
HOUSE BILL 1903

State of Washington

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By Representatives Romero, Jarrett, Upthegrove, Edwards, Hunt and Moeller

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1 AN ACT Relating to relocation assistance for low-income tenants;
2 and amending RCW 59.18.440 and 35.80.030.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 59.18.440 and 1997 c 452 s 17 are each amended to read
5 as follows:

6 (1) Any city, town, county, or municipal corporation that is
7 required to develop a comprehensive plan under RCW 36.70A.040(1) is
8 authorized to require, after reasonable notice to the public and a
9 public hearing, property owners to provide their portion of reasonable
10 relocation assistance to low-income tenants upon the demolition,
11 substantial rehabilitation (~~((whether due to code enforcement or any~~
12 ~~other reason))), or change of use of residential property, (~~(or)~~) upon
13 the removal of use restrictions in an assisted-housing development, or
14 any other reason not related to code enforcement. No city, town,
15 county, or municipal corporation may require property owners to provide
16 relocation assistance to low-income tenants, as defined in this
17 chapter, upon the demolition, substantial rehabilitation, upon the
18 change of use of residential property, or upon the removal of use
19 restrictions in an assisted-housing development, except as expressly~~

1 authorized herein or when authorized or required by state or federal
2 law. As used in this section, "assisted housing development" means a
3 multifamily rental housing development that either receives government
4 assistance and is defined as federally assisted housing in RCW
5 59.28.020, or that receives other federal, state, or local government
6 assistance and is subject to use restrictions.

7 (2) As used in this section, "low-income tenants" means tenants
8 whose combined total income per dwelling unit is at or below fifty
9 percent of the median income, adjusted for family size, in the county
10 where the tenants reside.

11 The department of community, trade, and economic development shall
12 adopt rules defining county median income in accordance with the
13 definitions promulgated by the federal department of housing and urban
14 development.

15 (3) A requirement that property owners provide relocation
16 assistance shall include the amounts of such assistance to be provided
17 to low-income tenants. In determining such amounts, the jurisdiction
18 imposing the requirement shall evaluate, and receive public testimony
19 on, what relocation expenses displaced tenants would reasonably incur
20 in that jurisdiction including:

21 (a) Actual physical moving costs and expenses;

22 (b) Advance payments required for moving into a new residence such
23 as the cost of first and last month's rent and security and damage
24 deposits;

25 (c) Utility connection fees and deposits; and

26 (d) Anticipated additional rent and utility costs in the residence
27 for one year after relocation.

28 (4)(a) Relocation assistance provided to low-income tenants under
29 this section shall not exceed two thousand dollars for each dwelling
30 unit displaced by actions of the property owner under subsection (1) of
31 this section. A city, town, county, or municipal corporation may make
32 future annual adjustments to the maximum amount of relocation
33 assistance required under this subsection in order to reflect any
34 changes in the housing component of the consumer price index as
35 published by the United States department of labor, bureau of labor
36 statistics.

37 (b) The property owner's portion of any relocation assistance

1 provided to low-income tenants under this section shall not exceed one-
2 half of the required relocation assistance under (a) of this subsection
3 in cash or services.

4 (c) The portion of relocation assistance not covered by the
5 property owner under (b) of this subsection shall be paid by the city,
6 town, county, or municipal corporation authorized to require relocation
7 assistance under subsection (1) of this section. The relocation
8 assistance may be paid from proceeds collected from the excise tax
9 imposed under RCW 82.46.010.

10 (5) A city, town, county, or municipal corporation requiring the
11 provision of relocation assistance under this section shall adopt
12 policies, procedures, or regulations to implement such requirement.
13 Such policies, procedures, or regulations shall include provisions for
14 administrative hearings to resolve disputes between tenants and
15 property owners relating to relocation assistance or unlawful detainer
16 actions during relocation, and shall require a decision within thirty
17 days of a request for a hearing by either a tenant or property owner.

