ORDINANCE NO. 2025-06-011

AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON, RELATED TO MANUFACTURED/MOBILE HOME LANDLORD TENANT RELATIONS, ADOPTING A NEW CHAPTER IN TITLE 6 OF THE BELLINGHAM MUNICIPAL CODE PROHIBITING LANDLORDS FROM CHARGING UNFAIR OR EXCESSIVE FEES IN MANUFACTURED/MOBILE HOME LOT LEASE AGREEMENTS

WHEREAS, manufactured home parks are important and threatened sources of affordable housing and this ordinance provides equal protection to manufactured home parks as other tenants; and

WHEREAS, manufactured home parks comprise about 2.5% of Bellingham's total housing stock but represent 16% of the affordable housing, according to the 2023-27 Consolidated Plan; and

WHEREAS, stronger consumer protections for mobile homeowners aligns with the intent of steps taken by the City of Bellingham to preserve manufactured home parks as a source of affordable housing, including the mobile home park overlay and continued investments in home retrofitting; and

WHEREAS, junk fees are a growing problem across the country, as corporations nickel and dime consumers with excessive and unfair fees, including in rental housing and manufactured home parks; and

WHEREAS, city staff presented summaries of public engagement efforts, including a large public survey and focus groups with landlords, tenants, and service providers, during the Council meeting on March 28, 2025; and

WHEREAS, this ordinance is an exercise of the City of Bellingham's police and regulatory authority derived from Washington Constitution article XI, section 11 and is consistent with RCW 35.22.280.

NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

SECTION 1. A new chapter, designated as BMC 6.19, is added under the chapter heading "Prohibited Fees in Manufactured Home Communities" to read as follows:

BMC 6.19.010 - Definitions.

For the purposes of this chapter:

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"Assistance animal" means an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or that provides emotional support that alleviates one or more identified effects of a person's disability. An "assistance animal" is not a "pet".

"Director" means the director of the department of planning and community development or the director's designee.

"Base rent" means a recurring and periodic charge identified in the lease agreement for use and occupancy of a manufactured/mobile home lot.

"Common area" includes any communal area, recreation hall, center, or any building or structure, including improvements thereto or open space provided by the manufactured housing community owner for the benefit of residents and their guests.

"Fee" means any payment by the tenant that is proffered or imposed by the landlord, but does not include the monthly rent or charges for damages. "Fee" may include charges designated by the landlord as additional rent if those charges are conditionally and differentially imposed on otherwise similar tenancies.

"Household member" includes individuals who reside in the same dwelling and share common living spaces with others. This can include family members, roommates, or other individuals who live together as part of a single domestic unit.

"Landlord" has the same meaning as in RCW 59.20.030(7).

"Late fee" means any fee, cost, or charge imposed by the landlord for the tenant's failure to pay rent in full within five or more days following its due date.

"Lease agreement" has the same meaning as "rental agreement" under RCW 59.20.

"Mandatory fee" means a fee, cost, or charge (whether one-time or recurring) for a service or amenity that is required as a condition for the use and occupancy of a manufactured/mobile home lot where a tenant cannot opt-out or substitute for that service. Mandatory fees for utilities do not include utility charges where the cost is for the actual usage by the tenant, or a variable charge for utilities that is apportioned equitably among units where utility charges apply simultaneously to more than one unit.

"Manufactured/mobile home lot" has the same meaning as mobile home lot in RCW 59.20.030(12).

"Manufactured housing community" has the same meaning as RCW 59.20.030(15).

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"Move-in fees" means the total sum of any applicant screening fees and any security deposit.

"Optional fee" includes any fee, cost, or charge for a service or amenity that is not a condition for the use and occupancy of a dwelling unit, such as fees for furnishings, optional parking permits, or additional storage space outside of the dwelling unit.

"Pet" or "Common household pet" means a domesticated animal, such as a dog or cat, that is commonly kept in the home for pleasure or companionship rather than commercial purposes.

"Pet deposit" means any monies collected by a landlord from current or prospective tenant as a condition of permitting the tenant's pet animals to reside in the dwelling unit of the tenant.

