenant advocate; or outside of a proceeding mediated by a neutral third party.

15 c. Nothing in this subsection 22.206.160.C.10 shall be interpreted or applied so as
16 to create any power or duty in conflict with federal law. In the event of any conflict, federal
17 requirements shall supersede the requirements of this subsection 22.206.160.C.10.

18 Section 4. The provisions of this ordinance are declared to be separate and severable. The
19 invalidity of any clause, sentence, paragraph, subdivision, section, subsection, or portion of this
20 ordinance, or the invalidity of its application to any person or circumstance, does not affect the
21 validity of the remainder of this ordinance or the validity of its application to other persons or
22 circumstances.

1 Section 5. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 7th day of June, 2021,
5 and signed by me in open session in authentication of its passage this 7th day of
6 June, 2021.

7 

8 President _____ of the City Council

9 Approved / returned unsigned / vetoed this 18th day of June, 2021.

10 **Returned Unsigned by Mayor**

11 Jenny A. Durkan, Mayor

12 Filed by me this 18th day of June, 2021.

13 

14 Monica Martinez Simmons, City Clerk

15 (Seal)