

2009 Candidates Questionnaire

Candidate Name: Dow Constantine

The Rental Housing Association of Puget Sound is interested in soliciting the views of candidates running for public office. We are interested in your views on the following questions of importance to both the residents of rental housing communities and owners and managers of these communities. Please return the questionnaire prior to any scheduled interview.

1. Do you now own or have you owned rental housing? Yes No

I manage two rental homes on behalf of my family. I am a lawyer with a real estate background and experience representing landlords.

2. Rent Control – At present, state law precludes local adoption of rent control. Rent control has proven to be a failure wherever it has been instituted because it acts as a disincentive to building new rental units and discourages owners from maintaining existing rental apartments. Do you oppose all forms of rent control? Yes No

Throughout the economy price controls have proved generally futile, and increased supply generally productive. Vouchers and other market-based solutions can be effective in achieving similar goals (universal housing, economic diversity of communities) while not inhibiting housing development.

3. Tax --- Do you believe that the tax burden faced by property owners in your city is (circle one) and why do you feel this way?

Too high Too low About right
X

While property tax has its place, I think the excessive and increasing reliance on property tax can reach the point where it is economically and socially harmful. It is a result of the failure of the state legislature to do any serious work on tax reform. Every need for funding is answered by the legislature with another property tax (or occasionally sales tax) band-aid.

What taxes would you seek to raise or lower?

Fundamentally, taxes should be balanced so as to minimize the warping of business decisions, provide stable and adequate revenues, and bear some rough relationship to the ability to pay. The property and sales taxes should be limited, B&O tax limited or replaced with a more modern set of value-added business taxes, and user fees such as tolls should be relied on to pay for transportation investments.

What special levies would you seek to propose, extend, or eliminate?

I have supported recent transit, parks and other levies. However, see answer above re: state's failure to provide alternatives to property tax. Until the economy rebounds, we should not be imposing all the taxes authorized by this legislature.

3. **Property Inspections** – Some cities have begun focusing on mandatory rental property inspections programs as a way to enforce city codes. The City of Seattle has previously adopted such a program, only to have it thrown out in court. The City of Pasco now has a mandatory inspections program which requires a landlord to require their tenant(s) to allow a third party inspector approved by the City to inspect the tenant’s private unit. If the tenant refuses, the landlord is stripped of their business license and not allowed to operate the property as a rental.

Do you feel a mandatory rental property inspections program is necessary? Why or why not?

I do not support mandatory inspections. There should be some predicate, some evidence of violation, in order for the city to exercise its police powers. I would like to see stronger inspection access and education about rental safety in high rent areas such as the University District and other areas where tenants are too transient, lack language skills or have other impediments to understanding their rights to safe housing.

4. **“Just Cause Eviction”** – Under State law, a landlord may give a month-to-month tenant twenty days’ notice prior to the end of the rental period if they would like them to vacate. This allows property owners to terminate tenants who are being a nuisance to others or damaging the unit. The City of Seattle has a “just cause eviction ordinance”, which restricts the ability to terminate a month-to-month tenancy to very specific reasons. Proving to a legal standard that a tenant broke a building rule is typically difficult without willing testimony from a third party, leaving property owners in a bind. In one such instance, a King County Judge refused to order a tenant to move even after he was arrested for assaulting the building manager (because there was not a criminal conviction). Do you believe that State law should be respected, allowing property owners to protect their residents and property by terminating month-to-month tenants without having to prove a violation of the rental agreement? Why or why not?

Having been away from the legislature and the practice of law for several years, I am not perfectly up-to-date on the current allocation of rights and responsibilities between landlords and tenants under state law. As a lawyer, I did observe, and was on the receiving end of, some fairly egregious examples of the misuse of the city’s just cause ordinance to frustrate what a reasonable person would consider well-justified evictions (clear evidence of criminal activity, damage, etc). I would support state pre-emption assuming tenants are advised of their rights and offered the opportunity to negotiate a new lease (or to move) ahead of time, as when the holdover tenancy starts. I do believe that 20 days is a very short period in which to locate a new residence, negotiate a lease, and relocate. However, I have never known a landlord - either myself, one represented by me, or otherwise - to take on the cost and trouble of evicting a tenant without good cause.

5. **Affordable Housing** - While many positive steps have been taken to ensure an adequate supply of housing, demand caused by job growth in the region continues to pressure supply. The median rent or home price has become increasingly unaffordable to the median household income. What steps are you willing to take to ensure a balance between jobs and housing, at a time when neighborhoods resist increased densities? Specifically, are you willing to:

- Make housing supply a city priority. Yes No
- Modify the zoning code to promote residential development. Yes No
- Zone for increased residential densities along transit routes. Yes No
- Modify parking requirements for new residential development. Yes No

6. Economic Development – Ideally, what three specific proposals would you implement, if elected, to promote economic development in the City?

- 1) I have made a commitment to actively promote creation of clean energy jobs and business development.
- 2) I would support legislation to encourage Transit Oriented Development.
- 3) I am an early and active supporter of infrastructure development including light rail, the waterfront tunnel, and other investments that create jobs and improve mobility.

7. Accessory Dwelling Units – Accessory dwelling units (mother-in-laws) provide the opportunity for increased density where available land is scarce and are often more affordable than individual market units. As such, they are a great solution to the affordable housing problem our area is currently faced with. Do you favor easing restrictions on accessory units in order to increase the availability of affordable housing?

Yes No

I have actively supported liberalization of Seattle’s ADU laws and as a councilmember have made the County’s laws more favorable to ADUs and other affordable housing styles.

8. Tax Breaks for Low-income Housing – For the vast majority of rental housing owners who purchased their property in the past five years, inflated real estate values left little, if any, excess income after paying a mortgage to reinvest in the property. In fact, most rents for such properties only serve to subsidize a partial amount of the total mortgage for a rental property. This has created a situation where owners have few options but to pass tax increases on to renters in the form of increased rents, hurting low-income renters the most. Do you favor providing low-income housing providers with tax credits?

Yes No

9. Low Income Housing – Qualified low-income tenants should have a choice about where they live. This can be achieved through a “voucher program” whereby low-income tenants would receive voucher assistance to help cover a part of their monthly rent. Such a program takes limited dollars, provides incentives to private developers for construction/rehabilitation and would be separate from the Section 8 program which has seen federal funding cut in recent years. Highlights of a voucher system are:

- Vouchers offer immediate housing solutions to those who cannot wait for a building to be constructed.
- Extremely cost-effective - \$1,000,000 can only build a 10-unit building, but is enough for 250 families to rent for one year while getting on their feet.
- Unlike public-sector housing, vouchers do not require government to maintain and repair buildings.
- Vouchers offer low-income tenants a choice of where to live.

If elected, would you advocate for providing a portion of low-income funds for such a voucher system?

Yes No

10. Regulatory Fee vs. Taxation – A contentious subject for rental property owners is the issue of regulatory fees, which essentially amount to targeted taxation for basic city services. An example might be a city creating an ordinance which requires rental property owners to pay a fee in order for their properties to receive police service, and then charging an additional fee to that property owner if the police respond to a call at the property. This same service is available to all other city taxpayers without the extra charges.

What are your thoughts on the regulatory fee vs. taxation issue?

I oppose fees.

Notes:

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