

City of Kirkland
Section 8 Nondiscrimination Ordinance
Notes from January 23, 2013 Community Meeting
Facilitated by Marilynne Beard, Deputy City Manager

Agenda:

- Introductions
- Agenda Overview and Objectives
- Background
 - Ordinance
 - Issues
 - Fact Sheet
- Moving Forward – Creating a workable recommendation
- Adjourn

I. Introductions

Marilynne Beard welcomed everyone to the meeting and asked each participant to introduce themselves and share briefly why they were at the meeting. There were 25 individuals and 3 staff members present.

II. Agenda Overview and Objectives

Marilynne Beard gave an overview of the agenda and established the ground rules for the meeting. Each attendee was asked to share what they hoped to get out of the meeting. Unique responses and questions were:

- Why City would want to compel participation?
- What is the number of units currently participating in Kirkland?
- To understand and be understood
- To understand the ordinance and how it relates to other city ordinances
- What is City's motivation to do this now?
- To advocate for the ordinance
- Can it be a source of income ordinance instead of just Section 8?
- To understand oversight/administration/cost
- To understand impacts to property owners – esp. small properties/self-managed
- To bring a different face to Section 8 tenants (not stereotype)
- What is experience of other cities?
- To share the benefits of inclusiveness
- To try to create a symbiotic relationship between tenants and landlord(s)/real estate agents
- To understand protections for landlords from tenants that don't pay their portion of rent
- To explore downsides for tenants
- To understand the demographics in Kirkland, including the number of rental units (SF/MF) and current rents

III. Background

Draft copies of the proposed ordinance were provided and 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 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

Fact Sheet:

Dawn Nelson also summarized the Questions & Answers document that was distributed. The document was prepared to address some of the questions that had arisen about how the Section 8 program is administered by the King County Housing Authority.

Issues:

It was noted that the City Council had considered the issue at their November 7, 2012 meeting. They received 13 letters and heard from 3 people that night. Dawn Nelson shared the issues that were distilled from those comments. Interests shared were:

- Continued protection for existing Section 8 tenants.
- Encourage and protect diversity.
- Flexibility for Housing Authority.
- Flexible lease lengths.
- Focus on improving jobs.
- Housing access for everyone.
- Improve Federal funding for program.
- Improve housing affordability.
- Inspections ensure safe living conditions.
- Landlords able to charge fees consistently to all.
- Landlords able to raise rents without Housing Authority approval.

- More time to initiate voucher use.
- Make more vouchers available.
- People able to live close to their work.
- Simple, predictable and cost-free enforcement.
- Stable housing for children.
- Present strain on the social safety net from homelessness.
- Streamline Section 8 requirements.
- Voluntary participation.

IV. Moving forward – Creating a workable recommendation

Marilynne Beard then asked participants to share their ideas for what changes could be made to the proposed ordinance that would make it acceptable to them. The responses were:

- Exempt property owners that own one rental property (or some other maximum number of units)
- Make compliance optional
- Assure shorter wait/timeframe for inspections
- Simplify program paperwork
- Minimize and clarify inspection requirements – how they relate to other laws (for example, lead based paint mitigation)
- Approach as a public relations issue – use a carrot instead of a stick
- Protect landlords from damages – difficult to recoup costs from those with little income

Additional comments made during this portion of the meeting were:

- What happens if tenant can't pay part of their rent? Eviction process if difficult.
- There is a deterrent effect of having law on books (For example, Archstone sent eviction letters to Section 8 tenants in Redmond before their regulations were in place, but not to tenants in Seattle or Bellevue where they were in place).
- Inspection issues – if owner chooses not to correct, tenants would have to find different unit.
- If tenant loses job, KCHA will increase their portion of rent paid by Section 8.
- Question and Answer document is inaccurate re: eviction – must have good cause. Can evict non-Section 8 with 20 day notice for no cause. (Research recent court decision in Indigo v. Wadsworth.)
- Landlords and tenants are still subject to the state and local laws related to repairs, eviction, etc.
- The basic issue is about discrimination.
- There is another recent example of potential evictions of Section 8 voucher holders in Newcastle due to property being sold.
- One owner uses only month to month leases in order to have more control over properties. Allows easier eviction of tenants whose behavior is creating problems for other tenants. Not required to change month to month policy for Section 8 if it applies to all tenants.
- Regulations like this should not be imposed by the government.
- Landlords can manage who they rent to based on many factors.

V. Adjourn

Marilynne Beard thanked everyone for their participation and noted that meeting notes would be prepared and distributed. She also stated that the City would determine next steps for this project based on the input received tonight and via mail and e-mail.

Following the distribution of the meeting notice via the City's Neighborhood News, ten individuals responded that they would like to see the meeting notes and an additional nine individuals submitted written comments, summarized below.

- The public outreach is insufficient for an issue with far-reaching implications.
- There may be unintended consequences of the ordinance that will reduce reasonably priced rentals.
- Homeowner and landlord rights may be harmed by the ordinance.
- The ordinance may conflict with existing Condominium Declarations.
- Not all landlords have the time and resources needed to participate in Section 8.
- Landlords may change behavior in a variety of ways that will affect the availability of rental units.
- Educate landlords instead of requiring participation.
- The Section 8 program enables families to transition from temporary to permanent housing.
- Is the ordinance necessary? State landlord tenant regulations already cover the issue.
- Single family residences should be exempt from ordinance because most single family housing providers are small scale landlords and the burdens of participating in the program are high for those with a small number of units.
- The ordinance would help allow people who work in Kirkland to have the opportunity to live in Kirkland.
- Section 8 helps citizens of limited income obtain decent housing.
- Owners of a small number of units have greater risk because they have fewer units over which to spread the program costs.
- Inspectors may impose requirements that don't exist.
- Section 8 program does not allow cosigners for financially risky tenants, increasing risk to landlords for non-payment.
- Limit requirement to owners with some minimum number of units and/or to those who do not self-manage their properties.

Staff is researching several issues raised at the meeting and in the written comments received, including:

- How many units in Kirkland are currently participating in the program?
- What is the makeup of the current rental housing stock in Kirkland and how many units would fall within the cost guidelines for the Section 8 program?
- Clarifying the Section 8 inspection requirements and how they relate to other laws.
- Clarifying the lead based paint requirements for units constructed prior to 1978.
- Researching the implications of *Indigo v. Wadsworth* relative to this proposed ordinance.
- Clarifying how the proposed ordinance would relate to existing Condominium Declarations.
- Clarifying whether landlords could require cosigners for Section 8 tenants, if that is their common practice for other tenants.