



# Housing Action Subcommittee

Thursday, September 18, 2025

9:30 AM-11:00 AM

Tribal Conference Room – City Hall Lobby

Virtual meeting information below

**TIMES GIVEN ARE AN ESTIMATE AND ARE SUBJECT TO CHANGE**

	<b>Land Acknowledgement + Welcome</b>	
9:30 AM	<ul style="list-style-type: none"><li>➤ Land Acknowledgement</li><li>➤ Introductions + Announcements</li></ul>	
	<b>Public Comment</b>	
3 MINS. PER SPEAKER	Members of the public are invited to speak on any topic related to the Housing Action Subcommittee	
	<b>Housing Action Subcommittee Work Session:</b>	
9:35AM – 10:05AM	<u><a href="#">Racially Disparate Impacts Analysis DRAFT</a></u> <ul style="list-style-type: none"><li>➤ Presentation by City of Spokane Principal Planner Maren Murphy</li></ul>	
10:05AM – 11:00AM	Algorithmic Rent-Fixing Ordinance <ul style="list-style-type: none"><li>➤ Presentation by Council Member Zappone's Legislative Assistant Jackson Deese</li><li>➤ DRAFT of Ordinance in agenda packet</li></ul>	
<b>VIRTUAL MEETING INFORMATION:</b>	<b>MICROSOFT TEAMS VIRTUAL MEETING LINK:</b> <u><a href="#">CLICK HERE TO JOIN THE MEETING NOW</a></u> Meeting ID: 236 775 340 57 Passcode: 9pZ6RU9Q ----- Join on a video conferencing device Tenant key: cityofspokane@m.webex.com Video ID: 118 231 372 6	<b>DIAL IN BY PHONE:</b> <u><a href="#">+1 424-566-7556,,866675536#</a></u> United States, Beverly Hills <u><a href="#">Find a local number</a></u> Phone conference ID: 866 675 536#
	<b>AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION:</b> The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Council Briefing Center in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and also is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6237, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or mpiccolo@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7 1 1. Please contact us forty-eight (48) hours before the meeting date.	

## ORDINANCE NO. C00000

AN ORDINANCE prohibiting algorithmic rent price fixing and creating whistleblower protections, adopting new Sections 10.57.180 and 10.57.190 to Chapter 10.57 and amending Sections 07.08.158, 10.57.060 and 10.57.140 of the Spokane Municipal Code.

**WHEREAS**, software has become available for the use of proprietary non-public information provided to landlords to suggest and set rent prices and other lease terms; and

**WHEREAS**, the Office of the Washington State Attorney General has previously filed suit alleging that software for the use of algorithmic rent fixing may violate the state's Consumer Protection Act; and

**WHEREAS**, the Washington State Legislature considered regulating such algorithmic rent fixing in Senate Bill 5469 in the 2025 legislative session; and

**WHEREAS**, the industry-wide use of such algorithms can drive up rent and vacancies and arguably constitute unlawful price-fixing; and

**WHEREAS**, the City of Spokane webpage states that Spokane has over eighty thousand renters; and

**WHEREAS**, The City Council is interested in protecting those residents who rent and in addressing factors that artificially inflate the demand for rental housing; and

**WHEREAS**, by nature of anti-competitive violations, it can be difficult for tenants and prospective tenants to prove collusion, collaboration, or other uncompetitive behavior between for-profit landlords and property managers; and

**WHEREAS**, a study on algorithmic rent-fixing and collusion<sup>1</sup> was published in *Urban Science* in August 2025; and

**WHEREAS**, the study identifies the effects that algorithmic rent-fixing has on neighborhoods and districts, of which algorithmic rent-fixing has the most impact on with price increases through collusive monopolies; and

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<sup>1</sup> Zimmerman, A.J.; Anderson, M.B. Nefarious Algorithms: Rent Fixing via Algorithmic Collusion and the Role of Intentionality in the Pursuit of Class Monopoly Rent. *Urban Sci.* 2025, 9, 315.  
<https://doi.org/10.3390/urbansci9080315>

**WHEREAS**, the neighborhood effects of those engaging in algorithmic rent-fixing, and collusive activity generally, can be artificially minimized by arguing that the market analysis should be done at larger market scale, thereby diluting the portion of the market that their monopoly constitutes; and

**WHEREAS**, other localities have passed similar legislation prohibiting algorithmic rental price fixing, including Seattle, Minneapolis, Berkeley, and Jersey City;

**NOW, THEREFORE**, the City of Spokane does ordain:

**Section 1.** That Section 10.57.060 of Spokane Municipal Code is amended to read as follows:

10.57.060 Consistency with Chapter 59.18.RCW

- A. The provisions of this chapter shall be interpreted and enforced in a manner that is consistent with the provisions of Chapter 59.18 RCW.
- B. Terms in this chapter shall have the meaning set forth in Chapter 59.18 RCW unless a different meaning is expressly provided herein.

