

City of Kirkland
Section 8 Nondiscrimination Ordinance
Notes from February 26, 2013 Community Meeting
Facilitated by Eric Shields, Planning Director

Agenda:

- Introductions
- Agenda Overview and Objectives
- Background
 - Section 8 Program
 - Proposed Ordinance
- Questions and Comments
- Recap of Previously Received Comments
- Additional Concerns, Supports or Suggestions
- Adjourn

I. Introductions

Eric Shields welcomed everyone to the meeting and asked each participant to introduce themselves. There were 22 individuals and 3 staff members present.

II. Agenda Overview and Objectives

Eric Shields gave an overview of the agenda and established the ground rules for the meeting. Draft copies of the proposed ordinance, a summary question and answer document and notes from the January 23rd meeting were provided.

III. Background

Dawn Nelson from the Planning Department gave an overview of the ordinance, as well as how it compares to the existing regulations in Bellevue, Redmond, Seattle and King County.

Basics of Section 8 Program:

- Federal HUD program administered locally by KCHA
- Allows low income families to rent housing in private market
- Tenants pay between 28 – 40% of income for rent, HUD pays rest
- Rents must be fair based on surrounding market
- If too high, and landlord does not want to lower, tenant cannot rent unit
- Landlords screen tenant using their standard procedure
- Initial and annual inspections for basic habitability issues are required
- If unit fails inspection, landlord can repair or not – if not, tenant cannot rent unit
- Requires initial one year lease
- Lease not required after first year
- KCHA must be notified of proposed rent increases at end of lease
- If unit does not fall within the market rents or payment standard, tenant would need to move

Basics of Proposed Ordinance:

- Makes it illegal to refuse to rent solely because of use of Section 8
- Applies to units within the allowable rent established by HUD
 - Allowable rents for Kirkland range from \$1,010 for a studio to \$1,760 for 3 BR
- Does not:

- Apply to renting part of owner occupied single-family home
- Prevent choice among tenants based on other factors
- Prohibit religious organizations from using their units for their purposes
- Prohibit treating people with disabilities more favorably
- Protect criminal conduct
- Prohibit limiting rental based on use of force or violent behavior
- Enforcement is through Planning Department, with the support of City Attorney's Office:
 - Investigate written complaints
 - If valid, pursue voluntary correction first
 - If not voluntary correction, then issue Notice of Civil Violation (NOV)
 - NOV process includes hearing before City's Hearing Examiner
 - If violation found, Hearing Examiner may impose fines if order to correct not followed

Comparison of Ordinance to other regulations:

- Same as recently adopted in Redmond and similar to Bellevue
- Both use Code Enforcement process to investigate and work toward agreed settlement
- Basic principal is also same in Seattle and King County, differences are:
 - They investigate and resolve through Office of Civil Rights
 - More complex resolution process, with payment of damages, fees and civil penalties

IV. Questions and Comments

Eric Shields then asked participants to share questions and comments about the Section 8 program or proposed ordinance. The following list summarizes the dialogue that ensued:

- How should landlords look at the income of a potential renter using a Section 8 voucher? Landlords typically look at whether the renter's income equals three times the rent to ensure that they won't be spending too much on rent.
 - The ordinance does not affect how a landlord determines income eligibility for renting a unit. Different landlords handle this differently:
 - They may add the amount of the voucher to income to determine Section 8 renter's "effective income".
 - Another alternative would be to look only at renter's portion of rent under voucher and compare it to their actual income.
- Do tenant and landlord know the value of the voucher at the time of the request to rent a unit? Yes
- Can you look at 6x rent instead of 3x rent when determining if income is high enough to rent unit?
 - Yes, as long as landlord does this consistently for all tenants.
- Why is the City considering this ordinance at this time?
 - To ensure Kirkland housing stock is open to renters with Section 8 vouchers.
- Where is the background data that supports the preamble to the ordinance?
 - This will be addressed in City Council materials.
- How many individuals in Kirkland have claimed discrimination?
 - One in recent history.
- What happens to the renter and the landlord when the damage deposit is not enough to cover damage to a unit?

- Renter is still legally responsible for paying for repairs.
- Renter would lose Section 8 voucher if they do not do so.
- KCHA used to, but no longer pays for repairs.
- Would KCHA be able to pay first month ahead of actual occupancy?
 - No, they cannot make payment until after lease has begun.
- Inspection wait times are long and will eliminate profits for landlords.
 - Inspections scheduled within 2 – 10 days of request.
 - Average time to inspection is 5 – 7 days.
 - The KCHA does 11,000 inspections per year (new units and annual inspections combined).
 - Minor repairs can be self-certified rather than requiring reinspection.
 - If landlords are unable to wait for inspections and have another prospective tenant that can move in sooner, they may rent to the other tenant.
- If standard business process is to have first, last, deposit at move in and Section 8 tenant is not able to provide that, would it be discrimination to not rent to them?
 - Not if that is the landlords standard business practice and they treat all tenants the same. *(The KCHA has recently clarified that the Section 8 program does not allow pre-payment of last month's rent.)*
- What happens if HUD changes rules?

V. Recap of Previously Received Comments

Eric Shields summarized the concerns, support and suggestions that had been heard at the January 23rd meeting and in written comments. They were:

Concerns

- Won't change housing affordability
- Housing Authority should be granted more flexibility to administer program
- Enforcement process will be costly to landlords
- Initial one year lease does not meet all owners' business models
- Program requirements should be streamlined
- Can't raise rents without Housing Authority approval
- Eviction process is difficult
- May have the unintended consequence of reducing reasonably priced rentals
- Participation takes time and resources
- Housing Authority limits rents

Support

- Inspections ensure safe living conditions
- Encourages and protects diversity
- Housing stability helps children succeed
- Improves access to housing for those with limited income
- Regulation has a deterrent effect – protects existing Section 8 tenants
- Helps prevent homelessness
- Improves people's ability to choose where they live
- Landlords and tenants are all subject to same state and local laws related to repairs, eviction, etc.
- Prevents discrimination
- Landlords can still screen tenants based on all standard factors

- Allows families to transition from temporary to permanent housing
- Guaranteed payment of KCHA's portion of rent

Suggestions

- Keep participation voluntary
- Exempt owners who own some small number of units
- Assure shorter wait times for inspections
- Simplify program paperwork
- Minimize inspection requirement
- Approach as a public relations issue rather than a requirement
- Educate landlords
- Protect landlords from potential nonpayment of rent or repairs for damage that cost more than deposits

VI. Additional Concerns, Supports or Suggestions

The following additions concerns and suggestions were added to the list:

Concerns

- Landlords may be falsely accused of discrimination
- HUD rules may change without City considering if those changes will affect their desire to have ordinance
- Holding rents low for long-term tenants or those who do not receive subsidies will affect landlords' ability to charge market rents under Section 8

Suggestions

- State that ordinance applies to HUD rules as they exist at time of adoption

VII. Adjourn

Eric Shields thanked everyone for their participation and noted that the City Council would be considering this item at its March 19, 2013 meeting, but not as a public hearing. Interested parties were encourage to submit written comments before the meeting and verbal comments at the Council meeting would be limited to three speakers per side under the "Items from the Audience" portion of the agenda. *(Readers should note that the City subsequently decided to hold a public hearing on the proposed Section 8 ordinance on March 19th. Notice of the hearing was provided. See the City's [news release](#) for more information.)*