"Security Deposit" means any monies collected by a landlord from a prospective or current tenant as security for the performance of the tenant's obligations set forth in the lease agreement.

"Tenant" has the same meaning as in RCW 59.20.030(27). Also, a tenant is any person who is entitled to occupy a manufactured/mobile home lot, or the dwelling unit on that lot, primarily for living or dwelling purposes under a lease agreement.

"Unfair or excessive fees" means fees, costs, or charges that are prohibited by State, Federal, or local law; fees, costs, or charges that are not agreed to by the tenant and disclosed in a rental agreement, lease, or addendum; and other fees identified in this chapter as unfair or excessive fees.

BMC 6.19.020 Disclosure of Fees Required

- A landlord must disclose in any advertisement, listing, or application form of a dwelling unit, unless infeasible due to size constraints, unavoidable word limits, or similar impediments, as well as in the rental agreement:
 - a. The base rent of manufactured/mobile home lot;
 - b. All utilities for which the tenant is responsible;
 - c. Any utilities included in the monthly rent; and
 - d. The amounts of any optional or mandatory fees.
- 2. A landlord must conspicuously disclose on the first page of the lease agreement all mandatory and optional fees associated with a manufactured/mobile home lot.

BMC 6.19.030 - Reasonable Fees Permitted

A landlord may charge a tenant the following fees in addition to rent:

- An applicant screening fee or application fee that does not exceed \$50.00 plus CPI-U
 for the Seattle/Tacoma/Bellevue region calculated on an annual basis -June over June
 per application;
- 2. Move-in fees that do not exceed the Base Rent for one month;
- 3. A fee for utilities, if any, that are not included in the rent. The fee for utilities may not exceed the actual cost of the utilities used by the tenant or tenants. Where the actual use of the utilities by the tenant or tenants cannot be determined, then the cost for utilities may be apportioned among the tenants on an equitable basis, provided that the landlord provides a clear accounting or methodology for calculating utility fees. A landlord may not charge a tenant an amount for utilities that exceeds the utility charges actually paid by the landlord on behalf of the tenant;
- 4. A reasonable fee for any optional good or service that is provided to the tenant where the tenant opts in to receiving the good or service, in writing, after receiving a disclosure that contains:
 - a. a concise description of the optional good or service,
 - b. the amount of the fee for the good or service,
 - c. how the tenant may later opt out of receiving the good or service, and
 - d. a clear statement of the tenant's right to rent the dwelling unit or continue to rent the dwelling unit if the tenant opts out of receiving the good or service;
- 5. A monthly late fee that does not exceed 1.0% of the outstanding Base Rent past due; and
- 6. A fee for any payment returned to the landlord for insufficient funds that does not exceed the actual costs to the landlord imposed by the financial institution

BMC 6.19.040 - Unfair or Excessive Fees Prohibited.

 A landlord may not require a tenant to pay any mandatory or optional fee, except as provided in this chapter or in RCW 59.20. Mandatory or optional fees other than those identified in this chapter or in RCW 59.20 constitute unfair or excessive fees, which are prohibited.

- 2. In addition, the following fees also constitute unfair and excessive fees and are prohibited:
 - Any fee for temporary guests not in compliance with RCW 59.20.060 or where charges exceed the actual cost to the landlord;
 - b. Any fee for a tenant to park their vehicles or their guest's vehicles within their manufactured home lot. To comply with this section the landlord shall not unreasonably limit the number of vehicles a tenant can park on their manufactured home lot or the duration of guest parking:
 - c. Any fee for a tenant's access to common areas. This section does not apply when the fee is associated with providing the tenant exclusive access to a common area facility on a temporary basis, such as the rental of a clubhouse for a private event;
 - d. Any fee for not signing a new lease agreement, lease extension, or renewal,
 - e. Any fee for a pet or assistance animal; and
 - f. Any fee to accept rent payments or other payments by personal check, money order, cashiers check, or ACH. If the landlord uses a third party payment vendor where the landlord may opt to either pay an additional fee or for the tenant to pay an additional fee to use a rental payment method such as ACH, the landlord is prohibited from opting to have the fee imposed on the tenant.

