Understanding Seattle's Housing Market Shift from Small to Large Rental Properties: A Rental Registration and Inspection Ordinance Program Audit

Miroslava Meza

Nhi Tran

David G. Jones, City Auditor

Seattle Office of City Auditor

Understanding Seattle's Housing Market Shift from Small to Large Rental Properties: A Rental Registration and Inspection Ordinance Program Audit

Report Highlights

Background

In 2012, the City of Seattle (City) adopted the Rental Registration and Inspection Ordinance (RRIO) to ensure all rental housing in Seattle is safe and meets basic housing maintenance requirements through regular inspections. Managed by the Seattle Department of Construction and Inspections (SDCI), the RRIO program began registering properties in 2014.

What We Found

Shift Toward Large Rental Properties: From 2016 to 2022, there was a decline in the number of small rental properties (single-family properties and multi-family properties with two to 20 units) registered with the RRIO program but an increase in the number of registered large rental properties (21 + units). This shift towards more registered large rental properties resulted in an increase in the number of available rental units in Seattle.

RRIO Registrations Declined: The number of properties registered with RRIO declined from 2016 to 2022. We identified the following contributing factors to this decline:

- At least 6,859 RRIO-registered properties were sold—87.5 percent of all known sales were properties with one to five units.
- 768 demolition permits were issued for RRIO-registered properties, 92 percent of those permits were issued for RRIO rental properties with 20 or fewer units.
- 143 (10 percent) of short-term rentals subject to RRIO did not have an active RRIO registration.
- Among landlords we surveyed who said they stopped renting their property, 21 percent said they converted their rental property into a primary residence for themselves or a relative.

Strengthening the RRIO Program: We identified opportunities for SDCI to improve their data collection processes, enforcement efforts, information they provide to landlords, and their fee structure.

WHY WE DID THIS AUDIT

We conducted this audit in response to Seattle City Councilmembers Alex Pedersen and Kshama Sawant's request for a review of Seattle's RRIO program to address reduction in registrations and suggest improvements. Specifically, we were asked to:

- Investigate the decline in properties registered under RRIO.
- Develop actionable recommendations to improve data collection, enforcement measures, and other related policies and procedures.

HOW WE DID THIS AUDIT

To accomplish the audit's objectives, we:

- Analyzed 2016-2022 data from RRIO program records, demolition permits, complaints, and enforcement actions.
- Conducted a property owner survey.
- Interviewed SDCI staff and small property owners.
- Reviewed property sale records, short-term rental data, Zillow data on rents and home prices, and mortgage rates.
- Validated our findings against existing studies and reports.

Seattle Office of City Auditor
David G. Jones, City Auditor
www.seattle.gov/cityauditor

Recommendations

We made nine recommendations to improve the RRIO program (see Appendix D).

Department Response

SDCI concurred with all the report's findings and recommendations (see Appendix A). Seattle Office for Civil Rights (SOCR) concurred with the report and provided written response (see Appendix B). The Seattle Department of Finance and Administrative Services (FAS) also accepted the report's recommendations.

TABLE OF CONTENTS

INTRODUCTION

Audit Overview

We conducted this audit at the request of Seattle City Councilmembers Alex Pedersen and Kshama Sawant. The audit's primary objectives were to:

- Investigate the decline in the number of rental properties registered under the Rental Registration and Inspection Ordinance (RRIO) program.
- Develop actionable recommendations to improve RRIO data collection, enforcement measures, and related policies and procedures.

Given Seattle's complex rental housing market—which includes decreasing RRIO registration renewals, housing affordability challenges, and an increase in large rental properties (with 21 or more units)—this audit provides insights and recommendations for improving the RRIO program. The audit's findings also aim to contribute to City policymakers' understanding of Seattle's changing rental housing market.

Background

In 2012, the City of Seattle (City) adopted the [Rental Registration and Inspection Ordinance](#) to ensure all rental housing in Seattle is safe and meets basic housing maintenance requirements through regular inspections. Managed by the Seattle Department of Construction and Inspections (SDCI), the RRIO program began registering properties in 2014 and is funded through fees. Although not its primary objective, the program also strives to foster clear communication channels between rental property owners and the City in case of emergency.

Every year, SDCI is mandated to provide the City Council with a report detailing the performance and ongoing status of the RRIO program. In their audit request letter to the Office of City Auditor (OCA), Councilmembers Pedersen and Sawant highlighted a decrease of RRIO rental properties in 2021. In August 2022, in response to a City Council inquiry about this decline, SDCI cited various reasons for properties not renewing their RRIO registration such as some properties were no longer a rental, some were sold, some have outdated contact information, and some faced issues like duplicate registrations or non-compliance. However, SDCI explained that tracking these reasons was challenging due to the limitations of their current information technology (IT) system, Accela.

Following SDCI's response, Councilmembers Pederson and Sawant requested that our office review the implementation of RRIO per [Ordinance 124312](#), to understand why the number of registrations decreased. They also asked for recommendations to improve SDCI's data collection, enforcement, and other related policies and procedures for the RRIO program.

Seattle's rental housing landscape underwent significant changes between 2016 and 2022, reflecting broader national housing market trends shaped by the COVID-19 pandemic, economic housing factors such as high home prices, fluctuating rents, and low mortgage rates between 2020 and 2021, as well as evolving rental regulations and fair housing laws adopted by the City of Seattle.

The RRIO program has faced its share of challenges, particularly in the wake of the COVID-19 pandemic. Between 2019 and the end of 2022, SDCI suspended RRIO inspections twice and saw a significant drop in renewed RRIO registrations, sending out about 1,565 warnings for overdue registrations. Despite SDCI's plans to inspect 10 percent of all registered RRIO properties, only seven percent were inspected in 2022, and the program fell short of its revenue goals by nearly $369,000. To improve its operations, SDCI introduced a five percent technology fee in 2023, charged to most SDCI services, including property owners in each RRIO new registrations and renewals billing.

To address the pandemic challenges, SDCI has:

- Increased the number of properties selected for inspection to catch up with the 10 percent target
- Brought on temporary staff to address the compliance backlog
- Proposed a fee increase for 2024

It is important to acknowledge that rental housing is an influential factor affecting Seattle's housing affordability. According to the National Low Income Housing Coalition, the United States has a deficit of 7.3 million affordable rental units for extremely low-income renters.[1]

According to a 2021 consultant report, by the Seattle-based firm Berk, commissioned by the City of Seattle as part of a grant from the Washington State Department of Commerce, there is a shortage of about 21,000 affordable homes in Seattle. This report finds that over 34,000 workers who earn low wages commute long distances for jobs. This commuting trend is expected to continue, given the projection of 35,000 new low-wage jobs in Seattle by 2030.[2]

---

[1] National Low Income Housing Coalition. (2021). Out of reach 2021. Retrieved from https://nlihc.org/sites/default/files/oor/2021/Out-of-Reach_2021.pdf: NLIHC Releases The Gap 2023: A Shortage of Affordable Homes | National Low Income Housing Coalition
[2] City of Seattle (2021). Market rate housing needs and supply analysis. Retrieved from https://www.documentcloud.org/documents/23693745-seattlemarketratehousingneedsandsupplyanalysis2021

Definitions

Rental Unit: Refers to a housing unit that is or may be available for rent. It can also be occupied or rented by a tenant or subtenant in exchange for any form of consideration.

Rental Property: A building that has one or more rental housing units.

Single-Family Units: These are single rented units that are the only unit in their respective property. Here, the unit and the property are the same. To SDCI, a single-family unit could include a standalone unit, a single rented condominium, or an Accessory Dwelling Unit (ADU). For this audit, Single-Family Units and Single-Family Properties are the same.

Small Multi-Family Units: These units are part of properties containing two to 20 units.

Large Multi-Family Units: These units are part of properties containing 21 or more units, often found in large apartment buildings or high-rise buildings.

Single-Family Properties: For the purposes of this report, these are single rented units that are the only unit in their respective property. Here, the unit and the property are the same. To SDCI, a single-family unit could include a standalone unit, a single rented condominium, or an ADU. For this audit, Single-Family Units and Single-Family Properties are considered the same.

Small Multi-Family Properties: For the purposes of this report, these properties have multiple individual units, ranging between two to 20 units. They may include duplexes, triplexes, or small apartment buildings.

Large Multi-Family Properties: For the purposes of this report, these properties have 21 or more units, typically large apartment complexes or high-rise residential buildings.

Rental Registration and Inspection Ordinance (RRIO) Status: This indicates the status of a rental unit's RRIO registration. The RRIO status can either be "Active" or "Inactive." An "Inactive" registration may be expired, withdrawn, or invalid.

Short-term Rental: This is a lodging option that isn't a hotel or motel, where part or the entire home is rented out for fewer than 30 consecutive nights by a short-term rental operator.

Primary Residence: As defined in Section 23.84A.030-P Seattle Municipal Code, "primary residence" means a person's usual place of return for

housing as documented by motor vehicle registration, driver's license, voter registration, or other similar evidence. A person may have only one primary residence.[3]

Non-Primary Residence: This term describes a rental unit that is not the property owner's primary residence. In Seattle, these units must be registered with the RRIO program, as stipulated in Section 22.214.040 Seattle Municipal Code Section 22.214.040-P.

Short-term Rental Legacy Operator: Per City of Seattle Rules for short-term rentals, a legacy unit operator is an operator who offered or provided a short-term rental unit(s) prior to September 30, 2017, in a location described in SMC subsections 6.600.040.B.3 (a unit(s) in certain building types in the First Hill/Capitol Hill Urban Center), 6.600.040.B.2 (a unit(s) in the Downtown Urban Center south of Olive Way and north of Cherry Street) or 6.600.040.B.1 (a unit(s) in all other areas) and wishes to continue offering or providing that rental.

---

[3] Seattle Municipal Code. §23.84A.030. In Title 23, Land Use Code.

THE SHIFT TOWARD LARGE MULTI-FAMILY RENTAL PROPERTIES

Section Summary

This section explores the shift in Seattle's rental market in which single-family rental homes and small multi-family properties are increasingly outnumbered in unit count by large multi-family properties. Using data from the RRIO program and other studies, we discuss the changing landscape of property ownership in Seattle and recommend that if the City determines it is a priority, it should consider policy options to preserve rental housing options that cover a varied range of property types and sizes.

The Decline of RRIO Registered Small Multi-Family Properties and the Rise of Registered Large Multi-Family Properties

During 2016-2022, Seattle experienced a decline in the number of single-family rental homes (properties with one unit) and small multi-family rental properties (properties with two to 20 units) registered with RRIO in parallel with an increase of registered multi-family rental properties with 21 or more units. The factors driving the decline in RRIO registered properties will be discussed in detail in the report's next section.

Decline in RRIO Registered Single-Family and Small Multi-Family Properties

As of December 31, 2022, Seattle had its highest number of RRIO-registered rental units since the program began registrations in 2014 (see Exhibit 1 below). However, as will be discussed later in this report, the RRIO program also had a decline in registered single-family properties and small multi-family properties while experiencing a rise in registered large multi-family properties.

This trend is in line with a national shift towards larger multi-family rental buildings and the conversion of single-family rentals to owner occupancy.[4] As a result, the RRIO program saw an increase in the number of rental units registered from 2016 to 2022, even though the number of registered properties decreased (see Exhibit 1 below).

---

[4] Joint Center for Housing Studies of Harvard University. (2023). America's Rental Housing 2022, pg. 16. Retrieved from https://www.jchs.harvard.edu/rents-and-home-prices

Exhibit 1: Trends in RRIO Active Rental Properties and Units (2016-2022)
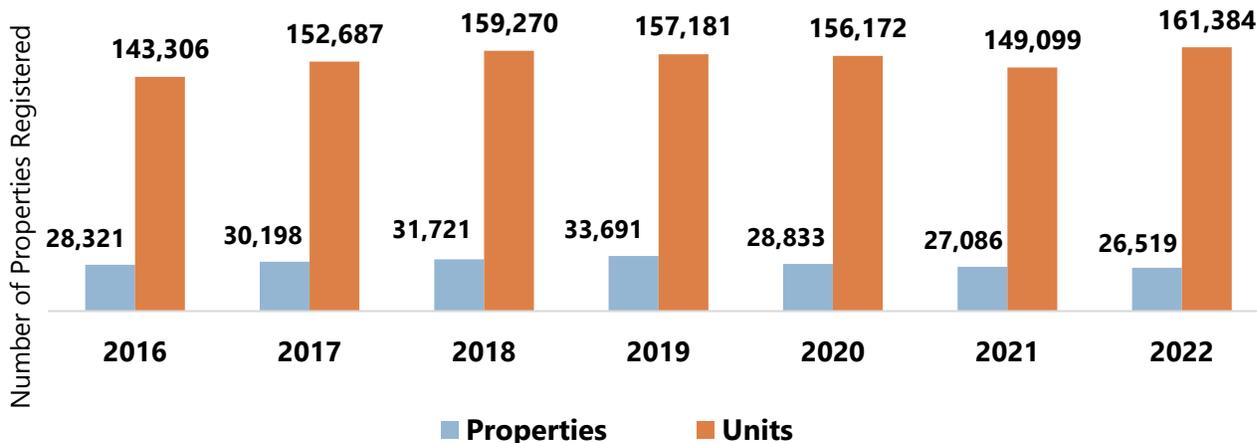
Source: Office of City Auditor analysis of RRIO program data as reported in SDCI annual reports.

> As shown in Exhibit 2 below, in 2022, while owners of single-family and small multi-family properties comprise 94 percent of all rental property owners in Seattle, they only accounted for 34 percent of all available rental units. Large multi-family property owners were just six percent of all property owners but controlled 66 percent of rental units.

Exhibit 2: Seattle's RRIO Property and Unit Distribution by Size (as of December 31, 2022)
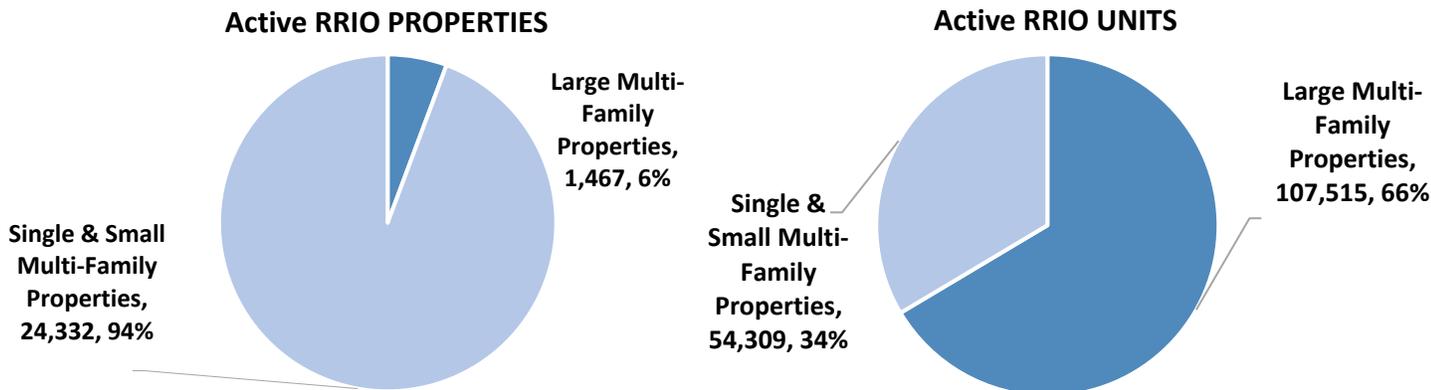
Source: Office of City Auditor analysis of RRIO program data.

As of December of 2022, properties with over 100 units contributed significantly to the Seattle rental market's share of units, even though there were only 281 such properties. Single-unit properties were more common but contributed less to the overall number of rental units in Seattle (see Exhibit 3 below).

Exhibit 3: Distribution of Active RRIO Properties and Units by Property Size (as of Dec. 31, 2022)
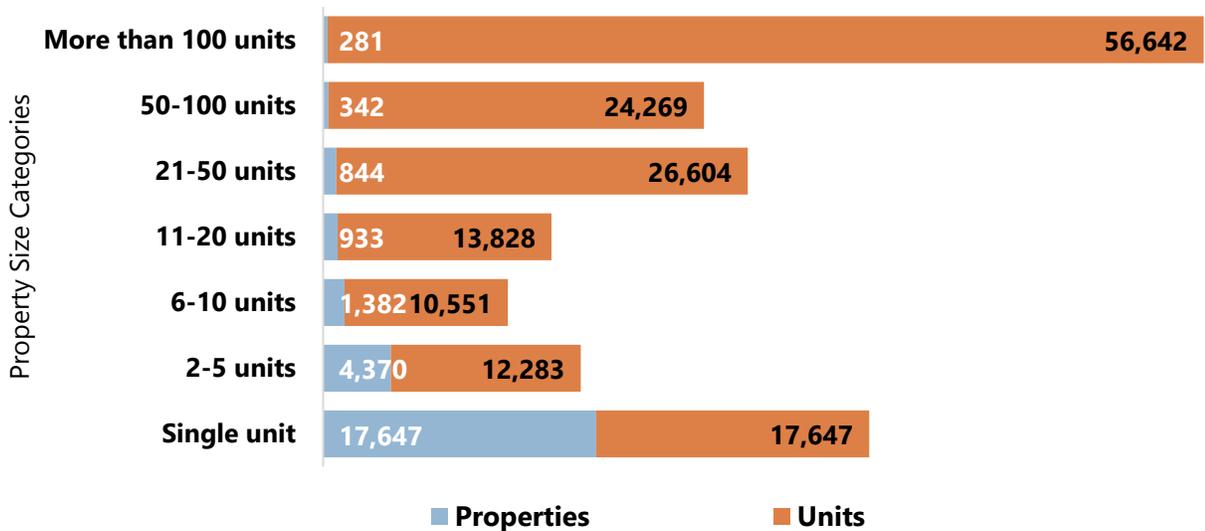
Source: Office of City Auditor analysis of RRIO program data.

Single-Family and Small Multi-Family Properties Have the Highest Number of Inactive RRIO-Registered Properties

Exhibit 4 below shows that owners of single and small multi-family properties are more likely to let their RRIO registrations lapse, expire, or be withdrawn compared to owners of large multi-family properties. Specifically, these properties account for 17,852 inactive RRIO properties, which include 29,535 units. Properties with 21 or more units account for just 345 inactive RRIO properties but make up 24,821 rental units, some of those large properties were later registered again under new management or ownership. This data suggests that more small properties are leaving the Seattle rental market, which reduces the variety of housing options available to renters.

According to the City of Seattle's Comprehensive Plan 2015-2035, one objective of the City is to achieve a mix of housing types that provide opportunity and choice throughout Seattle for people of various ages, races, ethnicities, and cultural backgrounds and for a variety of household

sizes, types, and incomes.[5] However, there has been a decline in the number of smaller rental properties in Seattle which, per the 2021 market-rate housing needs and supply analysis by Berk, tend to be older, and are generally more affordable, while there has been an increase in larger properties, commanding significantly higher rents (Berk, 2021).[6] This presents challenges to the City in meeting the goals of its Housing agenda.

Exhibit 4: Distribution of Inactive RRIO Properties and Units by Property Size (2014-2022)

Source: Office of City Auditor analysis of RRIO program data.

Geographic Trends of Inactive RRIO-Registered Properties by ZIP Code

To examine the spatial distribution of inactive RRIO properties, we plotted the count of inactive RRIO-registered properties from 2016 to 2022 by ZIP Code. Exhibit 5 below shows the number of RRIO-registered properties in each ZIP Code, highlighting the highest concentration of inactive registrations. The Greenwood and Phinney Ridge area, represented by ZIP Code 98103, showed the highest number of inactive RRIO-registered properties at 1,808.

