

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING OLYMPIA MUNICIPAL CODE SECTIONS 5.82.030, 5.82.040, AND 5.82.050, AND SUBSECTION 5.82.090 RELATING TO RENTAL HOUSING CODE

WHEREAS, after passage of Ordinance No. 7391 on April 16, 2024, it was determined that certain technical corrections were necessary to carry out City Council’s intent in enacting the Ordinance; and

WHEREAS, the City Council desires to provide additional notice for rent increases totaling seven percent or more over a 12-month period to ensure tenants have adequate time to request economic displacement relocation assistance created by Ordinance No. 7391; and

WHEREAS, the City Council desires to amend OMC Sections 5.82.030, 5.82.040, and 5.82.050 to effectuate those technical changes and to add the seven percent rent increase over a 12-month period notice requirement, and finds that Rental Housing Code, as so amended, will protect and promote the health, safety, and welfare of the residents of Olympia;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 5.82.030. Olympia Municipal Code Section 5.82.030 is hereby amended to read as follows:

5.82.030 Rent Increase Notification; Tenant’s Right to Terminate Tenancy

- A. A landlord may not increase a tenant’s rent by more than five percent of the rent unless the landlord has provided the tenant with notice of the rent increase at least 120 days before such increase takes effect.
- B. A landlord may not increase a tenant’s rent if such rent increase, together with any other rent increase in the preceding 12 months, totals seven percent or more unless the landlord has provided the tenant with notice of the rent increase at least 120 days before such increase takes effect. A tenant’s rent is considered to have increased seven percent or more for purposes of this section if it has if it has increased by seven percent or more of the amount of the tenant’s rent in effect 12 months prior to the effective date of the rent increase (for example, if a landlord notifies a tenant of a rent increase effective July 1 of the current year, and such rent increase, together with any other rent increases since July 1 of the previous year, is seven percent or more of the tenant’s rent as of July 1 of the previous year).
- ~~B.C.~~ A landlord may not increase the rent of a tenant by 10 percent or more of the rent unless the landlord has provided the tenant with notice of the rent increase at least 180 days before such increase takes effect.
- ~~C.D.~~ Pursuant to RCW 59.18.140, if the rental agreement governs a subsidized tenancy where the amount of rent is based on the income of the tenant or circumstances specific to the subsidized household, a landlord shall provide a minimum of 30 days’ prior written notice of an increase in the amount of rent to each affected tenant.
- ~~D.E.~~ Any notice of a rent increase required by this section must be served in accordance with RCW 59.12.040. Notice of any rental increase of five percent or less may be served in accordance with RCW 59.12.040.
- E. If a landlord gives notice of intent to increase the amount of rent by more than five percent, the tenant may terminate the tenancy at any point prior to the effective date of the increase by providing at least 30 days’ written notice and should the tenant so terminate the tenancy, the tenant only owes prorated rent through the date when the tenant vacates the rental unit. A landlord may not charge a tenant any fines or fees for terminating a rental agreement under this subsection.

- F. Any notice of rent increase required by this section must state, in clear language, that because the landlord seeks to increase the rent paid by the tenant by more than five percent, the tenant may terminate the tenancy at any point prior to the effective date of the increase by providing at least 30 days' written notice and, should the tenant so terminate the tenancy, the tenant only owes prorated rent through the date when the tenant vacates the rental unit.
- G. The increase notice required by OMC 5.82.030(A) ~~and (B)~~, and (C) must specify:
1. The amount of the increase;
 2. The total amount of the new rent;
 3. The date the increase becomes effective;
 4. The rationale for the rent increase; and
 5. The rights of tenants under the Economic Displacement Relocation Assistance program under OMC 5.82.040, including:
 - a. A statement of the right of the tenant to request economic displacement relocation assistance in writing within 45 days of receipt of an increase notice. If the rent increase, together with any other rent increase in the preceding 12 months, totals seven percent or more, and that should a tenant so request, the landlord must, within 31 calendar days of receiving a request from the tenant, pay the tenant relocation assistance equivalent to two and half times the tenant's monthly rent (i.e. two and half months' rent).
 - b. A statement that if the tenant receives timely relocation assistance as provided for under OMC 5.82.040, the tenant may relocate at any time during the remainder of the tenancy prior to the effective date of the rent increase, if the tenant provides at least 30 days' written notice and pay prorated rent until they vacate the unit.
 - c. A statement that if the tenant remains in the rental unit until the effective date of the rent increase, the tenant is obligated to pay the increased rent in accordance with the increase notice for the duration of the tenant's occupancy of the rental unit and to repay any relocation assistance provided to the tenant.

Section 2. Amendment of OMC 5.82.040. Olympia Municipal Code Section 5.82.040 is hereby amended to read as follows:

5.82.040 Economic Displacement Relocation Assistance

- A. If, within 45 calendar days after a tenant receives a notice indicating a rent increase and if that rent increase, together with any other rent increase in the preceding 12 months, totals seven percent or more, the tenant may request, in writing, that the landlord provide relocation assistance. If requested by the tenant, within 31 calendar days of receiving the request for relocation assistance, the landlord shall pay to the tenant relocation assistance equivalent to two and half times the tenant's monthly rent (i.e. two and half months' rent). A tenant's rent is considered to have increased seven percent or more for purposes of this section if it has if it has increased by seven percent or more of the amount of the tenant's rent in effect 12 months prior to the effective date of the rent increase (for example, if a landlord notifies a tenant of a rent increase effective July 1 of the current year, and such rent increase, together with any other rent increases since July 1 of the previous year, is seven percent or more of the tenant's rent as of July 1 of the previous year)
- B. The requirements of this section apply per rental unit, not per individual tenant.
- C. Return of Relocation Assistance.