BMC 6.19.050 - Provisions Prohibited by this Chapter are Null and Void.

- 1. Any provision prohibited by the chapter in a rental agreement, or community rules not contained within the rental agreement, is void and unenforceable.
- 2. The inclusion of a provision prohibited by this chapter in a new or amended rental agreement after the effective date of this chapter is a violation of this chapter.
- 3. Misrepresenting to a tenant who has an automatically renewing rental agreement that the tenant must sign a new rental agreement is a violation of this chapter.
- Failure to provide the tenant with a copy of their rental agreement within two weeks of entering into a new rental agreement is a violation of this chapter.

BMC 6.19.060 - Retaliation Prohibited.

- 1. It is a violation of this chapter for any landlord or other person to retaliate against a tenant, prospective tenant, or other person attempting to exercise rights conferred by this chapter: Retaliation includes, but is not limited to, any of the following:
 - Refusing to provide, accept, or approve an application, lease agreement, or renewal of a lease agreement;
 - b. Applying more onerous terms, conditions, or privileges to a rental application process or lease agreement, including increased rent;
 - Misrepresenting any material fact when providing a rental reference against a tenant; or
 - d. Alleging, or threatening to allege, to a government agency that a tenant, prospective tenant, or a household member of the tenant or prospective tenant is without lawful presence in the United States.
- If a landlord or other person takes any of the actions identified in this subsection within 120 days of the date the tenant or prospective tenant has exercised their rights under this chapter, there shall be a rebuttable presumption that the action was taken in retaliation for the exercise of those rights.
- 3. Protections in this section apply to those who mistakenly but in good faith allege violations of this chapter.

BMC 6.19.070 - Civil Action Remedy.

- In addition to any other remedy provided by this chapter or allowed by law, any tenant, prospective tenant, or other person claiming injury may bring an action in a court of competent jurisdiction to enforce the provisions of this chapter and is entitled to all remedies available at law or in equity appropriate to remedy any violation of this chapter, including declaratory or injunctive relief.
- 2. A landlord or other person who is in violation of this chapter is liable to the tenant, prospective tenant, or other person in a private right of action for:
 - a. Three times the actual damages suffered by the tenant, or \$2,000, whichever is greater, or three times the actual damages suffered by a prospective tenant or \$1,000, whichever is greater;
 - b. Double the amount of any security deposit unlawfully charged or withheld; and

c. Costs of suit or arbitration, reasonable attorney's fees, as well as other forms of relief.

BMC 6.19.080 - Additional Affirmative Defense to An Unlawful Detainer and Other Actions.

In addition to any other legal defense a tenant may have:

- 1. It is an additional affirmative defense to an unlawful detainer or other eviction action where the cause is non-payment of rent that a landlord is in violation of this chapter.
- 2. It is an additional affirmative defense to an unlawful detainer or other eviction action that the action is in retaliation for the tenant asserting their rights under this ordinance.
- It is a defense to any action to enforce a lease agreement, to impose penalties, or to forfeit a deposit contrary to the requirements of the chapter that the landlord is in violation of this chapter.

A tenant or other person who prevails in any of the above defenses shall be awarded reasonable attorney's fees and costs.

BMC 6.19.110 - Miscellaneous Provisions.

- 1. Remedies and penalties provided in this chapter are in addition to any other existing legal remedies and are not intended to be exclusive.
- 2. Nothing in this chapter eliminates a tenant's rights under the lease agreement, including the right to civil relief if a landlord violates the lease agreement.
- 3. The provisions of this chapter may not be waived, and any term of any lease agreement or other agreement that purports to waive or limit a tenant's substantive or procedural rights under this chapter are contrary to public policy, unenforceable, and void.
- 4. All provisions in this chapter should be read in harmony with state and federal law, and if there is any question or conflict between Bellingham and state law, state law will apply.

BMC 6.19.120 - Severability.

If any section, sentence, clause, phrase, or provision of this chapter or its application to any person or circumstance is held invalid or unconstitutional by a court of competent jurisdiction, that invalidity or unconstitutionality shall not affect the validity or constitutionality of any other

provision and the remainder of this chapter, or the application of those provisions to other

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