Exhibit 5: Geographic Distribution of Inactive RRIO-Registered Properties by Zip Code (2016-2022)
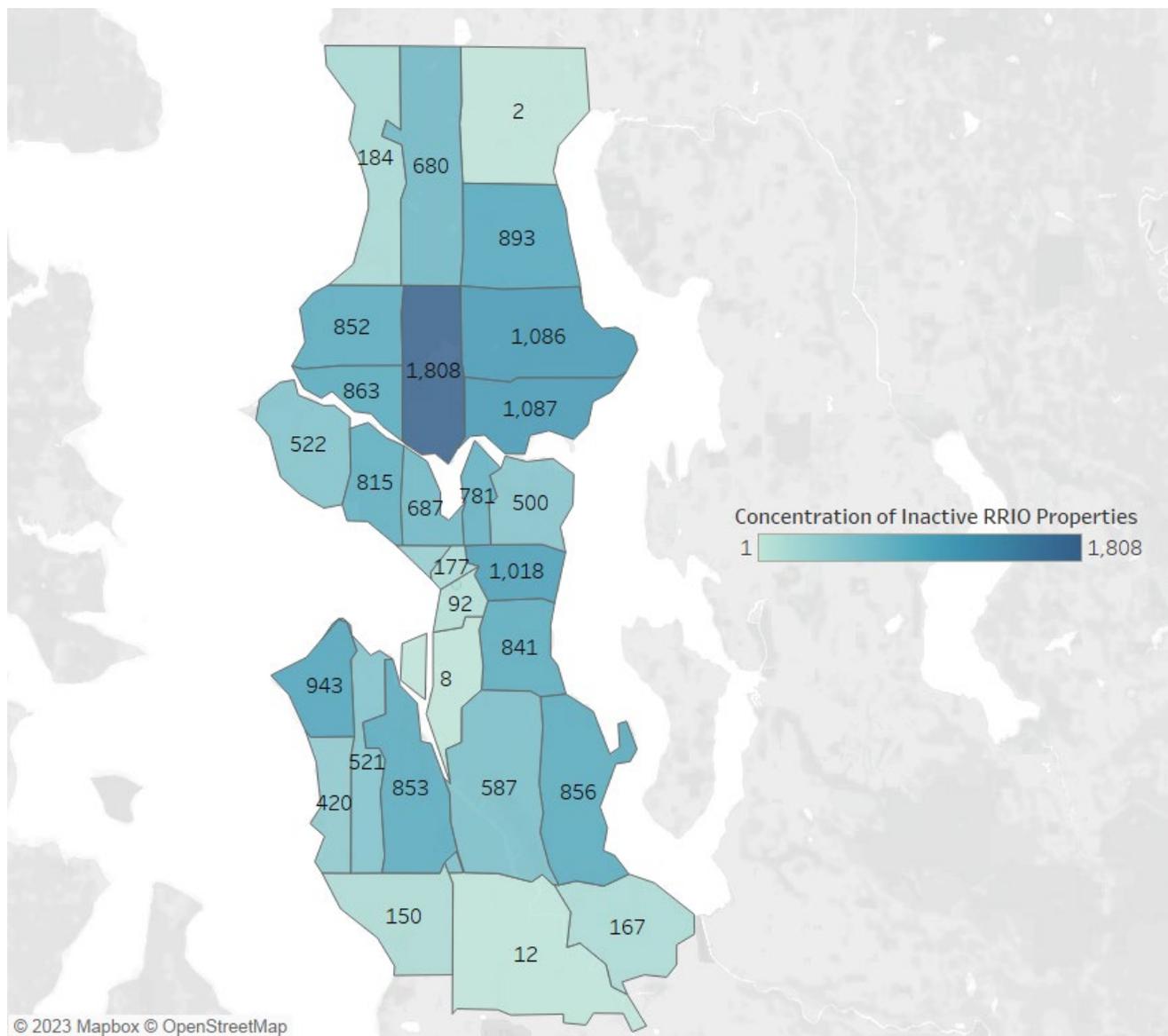
Source: Office of City Auditor analysis of RRIO program data.

Exhibit 6 below lists the top ten ZIP Codes with the most inactive RRIO-registered properties and the corresponding Seattle neighborhood for each ZIP Code. These exhibits may inform where the RRIO program might require more targeted enforcement and oversight.

Exhibit 6: Top 10 Zip Codes with Highest Inactive RRIO-Registered Properties (2016-2022)

Inactive RRIO Registrations	Zip Code	Neighborhood
1808	98103	Greenwood/Phinney Ridge
1087	98105	University District/Laurelhurst
1086	98115	Ravenna/Bryant
1018	98122	Capitol Hill/Central District
943	98116	West Seattle/Alki
893	98125	Lake City
863	98107	Ballard/Fremont
856	98118	Rainier Valley
853	98106	Delridge
852	98117	Crown Hill/Ballard

Source: Office of City Auditor analysis of RRIO program data.

Recommendation 1

If the City of Seattle wants to preserve single-family and small multi-family property rental housing, it should consider enacting policies that support the continued presence of this type of property in Seattle's rental market. When considering such policies, the City should involve stakeholders most impacted by rental housing policies.

FACTORS DRIVING THE DECLINE IN RRIO REGISTERED PROPERTIES

Section Summary

This section discusses the four main factors contributing to the decline in the number of single and small multi-family properties in Seattle's rental market. Also, we explore economic influences like mortgage rates and home values, to understand why small property owners might exit the market.

Increase in Sales of RRIO-Registered Properties

From 2016 to 2022, sales of RRIO-registered properties increased. Specifically, at least 6,859 RRIO-registered properties had at least one rental unit sold during this time. Most of these sold properties had just one rental unit, making up 68.8 percent (4,721) of all sales. Properties with two to five units made up 18.7 percent (1,286). Combined, these smaller properties accounted for 87.5 percent of all sales (see Exhibit 7 below).

Exhibit 7: Trends in RRIO-Registered Properties Sold by Property Size (2016-2022)
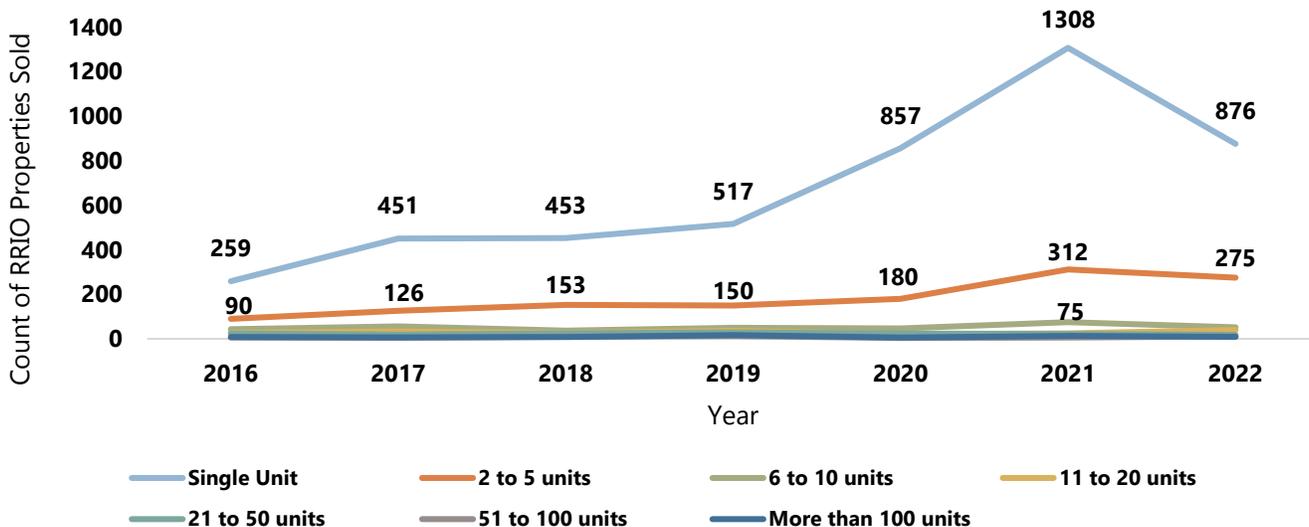
Source: Office of City Auditor analysis of King County sales records of RRIO properties.

This section focuses on economic factors related to rental property sales in Seattle. The next section discusses the experiences and challenges reported by some rental property owners in Seattle.

In late 2020 and early 2021, the convergence of rising home values, lower rents, and low mortgage rates provided an incentive for single and small multi-family property owners to sell.

In 2021, both median rents and home prices went up across the U.S. Simultaneously, typical home values increased by 18.9 percent according to Zillow, which is 7.9 percentage points higher than the rise in rents during the same time.[7] Between 2016 and 2021, Seattle mirrored the national trend with both rising rents and home prices. However, the rate of increase in home prices in Seattle outpaced that of rents (see Exhibit 8 below).

This data is consistent with Zillow's Home Value Index, which shows a significant increase in home values in the Seattle Metropolitan Area from $368,454 in January 2016 to $703,178 in December 2022 (see Appendix E).[8]

Exhibit 8: Trends in Percentage Change in Median Rent and Home Prices in the Seattle Metro Area (2015-2021)
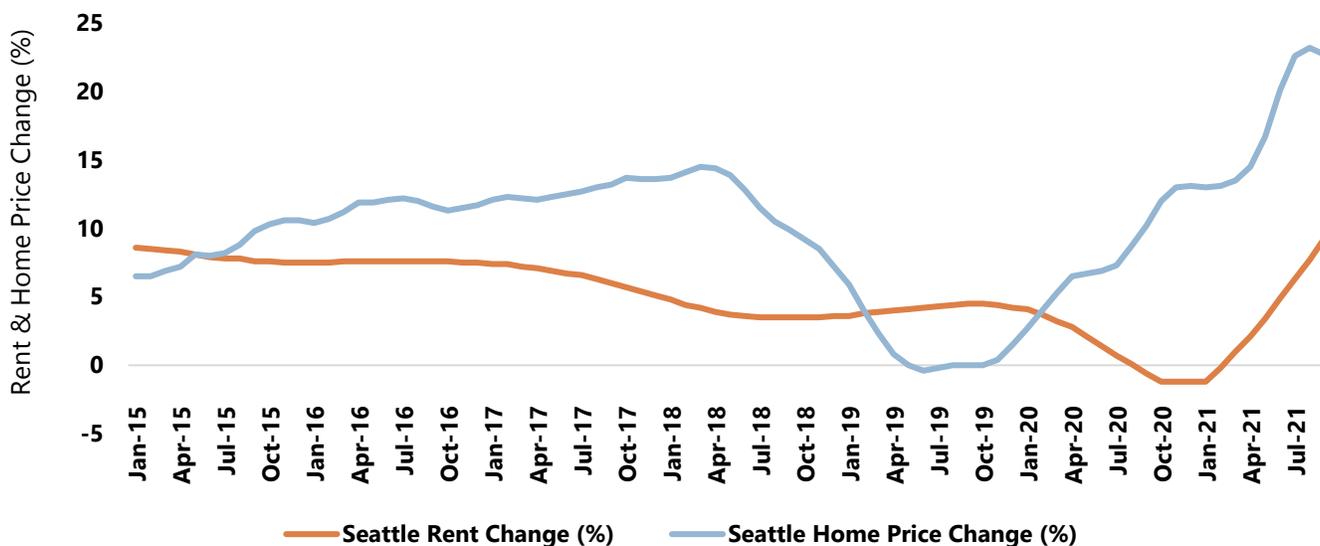
Source: Office of City Auditor analysis based on Zillow data provided by the Joint Center for Housing Studies, Harvard University in their America's Rental Housing 2022 Interactive Data & Resources.[9] Seattle Metropolitan Area consists of Seattle, Bellevue, and Tacoma.

The sales of rental properties registered with RRIO from 2016 to 2022 were correlated with mortgage rates. For example, as mortgage rates decreased

---

[7] Joint Center for Housing Studies of Harvard University. (2023). America's Rental Housing 2022. Retrieved from https://www.jchs.harvard.edu/rents-and-home-prices. page 2.

[8] Zillow. Home Value Index. Retrieved from https://www.zillow.com/home-values/16037/seattle-wa/

[9] Joint Center for Housing Studies of Harvard University. (2023). America's Rental Housing 2022. Retrieved from https://www.jchs.harvard.edu/rents-and-home-prices. Notes: Our report replicated the methods used by the America's Rental Housing 2022 report by the Joint Center for Housing Studies, using the dataset for Seattle generated by the Joint Center for Housing Studies of Harvard University.

between 2019 and 2021 more RRIO rental properties sold (see Exhibit 9 below). Conversely, as mortgage rates increased between April and October 2022, RRIO rental property sales declined.

Exhibit 9: Trends in Mortgage Rates and RRIO Rental Property Sales (2016-2022)
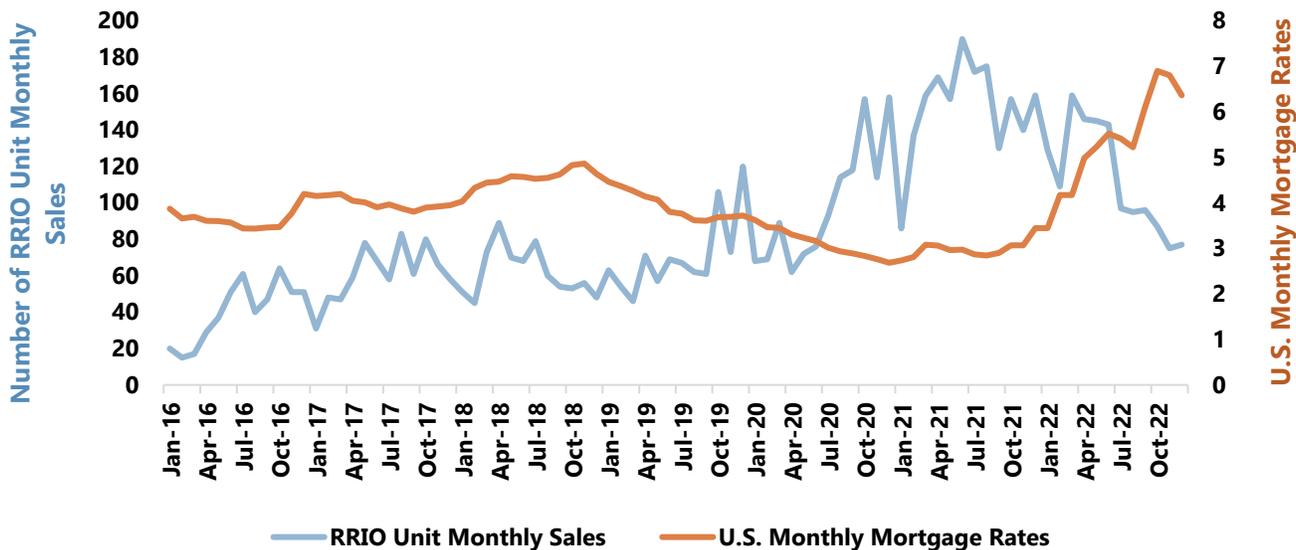
Source: Office of City Auditor analysis of Freddie Mac 30-year fixed-rate mortgage rates and King County sale records of RRIO properties.

Recent Research Concerning Rental Property Sales in Seattle and King County

A recently completed University of Washington study examined the percentage of "small" rental properties of one to four units sold within Seattle and the surrounding areas in King County before and after 2016-2017; this period was when the City of Seattle adopted several new tenant protections laws.[10] This study indicated that both the areas surrounding Seattle, which were not subject to the new tenant protection ordinances, and Seattle had comparable trends in the percentage of small rental properties sold before and after these laws were introduced in Seattle.

In the section titled "CHALLENGES FACED BY PROPERTY OWNERS AND WHY SOME OF THEM HAVE STOPPED RENTING PROPERTIES", page 23, we further discuss the experiences and challenges reported by some rental property owners in Seattle, including those related to the adoption of landlord-tenant regulations.

---

[10] Reosti, Anna, Chris Hess, Courtney Allen, and Kyle Crowder. 2023. "mom-and-pop" Landlords and Regulatory Backlash: A Seattle Case Study" SocArXiv. November 17. doi:10.31235/osf.io/x7pq8.

Examining RRIO Property Sales Through the City's Race and Social Equity Index

This section examines the sales of RRIO-registered properties based on the City of Seattle's Racial and Social Equity Index (RSE), which identifies geographic priorities for City programs, planning efforts, and investments. The RSE combines data on race, ethnicity, and related demographics with data on socioeconomic disadvantages and health disadvantages.[11]

Between 2016 and 2022, 6,859 known rental properties were sold across 175 Seattle Census tracts. Based on the RSE priorities for City programs, 17 percent of all properties sold were in the highest equity priority locations. Meanwhile, 20 percent were in the second-highest priority, 19 percent in middle priority, 21 percent in second-to-the-lowest priority, and 23 percent in the lowest priority location. Exhibit 10 below shows the breakdown of these properties by unit size.

Exhibit 10: Distribution of Properties Registered with RRIO Sold by RSE Priority and Property Size (2016-2022)

	Highest Equity Priority	Second Highest Equity Priority	Middle Equity Priority	Second Lowest Equity Priority	Lowest Equity Priority
Single unit	74%	68%	69%	66%	68%
2 to 5 units	13%	20%	15%	22%	22%
6 to 10 units	4%	4%	5%	7%	6%
11 to 20 units	3%	3%	4%	3%	2%
21 to 50 units	3%	2%	4%	2%	2%
51 to 100 units	1%	1%	1%	0%	0%
More than 100 units	2%	1%	2%	1%	0%
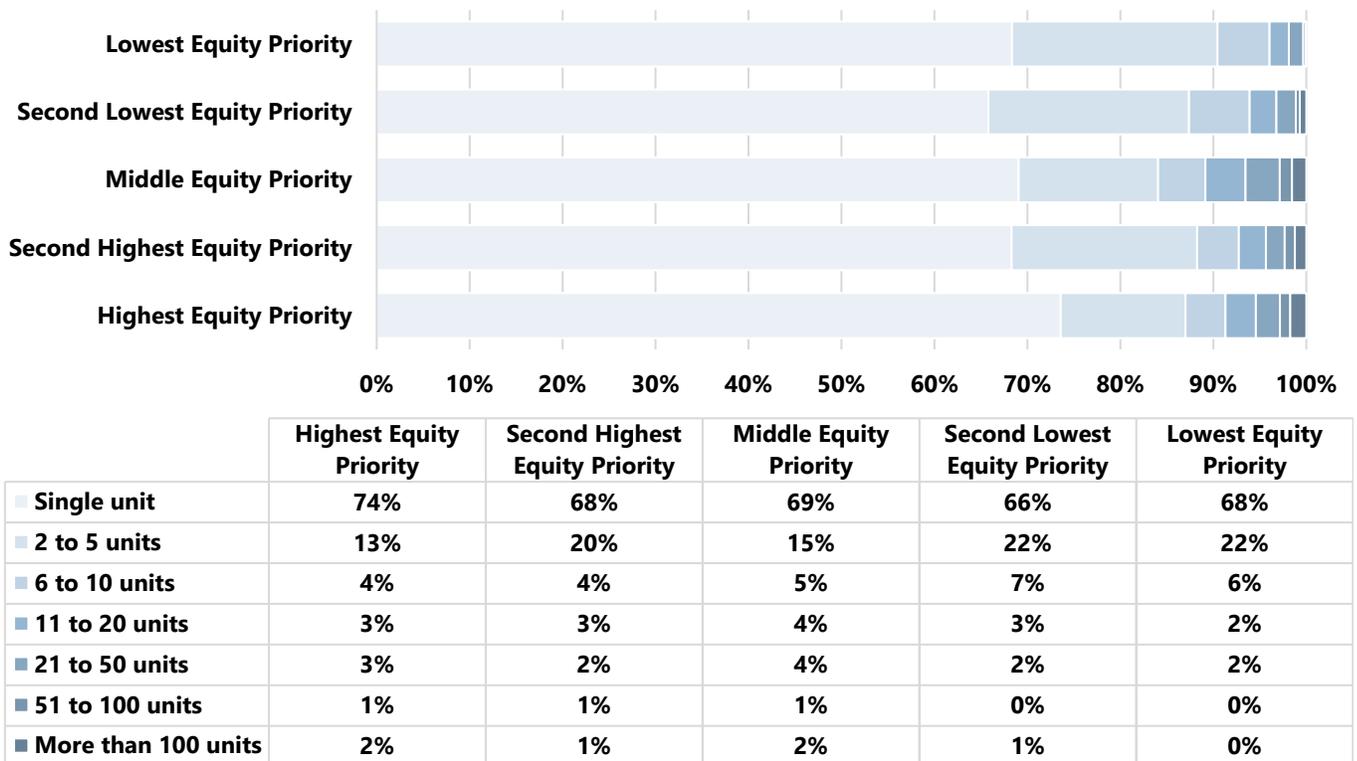
Source: Office of City Auditor analysis of King County sale records of RRIO properties and Racial Equity Index data.