18 Judicial review of an administrative hearing decision relating to
19 relocation assistance may be had by filing a petition, within ten days
20 of the decision, in the superior court in the county where the
21 residential property is located. Judicial review shall be confined to
22 the record of the administrative hearing and the court may reverse the
23 decision only if the administrative findings, inferences, conclusions,
24 or decision is:

- 25 (a) In violation of constitutional provisions;
- 26 (b) In excess of the authority or jurisdiction of the
27 administrative hearing officer;
- 28 (c) Made upon unlawful procedure or otherwise is contrary to law;
29 or
- 30 (d) Arbitrary and capricious.

31 (6) Any city, town, county, or municipal corporation may require
32 relocation assistance, under the terms of this section, for otherwise
33 eligible tenants whose living arrangements are exempted from the
34 provisions of this chapter under RCW 59.18.040(3) and if the living
35 arrangement is considered to be a rental or lease not defined as a
36 retail sale under RCW 82.04.050.

37 (7)(a) Persons who move from a dwelling unit prior to the
38 application by the owner of the dwelling unit for any governmental

1 permit necessary for the demolition, substantial rehabilitation, or
2 change of use of residential property or prior to any notification or
3 filing required for condominium conversion shall not be entitled to the
4 assistance authorized by this section.

5 (b) Persons who move into a dwelling unit after the application for
6 any necessary governmental permit or after any required condominium
7 conversion notification or filing shall not be entitled to the
8 assistance authorized by this section if such persons receive written
9 notice from the property owner prior to taking possession of the
10 dwelling unit that specifically describes the activity or condition
11 that may result in their temporary or permanent displacement and
12 advises them of their ineligibility for relocation assistance.

13 **Sec. 2.** RCW 35.80.030 and 1989 c 133 s 3 are each amended to read
14 as follows:

15 (1) Whenever the local governing body of a municipality finds that
16 one or more conditions of the character described in RCW 35.80.010
17 exist within its territorial limits, said governing body may adopt
18 ordinances relating to such dwellings, buildings, structures, or
19 premises. Such ordinances may provide for the following:

20 (a) That an "improvement board" or officer be designated or
21 appointed to exercise the powers assigned to such board or officer by
22 the ordinance as specified herein. Said board or officer may be an
23 existing municipal board or officer in the municipality, or may be a
24 separate board or officer appointed solely for the purpose of
25 exercising the powers assigned by said ordinance.

26 If a board is created, the ordinance shall specify the terms,
27 method of appointment, and type of membership of said board, which may
28 be limited, if the local governing body chooses, to public officers as
29 herein defined.

30 (b) If a board is created, a public officer, other than a member of
31 the improvement board, may be designated to work with the board and
32 carry out the duties and exercise the powers assigned to said public
33 officer by the ordinance.

34 (c) That if, after a preliminary investigation of any dwelling,
35 building, structure, or premises, the board or officer finds that it is
36 unfit for human habitation or other use, he shall cause to be served
37 either personally or by certified mail, with return receipt requested,

1 upon all persons having any interest therein, as shown upon the records
2 of the auditor's office of the county in which such property is
3 located, and shall post in a conspicuous place on such property, a
4 complaint stating in what respects such dwelling, building, structure,
5 or premises is unfit for human habitation or other use. If the
6 whereabouts of any of such persons is unknown and the same cannot be
7 ascertained by the board or officer in the exercise of reasonable
8 diligence, and the board or officer makes an affidavit to that effect,
9 then the serving of such complaint or order upon such persons may be
10 made either by personal service or by mailing a copy of the complaint
11 and order by certified mail, postage prepaid, return receipt requested,
12 to each such person at the address of the building involved in the
13 proceedings, and mailing a copy of the complaint and order by first
14 class mail to any address of each such person in the records of the
15 county assessor or the county auditor for the county where the property
16 is located. Such complaint shall contain a notice that a hearing will
17 be held before the board or officer, at a place therein fixed, not less
18 than ten days nor more than thirty days after the serving of said
19 complaint; and that all parties in interest shall be given the right to
20 file an answer to the complaint, to appear in person, or otherwise, and
21 to give testimony at the time and place in the complaint. The rules of
22 evidence prevailing in courts of law or equity shall not be controlling
23 in hearings before the board or officer. A copy of such complaint
24 shall also be filed with the auditor of the county in which the
25 dwelling, building, structure, or (~~premise~~ ~~[premises]~~) premises is
26 located, and such filing of the complaint or order shall have the same
27 force and effect as other lis pendens notices provided by law.

28 (d) That the board or officer may determine that a dwelling,
29 building, structure, or premises is unfit for human habitation or other
30 use if it finds that conditions exist in such dwelling, building,
31 structure, or premises which are dangerous or injurious to the health
32 or safety of the occupants of such dwelling, building, structure, or
33 premises, the occupants of neighboring dwellings, or other residents of
34 such municipality. Such conditions may include the following, without
35 limitations: Defects therein increasing the hazards of fire or
36 accident; inadequate ventilation, light, or sanitary facilities,
37 dilapidation, disrepair, structural defects, uncleanliness,
38 overcrowding, or inadequate drainage. The ordinance shall state

1 reasonable and minimum standards covering such conditions, including
2 those contained in ordinances adopted in accordance with
3 (~~subdivision~~) subsection (7)(a) (~~herein~~) of this section, to guide
4 the board or the public officer and the agents and employees of either,
5 in determining the fitness of a dwelling for human habitation, or
6 building, structure, or premises for other use.

7 (e) That the determination of whether a dwelling, building,
8 structure, or premises should be repaired or demolished, shall be based
9 on specific stated standards on (i) the degree of structural
10 deterioration of the dwelling, building, structure, or premises, or
11 (ii) the relationship that the estimated cost of repair bears to the
12 value of the dwelling, building, structure, or premises, with the
13 method of determining this value to be specified in the ordinance.

14 (f) That if, after the required hearing, the board or officer
15 determines that the dwelling is unfit for human habitation, or building
16 or structure or premises is unfit for other use, it shall state in
17 writing its findings of fact in support of such determination, and
18 shall issue and cause to be served upon the owner or party in interest
19 thereof, as is provided in (~~subdivision (1)~~)(c) of this subsection,
20 and shall post in a conspicuous place on said property, an order which
21 (i) requires the owner or party in interest, within the time specified
22 in the order, to repair, alter, or improve such dwelling, building,
23 structure, or premises to render it fit for human habitation, or for
24 other use, or to vacate and close the dwelling, building, structure, or
25 premises, if such course of action is deemed proper on the basis of the
26 standards set forth as required in (~~subdivision (1)~~)(e) of this
27 subsection; or (ii) requires the owner or party in interest, within the
28 time specified in the order, to remove or demolish such dwelling,
29 building, structure, or premises, if this course of action is deemed
30 proper on the basis of said standards. An order may also require
31 payment by the owner of a rental relocation allowance to qualified low-
32 income tenants if authorized by an ordinance adopted as provided in
33 subsection (8) of this section. If no appeal is filed, a copy of such
34 order shall be filed with the auditor of the county in which the
35 dwelling, building, structure, or premises is located.

36 (g) The owner or any party in interest, within thirty days from the
37 date of service upon the owner and posting of an order issued by the

1 board under the provisions of (~~subdivision~~) (c) of this subsection,
2 may file an appeal with the appeals commission.

3 The local governing body of the municipality shall designate or
4 establish a municipal agency to serve as the appeals commission. The
5 local governing body shall also establish rules of procedure adequate
6 to assure a prompt and thorough review of matters submitted to the
7 appeals commission, and such rules of procedure shall include the
8 following, without being limited thereto: (i) All matters submitted to
9 the appeals commission must be resolved by the commission within sixty
10 days from the date of filing therewith and (ii) a transcript of the
11 findings of fact of the appeals commission shall be made available to
12 the owner or other party in interest upon demand.

13 The findings and orders of the appeals commission shall be reported
14 in the same manner and shall bear the same legal consequences as if
15 issued by the board, and shall be subject to review only in the manner
16 and to the extent provided in (~~subdivision~~) subsection (2) of this
17 section.

18 If the owner or party in interest, following exhaustion of his
19 rights to appeal, fails to comply with the final order to repair,
20 alter, improve, vacate, close, remove, or demolish the dwelling,
21 building, structure, or premises, the board or officer may direct or
22 cause such dwelling, building, structure, or premises to be repaired,
23 altered, improved, vacated, and closed, removed, or demolished.

24 (h) That the amount of the cost of such repairs, alterations or
25 improvements; or vacating and closing; or removal or demolition by the
26 board or officer, shall be assessed against the real property upon
27 which such cost was incurred unless such amount is previously paid.
28 Upon certification to him by the treasurer of the municipality in cases
29 arising out of the city or town or by the county improvement board or
30 officer, in cases arising out of the county, of the assessment amount
31 being due and owing, the county treasurer shall enter the amount of
32 such assessment upon the tax rolls against the property for the current
33 year and the same shall become a part of the general taxes for that
34 year to be collected at the same time and with interest at such rates
35 and in such manner as provided for in RCW 84.56.020, as now or
36 hereafter amended, for delinquent taxes, and when collected to be
37 deposited to the credit of the general fund of the municipality. If
38 the dwelling, building, structure, or premises is removed or demolished

1 by the board or officer, the board or officer shall, if possible, sell
2 the materials of such dwelling, building, structure, (~~(for)~~) or
3 premises in accordance with procedures set forth in said ordinance, and
4 shall credit the proceeds of such sale against the cost of the removal
5 or demolition and if there be any balance remaining, it shall be paid
6 to the parties entitled thereto, as determined by the board or officer,
7 after deducting the costs incident thereto.

8 The assessment shall constitute a lien against the property which
9 shall be of equal rank with state, county and municipal taxes.

10 (2) Any person affected by an order issued by the appeals
11 commission pursuant to (~~(subdivision)~~) subsection (1)(f) (~~(hereof)~~) of
12 this section may, within thirty days after the posting and service of
13 the order, petition to the superior court for an injunction restraining
14 the public officer or members of the board from carrying out the
15 provisions of the order. In all such proceedings the court is
16 authorized to affirm, reverse, or modify the order and such trial shall
17 be heard de novo.

18 (3) An ordinance adopted by the local governing body of the
19 municipality may authorize the board or officer to exercise such powers
20 as may be necessary or convenient to carry out and effectuate the
21 purposes and provisions of this section. These powers shall include
22 the following in addition to others herein granted: (a)(i) To
23 determine which dwellings within the municipality are unfit for human
24 habitation; (ii) to determine which buildings, structures, or premises
25 are unfit for other use; (b) to administer oaths and affirmations,
26 examine witnesses and receive evidence; and (c) to investigate the
27 dwelling and other property conditions in the municipality or county
28 and to enter upon premises for the purpose of making examinations when
29 the board or officer has reasonable ground for believing they are unfit
30 for human habitation, or for other use: PROVIDED, That such entries
31 shall be made in such manner as to cause the least possible
32 inconvenience to the persons in possession, and to obtain an order for
33 this purpose after submitting evidence in support of an application
34 which is adequate to justify such an order from a court of competent
35 jurisdiction in the event entry is denied or resisted.

36 (4) The local governing body of any municipality adopting an
37 ordinance pursuant to this chapter may appropriate the necessary funds
38 to administer such ordinance.

1 (5) Nothing in this section shall be construed to abrogate or
2 impair the powers of the courts or of any department of any
3 municipality to enforce any provisions of its charter or its ordinances
4 or regulations, nor to prevent or punish violations thereof; and the
5 powers conferred by this section shall be in addition and supplemental
6 to the powers conferred by any other law.

7 (6) Nothing in this section shall be construed to impair or limit
8 in any way the power of the municipality to define and declare
9 nuisances and to cause their removal or abatement, by summary
10 proceedings or otherwise.

11 (7) Any municipality may (by ordinance adopted by its governing
12 body) (a) prescribe minimum standards for the use and occupancy of
13 dwellings throughout the municipality, or county, (b) prescribe minimum
14 standards for the use or occupancy of any building, structure, or
15 premises used for any other purpose, (c) prevent the use or occupancy
16 of any dwelling, building, structure, or premises, which is injurious
17 to the public health, safety, morals, or welfare, and (d) prescribe
18 punishment for the violation of any provision of such ordinance.

19 (8)(a) Any municipality that has adopted an ordinance under
20 subsection (7)(c) of this section may also adopt an ordinance requiring
21 a property owner to pay reasonable relocation assistance to low-income
22 tenants who are prevented from using or occupying the property owner's
23 dwelling, building, structure, or premises by an order of the
24 municipality issued during the course of enforcing its code and/or
25 ordinances. As used in this subsection, "low-income tenants" means
26 tenants whose combined total income per dwelling unit is at or below
27 fifty percent of the median income, adjusted for family size, in the
28 county where the tenants reside.

29 (b) A requirement that property owners provide relocation
30 assistance shall include the amounts of such assistance to be provided
31 to low-income tenants. In determining such amounts, the jurisdiction
32 imposing the requirement shall evaluate, and receive public testimony
33 on, what relocation expenses displaced tenants would reasonably incur
34 in that jurisdiction including:

35 (i) Actual physical moving costs and expenses;

36 (ii) Advance payments required for moving into a new residence such
37 as the cost of first and last month's rent and security and damage
38 deposits;

1 (iii) Utility connection fees and deposits; and
2 (iv) Anticipated additional rent and utility costs in the residence
3 for one year after relocation.

4 (c) Relocation assistance provided to low-income tenants under this
5 section shall not exceed two thousand dollars for each dwelling unit
6 from which tenants are displaced as a result of a municipality's
7 enforcement of its code or ordinances. A municipality may make future
8 annual adjustments to the maximum amount of relocation assistance
9 required under this subsection in order to reflect any changes in the
10 housing component of the consumer price index as published by the
11 United States department of labor, bureau of labor statistics.

12 (d) A municipality that adopts an ordinance requiring the payment
13 of relocation assistance under this section shall adopt policies,
14 procedures, or regulations to implement such requirement.

15 (i) Such policies, procedures, or regulations may:

16 (A) Include a deadline by which the relocation assistance shall be
17 paid;

18 (B) Provide that a property owner who fails to pay relocation
19 assistance by such deadline shall be assessed a per-day monetary
20 penalty for each day the relocation assistance is late;

21 (C) Provide that relocation assistance that is not paid by the
22 deadline shall accrue interest at the maximum rate allowed by law;

23 (D) Require that, in the event that legal action is required by the
24 municipality to collect relocation assistance, penalty, and/or interest
25 required under (d)(i)(A) and (E) of this subsection, the property owner
26 shall pay the city, town, county, or municipal corporation's actual
27 attorneys' fees and expenses incurred in the legal action; and

28 (E) Provide that the municipality may, in addition to other legal
29 remedies, assess any unpaid relocation assistance, penalties, and/or
30 interest against the property in the manner provided in subsection
31 (1)(h) of this section.

32 (ii) Such policies, procedures, or regulations shall include
33 provisions for administrative hearings to resolve disputes between
34 tenants and property owners relating to relocation assistance or
35 unlawful detainer actions during relocation, and shall require a
36 decision within thirty days of a request for a hearing by either a
37 tenant or property owner.

1 (e) If a property owner fails to pay relocation assistance by the
2 deadline required by an order issued by a board or officer, the
3 municipality may institute a legal action in the municipal court or
4 county district court, as applicable, to collect the relocation
5 assistance and/or any delinquent penalties or interest required by the
6 municipality's policies, rules, or regulations adopted under (d) of
7 this subsection.

8 (f) If a municipality prevails in any legal action instituted under
9 (e) of this subsection, the court shall award the municipality its
10 actual attorneys' fees and expenses incurred in the legal action if
11 required by policies, rules, or regulations of the municipality adopted
12 under (d) of this subsection.

13 (g) If a property owner fails to pay relocation assistance by the
14 deadline required by an order under (d) of this subsection, the
15 obligation to pay relocation assistance becomes an obligation of the
16 officers, directors, manager, and managing partner of any such
17 corporation, limited liability corporation, or limited liability
18 partnership that is a property owner. However, this requirement shall
19 not apply to any officers, directors, managers, or managing partners of
20 any entity who, without participating in the management of the
21 property, holds indicia of ownership primarily to protect a security
22 interest in the property.

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