

# SDCI

## Director's Rule 13-2023

<b>Applicant:</b>  City of Seattle Department of Construction and Inspections	<b>Page</b>  1 of 2	<b>Supersedes:</b>				
	<b>Publication:</b>  10/30/2023	<b>Effective:</b>  11/20/2023				
<b>Subject:</b>  Treatment of Multiple Rental Rate Options in Calculating Required Rent- Increase Notices Pursuant to SMC 22.212.	<b>Code and Section Reference:</b>  SMC 22.212					
	<b>Type of Rule:</b>  Code Implementation					
	<b>Ordinance Authority:</b>  SMC 3.06.040					
<b>Index:</b>  Economic Displacement Relocation Assistance (SMC Chapter 22.212)	<table><tr><td><b>Approved</b></td><td><b>Date</b></td></tr><tr><td colspan="2">(Signature on file 11/17/23) Nathan Torgelson, Director, SDCI</td></tr></table>		<b>Approved</b>	<b>Date</b>	(Signature on file 11/17/23) Nathan Torgelson, Director, SDCI	
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### PURPOSE:

The purpose of this rule is to provide guidance on relocation assistance eligibility when a tenant receives a notice of rent increase with multiple rental rate options.

### BACKGROUND:

SMC 22.212, entitled Economic Displacement Relocation Assistance (EDRA), provides relocation assistance for eligible low-income households that receive a required rent-increase notice. "Required rent-increase notice" means the notice required by subsection 7.24.030.A if it is: (1) a required rent-increase notice for ten percent or more; or (2) a required rent-increase notice for less than ten percent.

"Required rent-increase notice for ten percent or more" means a required rent-increase notice for a one time rent increase of ten percent or more.

The ordinance does not define "rent," but does provide a definition of housing cost which incorporates the definition of rent in RCW 59.18. RCW 59.18.030(29) defines

rent "as recurring and periodic charges identified in the rental agreement for the use and occupancy of the premises, which may include charges for utilities."

"Required rent-increase notice for less than ten percent" means a required rent-increase notice for a one-time rent increase of less than ten percent, but where that rent increase, in combination with all other rent increases taking effect within either 12 months prior to the effective date of that rent increase or the household's tenancy in the housing unit, whichever period is shorter, will result in a cumulative rent increase for the household of ten percent or more.

The ordinance does not specify how to determine eligibility in circumstances where a notice of rent increase contains multiple rental rate options.

#### **RULE:**

The Department determines that if a tenant receives a notice of rent increase with multiple rental rate options, the tenant shall be eligible to receive relocation assistance if any of the rental rate options contained in the notice constitute a required rent-increase notice and the other requirements of SMC 22.212 are satisfied.

To determine whether the percentage increase is 10% or more, the Department will:

1. Determine the initial monthly housing costs charged to the tenant for the rental period 12 months prior to the effective date of the most recent rent increase or the beginning of the tenancy, if the tenancy is less than 12 months; and,
2. Multiply the initial monthly housing costs by 1.1.

If the amount of any proposed rent increase in the rent increase notice is equal to or greater than the initial housing costs x 1.1, the EDRA notice is required. Potential or prospective charges or fees that were never charged to or paid by the tenant household are not included in calculating the percentage increase.