---

[11] City of Seattle. Racial Social Equity Index User's Guide, p.1. Retrieved from
https://www.seattle.gov/Documents/Departments/OPCD/Demographics/RacialSocialEquityIndexUsersGuide2023.pdf

Increased Conversion of Rental Units to Owner Occupancy

Nationally, a surge in homeownership demand, coupled with the limited availability of homes for sale, has resulted in a significant increase in the conversion of existing single-family rentals into owner-occupied properties. According to data from the American Housing Survey, nationally 16 percent of single-family homes rented in 2017 nationwide, equivalent to two million units, became owner-occupied properties by 2019.[12]

For this report, we conducted an online survey to learn why property owners in the RRIO program with inactive properties or with sold rental properties stopped renting in Seattle between 2016 and 2022. This survey gathered 635 responses, for more details on the survey see Appendices F to H, and this report's next section on page 20.

261 of the survey respondents reported that they stopped renting at least one property in Seattle between 2012 and 2022. About 21 percent of these landlords that stopped renting (54 of 261) said they are now using the property as a primary residence for themselves or a relative (see Appendix H).

Our analysis of property sales from 2016 to 2022 indicated that 76 percent of all RRIO-registered properties sold were acquired by individuals rather than business entities (see Exhibit 11 below). Since about 69 percent of the properties sold were single-unit properties (see Increase in Sales of RRIO-Registered Properties above), this further increases the likelihood that these properties will be converted to owner occupancy.

Exhibit 11: Breakdown of RRIO-Registered Property Sales to Business and Non-Business Entities (2016-2022)

	Business Buyers	Individual Buyers	Total Sales
Business Sellers	47.6% (644/1353)	52.4% (709/1353)	100% (1353/1353)
Individual Sellers	17.9% (985/5506)	82.1% (4521/5506)	100% (5506/5506)
Total	**23.7% (1629/6859)**	**76.3% (5230/6859)**	**100% (6859/6859)**

Source: Office of City Auditor analysis of King County sale records of RRIO properties.

---

[12] Joint Center for Housing Studies of Harvard University. (2023). America's Rental Housing 2022, pg. 17. Retrieved from https://www.jchs.harvard.edu/rents-and-home-prices

There Were More Demolitions Issued for RRIO-Registered Single and Small Multi-Family Properties Than for Larger Properties

Between 2016 and 2022, 768 demolition permits were issued for RRIO-registered properties. These permits could have affected as many as 4,901 housing units within those properties. While most demolition permits were issued between 2016 and 2020, contributing to a reduction in RRIO-registered properties, the number of issued demolition permits declined in 2021 and 2022 (see Exhibit 12 below).

Breaking down the data by property size reveals another pattern: RRIO-registered single and small multi-family property owners have demolished or planned to demolish more properties than large property owners did (92 and eight percent respectively, see Exhibit 12 below).

Exhibit 12: Demolition Permits Issued for RRIO Properties by Property Size (2016-2022)
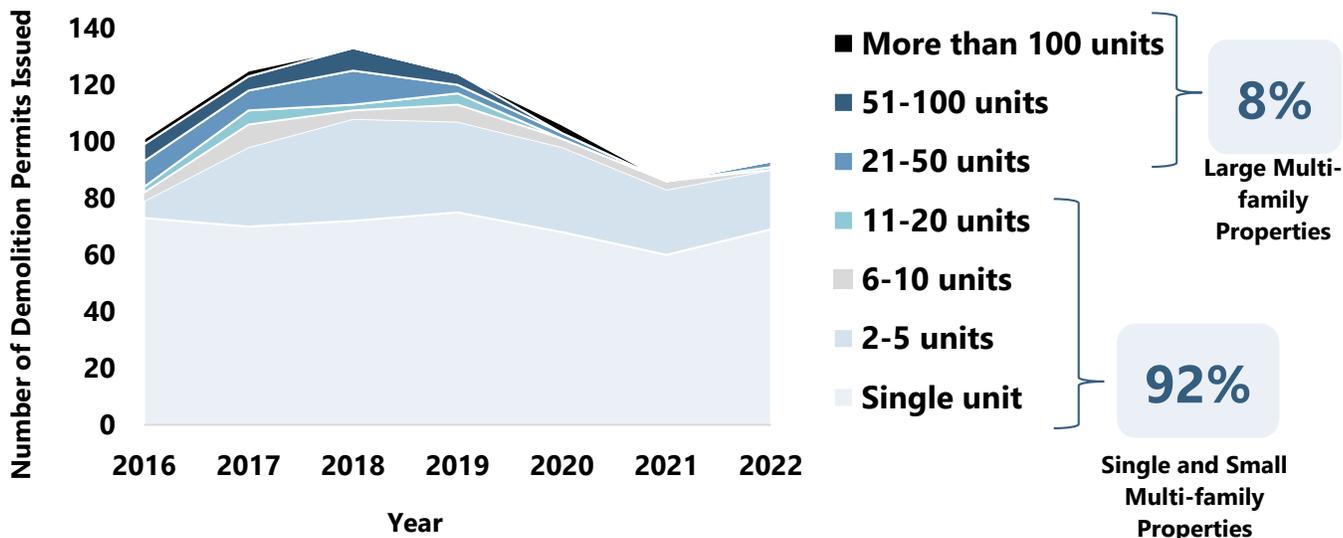
Source: Office of City Auditor analysis SDCI RRIO program and demolition data.

Some Short-Term Rentals are Subject to RRIO

A short-term rental (STR) is a type of lodging in which a home, or part of a home, is rented for fewer than 30 consecutive nights. Examples of short-term rentals are those rented through platforms such as Airbnb and VRBO. Under City of Seattle Ordinance 125490, adopted in 2019, anyone operating an STR must have a license issued by the Department of Finance and Administrative Services (FAS).[13] In most cases, STR operators can

---

[13] https://www.seattle.gov/business-regulations/short-term-rentals#strdefinition.

manage up to two rental units:[14] their primary residence and an additional secondary rental unit. This secondary rental unit—where the operator does not live —must also be registered with the RRIO program.[15]

The STR program started in 2019, and many of the new licenses issued during that year were for STRs operating before the Seattle Ordinance 125490 was adopted. Exhibit 13 below shows all active STR licenses as of May of 2023 initially issued between 2019 and 2022.

Excluding data from 2019, when the STR program started, there was a yearly increase in new STR licenses that also had RRIO registrations (dual registrations) from 2020 to 2022.

Exhibit 13: Active Short-Term Rental (STR) Licenses as of May of 2023 by the Year Initially Issued (2019-2022)
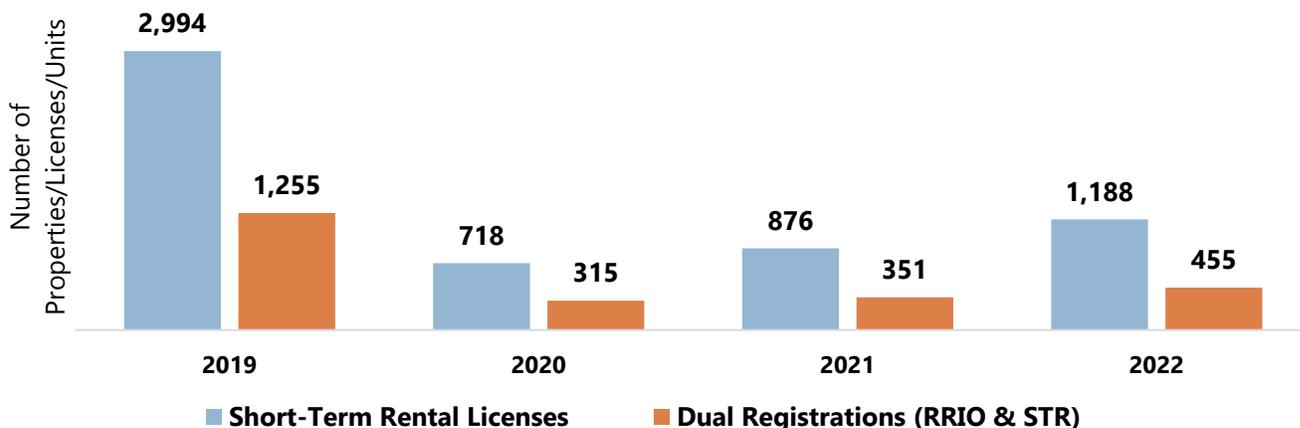
Source: Office of City Auditor analysis of SDCI RRIO and FAS Short-Term Rental program data.

Some Short-Term Rental Licenses May be Out of Compliance with RRIO Registration Requirements

The current STR IT system used by FAS for issuing and renewing STR licenses allows the issuance of STR licenses that do not comply with RRIO:

(1) When registering only one STR unit, the system defaults to counting it as a primary residence and does not check for a RRIO number. This gap could mislead non-primary residence, single-unit STR operators on their responsibilities, and make it harder for the City to enforce regulations.

---

[14] Short-term legacy unit operators may have more than two units. For more details, see Definitions above.
[15] https://www.seattle.gov/business-regulations/short-term-rentals#strdefinition.

(2) The STR license renewal process for properties registered with RRIO does not verify whether the RRIO registration is still valid. A cross-comparison of STR data with RRIO data, from May of 2023, indicates that while 90 percent of STRs have an active registration number, about 10 percent are potentially non-compliant due to either inactive or invalid RRIO status.

In the section titled "Short-Term Rental Licensing Processes Make It Difficult To Identify and Enforce The RRIO ," page 33, we further explore these challenges, including the current STR processes, data management, and reporting requirements for identifying and enforcing the RRIO Ordinance on STR properties designated as non-primary residences.

CHALLENGES FACED BY PROPERTY OWNERS AND WHY SOME OF THEM HAVE STOPPED RENTING PROPERTIES

Section Summary

This section summarizes reasons property owners, who had properties registered with SDCI's RRIO program, said they stopped renting their properties in Seattle. To address the challenges reported by property owners, we recommend that SDCI collaborate with other City departments to offer rental property owners comprehensive, current, and easily accessible information and resources for staying compliant with Seattle's rental regulations and fair housing laws.

Rental Regulations and Fair Housing Laws in the City of Seattle

Since 2013, the City of Seattle has adopted rental regulations and fair-housing laws to: [16]

- Ensure that housing is safe and meets minimum standards
- Protect tenants from discrimination and ensure reasonable accommodations in accessing and maintaining housing
- Provide eviction protections
- Provide protections related to fees and housing cost increases
- Enact temporary measures in response to the COVID-19 pandemic

The adoption of these regulations and laws have changed the environment in which Seattle's tenants and landlords operate.

Different City departments are charged with the enforcement and support of rental and fair housing legislation. SDCI responds to complaints about maintenance problems and enforces Seattle's landlord-tenant laws. The Seattle Office for Civil Rights enforces City and federal protections for fair housing and reasonable accommodations. The Office of Housing funds and administer programs related to construction and keeping affordable housing.[17]

---

[16] Rental Registration Ordinance, RRIO, Tenant relocation Assistance Ordinance (TRAO), Housing & Building Maintenance - SDCI | seattle.gov, Fair Housing | SOCR - CivilRights | seattle.gov
[17] Renting in Seattle, SDCI website.

Survey Conducted of RRIO Property Owners with Inactive Registrations or Sold Properties

In consultation with SDCI, the Seattle Office of Immigrant and Refugee Affairs, Seattle Grassroots Landlords, and the Rental Housing Association of Washington (RHAWA), we conducted an online survey to understand why property owners with inactive registrations or recently sold properties stopped renting in Seattle. To increase the potential response rate, we distributed this survey to all 13,091 email contacts in SDCI's IT system associated with the RRIO registrations in those two groups. See Appendix F for the survey methods and Appendix H for the full summary results of the survey.

The survey was translated into Amharic, Chinese, Spanish, and Vietnamese and garnered 635 responses (see Appendix G for survey questions in five languages). The survey asked for race and ethnicity, 22 percent of surveyed respondents preferred not to disclose their race or ethnicity, 20 percent of all respondents identified as Black, Indigenous, People of Color (BIPOC),[18] 17 percent did not self-identify with any of the options provided in the survey (Other), and 41 percent self-identified as white (see Appendix H for survey responses).[19]

Among respondents who reported on the number of rental units they managed, 70 percent (380 out of 542) managed between one and five units (see Exhibit 14 below).

Exhibit 14: Units Owned or Managed by Survey Respondents

1 unit	2-5 units	6-10 units	11-20 units	21-50 units	51-100 units	More than 100 units
35%	35%	8%	5%	5%	3%	10%
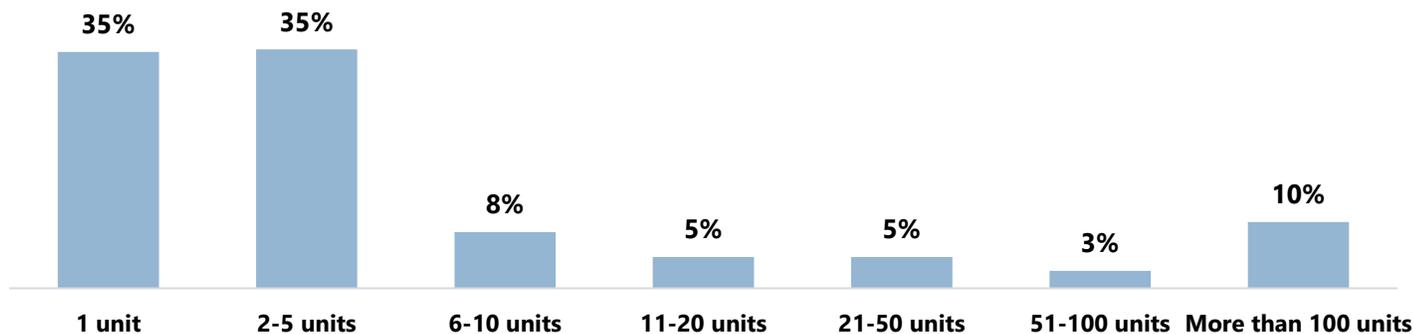
Source: 2023 Office of City Auditor Seattle Property Owner Experience Survey.

---

[18] Black, Indigenous, People of Color (BIPOC) for this survey included: Black / African American, Native American / Alaska Native, Native Hawaiian / Pacific Islander, Asian/ Asian American, Multiracial, Hispanic/ Latino / Latina/ Latinx, and Multiracial.
[19] See Question 12 in Appendix F for more details.

Forty-one percent (261 out of 635) of surveyed respondents reported having taken at least one property off the rental market between 2016 and 2023. Of those respondents, 67 percent (175 out of 261) cited the complexity of Seattle's rental regulations and 42 percent (110 out of 261) cited inadequate support and resources from the City as reasons for taking a property out of the Seattle rental market (see Exhibit 15 below). This aligns with the University of Washington's Seattle Rental Housing Study survey conducted in 2017, in which about 40 percent of property owners reported they had sold or were considering selling their rental properties due to City regulations.

Exhibit 15: Reasons Cited by Property Owners for Ending Rental Activities

Reason	Percentage
It was difficult to comply with the City of Seattle's rental rules and regulations.	67%
Inadequate support/resources for landlords from the City of Seattle.	42%
I had tenants who caused problems.	24%
It made financial sense.	22%
I had personal reasons.	13%
The COVID-19 pandemic made it difficult to rent.	9%
It was hard to manage and maintain.	8%
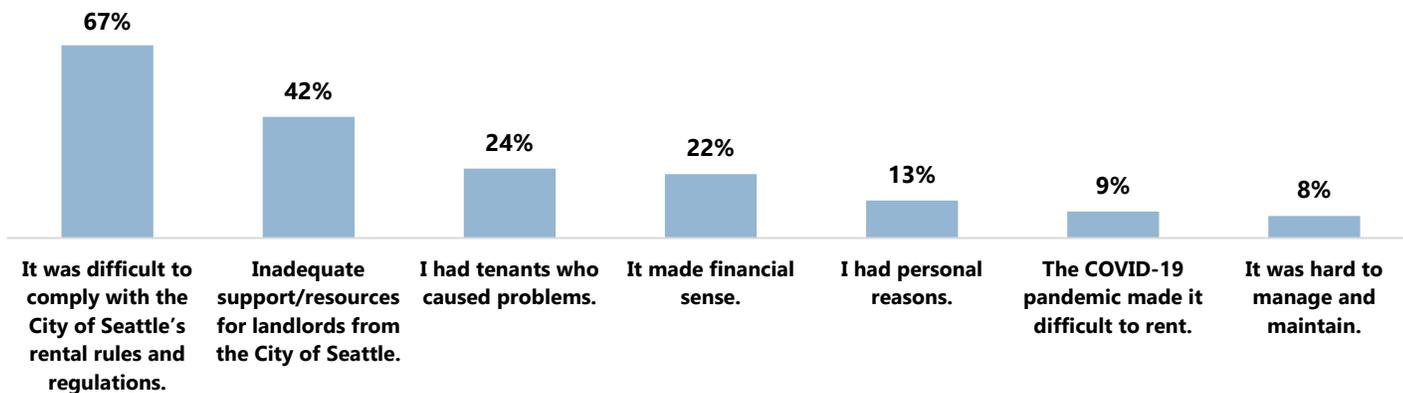
Source: 2023 Office of City Auditor Seattle Property Owner Experience Survey.

Exhibit 16 below shows what property owners who stopped renting out their properties reported they did instead. Of these 261 owners who reported that they stopped renting in Seattle, 41 percent (108 respondents) said they invested in another rental property outside of Seattle.

Exhibit 16: Reported Alternative Investments and Actions After Stopping Rentals

Action	Percentage
Purchased another rental property outside Seattle	41%
Invested in stocks or bonds	20%
Saved the proceeds for a retirement or savings account	16%
Prefer not to say	15%
Purchased a new home or vacation place	7%
Invested in commercial real estate	6%
Purchased another rental property in Seattle	1%
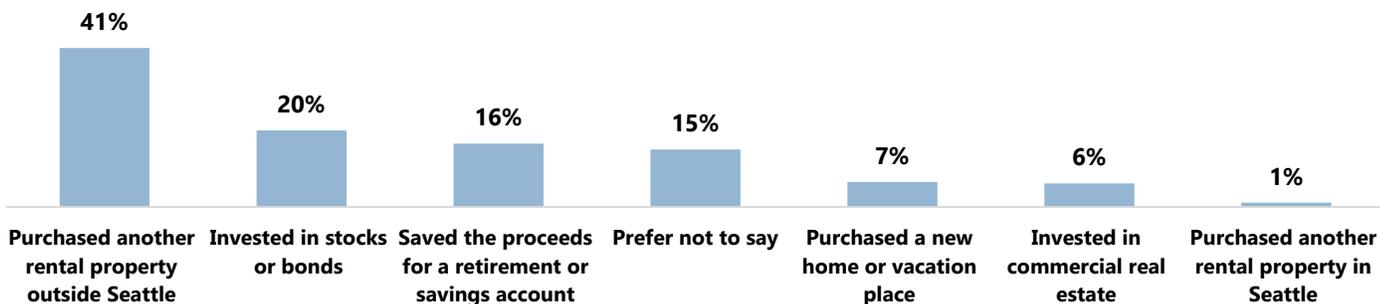
Source: 2023 Office of City Auditor Seattle Property Owner Experience Survey.

Exhibit 17 below shows that 74 percent of the respondents (471 out of 635) reported that Seattle's rental regulations were hard to implement or to follow, while 10 percent indicated that they faced no challenges in following Seattle's rental rules.

Exhibit 17: Reported Challenges Faced in Complying with Seattle's Rental Rules
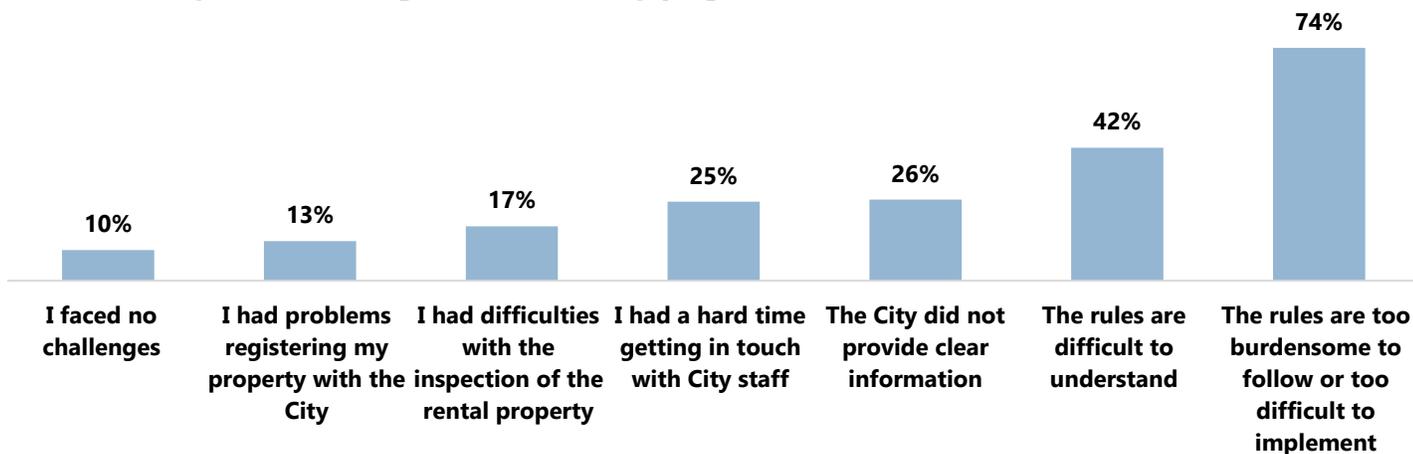
Source: 2023 Office of City Auditor Seattle Property Owner Experience Survey.

The City of Seattle does not provide legal advice to landlords but provides information and some resources on rental regulations and fair housing laws in the City of Seattle as well as tips and best practices. SDCI responds to complaints about maintenance problems in rental housing, enforces Seattle's landlord-tenant laws, assists renters and landlords, administers the RRIO, hosts the Renting in Seattle help line, maintains and distributes a Renter's Handbook, and maintains a website called Renting in Seattle.[20]

According to the property owners that we interviewed from Seattle Grassroots Landlords and the Rental Housing Association of Washington (RHAWA), property owners experience challenges getting legal resources for dealing with rental issues amid high demand. Twenty-three percent of survey respondents said they used an attorney (see Exhibit 18 below).

RHAWA, viewed by some small property owners as a valuable support system, at the time of this audit had removed some of their resources for property owners, such as renting forms, but continued to provide advice to their members.

---

[20] Website Renting in Seattle, Seattle Department of Construction and Inspections.

Exhibit 18: Reported Actions Survey Respondents Took to Follow Seattle's Renting Rules
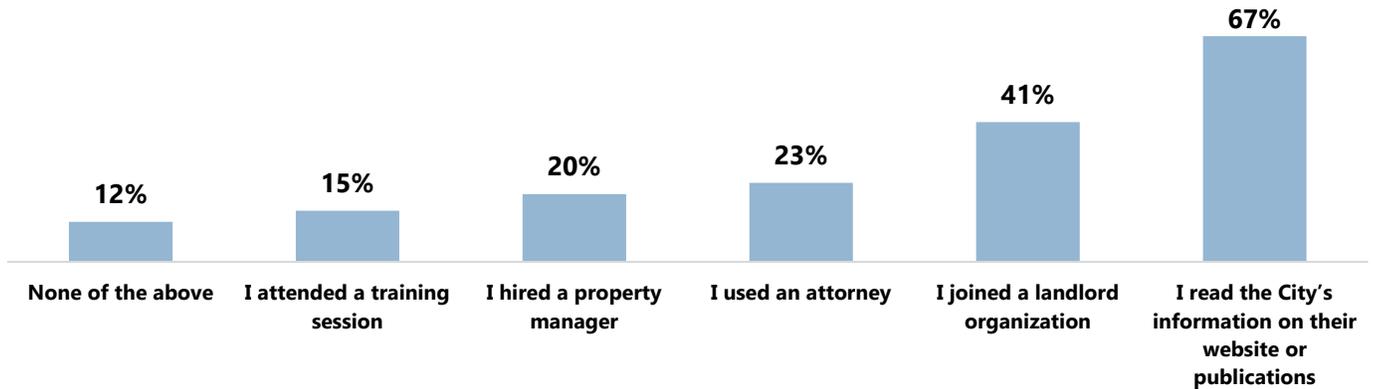
Source: 2023 Office of City Auditor Seattle Property Owner Experience Survey.

Rise in Landlord-Tenant Complaints Filed with SDCI and Its Varied Impact on Small Versus Large Property Owners

From 2016 to 2022, SDCI received 16,654 housing and landlord-tenant complaints.

Exhibit 19 below provides an annual breakdown from 2016 to 2022, showing an increasing trend in both housing and landlord-tenant complaints. Most landlord-tenant complaints revolve around issues like improper eviction notices and financial disputes, including deposit overcharges and excessive rent hikes. Housing complaints are usually about neglected repairs and unsafe living conditions, like leaks, mold, sewage backup, and electrical issues.

Exhibit 19: Yearly Trends of RRIO-Registered Property Complaints by Category (2016-2022)
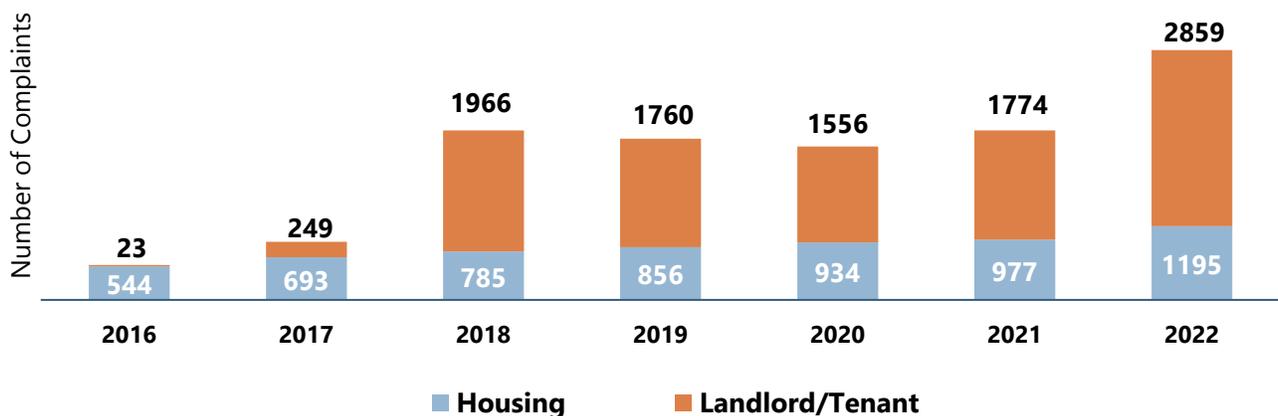
Source: Office of City Auditor analysis of SDCI tenant complaints data.

Single-family and small multi-family rental properties were subject to more tenant-landlord and housing complaints filed with SDCI compared to large multi-family properties (see Exhibits 20 and 21 below).

Exhibit 20: Table of Count of RRIO-Registered Properties with Complaints Filed with SDCI, by Property Type and Complaint Category (2016-2022)

Property Type	Housing Complaints	Landlord/Tenant Complaints
Single unit	2,625	4,609
2-5 units	600	1,049
6-10 units	307	478
11-20 units	342	420
21-50 units	490	582
51-100 units	255	338
More than 100 units	248	318
TOTAL	**4,867**	**7,794**

Source: Office of City Auditor Analysis of SDCI tenant complaints data.

Exhibit 21: RRIO-Registered Properties with Complaints Filed with SDCI, by Property Type and Complaint Category (2016-2022)
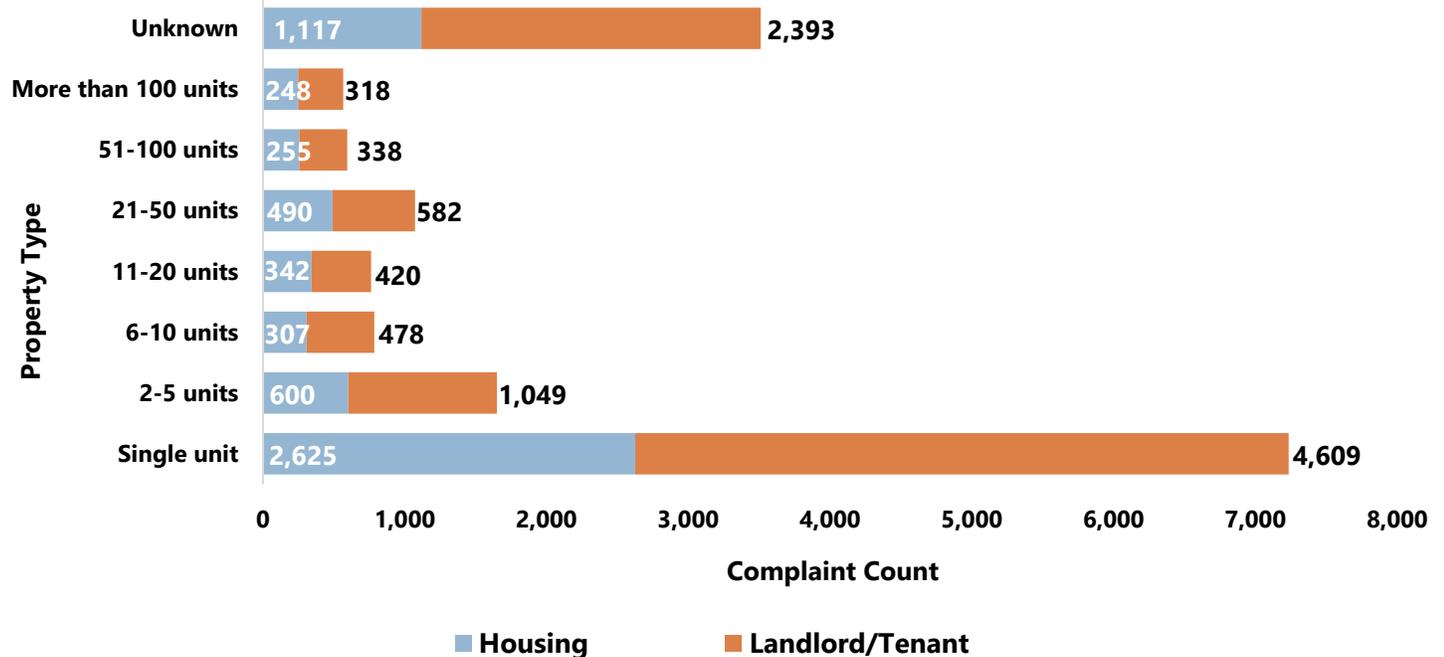
Source: Office of City Auditor analysis of SDCI tenant complaints data.

Rental Property Owners Reported that They Find Some Rental Regulations and Fair Housing Laws More Difficult than Others

Earlier in our report, we discussed that 74 percent of the survey respondents (471 out of 635) believed that Seattle's rental regulations were hard to implement or to follow (see Exhibit 15). When asked to rank up to three of the most difficult rental regulations and fair housing laws to understand or follow, 64 percent of respondents (406 out of 635) expressed that the first-in-time law was in the top three (see Exhibit 22 below).

In 2017, the Seattle City Council amended the Open Housing Ordinance to introduce first-in-time provisions. [21] These provisions require landlords to provide notice of screening criteria, assess applicants in chronological order, and offer tenancy to the first qualified applicant.

Exhibit 22: Ranking Top Three Rental Regulations and Fair Housing Laws Survey Respondents Found Most Difficult to Understand or Follow

Regulation or Law	Survey Responses (Percentage)
Requirement to accept the first qualified applicant	**64%**
"Just Cause" limits on reasons to evict a tenant	**47%**
Rent increase notice requirements	**45%**
Eviction and other moratoria during the COVID-19 civil emergency	40%
Limits on fees and non-rent charges	28%
Rental registration and inspections	25%
Roommate law limits on denying roommates added to a current tenancy	23%
School year or winter eviction limits	19%
Rental housing maintenance standards	8%

Source: 2023 Office of City Auditor Seattle Property Owner Experience Survey.

More First-In-Time Complaints Filed Against Small Properties

As of October 25, 2023, the Seattle Office for Civil Rights (SOCR) investigated 39 violations of the first-in-time law. SOCR found that landlords with fewer rental units who were not experienced with the first-in-time law were more likely to have difficulties following the first-in-time provisions. According to SOCR, small landlords are more likely to view a rental as a single business transaction rather than a rental property business. They do not keep property management services that can help with screening and leasing units. SOCR finds that property management

---

[21] Tenant Screening Rules (First-in-Time) - CivilRights | seattle.gov

companies are more likely to seek continued education on housing laws. Sometimes, small landlords facing first-in-time complaints mentioned to SOCR they cannot afford to hire a property manager or a lawyer to better understand the City's rental and fair housing laws (for more information see Appendix C).[22]

Emerging Research on the Effect of Tenant Protection Regulations on the Small-Scale Rental Sector

As discussed earlier in this report, a case study conducted in Seattle by the University of Washington in collaboration with the American Bar Foundation and Kennesaw State University examined the changes in the percentage of "small" rental properties, with one to four units, sold within Seattle and the surrounding areas in King County.[23] This study compared the trends before and after the implementation of tenant protection laws in 2016 and 2017. Preliminary data from the study suggests that both the areas surrounding Seattle, which were not subject to the new tenant protection ordinances, and Seattle experienced similar trends in the percentage of "small" rental properties sold before and after the introduction of these ordinances.

The same report stated that other studies on the adoption of rental housing laws suggested that landlords' reactions to tenant protections were not consistent or predictable. Instead, they were influenced by "broader" factors within the market and policy environment.

Inadequate City Resources

Sixty-seven percent of our survey respondents reported mainly relying on the City's online information to stay informed of landlord-tenant regulations (see Exhibit 18 above). However, some property owners raised concerns about the City's existing resources and training programs offered by SDCI to help rental property owners and managers understand how to follow RRIO and other landlord-tenant regulations—26 percent of the survey respondents expressed having challenges because the City did not provide clear information (see Appendix H, Question 8).

Before the COVID-19 pandemic in 2020, SDCI regularly offered training for rental property owners and managers, but these sessions were put on hold

---

[22] See Exhibit 18 above, 20 percent of respondents said they used a property manager as an action to follow Seattle's renting rules.
[23] Reosti, Anna, Chris Hess, Courtney Allen, and Kyle Crowder. 2023. "mom-and-pop" Landlords and Regulatory Backlash: A Seattle Case Study" SocArXiv. November 17. doi:10.31235/osf.io/x7pq8.

in 2020. Per SDCI, there are plans to resume the training sessions to meet the needs of rental property owners.

According to SDCI, online RRIO tools, such as multilingual videos and infographics, are updated as needed to accommodate changes such as fee alterations and COVID-19 concerns. SDCI said routine, automated communications about registration renewals are sent to rental property owners and managers every two years at 90, 60, and 30 days before expiration. While the frequency of these communications is intended to be adequate, the notices go to the last-known contacts for a rental property. SDCI has considered annual automated reminder notices to help it update contact information, but that would require the use of limited City information technology (IT) resources.

SDCI also said it maintains a "landlord update" listserv for about 19,000 rental property owners as a supplementary form of communication to keep property owners informed about RRIO and other relevant information.

For more help in following RRIO and other landlord-tenant regulations, rental property owners and managers are directed to the Renting in Seattle helpline and website. In our review of both the RRIO website and the Renting in Seattle website—a resource hub for both property owners and tenants—we found that they serve as valuable resources for rental property owners in Seattle, offering helpful information about SDCI's RRIO program and other landlord-tenant programs and services.

The Renting in Seattle website provides easily understandable information on various topics related to renting properties, such as having a unit for rent, finding tenants, managing rental relationships, and moving tenants out. While some subtopics on the website include links to specific municipal and state codes, others do not.

The website offers two options for addressing landlord questions: SDCI's "helpline" or contacting the Seattle Office for Civil Rights (SOCR). However, choosing the helpline may result in delayed responses, especially when the same helpline supports the new Economic Displacement Relocation Assistance program and other related programs. In such cases, the helpline team, known as the SDCI's Property Owner and Tenant Assistance (POTA) team, focuses on emergency situations over non-urgent inquiries. General inquiries from RRIO property owners seeking guidance are classified as non-urgent and could lead to waiting times of several weeks. This topic will be discussed later in this report's section titled "Strengthening RRIO's Enforcement, Processes, Data Management, and Financial ."

Recommendation 2

The Department of Construction and Inspections (SDCI) should coordinate with other City departments such as the Seattle Office for Civil Rights (SOCR) to provide more and better targeted information and resources to rental property owners. These resources should include comprehensive information on landlord-tenant regulations and programs and offer updated and accessible guidance on how to remain in compliance with the City's landlord-tenant regulations, beyond what is covered by SDCI's Rental Registration and Inspections Ordinance (RRIO) and Renting in Seattle outreach programs. This could involve:

- Improving current materials by including an easy-to-understand guide summarizing landlord-tenant regulations and programs.
- Providing a regularly updated list of City of Seattle legislation affecting property owners, complete with direct links to the specific municipal codes for easy reference.
- Developing a checklist of rental property owner (landlord) compliance requirements and a rental property owner (landlord) FAQ section that answers common questions about Seattle's rental regulations.
- Resuming and offering more training and workshops to help property owners understand how to meet City of Seattle rental regulations.

SHORT-TERM RENTAL LICENSING PROCESSES MAKE IT DIFFICULT TO IDENTIFY AND ENFORCE THE RRIO ORDINANCE

Section Summary

This section explores the intersection between Seattle's short-term rental (STR) and RRIO programs. We found that about 10 percent of STRs are operating without the required active RRIO registrations. We also note issues with how SDCI and the Department of Finance and Administrative Services (FAS) store and share STR and RRIO data. We recommend strengthening the internal controls within the STR program at FAS and enhancing data-sharing between FAS and SDCI to improve compliance with Seattle's STR and RRIO regulations.

Shortfalls in STR Compliance with RRIO Registration Requirements

The RRIO program, overseen by SDCI, intersects with STR regulations. Ordinance 124011 states that all STRs not used as primary residences must register with RRIO.[24] However, the current STR processes, data management, and reporting requirements make it difficult to identify and enforce the RRIO Ordinance on such properties.

As of May 4, 2023, Seattle had 3,341 active STR licenses; there were 1,487 STR licenses with a RRIO record on file. Ninety percent (1,344 out of 1,487) were actively registered with RRIO, nine percent were inactive, and about one percent had a registration status of pending activation or registration with RRIO.[25]

Both STR and RRIO programs are managed by different City departments, FAS and SDCI, and were created under separate City ordinances. They use the same IT system, Accela, but their respective modules were designed by different vendors and function independently.

The Accela interfaces for STR and RRIO programs interact with each other only when a new STR license is issued. FAS can access RRIO registration status data, but SDCI cannot access STR licensing data, limiting SDCI's ability to verify STR compliance with RRIO regulations.

---

[24] City of Seattle. Ordinance 124011, Seattle Municipal Code §22.214.040, pp 3-4.
[25] RRIO Status: This indicates the status of a rental unit's RRIO registration. The status can either be "Active" or "Inactive." An "Inactive" registration may be (1) expired, (2) withdrawn, or (3) invalid.

STR's Accela module asks new STR license applicants if the property is their primary residence. If it is, and the applicant does not have another active STR license, no RRIO number is required. If the property is not a primary residence, or the owner already has another STR license, an active RRIO number is needed. However, there are no built-in processes within the STR module when issuing a license renewal to ensure those RRIO registrations maintain an active RRIO status.

Another issue with STR's Accela module is that it lets new license applicants provide a RRIO registration number that does not match the address of the STR license being requested. This could result in some STR license operators abusing this loophole. Our review identified multiple instances of this discrepancy.

Recommendation 3

The Department of Finance and Administrative Services should establish internal controls within their processes and information technology system (Accela), in consultation with the Seattle Department of Construction and Inspections (SDCI), to enhance Short-Term rental (STR) compliance with Rental Registration and Inspections Ordinance (RRIO) registration requirements during both new license issuance and renewal stages. These internal controls could include cross-referencing RRIO-registered addresses, verifying active RRIO status, and flagging and notifying the RRIO program and the STR licensee when a RRIO status becomes inactive.

Recommendation 4

The Department of Finance and Administrative Services and the Department of Construction and Inspections (SDCI) should use their shared information technology system (Accela) to enhance Rental Registration and Inspections Ordinance (RRIO) compliance monitoring and enforcement by providing each department access to relevant RRIO and Short-Term Rental (STR) data. This access could include key information such as STR licensee addresses, RRIO statuses, RRIO record IDs, and expiration dates.

STRENGTHENING RRIO'S ENFORCEMENT, PROCESSES, DATA MANAGEMENT, AND FINANCIAL SUSTAINABILITY

Section Summary

This section focuses on RRIO's policies and processes for registration, renewal, and end of registration. Current policies and processes lack clear guidelines and liabilities for the parties involved in a rental registration, such as property owners and managers. This limits SDCI's ability to enforce the program, keep an updated database to support decision-making, use the City's Racial Equity Toolkit (RET) processes for data collection, and develop appropriate fees and adequate revenues. We provide recommendations to clarify property owners and their designees' roles in RRIO's processes, enhance SDCI's communication with property owners, enhance RRIO's data analysis and IT system capacity to improve data quality to support program management, and to regularly update RRIO's City Race and Social Justice Initiative (RSJI) roadmap.

Challenges in Enforcement Related to RRIO Registration, Renewal, and End-of-Registration Processes and Communications

SDCI's RRIO program staff face challenges when rental registrations expire and the contact information on file for the property is outdated or insufficient for enforcement purposes (see Exhibit 23 below). Key issues include:

(1) **Inactive Registrations (lapsed):** Some properties owners let their registration lapse without telling RRIO. This leaves SDCI with insufficient information to determine the compliance status of these inactive registrations unless they investigate.

(2) **Multiple Registrants:** RRIO's IT system, Accela, and RRIO processes allow multiple parties, like property owners or managers, to register or renew a property. Also, users can delete their contact information, which can result in incomplete records. When there is a change in property ownership, management, or the designated contact person, RRIO staff often encounter difficulties in establishing contact due to these information gaps.

(3) **Limited Staff:** Limited staffing within SDCI for RRIO contributes to a backlog of lapsed registrations needing enforcement review.

(4) **Misalignment of Property Owners' Obligations**: Seattle Municipal Code 22.214.040 F mandates new owners of properties registered with

RRIO to update SDCI within 60 days after the property sale closes. However, this update rarely occurs. SDCI instead communicates with the selling property owners, who are no longer responsible for the property.

(5) **IT system limitations:** The current RRIO IT system, Accela, which manages online registrations and other program tasks, does not let property owners withdraw a property from RRIO by using SDCI's website, complicating the process for both owners and SDCI staff. Only SDCI staff can withdraw a RRIO property by changing its status to "inactive - withdrawn" when it is no longer a rental property, and this usually happens after direct communication from the original property owner or through property sales research conducted by SDCI.

Adding to these challenges, about 25 percent of RRIO property owners continue to submit paper applications. This creates extra administrative work as these forms must be manually entered by SDCI staff into Accela.

Exhibit 23: Inactive Registrations Categorized by Whether SDCI Knows or Does Not Know if RRIO Is Still Applicable

Note: Inactive registrations refer to those that have not been renewed. Without further investigation, SDCI lacks enough information to determine the compliance status of these inactive registrations.

Sold / Short Term Rental	Owner Occupied / Demolished / Vacant/Other	**SDCI does NOT know** if these properties are still subject to RRIO. Further enforcement review is needed. • SDCI **is not notified** by the rental property owner or manager of the change. • SDCI relies on existing contact information for enforcement.
	Registration Incomplete / Registration Withdrawn	**SDCI knows** these properties are no longer subject to RRIO: • **RRIO Registration Incomplete:** Initiated by applicant, closed by SDCI due to incomplete registration • **RRIO Registration Withdrawn:** Initiated by applicant, closed by SDCI personnel due to the property no longer being a rental.

Source: Office of City Auditor analysis, 2023.

RRIO IT System Challenges in Data Gathering and Management Hinder RRIO Enforcement Efforts

The RRIO IT system was implemented in 2014 and has design issues that make gathering and updating RRIO contact information challenging. This affects SDCI's ability to manage and enforce the program effectively. Our analysis, along with feedback from both SDCI and rental property owners, highlighted these key issues with the RRIO IT system:

(1) **Duplicate Registrations:** The RRIO IT system doesn't flag multiple registrations for the same property. It lets users open a new registration for the same property without first closing or linking to existing ones, leading to unnecessary duplicates.

(2) **Multiple Contact Entries:** The RRIO IT system's layout requires the user to enter contact details multiple times, even when there is the same contact across multiple categories. Users can also list various emails for different properties, introducing many opportunities for entry errors.

(3) **Incomplete Contact Information:** The RRIO IT System allows the completion of registrations and fee collection without requiring contact information. This lack of complete and correct contact details makes it difficult to enforce compliance. Our examination of the RRIO 2016-2022 data revealed gaps in contact information among the 45,903 unique RRIO registrations. Specifically, 34 percent (or 15,431 records) lacked both first and last names, 21 percent (or 9,621 records) did not provide an email address, and 17 records had no address details.

(4) **Web Interface Difficult to Navigate:** Per SDCI, users often struggle to locate their RRIO records when they input addresses on the website. Adding a unit number to the search field yields no results, adding confusion. Some users create a new registration for the same property and let the past registration lapse. This is one cause for duplicate registrations for the same property.

SDCI is aware of these problems and has started efforts to improve their RRIO IT system. However, they have yet to advance due to limited developer resources and competing IT priorities within SDCI's other programs, such as permitting.

Accumulated Inactive RRIO Registrations Outpace Current Enforcement Processes

The large number of inactive RRIO registrations outpace the enforcement processes in place. SDCI typically sends physical mail and email to the current contacts for key actions such as registration renewal and inspection. When there is no response from the customer, SDCI's labor-intensive process of verifying compliance is conducted one RRIO record at a time, requiring research into current ownership and the property's likely rental status. Given the volume of overdue RRIO registrations in queue for review—9,216 renewals overdue as of February 14, 2023—this approach contributes to the enforcement backlog.

However, SDCI could improve their enforcement efforts by enhancing their data analytic capabilities and transitioning from individual investigations to mass data analysis by using existing data sources, such as:

- King County Assessor's real estate sale data could identify which inactive RRIO registrations involve sold properties. This would lighten the workload for SDCI staff responsible for conducting reviews of overdue RRIO registrations.
- Short Term Rental (STR) licensing information could help identify STRs potentially out of compliance with RRIO.
- City departments such as Seattle City Light and Seattle Public Utilities have data that could show if a property is owner-occupied. Coordination and data sharing between those departments and SDCI could let RRIO staff verify if inactive RRIO registrations are potentially tenant occupied.
- SDCI's housing and landlord-tenant complaints data could help to keep better records of rental properties that may be subject to RRIO enforcement. RRIO's staff is notified when there is a complaint for a rental property without an active RRIO registration.

SDCI's Helpline Issues Deter SDCI's Communications and Relationships with RRIO-Registered Property Owners

The most common way for RRIO staff to learn about rental properties not yet registered with RRIO is via SDCI's helpline for tenant complaints. If SDCI receives a complaint from a tenant about a property and discovers it's not registered, an SDCI inspector will report it to the RRIO administrative team for further enforcement steps.

The COVID-19 pandemic disrupted SDCI's services, specifically those provided by its administrative team responsible for scheduling rental

property inspections and processing RRIO registrations and renewals. The RRIO team was disconnected from SDCI's helpline by the Seattle Information Technology Department (ITD) around April, 2020. This created a bottleneck for those services as calls for scheduling RRIO inspections were rerouted to voicemail. Even after RRIO inspections resumed in August 2021, the administrative team's connection to SDCI's helpline remained severed, creating ongoing delays and communication issues. ITD resolved the connection issues in September 2023.

Our survey and interviews revealed that rental property owners have multiple grievances with SDCI's rental program's customer service. In addition to delays caused during the period of the severed RRIO call line mentioned above, other landlords' and tenants' calls handled by SDCI's Property Owner and Tenant Assistance (POTA) team experienced delayed responses in most instances. SDCI stated this situation was due to an increase of rental programs' customer calls when the COVID eviction moratoria lifted, new tenant protections went into effect, and the new Economic Displacement Relocation Assistance program was included in the rental programs SDCI's helpline serves. Given this increase in call volumes and that the POTA team must prioritize emergencies over non-urgent inquiries, general inquiries from RRIO property owners seeking guidance were classified as non-urgent and faced waiting times that went on for many weeks.

Despite these setbacks, SDCI remains committed to improving the RRIO and POTA programs and the related IT system. In August 2023, SDCI submitted a plan to the Seattle City Council outlining ways to address some of the ongoing challenges in the RRIO and POTA programs. Informed by input from a small landlord advisory group, the plan includes establishing quarterly meetings between SDCI and property owners, evaluating the impacts of recent rental housing regulations, and creating a dedicated staff resource for small property owners.

The RRIO-Race and Social Justice Initiative (RSJI) Roadmap Has Not Been Updated

In 2013 as part of the City's Race and Social Justice Initiative (RSJI), SDCI developed a roadmap based on the Seattle Office for Civil Rights Racial Equity Toolkit (RET), for the newly created RRIO program. SDCI's last update of the RRIO-RSJI roadmap was in 2015. Using the RET regularly can help the RRIO program identify disparities by gathering and analyzing the program's data.

The 2015 version of RRIO-RSJI roadmap focused on two program goals:

1. Educating property owners, inspectors, and renters about RRIO standards and promoting proper maintenance of rental housing
2. Ensuring consistent minimum standards for rental properties are met through periodic rental inspections

During the implementation of and adjustments to the 2013 RRIO-RSJI roadmap, stakeholders actively participated in outreach sessions initiated by SDCI. Also, SDCI received support from the Seattle Department of Neighborhoods' Community Liaisons program, which assisted with outreach efforts and provided program materials for tenants, landlords, and inspectors.

Under the RRIO-RSJI roadmap, SDCI reports that RRIO inspectors regularly undergo training that includes a cultural competency/RSJI component. Also, inspectors try to conduct tenant surveys to identify any issues related to tenants' experiences with the RRIO inspections. However, SDCI reports a low response rate for these surveys.

The RRIO-RSJI roadmap was last updated by SDCI in 2015 and continues to guide its RSJI efforts. However, SDCI has not updated it since then. The RET provides a structured process and a set of questions to guide the development, implementation, and evaluation of policies, initiatives, programs, and budget issues with a focus on addressing racial equity.

As part of updating the RRIO-RSJI roadmap, SDCI could work on enhancing the collection of demographic information from property owners. An optional question at the end of the RRIO registration process—applicable to both online and paper registrations—gathers demographic data. However, it receives only about a 1 percent response rate**.** Applying the RET could help SDCI be more intentional about gathering and analyzing this data.

Current Fee Structure Impact on RRIO Program's Financial Sustainability

The RRIO program relies on fees for its funding. RRIO's registration fees at the time of the audit were $70 for the initial property and its first rental unit, followed by $15 for each additional unit. If fewer rental properties are being registered, and, with new property registrations having more units, this has reduced the program's revenue.

As we noted earlier in the report, RRIO registration data showed a decline from 2016 to 2022 in the number of registered properties. In 2016, there were 28,321 properties registered with 143,306 rental units. By 2022, the number of registered properties had decreased about 6 percent to 26,519

while the number of units increased to 161,384. With fewer properties contributing fees but with more units per property, the program may not generate enough revenue to remain financially sustainable (see Exhibit 24 below).

The RRIO fee structure providing for lower per-unit cost was adopted in 2013. As the rental property landscape in Seattle has evolved to one in which the number of registered properties has decreased while the number of units has increased, SDCI has tried to adapt to this by revising RRIO's fees, but challenges to the financial sustainability of the program remain. This is because the current model allocates most of the program's fixed costs to properties rather than individual units.

Exhibit 24: RRIO Fee Structure and Expected Revenue by Units per Property

$70 × 9 Rental Units = **$630**	$70 + $70 + $70 + ($15 × 6) = **$300**	$70 + ($15 × 8) = **$190**
Fee for 9 single-family units	**Fee for 9 units in 3 small multi-family buildings**	**Fee for a 9-unit building**
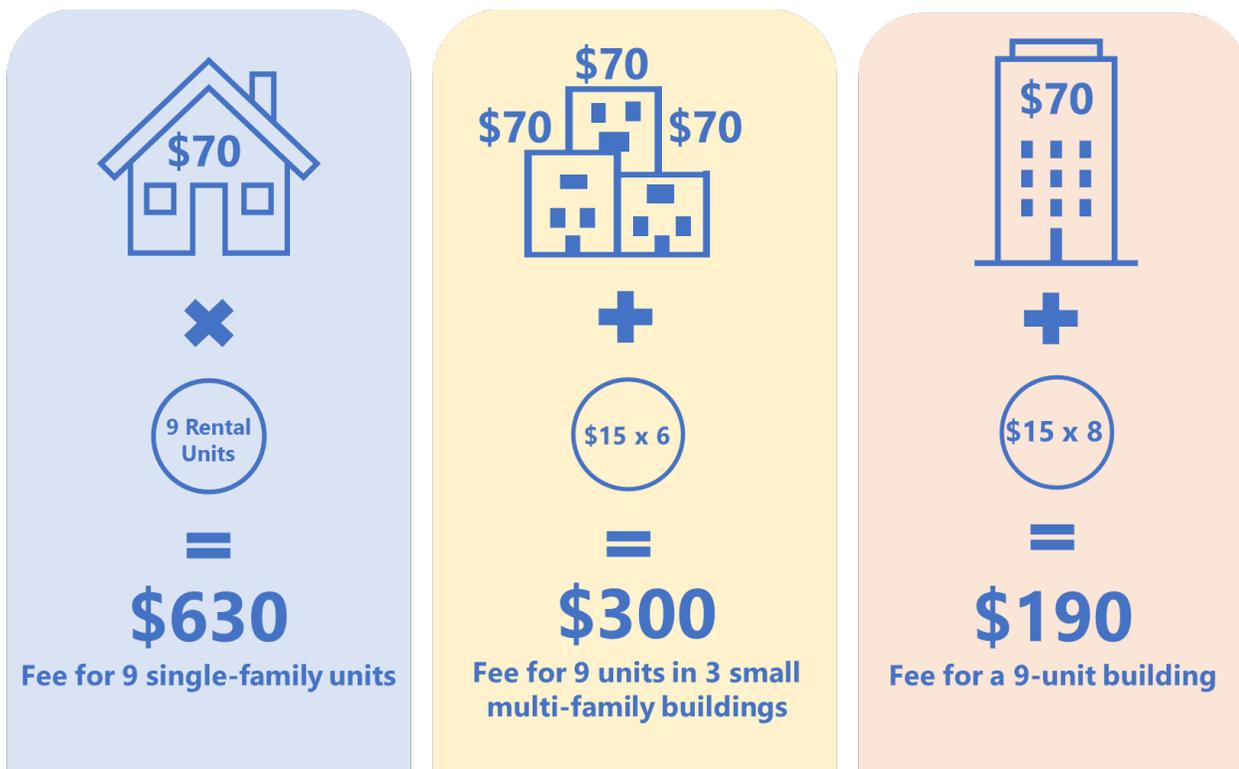
Source: Office of City Auditor analysis of SDCI's RRIO fee structure.

Recommendation 5

The Seattle Department of Construction and Inspections (SDCI) should update its Rental Registration and Inspections Ordinance policies to define the roles, responsibilities, and liabilities for all parties involved in the rental registration process and improve communications with registrants to help ensure it has the correct contact information for property owners and their designees.

Recommendation 6

To ensure more effective Rental Registration and Inspections Ordinance (RRIO) program enforcement and outreach, the Seattle Department of Construction and Inspections (SDCI) should update its RRIO information technology system (Accela) to simplify the process of registration, renewal, and termination, reduce data entry errors, and enhance the management of information, particularly for property owners and their designees' contact information.

Recommendation 7

The Seattle Department of Construction and Inspections should regularly update the Race and Social Justice Initiative (RSJI) Roadmap for the Rental Registration and Inspections Ordinance program to ensure that it is aligned with the City's RSJI guidelines.

Recommendation 8

Given the trend of an increasing share of large multi-family properties registered with the Rental Registration and Inspections Ordinance (RRIO) program, the Seattle Department of Construction and Inspections should review and update the RRIO program's fee structure to ensure it adequately covers the program's operational costs and sustains it financially for the long term.

Recommendation 9

The Mayor's Office should collaborate with the Seattle Department of Construction and Inspections, the Seattle Information Technology Department, and other participating departments in the Rental Registration and Inspections Ordinance program, such as the Department of Finance and Administrative Services, to create and execute a strategy, that includes sufficient resources to provide adequate support for the Accela software used in the Rental Registration and Inspection Ordinance process.

OBJECTIVES, SCOPE, AND METHODOLOGY

Objectives

This audit was performed at the request of Seattle City Councilmembers Alex Pedersen and Kshama Sawant. Its primary objectives were to:

- Investigate the decline in rental properties registered under the Rental Registration and Inspections Ordinance (RRIO).
- Develop actionable recommendations to improve the RRIO program's data collection, enforcement measures, and other related policies and procedures.
- Understand why some property owners in Seattle sold, stopped renting out, or did not renew the RRIO registration of their rental properties.

Scope

Our audit covers rental properties registered under the RRIO program with the Seattle Department of Construction and Inspections (SDCI), as stipulated by Ordinance 124312. Although the program started registrations in 2014, the primary focus was on the period between 2016 through 2022.

Methodology

To meet the audit's goals, we:

- Analyzed quantitative data from RRIO program records, demolition permits, complaints, and enforcement actions for the period 2016-2022.

- Analyzed quantitative data from the King County Assessor's Office (KCAO) real estate sale records for Seattle between 2016 and 2022 and matched KCAO records to the addresses and geolocation information registered with RRIO for the same period.

- Conducted an online survey to learn why some property owners registered with RRIO let their registrations lapse or sold their properties, receiving 635 responses.

- Interviewed SDCI staff and small property owners to gather their perspectives on RRIO communication, internal controls, enforcement, and regulatory issues.

- Reviewed additional data sources, such as Zillow's Home Value Index (ZHVI), America's Rental Housing 2022 Interactive Data and Resources by Harvard's University Joint Center for Housing Studies, Freddie Mac 30-year fixed-rate mortgage rates, to identify the factors that might have influenced decisions made by some property owners to sell their properties.

- Observed SDCI's RRIO program staff performing new registrations, registration renewal, RRIO enforcement, and communicating with landlords.

- Reviewed SDCI's RRIO program procedures, training materials, and other relevant documentation.

- Analyzed short-term rental (STR) licensing data from the Department of Finance and Administrative Services to assess compliance gaps within the RRIO program.

- Reviewed a range of external studies and reports to confirm and enrich the audit's conclusions. These sources include:

  - 2022 "America's Rental Housing" by Harvard Joint Center for Housing Studies
  - 2022 "The State of the Nation's Housing 2023." by Harvard Joint Center for Housing Studies
  - SDCI's 2022 Report to City Council: Rental Market Study
  - SDCI's 2022 Response to SLI SDCI-009-B-001: Small Landlord Stake Holder Group
  - Zillow Research's November and December 2022 Rental Report and 2016 "Consumer Housing Trends Report"
  - Zillow's Observed Rent Index 2016-2022
  - 2021 "Market Rate Housing Needs and Supply Analysis" by BERK
  - 2018 "Seattle Rental Housing Study" by the University of Washington, commissioned by the Seattle Office of City Auditor
  - 2023 "Mom-and-pop- Landlords and Regulatory Backlash, a Seattle Case Study. University of Washington, preliminary Case Study.