1. If the tenant receives timely relocation assistance as provided for under this chapter, the tenant may relocate at any time during the remainder of the tenancy prior to the effective date of the rent increase, if they provide at least 30 days' written notice and pay any rent owing until they vacate the unit. When a tenant vacates a rental unit under this section, the tenant owes rent prorated to the date the tenant vacates the unit.

2. At the conclusion of this relocation period, if the tenant remains in the rental unit until the effective date of the rent increase, the tenant is obligated to pay the increased rent in accordance with the increase notice for the duration of the tenant's occupancy of the rental unit and to repay any relocation assistance provided to the tenant.

D. Notice to the City.

A Landlord shall provide notice to the City of Olympia of:

1. Any request for relocation assistance, within 30 days of receipt of such notice; and
2. Any payment of relocation assistance within 30 days of making such payment.

E. Exceptions.

1. The Economic Displacement Relocation Assistance provisions do not apply to any of the following:
 - a. A landlord and tenant living on the same site if the site has only one rental unit;
 - b. A landlord and tenant living together in the same single-family dwelling where the tenant shares the dwelling with the owner;
 - c. Tenants who have lived in the rental unit for less than six months;
 - d. Living arrangements exempted under RCW 59.18.040;
 - e. Transient dwelling, as defined in OMC 18.02.180, which includes a short-term rental;
 - f. An assisted living dwelling defined in OMC 18.02.180.
 - g. A shelter, as defined in OMC 5.82.020(u).
 - h. A rental agreement which governs a subsidized tenancy where the amount of rent is based on the income of the tenant or circumstances specific to the subsidized household. This exception for subsidized housing does not include tenancies regulated under Section 8 of the Housing Act of 1937, 42 U.S.C. Sec. 1437 f, commonly known as the choice voucher program.

Section 3. Amendment of OMC 5.82.050. Olympia Municipal Code Section 5.82.050 is hereby amended to read as follows:

5.82.050 Pet Damage Deposits

- A. Except as provided in subsection B of this section, a landlord may require payment of a pet damage deposit that may not exceed 25 percent of one month's rent, regardless of the time when the pet damage deposit is paid.
- B. Exceptions
 1. A landlord may not require a pet damage deposit for an animal that serves as an assistance animal for the tenant. This prohibition does not prohibit a landlord from bringing an action for damages resulting from damage to the landlord's property caused by the tenant's assistance animal. For purposes of this

subsection, "assistance animal" means an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or that provides emotional support that alleviates one or more identified effects of a person's disability.

2. ~~A landlord may not charge a pet damage deposit in~~This section does not apply to that type of subsidized housing where the amount of rent is set based on the income of the tenant. This exception for subsidized housing does not include tenancies regulated under Section 8 of the Housing Act of 1937, 42 U.S.C. Sec. 1437 f, commonly known as the choice voucher program.
- C. If the tenant's pet's occupancy begins at the beginning of tenancy, the amount of the pet damage deposit must be specified in a rental agreement. If the tenant's pet's occupancy begins after the beginning of the tenancy, the amount of the pet damage deposit must be specified in an addendum to the rental agreement. The tenant may elect to pay the pet damage deposit in three consecutive, equal monthly installments that begin when the tenant's pet first occupies the rental unit or the tenant may propose an alternative installment schedule. If the landlord agrees to the tenant's alternative installment schedule the schedule must be described in the rental agreement.
- D. A landlord may not keep any portion of the pet damage deposit for damage that was not caused by a pet for which the tenant is responsible. Not later than 30 days from the end of the tenancy, consistent with RCW 59.18.280(1)(a), the landlord shall return to the tenant any portion of the pet damage deposit not applied to the costs of remediating damage caused by a pet for which the tenant is responsible, or the landlord shall provide to the tenant an itemized list of damages if a portion or the entirety of the deposit is retained for damage caused by a pet for which the tenant is responsible.
- E. Other than the pet damage deposit authorized by subsection A of this section, a landlord may not charge the tenant any fee for keeping a pet.

Section 4. Amendment of OMC 5.82.090(G). Olympia Municipal Code Subsection 5.82.090(G) is hereby amended to read as follows:

5.82.090 Periodic Inspections Required for Rental Properties

- G. Failure to complete inspection when required. If a rental property owner fails to complete an inspection of the rental property owner's rental property by the end of the calendar year in which the inspection is due, or if the rental property fails the inspection:
 1. The City shall mail a notice of non-compliance to the rental property owner.
 2. Upon receipt of a notice of non-compliance, a rental property owner shall, within 30 days, complete the required inspection and provide a certificate of inspection to the City or enter into a compliance agreement with the City.
 3. If, 30 days after receipt of a notice of non-compliance, a rental property owner has not completed the required inspection and provided a certificate of inspection to the City or has not entered into a compliance agreement with the City, or if at any time a property owner violates the terms of a compliance agreement with the City:
 - a. The rental property owner is in violation of this Chapter and is subject to the penalty provisions of OMC ~~5.82.1305.82.160~~, below;

b. The City may declare the rental property or one or more units thereof, unlawful to occupy pursuant to RCW [59.18.085](#); after so declaring, the City shall mail written notice to the property owner and any and all affected tenants that the rental property or a unit or units have been declared unlawful to occupy;

c. The City may suspend or revoke the property owner’s business license pursuant to OMC [5.02.050](#); and

d. The rental property owner shall pay for relocation assistance to each displaced tenant as provided in RCW [59.18.085](#), and, if the City pays for relocation assistance on behalf of the property owner, the property owner shall reimburse the City for all such amounts paid.

Section 5. Corrections. The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Section 6. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances remain unaffected.

Section 7. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 8. Effective Date. This Ordinance takes effect 30 days after passage and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Michael M. Young

DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED: