Affordable Housing Task Force: Potential Ordinances

Monday September 14, 2015
Vancouver City Council Workshop

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Presentation Overview

- Background
- Task force recommendations:
  - *Eviction Notice*
  - *Notice of Rent Increase*
  - *Source of Income Protections*
- Next steps
In April, Council directed the formation of a task force to advise on affordable housing policy tools. The task force is charged with reviewing and advising Council and the Planning Commission on options to:

- Provide renter protection balancing landlord rights with access to housing
- Support development of an adequate supply of affordable housing
- Lead in developing regional solutions to long-term affordable housing

The Housing Task Force meets every month on the 2nd Tuesday.
Background

Rent is on the rise and Vacancy rate is on the decline
Shortfall of Affordable Units

Clark County subsidized housing profile:

**Affordable Housing Gap**
Affordable and Available Housing Units for Every 100 Households

<table>
<thead>
<tr>
<th>Percent of Median Family Income</th>
<th>Units per 100 Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% - 30%</td>
<td>16</td>
</tr>
<tr>
<td>0% - 50%</td>
<td>40</td>
</tr>
</tbody>
</table>

Affordable and Available Housing Units for Every 100 Households in 2019

<table>
<thead>
<tr>
<th>Percent of Median Family Income</th>
<th>Units per 100 Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% - 30%</td>
<td>14</td>
</tr>
<tr>
<td>0% - 50%</td>
<td>34</td>
</tr>
</tbody>
</table>

Source: 2015 Washington State Housing Needs Assessment
# Households in Unaffordable Units

## Cost-Burdened Renters in Vancouver

<table>
<thead>
<tr>
<th></th>
<th>Number of Renter Households</th>
<th>Percentage of Renter Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>33,294</td>
<td>-</td>
</tr>
<tr>
<td>Cost-burdened</td>
<td>16,781</td>
<td>50.4%</td>
</tr>
<tr>
<td>Severely cost-burdened</td>
<td>7,493</td>
<td>22.5%</td>
</tr>
</tbody>
</table>

Source: American Community Survey

**Cost-burdened**: Spend more than 30% of gross household income on housing costs

**Severely cost-burdened**: Spend more than 50% of gross household income on housing costs

Over half of all renters have housing costs that are considered unaffordable.
Current landlord tenant law allows for:

- 3-day notice to pay or vacate
- 3-day notice for waste or nuisance
- 10-day notice to comply with the terms of the rental agreement or vacate
**Recommendation:** Notice to Vacate (60 days)

**Current:**
- Tenants can receive a minimum 20-day Notice to Vacate

**Issue:**
- Low vacancy rates
- Rising rents

**Proposal:**
- Increase notice period to 60-days
- Use for owners of 5 or more properties??
**Recommendation:** Notice to Rent Increase

**Current:**
- Landlord Tenant law requires 30-day notice of rent increase

**Issue:**
- Low vacancy rate
- Rising Rents

**Proposal:**
- 45-day notice requirement for rent increases of 10% or more
Recommendation:
Source of Income Protection

Current:
• Source of Income is not a protected status

Issue:
• Steady decline of section 8 participating landlords while number of vouchers have maintained the same

Proposal:
• Ordinance to prohibit landlords from refusing to rent to a applicant based solely on their source of income

<table>
<thead>
<tr>
<th>Date</th>
<th>February 2010</th>
<th>February 2011</th>
<th>February 2012</th>
<th>February 2013</th>
<th>February 2014</th>
<th>February 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Landlords</td>
<td>887</td>
<td>837</td>
<td>836</td>
<td>829</td>
<td>719</td>
<td>686</td>
</tr>
</tbody>
</table>
Recommendation:
Source of Income Protection

• If the landlord chooses to use income screening criteria, this ordinance requires that the landlord subtract the amount of the voucher from the rent owed before using the rent multiplier.

• Example:
  – No voucher – Rent is $1,200 and Landlord requires income of two times the rent. That would be $1,200 \times 2 = $2,400
  – Voucher – Rent is $1,200 and Landlord requires income of two times the rent, but the tenant has a $500 voucher. $1,200 - $500 = $700 \times 2 = $1,400
Sunset Clause for 60 day notice

Purpose:
- Determination of applicability in the future
Important Notes

• HB/SB 2122 was passed late in the special session
• Includes language on the use of REET funds
• Extends the 2011 provisions that allows the City to use REET funds for maintenance of capital projects.
  • but only if “The city… has not enacted, after September 26 (the effective date), any requirement on the listing, leasing, or sale of real property…”
• Association of Washington Cities will be working on a “fix” for this next year.
Next Steps

• Based on direction from Council move ordinances to second reading and adoption
• Continue to meet with task force to develop long term housing policy
• Late December – Council workshop on plan for long term affordable housing policy
• Additional information available on City website under Affordable Housing Task Force
Questions and Discussion

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