We conducted this performance audit under generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings based on our audit objectives. The evidence obtained provides a reasonable basis for our findings based on our audit objectives.

APPENDIX A

Department Response – Seattle Department of Construction and Inspections

Seattle Department of
Construction & Inspections

October 27, 2023

David G. Jones, CGFM, CIA, CISA
Seattle City Auditor
Office of City Auditor

Dear David Jones, and Office of City Auditor Staff,

Thank you for sending the final draft audit report *"Understanding Seattle's Shifting Rental Housing Market: A Rental Registration and Inspection Ordinance Audit."* SDCI appreciates being included as an active participant in the process and the incorporation of many of our comments. SDCI concurs with and supports the recommendations in the report. Many recommendations are already underway in our department. Other recommendations will require legislation, funding, staff capacity, or IT capacity.

We very much appreciate the professionalism and thoroughness of your staff. We look forward to continuing to partner on the ongoing work to address and advance these recommendations.

Sincerely

Nathan Torgelson
Director

700 Fifth Avenue, Suite 2000 | PO Box 34019 | Seattle, WA 98124-4019 | 206-684-8600 | seattle.gov/sdci

APPENDIX B
Department Response – Seattle Office for Civil Rights

Seattle
Office for Civil Rights

Bruce Harrell, Mayor
Derrick Wheeler-Smith, Director

December 5, 2023

David G. Jones
Seattle City Auditor
Office of the City Auditor

Dear David Jones and Office of the City Auditor Staff,

Thank you for the opportunity to review the final draft audit report *"Understanding Seattle's Shifting Rental Housing Market: A Rental Registration and Inspection Ordinance Audit."* As the agency that enforces the Fair Chance Housing and Eviction Records Ordinance, First-in-Time provision, and housing discrimination claims brought by Seattle renters, we appreciate being included in this process.

Seattle faces a challenging housing crisis. There are far too many individuals experiencing homelessness in this city. This crisis disproportionately impacts people of color, people living with disabilities, poor people, and people living with criminal history. While only 7% of the Seattle population is Black, Seattle's unhoused population is 25% Black. Laws such as Fair Chance Housing and First-in-Time were drafted to expand housing opportunities for the very populations that need housing the most. These laws were passed to further racial justice in our city and to build a city where everyone belongs.

Given this housing crisis, we applaud your office's examination of the reason why the number of registered single and small multi-family properties in Seattle's rental market has declined. Critical understanding of any reduction in rental units is important as we often see policymakers blame rental regulations---the very strategies that exist to create more housing opportunities, for pushing small landlords out of the rental business. Fortunately a new study cited by your audit, *"Mom-and-Pop" Landlords and Regulatory Backlash: A Seattle Case Study,"* co-authored by Kyle Crowder of the University of Washington, tells us that rental regulations, and specifically the Fair Chance Housing and First-in-Time ordinances are not driving small landlords from the rental market.

Crowder's researchers compared Seattle to surrounding areas outside the city and examined consumer data linked with parcel records, finding no evidence that tenant protections drove small landlords out of the rental market. Their data showed "Seattle and surrounding areas not subject to the new ordinances followed largely the same trends." They found a "declining probability of sale of small rental units" both in and around Seattle after the new laws, rejecting the assumptions that these small landlords were exiting the market due to the new regulations. This research also aligns with your findings that Seattle's sales of rental properties registered with the Rental Registration and Inspection Ordinance (RRIO) largely correlate with other market factors, like mortgage rates and median house values. As mortgage rates decreased, more RRIO rental properties were sold. And as mortgage rates increased, rental property sales declined.

We hope that your audit coupled with the research mentioned above shapes a new narrative; housing regulations that expand access are not the drivers for trends in rental registrations. We do support the recommendations you've shared that give landlords greater education and assistance to property owners and tenants regarding rental regulations. Our own investigations into housing discrimination claims also show that landlords would benefit for more information and

education about tenant regulations. We look forward to working with our partners at the Seattle Department of Construction and Inspections (SDCI) to coordinate these efforts.

Sincerely,

Derrick Wheeler-Smith
Director

APPENDIX C
Seattle Office for Civil Rights Memo, October 27, 2023

Seattle
Office for Civil Rights

Bruce Harrell, Mayor
Derrick Wheeler-Smith, Director

M E M O R A N D U M

TO: Miroslava Meza, Deputy City Auditor
FROM: Derrick Wheeler-Smith, Director
DATE: October 26, 2023
RE: Response to Auditor's Draft Report on Seattle's Rental Housing Market

Summary
On October 17, 2023, the Seattle Department of Construction and Inspections (SDCI) informed the Seattle Office for Civil Rights (SOCR) that the City Auditor's Office was conducting an audit and provided a draft report entitled "Understanding Seattle's Shifting Rental Housing Market: A Rental Registration and Inspection Audit." SOCR would like to provide comments on the draft report.

Issue
While most of the Auditor's draft report is about SDCI, there are some portions relevant to SOCR's work.

Exhibit 21: Challenges Faced in Complying with Seattle's Rental Rules (page 22).
- 74% of survey respondents reported that the rules are too burdensome to follow or too difficult to implement.
- 42% of survey respondents reported that the rules are too difficult to understand.
- 26% of survey respondents reported that the City did not provide clear information.

Exhibit 22: Rules Survey Respondents Found Most Difficult to Understand or Follow (page 22).
- 64% of survey respondents reported that the requirement to accept the first qualified applicant was the most difficult to understand or follow.

Response
The Seattle Office for Civil Rights enforces the City's antidiscrimination laws in housing, employment, public places, and contracting. In 2017, Council amended Seattle's Open Housing Ordinance to include first-in-time provisions which require landlords to provide notice of screening criteria, screen applicants in chronological order, and offer tenancy to the first qualified applicant. In 2017, SOCR received one-time outreach funding in the amount of $47,600 for alternative source of income outreach that included information

1

on first-in-time.[1] The Seattle Department of Construction and Inspections enforces the other rental laws that landlords found difficult to understand or follow under Seattle's Tenant Protection laws.

As of October 25, 2023, SOCR investigated 39 violations of first-in-time. In some cases, SOCR found that landlords had difficulties with following the first-in-time provisions which is consistent with the Auditor's draft report. Often, Respondents (landlords or property management companies) do not claim that they are unaware that first-in-time exists. However, most of the confusion that led to violations are related to the following factors:

- **Too technical and/or complex**. Many landlords misunderstood what it means to provide notice of screening criteria, to screen applications in chronological order, and the process of offering tenancy to the first qualified applicant before moving on to the next applicant.
- **Language barriers**. Landlords and property managers who spoke English as a second language experienced greater challenges in understanding an already complicated law. Language barriers impacted communication with applicants, which ultimately led to claims filed at SOCR.
- **Lack of understanding of the law**. Most of the complaints were filed against small landlords who are not experienced with the first-in-time law. A small landlord is more likely to view a rental as a single business transaction rather than a rental property business. As such, they do not retain property management services that can assist with screening and leasing units. Property management companies are more likely to seek continued education on housing laws. In some cases, small landlords mention they cannot afford to hire a property manager or a lawyer to better understand our laws.

Lastly, the Auditor's draft report should note that the Seattle Department of Construction .and Inspections enforces the other rental laws that landlords found difficult to understand or follow under Seattle's Tenant Protection laws and not fair housing laws.

Recommendation
SOCR recommends that City Council add first-in-time provisions to Seattle's Tenant Protection laws. The Auditor's draft report indicates that survey respondents identified the first-in-time provision as a rental law rather than a fair housing law. Adding the first-in-time provisions under the Seattle landlord tenant laws would consolidate all the rental laws and have one City department responsible for collectively enforcing these them. Additionally, Seattle Department of Construction and Inspections (SDCI) receives

---

[1] SEATTLE CITY COUNCIL - Record No: CB 118755 (legistar.com)

ongoing funding to educate landlords on Seattle's Tenant Protection laws and technical assistance which could include first-in-time provisions.

Alternatively, if City Council decides not to move first-in-time law to housing rental laws, then SOCR should receive ongoing funding to provide education and technical assistance on first-in-time to comply with the law.

APPENDIX D
List of Recommendations

Recommendation 1: If the City of Seattle wants to preserve single-family and small multi-family property rental housing, it should consider enacting policies that support the continued presence of this type of property in Seattle's rental market. When considering such policies, the City should involve stakeholders most impacted by rental housing policies.

Recommendation 2: The Department of Construction and Inspections (SDCI) should coordinate with other City departments such as the Seattle Office for Civil Rights (SOCR) to provide more and better targeted information and resources to rental property owners. These resources should include comprehensive information on landlord-tenant regulations and programs and offer updated and accessible guidance on how to remain in compliance with the City's landlord-tenant regulations, beyond what is covered by SDCI's Rental Registration and Inspections Ordinance (RRIO) and Renting in Seattle programs. This could involve:

- Improving current materials by including an easy-to-understand guide summarizing landlord-tenant regulations and programs.

- Providing a regularly updated list of City of Seattle legislation affecting property owners, complete with direct links to the specific municipal codes for easy reference.

- Developing a checklist of rental property owner (landlord) compliance requirements and a rental property owner (landlord) FAQ section that answers common questions about Seattle's rental regulations.

- Resuming and offering more training and workshops to help property owners understand how to meet City of Seattle rental regulations.

Recommendation 3: The Department of Finance and Administrative Services should establish internal controls within their processes and information technology system (Accela), in consultation with the Seattle Department of Construction and Inspections (SDCI), to enhance Short-Term rental (STR) compliance with Rental Registration and Inspections Ordinance (RRIO) registration requirements during both new license issuance and renewal stages. These internal controls could include cross-referencing RRIO-registered addresses, verifying active RRIO status, and flagging and notifying the RRIO program and the STR licensee when a RRIO status becomes inactive.

Recommendation 4: The Department of Finance and Administrative Services and the Department of Construction and Inspections (SDCI) should use their shared information technology system (Accela) to enhance Rental Registration and Inspections Ordinance (RRIO) compliance monitoring and enforcement by providing each department access to relevant RRIO and Short-Term Rental (STR) data. This access could include key information such as STR licensee addresses, RRIO statuses, RRIO record IDs, and expiration dates.

Recommendation 5: The Seattle Department of Construction and Inspections (SDCI) should update its Rental Registration and Inspections Ordinance policies to define the roles, responsibilities, and liabilities for all parties involved in the rental registration process and improve communications with registrants to help ensure it has the correct contact information for property owners and their designees.

Recommendation 6: To ensure more effective Rental Registration and Inspections Ordinance (RRIO) program enforcement and outreach, the Seattle Department of Construction and Inspections (SDCI) should update its RRIO information technology system (Accela) to simplify the process of registration, renewal, and termination, reduce data entry errors, and enhance the management of information, particularly for property owners and their designees' contact information.

Recommendation 7: The Seattle Department of Construction and Inspections should regularly update the Race and Social Justice Initiative (RSJI) Roadmap for the Rental Registration and Inspections Ordinance program to ensure that it is aligned with the City's RSJI guidelines.

Recommendation 8: Given the trend of an increasing share of large multi-family properties registered with the Rental Registration and Inspections Ordinance (RRIO) program, the Seattle Department of Construction and Inspections should review and update the RRIO program's fee structure to ensure it adequately covers the program's operational costs and sustains it financially for the long term.

Recommendation 9: The Mayor's Office should collaborate with the Seattle Department of Construction and Inspections, the Seattle Information Technology Department, and other participating departments in the Rental Registration and Inspections Ordinance program, such as the Department of Finance and Administrative Services, to create and execute a strategy, that includes sufficient resources, to provide adequate support for the Accela software used in the Rental Registration and Inspection Ordinance process.

APPENDIX E

Comparative Analysis of Monthly Rent, Home Price, and RRIO Sale Fluctuations in Seattle and the US (2016-2021)

The exhibit below illustrates the month-to-month percentage change in RRIO sales in relation to shifts in home and rent prices in Seattle. It's important to note that property sales recorded by King County Assessor's Office generally lag 55 to 70 days from when a sale closes. For example, sales registered in April 2018 would have been contracted in February or March 2018, based on prices set during those months.

This data follows Zillow's Home Value Index, which shows a steady increase in home values from $368,454 in January 2016 to $703,178 in December 2022. The home price index does not show absolute home prices but is a relative measure set against a baseline of 100 for January 2000, letting us track price changes.

Exhibit 25: Percentage Change in Rent, Home Prices, and RRIO Sales: A Seattle vs. U.S. Comparison (2016-2021)
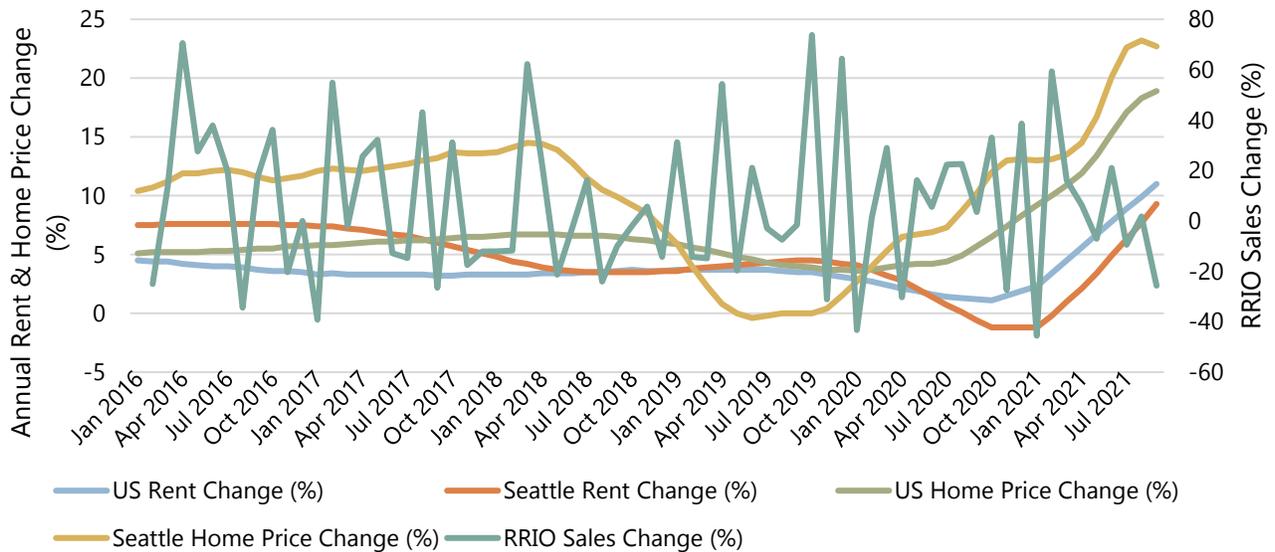
Source: Office of City Auditor analysis of data on annual changes in typical rent, home prices, and RRIO rental sales. Based on Zillow data in the Interactive Data & Resources section of Harvard University's Joint Center for Housing Studies report, "America's Rental Housing 2022."

APPENDIX F

Seattle City Auditor's Survey of Property Owners Who Sold Their Properties or Didn't Renew Their Registration: Objective, Scope, and Methodology

Survey Objective and Scope

The City of Seattle Office of City Auditor (OCA) developed a survey to gather data on attitudes and experiences of property owners and managers who either sold their rental properties or did not renew their RRIO registration with Seattle Department of Construction and Inspections (SDCI) and the City of Seattle. The Seattle OCA team employed a selective strategy to recruit participants, focusing only on those landlords or former landlords who stopped renting at least one of their rental units in Seattle between 2016 and 2022.

Survey Development

This survey was developed by OCA with input from stakeholders such as the Rental Housing Association of Washington (RHAWA), which primarily represents landlords with up to four units; Seattle Grassroots Landlords (representing small landlords), SDCI, and the City of Seattle Office of Immigrant and Refugee Affairs (OIRA).

The collection of responses was designed as voluntary and anonymous, and was administered through an online survey, available in five languages to those receiving a link and invitation. A copy of the survey instrument can be viewed at Appendix E.

The OCA team worked with OIRA in understanding and meeting language access needs, in alignment with our equity values and Executive Order 2017-10 by former Mayor Tim Burgess. we did this to ensure the survey instrument developed was accessible and that survey respondents would not face language barriers, and to optimize the language use for those respondents using website accessibility tools.[26] See each translated survey at Appendix E.

Survey Population and Sample Selection

Two subgroups were surveyed:

(1) *Seattle landlords, who were identified in this audit, as having sold their properties after registering with SDCI's RRIO program*: SDCI provided a list of 4,202 emails associated with 7,149 RRIO registrations (properties) that had at least one sold rental unit.

(2) *Seattle landlords who did not renew their RRIO registration when it expired*, and it is unknown if they sold their properties: SDCI provided a list of 17,934 RRIO records with expired registration between 2016 and 2022, those registrations had 8,889 individual emails addresses associated to them.

---

[26] City of Seattle, The Must-Have Accessibility Handbook. EN_Accessibility_Handbook.pdf (seattle.gov) See page 9, Subsection Language.

Given that SDCI said they had a low response rate when they reached out to contacts associated with past-due RRIO registrations (inactive registrations), we distributed this survey to all email contacts in SDCI's database, Accela, associated with the RRIO registrations in the two groups described above.

Exhibit 26: Survey Target Population and Available Contacts

Survey target population	Property Count	Email, Contacts Count
Rental properties with at least one rental unit sold.	7,149	4,202 unique emails
Rental properties without their Rental Registration and Inspection renewed with SDCI	17,934	8,889 unique emails
Total	25,083	13,091 (52%, 13091/25083)

SDCI uses a permitting and registration electronic system called Accela. Accela has a module dedicated to managing Rental Registrations and Inspections (RRIO) records. Accela allows landlords and their designees to remove some contact information after registration, which affects SDCI's outreach efforts. Some challenges with renewal mail/email communications are that some registrations only have the contact information of the former property managers or list the registered property itself as the only means of contact.

Despite those limitations, there were 13,091 individual contacts available, representing up to 52% of all the properties within the population of interest.

Survey Administration

We administered the survey August 3-20, 2023. We emailed all landlords in the two groups of interest, to tell them about the survey's availability via online link and included instructions on how to access and complete the survey.

We sent 13,091 emails using the contact information provided by SDCI. Of those 13,091, 972 addresses were unavailable, and those surveys were undeliverable. We received 635 survey responses, 309 from the group with at least one known rental unit sold and 326 from those, without a known property sale, that did not have their RRIO registration renewed after the due date.

We used power and sample-size (PSS) analysis to assess if the available RRIO contacts were statistically sufficient to make inferences using logistic regression analysis. The significant sample size was calculated with a power of 90 percent and a confidence level of 95 percent (see Exhibit 27). Based on a 225-sample size needed from each group surveyed, the unique responses collected from each group, 309 and 326, represent those groups (see Exhibit 27).

Exhibit 27. Sample Size Required, Surveys Sent, and Responses Collected.

Survey target population	Sample size needed for a Power of 90% and a Confidence of 95% using a logistic regression.	Surveys sent and responses collected.
Rental properties with at least one unit sold	225	• 4,202 unique e-mails • 309 unique responses collected.
Rental properties without their rental registration renewed with SDCI	225	• 8,889 unique e-mails • 326 unique responses collected.

This survey is not representative of all rental property owners in Seattle, it only represents the opinions of rental property owners identified as having a rental property registered with RRIO that sold or changed ownership or with at least one property with an expired rental registration between 2016 and 2022.

APPENDIX G

Seattle City Auditor's Survey Questions on Property Owner Experience

ENGLISH

SEATTLE RENTAL TRENDS: A SURVEY FOR PROPERTY OWNERS

This survey is being facilitated by the Seattle Office of City Auditor. It should take 5 minutes or less to complete.

Your feedback will help us gain a better understanding of why some property owners in Seattle have stopped renting their properties. Your responses will be collected anonymously.

1. Do you own or manage one or more properties in Seattle?
   - ☐ I own properties.
   - ☐ I manage properties.
   - ☐ I own and manage properties.
   - ☐ None of the above.

