

IMPORTANT UPDATES FOR ALL OWNERS OF RENTAL PROPERTY IN THE CITY OF TACOMA

The Tacoma City Council unanimously passed ordinance #28559, enacting a whole new law entitled “Rental Housing Code” which will be found in TMC 1.95.

By amendment, they made the Effective Date December 1, 2018 (officially 10 days after ordinance is published on their website) for paragraph TMC 1.95.060 which requires **giving at least sixty (60) days advance notice for rent increases of any amount**. No penalty will be enforced until February 1, 2019, but if you tender a shorter rent raise notice, the City will not allow you to enforce the rent raise and require you to reissue a proper 60 day advance notice before any rent raise can be effective. **This includes raising rent on any lease renewal offers – must allow at least 60 days before rent can go up**. The one exception is if the fixed term lease has a built-in automatic increase/escalation clause, then the 60 day notice will not be required as the rent increases will have been pre-disclosed in the lease agreement. (This was approved as an amendment to the original language).

The rest of the new code goes into effect on February 1, 2019, including the penalties for violating the code and timelines:

Change of Use is defined as: “Change of use” means the conversion of any dwelling unit from a residential use to a nonresidential use; conversion from one type residential use to another type residential use, such as a conversion to a retirement home, emergency shelter, transient hotel, or short-term rental as defined in Tacoma Municipal Code (“TMC”) 13.06.700; the removal of use restrictions, including those in an assisted housing development; provided that an owner displacing a tenant so that the owner or immediate family member can occupy the rental dwelling unit shall not constitute a change of use. Any “change of use” are provided herein requires displacement of a tenant.

Substantial Rehabilitation is defined as: “Substantial rehabilitation” means extensive structural repair or extensive remodeling and requires a building, electrical, plumbing, or mechanical permit for the tenant’s dwelling unit at issue. Any “substantial rehabilitation” as provided herein requires displacement of a tenant.

1. If you displace a tenant for either of these items requires:
 - a. Providing at least 120 days prior to end of a rental period advance notice to vacate; and
 - b. Providing resident(s) with a packet of information on relocation assistance – If tenant has applied to the city for the assistance and

- qualifies, the Total relocation assistance starts at \$2000 for 2019, with city contributing ½ and landlord contributing ½.; and
- c. If requested, landlord must hold a meeting with tenant to explain situation, etc. within 20 days of any request.

Other new Rental Housing Code requirements (effective Feb 1, 2019):

- Provide information packet to tenant prepared by City that covers tenant rights, fair housing, Landlord-Tenant law, minimum building code info, etc. and a link to voter registration on the Secretary of State website. For existing tenants, landlords must provide to tenants within 30 days of information being available by city. First packets must be in printed form, and updates may be sent by email, unless tenant requests it in written/printed form.
- Provide all applicants your written rental criteria that must include a link to a city website that will give potential renters information on any code violations and any fair housing complaints that involve the landlord.
- Landlords must accept installment payments for deposits, last month's rent and any fees (except screening/application fee) upon a tenant's written request.
 - Month to month tenancies & 2 month fixed term tenancies: 2 equal installments – ½ up front and have together with 2nd month's rent.
 - Fixed term tenancies of 3 months or longer: 3 equal installments – 1/3 at move-in, 1/3 together with each of 2nd and 3rd month's rent.
 - For Non-payment must give a ten day notice to comply/vacate.
- Landlord must comply with any reasonable accommodation requests in giving notices to the tenant.
- As mentioned above, require 60 days advance notice for ALL rent increases.
- For "no cause" terminations: Give at least 60 days advance notice prior to end of rental period to terminate. Can still use a 3 day for nuisance, 3 day pay/vacate or 10 day notice to comply/vacate if situation warrants it.
 - **60 day notice to terminate is required to end a fixed term lease!** So if you don't want to renew or not sure, you probably should give notice to terminate, else tenant will not be required to vacate when lease expires.
- All new rental agreements must reference these new laws.
- No retaliation or reprisals allowed. (Mimics state law)
- Penalties for noncompliance are steep:

- For violating notice to increase rents, failure to give info packets or accept installment payments: 1st violation \$500 per dwelling unit; subsequent violations within 3 years are \$1000 per dwelling unit.
- For violating notice to vacate timeline: \$250 per day per dwelling unit for 1st 10 days; then goes up to \$500 per day per dwelling unit. And if tenant has already vacated – a flat \$1000 penalty per unit.

In addition, the City of Tacoma adopted ordinance 28558 which makes a violation of the State Source of Income Law become a Human Rights violation to be investigated as any other fair housing complaint.

Note this is a summary of the new requirements only for rentals within the city limits of Tacoma – Landlords should review the full text of the new code, as amended, when establishing rental policies.