2. How many rental units do or did you own or operate?
   - ☐ 1
   - ☐ 2-5
   - ☐ 6-10
   - ☐ 11-20
   - ☐ 21-50
   - ☐ 51-100
   - ☐ More than 100

3. Have you recently stopped renting out any of your properties?
   - ☐ Yes
   - ☐ No

For property managers filling out this survey, please base your responses to the next few questions on your landlords' experiences.

4. What did you do with the property after you stopped renting it out?
   - ☐ I sold it or no longer own it
   - ☐ I or a relative live there now
   - ☐ A business is using it
   - ☐ I use it as a short-term rental (such as Airbnb)
   - ☐ I demolished it for a new development
   - ☐ Other (please specify)

5. Why did you stop renting it out? (Select all that apply)

☐ It made financial sense
☐ I couldn't find a tenant
☐ I had tenants who caused problems
☐ It was difficult to comply with the City of Seattle's rental rules and regulations
☐ I had personal reasons
☐ It was hard to manage and maintain
☐ Inadequate support/resources for landlords from the City of Seattle
☐ The COVID-19 pandemic made it difficult to rent
☐ Other (please specify)

6. Are you doing any of the following instead? (Select all that apply)
    ☐ Purchased another rental property in Seattle
    ☐ Purchased another rental property outside Seattle
    ☐ Purchased a new home or vacation place
    ☐ Invested in commercial real estate
    ☐ Invested in stocks or bonds
    ☐ Saved the proceeds for a retirement or savings account
    ☐ Prefer not to say
    ☐ Other (please specify)

7. How easy or hard is it to comply with the City of Seattle's rental rules?
    1 – Very easy
    2 – Easy
    3 – Neither hard nor easy (neutral)
    4 – Hard
    5 – Very hard

8. What challenges, if any, did you face in complying with the City of Seattle's rental rules? (Select all that apply)
    ☐ The rules are too burdensome to follow or too difficult to implement
    ☐ The rules are difficult to understand
    ☐ I had a hard time getting in touch with City staff
    ☐ The City did not provide clear information
    ☐ I had difficulties with the inspection of the rental property
    ☐ I had problems registering my property with the City
    ☐ I encountered language barriers
    ☐ I faced no challenges
    ☐ Other (please specify)

9. Which three of the following Seattle rules were the most difficult for you to understand or follow? Please only select three options.
    ☐ Eviction and other moratoria during the COVID-19 civil emergency
    ☐ Rent increase notice requirements
    ☐ Requirement to accept the first qualified applicant
    ☐ Roommate law limits on denying roommates added to a current tenancy
    ☐ School year or winter eviction limits
    ☐ "Just Cause" limits on reasons to evict a tenant

    ☐ Limits on fees and non-rent charges
    ☐ Rental registration and inspections
    ☐ Rental housing maintenance standards

10. Did you seek help or do anything particular to follow Seattle's rules? If so, please select all methods you tried.
    ☐ I read the City's information on their website or publications
    ☐ I attended a training session
    ☐ I joined a landlord organization
    ☐ I used an attorney
    ☐ I hired a property manager
    ☐ None of the above
    ☐ Other (please specify):

11. Is there anything else you'd like to share about your experience as a property owner in Seattle?

12. (Optional) Which race and/or ethnicity do you most closely identify with? (Select all that apply)
    ☐ Asian / Asian American
    ☐ Black / African American
    ☐ Hispanic / Latino / Latina / Latinx
    ☐ Middle Eastern / North African
    ☐ Native American / Alaska Native
    ☐ Native Hawaiian / Pacific Islander
    ☐ White / Caucasian
    ☐ Prefer not to say
    ☐ Other (please specify)

13. (Optional) What is your preferred language for communication?
    ☐ Amharic
    ☐ Chinese
    ☐ English
    ☐ Korean
    ☐ Russian
    ☐ Spanish
    ☐ Tagalog
    ☐ Vietnamese
    ☐ Prefer not to say
    ☐ Other (please specify)

AMHARIC:
የሲያትል የኪራይ አዝማሚያዎች፦ ለንብረት ባለቤቶች የተደረገ ጥናት

የሲያትል ከተማ አዲተር ቢሮ ይህንን የዳሰሳ ጥናት እያመቻቸ ነው። ለማጠናቀቅ 5 ደቂቃዎች ወይም ከዚያ ያነሰ ጊዜ መውሰድ አለበት።

የእርስዎ አስተያየት በሲያትል ውስጥ ያሉ አነዳንድ የንብረት ባለቤቶች ንብረቶቻቸውን ማከራየት ያቆሙበትን ምክንያት በተሻለ ሁኔታ እንድንረዳ ያግዘናል። መልሶችህ በስም ሳይታወቁ ይሰበሰባሉ።

1. በሲያትል ውስጥ የአንድ ወይም ከዚያ በላይ ንብረቶች ባለቤት ነዎት ወይም ያስተዳድራሉ?
    *   የንብረቶች ባለቤት ነኝ
    *   ንብረቶችን አስተዳድራለሁ
    *   የንብረቶች በባለቤት ነኝ እንዲሁም አስተዳድራለሁ
    *   ከላይ ከተጠቀሱት ውስጥ አንዳቸውም አይደሉም

2. የስንት ኪራይ ቤቶች ባለቤት ነበሩ ወይም ነዎት ወይም ሠርተዋል?
    *   1
    *   2-5
    *   6-10
    *   11-20
    *   21-50
    *   51-100
    *   ከ100 በላይ

3. በቅርቡ ጊዜ ማንኛውንም ንብረትዎን ማከራየት አቁመዋል እንዴ?
    *   አዎ
    *   አይ

ይህንን የዳሰሳ ጥናት ለሚሞሉ የንብረት አስተዳዳሪዎች፣ እባክዎ ለሚቀጥሉት ጥቂት ጥያቄዎች የሚሰጧቸውን ምላሾች በአከራዮችዎ ተሞክሮ ላይ ይመርኮዙ።

4. ንብረቱን ማከራየት ካቆሙ በኋላ ንብረትዎን ምን አደረጉት?
    *   ሸጥኩት ወይም አሁን የንብረቱ ባለቤት አይደለሁም።
    *   እኔ ወይም አንድ ዘመድ አሁን እዚያ ይኖራል
    *   አንድ ንግድ እየተጠቀመበት ነው
    *   እንደ የአጭር ጊዜ ኪራይ እጠቀምበታለሁ (እንደ Airbnb)
    *   ለአዲስ ልማት ሲባል አፈረስኩት
    *   ሌላ (እባክዎን ይግለጹ)

5. ለምን ማከራየት አቆምክ? (የሚመለከተውን ሁሉ ይምረጡ)
    *   የፋይናንስ ትርጉም አድርገዋል
    *   ተከራይ ማግኘት አልቻልኩም
    *   ችግር የሚፈጥሩ ተከራዮች ነበሩኝ
    *   የሲያትል ከተማን የኪራይ ህግጋት እና መመሪያዎችን ለማክበር አስቸጋሪ ነበር
    *   የግል ምክንያቶች ነበሩኝ
    *   ለማስተዳደር እና ለመንከባከብ አስቸጋሪ ነበር

- ከሲያትል ከተማ ለመጡ አከራዮች በቁ ያልሆነ ድጋፍ/ህብቶች
- የኮቪድ-19 ወረርሽኝ ለመከራየት አስቸጋሪ አድርጎታል
- ሌላ (እባክዎን ይግለጹ)

6. በምትኩ ከሚከተሉት አንዱን እያደረጉ ነው? (የሚመለከተውን ሁሉ ይምረጡ)
   - በሲያትል ውስጥ ሌላ የኪራይ ቤት ገዝዙ
   - ከሲያትል ውጭ ሌላ የኪራይ ቤት ገዝዙ
   - አዲስ ቤት ወይም የእረፍት ቦታ ገዝዙ
   - በንግድ ሪል እስቴት ላይ ኢንቨስት አድርጌያለሁ
   - በአክሲዮኖች ወይም ቦንዶች ላይ ኢንቨስት አድርጌያለሁ
   - ጠቅላላ ገቢዬን ለጡረታ ወይም በቁጠባ ሂሳብ አስቀምጫለሁ
   - አለመግለጽ እመርጣለሁ
   - ሌላ (እባክዎን ይግለጹ)

7. የሲያትል ከተማን የኪራይ ሕግ ማክበር ምን ያህል ቀላል ወይም ከባድ ነው?
   1 - በጣም ቀላል
   2 - ቀላል
   3 - ከባድ ወይም ቀላል አይደለም (ገለልተኛ)
   4 - ከባድ
   5 - በጣም ከባድ

8. የሲያትል ከተማ የኪራይ ህግን ለማክበር ምን ተግዳሮቶች አጋጥመዋታል? (የሚመለከተውን ሁሉ ይምረጡ)
   - ደንቦቹ ለመከተል በጣም ከባድ ናቸው ወይም ለመተግበር በጣም አስቸጋሪ ናቸው
   - ደንቦቹ ለመረዳት አስቸጋሪ ናቸው
   - ከከተማው ሰራተኞች ጋር ለመገናኘት ተቸግሬ ነበር
   - ከተማው ግልጽ መረጃ አልሰጠም
   - የኪራይ ቤቴን ፍተሻ በተመለከተ ተቸግሬ ነበር
   - ንብረቴን በከተማው ለማስመዝገብ ችግር አጋጥሞኝ ነበር
   - የቁንቁ መሰናክሎች አጋጥመውኛል
   - ምንም ፈተና አልገጠመኝም
   - ሌላ (እባክዎን ይግለጹ)

9. ከሚከተሉት የሲያትል ሀጎች ውስጥ የትኞቹ ሁስት ለእርስዎ ለመረዳት ወይም ለመከተል በጣም ከባድ ነበሩ? እባክዎን ሶስት አማራጮችን ብቻ ይምረጡ።
   - በኮቪድ-19 ህዝባዊ ድንገተኛ አደጋ ወቅት ከቤት ማስወጣት እና ሌሎች እገዳዎች
   - የኪራይ ጭማሪ ማሳሰቢያ መስፈርቶች
   - የመጀመሪያውን ብቁ አመልካች ለመቀበል የሚያስፈልጉ መስፈርቶች
   - የክፍል ጓደኛ ህግ አሁን ባለው የተከራይና አከራይ ላይ የተጨመሩትን አብሮ መኖርን መከልከል ላይ ይገድባል

- በትምህርት ዓመት ወይም በክረምት/ዊንተር ከቤት የማስወጣት ገደቦች
- "ተገቢ ምክንያት" ተከራይን ለማስወጣት የምክንያቶች ገደብ
- ክፍያ እና ኪራይ ያልሆነ ክፍያዎች ላይ ገደቦች
- የኪራይ ምዝገባ እና ምርመራዎች
- የኪራይ ቤቶች ጥገና ደረጃዎች

10. የሲያትል ደንቦችን ለመክተል እርዳታ ፈልገህ ነው ወይስ የተለየ ነገር አድርገሃል? እንደሱ ከሆነ፣ እባክህን በሙሉ የሞከሩዋቸውን ዘዴዎች ይምረጡ።
- የከተማውን መረጃ በድር ጣቢያቸው ወይም በህትመታቸው ላይ አንብቤአለሁ
- የስልጠና ክፍለ ጊዜ ተካፍያለሁ
- ወደ አከራይ ድርጅት ገባሁ
- ጠበቃ ተጠቀምኩኝ
- የንብረት አስተዳዳሪ ቀጥሬያለሁ
- ከላይ ከተጠቀሱት ውስጥ አንዳቸውም አይደሉም
- ሌላ (እባክዎን ይግለጹ):-

11. በሲያትል ውስጥ እንደ የንብረት ባለቤት ስላለዎት ልምድ ማጋራት የሚፈልጉት ሌላ ነገር አለ?

12. (አማራጭ) ከየትኛው ዘር እና/ወይም ጎሳ ጋር በጣም በቅርብ ይለያሉ? (የሚመለከተውን ሁሉ ይምረጡ)

- እስያዊ / እስያዊ አሜሪካዊ
- ጥቁር / አፍሪካዊ አሜሪካዊ
- ሂስፓኒክ / ላቲኖ / ላቲና / ላቲንክስ
- መካከለኛው ምስራቅ / ሰሜን አፍሪካዊ
- ተወላጅ አሜሪካዊ/ የአላስካ ተወላጅ
- የሃዋይ ተወላጅ / የፓሲፊክ ደሴት ተወላጅ
- ነጭ / ካውካሲያዊ
- አለመግለጽ እመርጣለሁ
- ሌላ (እባክዎን ይግለጹ)

13. (አማራጭ) ለግንኙነት የምትመርጠው ቋንቋ ምንድን ነው?

- አማርኛ
- ቻይንኛ
- እንግሊዝኛ
- ኮረያኛ
- ራሺኛ
- ስፓንኛ

- ታጋሎግ
- ቬይትናሚኛ
- አለመግለጽ እመርጣለሁ
- ሌላ (እባክዎን ይግለጹ)

Understanding Seattle's Housing Market Shift from Small to Large Rental Properties: A Rental Registration and Inspection Ordinance Program Audit

Page 63

CHINESE

西雅图物业租赁趋势：面向业主的问卷调查

该项调查由西雅图市审计办公室负责实施。完成该调查通常不会超过 5 分钟。

您的反馈将帮助我们更进一步了解西雅图的一些业主停止出租物业的原因。您的反馈将以匿名形式被收集。

1. 您是否在西雅图拥有或管理一处或多处物业？
   - 我拥有物业
   - 我管理物业
   - 我拥有且管理物业
   - 以上皆非

2. 现在或过去，您拥有或管理多少套物业出租单位？
   - 1 套
   - 2-5 套
   - 6-10 套
   - 11-20 套
   - 21-50 套
   - 51-100 套
   - 超过 100 套

3. 您最近是否有停止出租任何物业？
   - 是
   - 否

填写此调查的物业经理，请根据您所代表的业主的经验回答接下来的几个问题。

4. 停止出租后，您对物业做了什么处理？
   - 我将它卖了或不再拥有它
   - 我或亲戚现在住在那里
   - 有企业正在使用它
   - 我将它用作短期出租物业（例如 Airbnb）
   - 我为了新的开发项目拆除了它
   - 其他（请注明）

5. 您为什么停止将它出租？（请选择所有适用项）
   - 在财务上有所利益
   - 我找不到租客

- 我的租客带来许多麻烦
- 遵守西雅图市的物业租赁规则和规定很困难
- 基于个人原因
- 管理和维护很困难
- 西雅图市政府提供给业主的支持/资源不足
- COVID-19 疫情使出租变得困难
- 其他（请注明）

6. 您是否正在进行以下任何事项？（请选择所有适用项）
   - 在西雅图市内购买了另一处出租物业
   - 在西雅图市外购买了另一处出租物业
   - 购买了新房或新的度假物业
   - 投资了商业地产
   - 投资了股票或债券
   - 将收益存入退休或储蓄账户
   - 我不想回答
   - 其他（请注明）

7. 遵守西雅图市的物业租赁规则有多容易或多困难？
   1 – 非常容易
   2 – 容易
   3 – 既不困难也不容易（中立）
   4 – 困难
   5 – 非常困难

8. 您在遵守西雅图市物业租赁规则方面遇到了哪些挑战（如果有）？ （请选择所有适用项）
   - 规则过于繁琐而难以遵守或过于困难而难以实施
   - 规则很难理解
   - 我很难与市政府工作人员取得联系
   - 市政府没有提供明确信息
   - 我在出租物业的验房环节遇到了困难
   - 我在市政府登记物业时遇到了问题
   - 我有语言障碍
   - 我没有遇到任何挑战
   - 其他（请注明）

9. 以下西雅图市的规则中，哪三项对您来说最难理解或遵守？请仅选择三个选项。
   - COVID-19 全民紧急状态期间的驱逐和其他暂缓措施
   - 租金调涨通知规定
   - 业主必须接受第一位合格申请人
   - 《室友法》中对拒绝将室友添加到当前租约中的限制

- 学年或冬季驱逐限制
- 《正当理由驱逐条例》中对驱逐租户的理由的限制
- 费用和非租金收费的限制
- 物业租赁登记和验房
- 租赁物业的维护标准

10. 您是否有寻求帮助或采取任何特别措施来遵守西雅图市物业租赁规则？如果有，请选择您尝试过的所有方法。
- 我在市政府的网站或刊物上阅读了相关信息
- 我参加了培训课程
- 我加入了业主组织
- 我聘请了律师
- 我聘请了物业经理
- 以上皆非
- 其他（请注明）：

11. 关于您作为西雅图业主的经历，您还有什么想分享的吗？

12. （非必答题）以下那项最能描述您自己的种族/或民族认同？（请选择所有适用项）

- 亚洲人/亚裔美国人
- 黑人/非裔美国人
- 西班牙裔 ／ 拉丁裔（男性） ／ 拉丁裔 （女性）／ 拉丁裔（中性）
- 中东人/北非人
- 美洲原住民/阿拉斯加原住民
- 夏威夷原住民/太平洋岛民
- 白人/白种人
- 我不想回答
- 其他（请注明）

13. （非必答题）您首选的沟通语言是什么？

- 阿姆哈拉语
- 中文
- 英语
- 韩语
- 俄语
- 西班牙语
- 他加禄语
- 越南语

- 我不想回答
- 其他（请注明）

SPANISH

TENDENCIAS DE VIVIENDAS DE ALQUILER/RENTA EN SEATTLE: UNA ENCUESTA PARA PROPIETARIOS

Esta encuesta es facilitada por la Oficina del Auditor de la Ciudad. El tiempo promedio que toma responder es de 5 minutos o menos.

Su opinión nos ayudará a obtener un mejor entendimiento de las razones por las cuales algunos propietarios de viviendas de alquiler han dejado de alquilar sus propiedades. Sus respuestas serán recolectadas de forma anónima.

1. ¿Es usted el propietario o el administrador de una o más propiedades de alquiler en Seattle?
   - Yo poseo propiedades de alquiler
   - Yo administro propiedades de alquiler
   - Yo poseo y administro propiedades de alquiler
   - Ninguna de las anteriores

2. ¿Cuántas unidades de alquiler usted posee y/o administra?
   - 1
   - 2-5
   - 6-10
   - 11-20
   - 21-50
   - 51-100
   - Mas de 100

3. ¿Ha dejado de rentar alguna de sus propiedades recientemente?
   - Si
   - No

Para administradores de propiedades de alquiler respondiendo a esta encuesta, por favor base sus respuestas de las siguientes preguntas basado en su entendimiento de la experiencia de los propietarios de las propiedades de alquiler que usted administra(ba).

4. ¿Que hizo con la propiedad después de dejar de rentarla?
   - Yo vendí la propiedad o ya no soy el dueño
   - Yo, o un pariente directo vive en la propiedad
   - Es usada para un negocio
   - Yo uso la propiedad para renta de corto-plazo (por ejemplo, Airbnb)
   - Yo la demolí para construir algo nuevo.
   - Otro (por favor explique)

5. ¿Por qué dejo de rentar la propiedad? (Seleccione todas las opciones que apliquen)
   - Fue una buena opción, desde una perspectiva financiera
   - Yo no podía encontrar un inquilino
   - Tuve inquilinos que me causaron problemas
   - Era difícil cumplir con las regulaciones que la Ciudad de Seattle impone para poder rentar una propiedad
   - Yo tuve razones personales
   - Era difícil manejar y mantener la propiedad
   - La Ciudad de Seattle provee apoyos/recursos inadecuados a los propietarios que rentan sus propiedades
   - La pandemia de COVID-19 dificultó la renta
   - Otro (por favor explique)

6. ¿Que está usted haciendo ahora, si dejo de rentar su(s) propiedad(es)? (Seleccione todas las opciones que apliquen)
   - Compré otra propiedad en Seattle
   - Compré otra propiedad fuera de Seattle
   - Compré otra casa o casa de vacaciones
   - Invertí en propiedades comerciales
   - Invertí en la bolsa de valores o en bonos
   - Ahorré el dinero en cuentas de retiro o en cuentas personales de ahorros
   - Prefiere no responder
   - Otro (por favor explique)

7. ¿Qué tan difícil o fácil es cumplir con las reglas que la Ciudad de Seattle impone a los propietarios de alquiler?
   1 – Muy fácil
   2 – Fácil
   3 – Ni fácil, ni difícil(neutral)
   4 – Difícil
   5 – Muy Difícil

8. ¿Qué retos ha enfrentado tratando de cumplir con las reglas, relacionadas con alquiler, impuestas por la Ciudad de Seattle? (Seleccione todas las opciones que apliquen)
   - Es muy pesado seguir las reglas o es muy difícil implementarlas
   - Las reglas son difíciles de entender
   - Es difícil contactar el personal de la Ciudad de Seattle
   - El gobierno de la Ciudad de Seattle no provee información clara
   - Tuve dificultades con la inspección de la propiedad de alquiler
   - Tuve problemas registrando mi propiedad con el gobierno de la Ciudad de Seattle
   - Me enfrenté a barreras de idioma
   - No enfrenté barreras
   - Otro (por favor explique)

9. ¿Cuál de las siguientes reglas fueron las más difíciles de seguir o de entender? Por favor solo seleccione tres opciones
   - Moratorios de evicción y otros moratorios impuestos durante la emergencia civil de COVID-19
   - Requisitos de notificación en caso de incremento de renta
   - Regla de aceptar al primer candidato calificado
   - Leyes relacionadas con limitar o negar el agregar a personas en el contrato de alquiler
   - Limitaciones en evicciones durante el año escolar o el invierno.
   - Restricciones basadas en "causas justas" de evicción de inquilinos
   - Limites en las cuotas y cargos diferentes a la renta que el propietario puede cobrar
   - Registro de propiedades de alquiler e inspecciones
   - Estándares de mantenimiento de propiedades de alquiler

10. ¿Buscó ayuda o hizo algo en particular para cumplir con las reglas de la Ciudad de Seattle? Si su respuesta es sí, por favor seleccione todos los métodos que ayuda que usted utilizó
    - Yo leí la información provista por el gobierno de la Ciudad de Seattle en su sitio web o en publicaciones impresas
    - Yo participé en una sesión de entrenamiento
    - Yo me uní a una organización de propietarios de alquiler
    - Yo usé un abogado
    - Yo contraté a un administrador de propiedad.
    - Ninguno de los anteriores
    - Otro (por favor explique)

11. ¿Hay algo más que usted quisiera compartir sobre su experiencia como dueño de propiedad de alquiler en Seattle?

12. (Opcional) ¿Cuál es la raza y/o etnicidad con la cual usted se identifica mejor (Seleccione todas las opciones que apliquen)
    - Asiático / Asiático Americano
    - Negro / Afroamericano
    - Hispano / Latino / Latina / Latinx
    - De Medio Oriente / Norafricano
    - Nativo Americano / Nativo de Alaska
    - Nativo Hawaiano / De las Islas del Pacifico
    - Blanco / Caucásico
    - Prefiere no responder
    - Otro (por favor explique)

13. (Opcional) ¿Cuál es el idioma que usted prefiere para comunicarse?

    - Amhárico
    - Chino
    - Inglés
    - Coreano
    - Russo
    - Español
    - Tagalo
    - Vietnamita
    - Prefiere no responder
    - Otro (por favor explique)

VIETNAMESE

XU HƯỚNG CHO THUÊ NHÀ ở SEATTLE: KHẢO SÁT DÀNH CHO CHỦ SỞ HỮU BẤT ĐỘNG SẢN

Khảo sát này được tổ chức bởi Văn Phòng Kiểm Toán Thành Phố Seattle (Seattle Office of City Auditor). Khảo sát này sẽ mất khoảng 5 phút hoặc ít hơn để hoàn thành.

Phản hồi của quý vị sẽ giúp chúng tôi hiểu rõ hơn về lý do tại sao một số chủ sở hữu bất động sản ở Seattle đã ngừng cho thuê bất động sản của họ. Các câu trả lời của quý vị sẽ được thu thập ẩn danh.

1. Quý vị có sở hữu hoặc quản lý một hoặc nhiều bất động sản ở Seattle không?
   - Tôi sở hữu bất động sản
   - Tôi quản lý bất động sản
   - Tôi sở hữu và quản lý bất động sản
   - Không thuộc các trường hợp trên

2. Quý vị sở hữu hoặc quản lý bao nhiêu đơn vị cho thuê?
   - 1
   - 2-5
   - 6-10
   - 11-20
   - 21-50
   - 51-100
   - Hơn 100

3. Gần đây quý vị có ngừng cho thuê bất kỳ bất động sản nào của mình không?
   - Có
   - Không

Đối với những người quản lý bất động sản điền vào khảo sát này, vui lòng dựa trên trải nghiệm của chủ sở hữu bất động sản để trả lời các câu hỏi tiếp theo

4. Quý vị đã làm gì với bất động sản sau khi ngừng cho thuê?
   - Tôi đã bán bất động sản đó hoặc không còn sở hữu bất động sản đó nữa
   - Tôi hoặc một người thân hiện đang sống ở đó
   - Một doanh nghiệp đang sử dụng bất động sản đó
   - Tôi sử dụng bất động sản đó như một hình thức cho thuê ngắn hạn (chẳng hạn như Airbnb)
   - Tôi đã phá bất động sản đó để xây dựng mới

- Khác (vui lòng ghi rõ)

5. Tại sao quý vị ngừng cho thuê bất động sản đó? (Chọn tất cả các câu trả lời phù hợp)
   - Hợp lý về mặt tài chính
   - Không tìm được người thuê nhà
   - Tôi đã có người thuê nhà gây rắc rối
   - Khó tuân thủ các quy định và quy tắc cho thuê của Thành Phố Seattle
   - Tôi có lý do cá nhân
   - Khó khăn trong việc quản lý và bảo trì
   - Hỗ trợ/nguồn lực không đủ mức cho chủ nhà từ Thành Phố Seattle
   - Đại dịch COVID-19 khiến việc cho thuê nhà trở nên khó khăn
   - Khác (vui lòng ghi rõ)

6. Thay vì cho thuê bất động sản, quý vị có đang thực hiện bất kỳ việc nào sau đây không? (Chọn tất cả các câu trả lời phù hợp)
   - Mua một bất động sản cho thuê khác ở Seattle
   - Mua một bất động sản cho thuê khác bên ngoài Seattle
   - Mua một ngôi nhà mới hoặc nơi nghỉ dưỡng
   - Đầu tư vào bất động sản thương mại
   - Đầu tư vào cổ phiếu hoặc trái phiếu
   - Tiết kiệm số tiền thu được vào tài khoản hưu trí hoặc tài khoản tiết kiệm
   - Không muốn trả lời
   - Khác (vui lòng ghi rõ)

7. Việc tuân thủ các quy định về cho thuê nhà của Thành Phố Seattle dễ hay khó?
   1 – Rất dễ
   2 – Dễ
   3 – Không khó cũng không dễ (trung lập)
   4 – Khó
   5 – Rất khó

8. Quý vị đã gặp phải những khó khăn nào, nếu có, khi tuân thủ các quy định về cho thuê nhà của Thành Phố Seattle? (Chọn tất cả các câu trả lời phù hợp)
   - Các quy định quá rườm rà để tuân theo hoặc quá khó để thực hiện
   - Các quy định quá khó hiểu
   - Tôi gặp khó khăn trong việc liên lạc với nhân viên của Thành Phố
   - Thành Phố không cung cấp thông tin rõ ràng
   - Tôi gặp khó khăn với việc kiểm tra bất động sản cho thuê
   - Tôi gặp vấn đề khi đăng ký bất động sản của mình với Thành Phố
   - Tôi gặp rào cản về ngôn ngữ

- Tôi không gặp khó khăn nào
- Khác (vui lòng ghi rõ)

9. 3 quy định nào sau đây của Seattle là khó hiểu hoặc khó tuân theo nhất đối với quý vị? Vui lòng chỉ chọn 3 câu trả lời.
   - Trục xuất và các lệnh cấm khác trong tình trạng khẩn cấp dân sự đại dịch COVID-19
   - Yêu cầu về thông báo tăng tiền thuê nhà
   - Yêu cầu về chấp nhận người thuê nhà đầu tiên đủ điều kiện
   - Luật bạn cùng phòng giới hạn việc từ chối thêm người ở cùng vào hợp đồng thuê nhà hiện tại
   - Giới hạn trục xuất trong năm học hoặc mùa đông
   - Giới hạn "Lý do hợp lệ" để trục xuất người thuê nhà
   - Giới hạn về các khoản phí và các khoản thu ngoài tiền thuê nhà
   - Quy trình đăng ký và kiểm tra nhà cho thuê
   - Các tiêu chuẩn bảo trì nhà cho thuê

10. Quý vị có tìm kiếm sự giúp đỡ hoặc làm bất kỳ điều gì đặc biệt để tuân thủ các quy định của Thành Phố Seattle không? Nếu có, vui lòng chọn tất cả các phương án mà quý vị đã thử.
    - Tôi đã đọc thông tin của Thành Phố trên trang web hoặc các ấn phẩm của Thành Phố
    - Tôi đã tham dự một buổi đào tạo
    - Tôi đã gia nhập một tổ chức chủ sở hữu nhà cho thuê
    - Tôi đã tìm sự trợ giúp từ một luật sư
    - Tôi đã thuê một người quản lý bất động sản
    - Không có phương án nào trong số trên
    - Khác (vui lòng ghi rõ):

11. Quý vị có muốn chia sẻ điều gì khác về trải nghiệm của mình với tư cách là chủ sở hữu bất động sản ở Seattle không?

12. (Không bắt buộc) Quý vị xác định bản thân thuộc chủng tộc và/hoặc dân tộc nào? (Chọn tất cả các câu trả lời phù hợp)

    - Người Châu Á / Người Mỹ Gốc Châu Á
    - Người Da Đen / Người Mỹ Gốc Phi
    - Người gốc Tây Ban Nha / Latino / Latina / Latinx
    - Người Trung Đông / Bắc Phi
    - Người Mỹ Bản Địa / Người Alaska Bản Địa

- Người Hawaii Bản Địa / Người Đảo Thái Bình Dương
- Người Da Trắng
- Không muốn trả lời
- Khác (vui lòng ghi rõ)

13. (Không bắt buộc) Ngôn ngữ giao tiếp ưa thích của quý vị là gì?

- Tiếng Amharic
- Tiếng Trung Quốc
- Tiếng Anh
- Tiếng Hàn Quốc
- Tiếng Nga
- Tiếng Tây Ban Nha
- Tiếng Tagalog
- Tiếng Việt
- Không muốn trả lời
- Khác (vui lòng ghi rõ)

APPENDIX H
Survey Responses

This appendix outlines the survey results collected by the Seattle Office of City Auditor from a specific group of property owners and managers. These individuals have properties registered with the Rental Registration and Inspection Ordinance (RRIO) program and they either sold a property between 2016 and 2022 or let their RRIO registration lapse. The data captured provides insight into their unique challenges and experiences in property ownership and management within Seattle.

Question 1: Do you own or manage one or more properties in Seattle?

Ownership or Management Status	Number of Responses	Percentage of Responses
I own and manage properties	260	41%
I own properties	239	38%
None of the above	93	15%
I manage properties	43	7%
Total	**635**	**100%**

Question 2: How many rental units do, or did you own or operate?

Rental Units	Number of Responses	Percentage of Responses
1 unit	189	30%
2-5 units	191	30%
6-10 units	45	7%
11-20 units	25	4%
21-50 units	25	4%
51-100 units	14	2%
Over 100 units	53	8%
Unreported	93	15%
Total	**635**	**100%**

Question 3: Have you recently stopped renting out any of your properties? (2016-2022)

Response Type	Number of Responses	Percentage of Responses
Continuing to Rent	281	44%
Stopped Renting	261	41%
Unreported	93	15%
Total	**635**	**100%**

Question 4: What did you do with the property after you stopped renting it out?

Actions After Ceasing Rental	Number of Responses	Percentage of Responses
I sold it, no longer own it, or intend to sell	149	57%
I or a relative live there now	54	21%
It is vacant or unoccupied	13	5%
I repaired, remodeled, or demolished it for development	19	7%
I use it for personal use	7	3%
I use it as a short-term rental (such as Airbnb)	13	5%
Special cases or other situations	2	1%
Total Respondents	**261 respondents**	

(Note: Questions 4-6 are intended only for 261 respondents who indicated "Stopped Renting" in Question 3. The categories displayed in the above table may differ from those first outlined in the survey questions. This revision is intentional and reflects our analysis of the narratives provided in the written responses. Our aim was to capture the nuances and lived experiences that may not neatly fit into predefined categories. So, after carefully reviewing the feedback, we adjusted the categories to better encapsulate the range of perspectives and experiences shared by the respondents. The percentages were calculated based on 261 total respondents.)

Question 5: Why did you stop renting it out? (Select all that apply)

Reasons for Ceasing Rental	Number of Responses	Percentage of Respondents Selecting Each Reason
It was difficult to comply with the City of Seattle's rental rules and regulations	175	67%
Inadequate support/resources for landlords from the City of Seattle	110	42%
I had tenants who caused problems	63	24%
It made financial sense	58	22%
I had personal reasons	34	13%
The COVID-19 pandemic made it difficult to rent	24	9%
It was hard to manage and maintain	20	8%
Total Respondents	**261 respondents**	--

(Note: Respondents could select multiple reasons for stopping renting out. The percentages were calculated based on 261 total respondents)

Question 6: Are you doing any of the following instead? (Select all that apply)

Alternative Investment Options	Number of Responses	Percentage of Respondents Selecting Each Option
Purchased another rental property outside Seattle	108	41%
Invested in stocks or bonds	52	20%
Saved the proceeds for a retirement or savings account	43	16%
Prefer not to say	39	15%
Purchased a new home or vacation place	17	7%
Invested in commercial real estate	16	6%
Purchased another rental property in Seattle	3	1%
Total Respondents	**261 respondents**	**--**

(Note: Respondents could select multiple reasons for stopping renting out. The percentages were calculated based on 261 total respondents).

Question 7: How easy or hard is it to comply with the City of Seattle's rental rules?

Rating Level	Number of Responses	Percentage of Responses
5	303	56%
4	121	22%
3	68	13%
2	25	5%
1	23	4%
Total	**540**	**100%**

Question 8: What challenges, if any, did you face in complying with the City of Seattle's rental rules? (Select all that apply)

Challenges in Compliance	Number of Responses	Percentage of Response Selecting Each Challenge
The rules are too burdensome to follow or too difficult to implement	471	74%
The rules are difficult to understand	269	42%
The City did not provide clear information	164	26%
I had a hard time getting in touch with City staff	160	25%
I had difficulties with the inspection of the rental property	110	17%

Challenges in Compliance	Number of Responses	Percentage of Response Selecting Each Challenge
I had problems registering my property with the City	80	13%
I faced no challenges	62	10%
Total Respondents	**635 Respondents**	--

(Note: Respondents could select multiple reasons for stopping renting out. The percentages were calculated based on 261 total respondents).

Question 9: Which three of the following Seattle rules were the most difficult for you to understand or follow? Please only select three options.

Difficult Rules	Number of Responses	Percentage of Response Selecting Each Rule
Requirement to accept the first qualified applicant	406	64%
"Just Cause" limits on reasons to evict a tenant	300	47%
Rent increase notice requirements	285	45%
Eviction and other moratoria during the COVID-19 civil emergency	251	40%
Limits on fees and non-rent charges	176	28%
Rental registration and inspections	159	25%
Roommate law limits on denying roommates added to a current tenancy	148	23%
School year or winter eviction limits	118	19%
Rental housing maintenance standards	48	8%
Total Respondents	**635 Respondents**	---

This question only provided options to rank up to three rental regulations or fair housing laws based on how difficult to understand and/or follow the respondent perceived them. This question did not provide options that were not regulations or laws. The goal of this question was to identify if there was a relationship between these responses and the type of complaints filed against landlords with SDCI and SOCR.

(Note: Respondents could select up to three options. The percentages were calculated based on 635 total respondents).

Question 10: Did you seek help or do anything particular to follow Seattle's rules? If so, please select all methods you tried.

Compliance Methods	Number of Responses	Percentage of Respondents Mentioning Topic
I read the City's information on their website or publications	425	67%
I joined a landlord organization	263	41%
I used an attorney	148	23%
I hired a property manager	127	20%
I attended a training session	98	15%
None of the above	75	12%
Total Respondents	**635 Respondents**	---

(Note: Respondents could select multiple options. The percentages were calculated based on 635 total respondents).

Question 11: Is there anything else you'd like to share about your experience as a property owner in Seattle?

Coded Categories	Number of Responses	Percentage of Response Mentioning Each Category *
Concerns Regarding Seattle Regulations and Policies	352	77%
Impact on Rental Market and Property Ownership	240	52%
Challenges in Compliance and Understanding Rules	131	29%
Personal Experiences and Anecdotes	130	28%
Challenges Faced by Small Property Owners vs. Large Property Owners	98	21%
Tenant-Landlord Balance Concerns	87	19%
Calls for Change, Suggestions, and Solutions	85	19%
General Comments and Miscellaneous	11	2%
Total Respondents	**459 Respondents**	---

* Note: The percentages are calculated based on 459 total respondents who provided written responses. The table presents various categories created to capture the wide range of sentiments found in the 459 written responses we received. Each number in the "Number of Responses" column represents how often that topic came up in these comments. The percentages were calculated based on 459 total respondents).

Question 12: (Optional) Which race and/or ethnicity do you most closely identify with? (Select all that apply)

Race and Ethnicity *	Number of Responses	Percentage of Responses
White / Caucasian	263	41.4%
Prefer not to say	139	21.9%
Other / Not Provided	108	17.0%
Asian / Asian American	46	7.2%
Multiracial	32	5.0%
Hispanic / Latino / Latina / Latinx	25	3.9%
Black / African American	15	2.4%
Middle Eastern / North African	3	0.5%
Native American / Alaska Native	3	0.5%
Native Hawaiian / Pacific Islander	1	0.2%
Total	**635**	**100%**

* Note: The survey asked for race and ethnicity, 22 percent of surveyed respondents preferred not to disclose their race or ethnicity, 20 percent of all respondents identified as Black, Indigenous, People of Color (BIPOC),[1] 17 percent did not self-identify with any of the options provided in the survey, and 41 percent self-identified as White.

[1] Black, Indigenous, People of Color (BIPOC) for this survey included: Black / African American, Native American / Alaska Native, Native Hawaiian / Pacific Islander, Asian/ Asian American, Multiracial, Hispanic/ Latino / Latina/ Latinx, and Multiracial.

Question 13: (Optional) What is your preferred language for communication?

Preferred Language	Number of Responses	Percentage of Responses
English	497	78.3%
Prefer not to say / Unreported	130	20.5%
Vietnamese	3	0.5%
Spanish	1	0.2%
Korean	1	0.2%
Thai	1	0.2%
Norwegian	1	0.2%
Amharic	1	0.2%
Total	**635**	**100%**

APPENDIX I

Seattle Office of City Auditor Mission, Background, and Quality Assurance

Our Mission:

To help the City of Seattle achieve honest, efficient management and full accountability throughout City government. We serve the public interest by providing the City Council, Mayor and City department heads with accurate information, unbiased analysis, and objective recommendations on how best to use public resources in support of the well-being of Seattle residents.

Background:

Seattle voters established our office by a 1991 amendment to the City Charter. The office is an independent department within the legislative branch of City government. The City Auditor reports to the City Council and has a four-year term to ensure her/his independence in deciding what work the office should perform and reporting the results of this work. The Office of City Auditor conducts performance audits and non-audit projects covering City of Seattle programs, departments, grants, and contracts. The City Auditor's goal is to ensure that the City of Seattle is run as effectively, efficiently, and equitably as possible in compliance with applicable laws and regulations.

How We Ensure Quality:

The office's work is performed in accordance with the Government Auditing Standards issued by the Comptroller General of the United States. These standards provide guidelines for audit planning, fieldwork, quality control systems, staff training, and reporting of results. In addition, the standards require that external auditors periodically review our office's policies, procedures, and activities to ensure that we adhere to these professional standards.

Seattle Office of City Auditor
700 Fifth Avenue, Suite 2410
Seattle WA 98124-4729
Ph: 206-233-3801
www.seattle.gov/cityauditor