**Section 2.** That a new Section 10.57.180 is added to Chapter 10.57 of the Spokane Municipal Code as follows:

10.57.180 Prohibition on Algorithmic Rental Price Fixing

- A. Definitions. For the purposes of this section:
  - 1. “Coordinate” and “coordinating” shall mean an algorithm service provider is:
    - a. Collecting historical, anticipated, or contemporary prices, price changes, supply levels, occupancy rates, or lease or rental contract termination and renewal dates of residential dwelling units from two or more landlords, from private databases, or from public databases; and
    - b. Analyzing or processing the information described in this section through the use of a system or software that utilizes an algorithmic or other automated process to provide recommendations regarding rental prices, lease renewal terms, or occupancy levels to more than one landlord;

- c. “Coordinate” and “coordinating” do not include publishing rental price estimates that:
    - i. Are solely based on publicly available information;
    - ii. Are equally available to all members of the public; and
    - iii. Do not require a contract, agreement, or registration to obtain.
2. “Dwelling unit” has the meaning as defined in SMC 17A.020.040.
3. “Landlord” means the owner, lessor or sublessor of the dwelling unit or the property of which it is a part, and in addition, means any person designated as a representative of the landlord.
4. “Person” has the meaning as defined in SMC 01.02.100.
5. “Algorithm service provider” means any person that performs a coordinating function.
- B. This section does not apply to coordinating functions provided with either short-term rentals as defined in SMC 17C.316.020 or hotels as defined in SMC 17C.348.020.
- C. Violation. It is a violation of this section for:
  1. Any landlord, in or affecting commerce, to contract with or otherwise exchange anything of value in return for the coordinating services of an algorithm service provider.
  2. Any algorithm service provider, in or affecting commerce, to provide coordinating services to two or more landlords.
  3. It is not a violation of this section for a landlord to use a system or software recordkeeping tool absent conduct otherwise prohibited under this section.
- D. The City may file a civil action in a court of competent jurisdiction for violations of Section 10.57.180 for civil penalties of up to five thousand dollars per violation. Each instance of coordinating services for each dwelling unit shall be considered a separate violation. The court may award reasonable attorney’s fees and costs to the City if the City is the prevailing party.
- E. Pursuant to Section 08.01.321, the City of Spokane shall cancel or revoke the business license of a landlord, landlord’s agent, or algorithm service provider

successfully found in violation of this section and shall not be eligible to obtain a City of Spokane business license for five years thereafter.

- F. Tenants, landlords, and the employees or contractors of landlords are encouraged to submit violations of this section to the City of Spokane pursuant to Section 10.57.190 SMC.

**Section 3.** That a new Section 10.57.190 is added to Chapter 10.57 of the Spokane Municipal Code as follows:

**10.57.190 Whistleblower Protection and Award**

- A. Definitions. For the purposes of this section:

1. "Original information" means information that is:

- i. Derived from the independent knowledge or analysis of a whistleblower;
- ii. Not already known to the City of Spokane from any other source, unless the whistleblower is the original source of the information;
- iii. Not exclusively derived from an allegation made in an administrative or judicial hearing, in a government report, hearing, audit, or investigation, or from the news media, unless the whistleblower is the source of the information; and
- iv. Provided to the City of Spokane within three years of the alleged violation.

2. "Whistleblower" means an individual who, alone or jointly with others, provides the City of Spokane or other law enforcement agency with information pursuant to the provisions set forth in this chapter, and the information relates to a possible violation of local or state rental housing laws, including any rules or regulations thereunder, that has occurred, is ongoing, or is about to occur.

- B. Submission of Original Information. Whistleblowers shall submit written documentation of original information to the Residential Rental Housing Navigator and the City Attorney or their designee in the form and manner as dictated by administrative policy.

- C. Award Upon Successful Enforcement. Subject to the provisions of this chapter, the City of Spokane may award an amount to one or more whistleblowers who voluntarily provide original information in writing, and in the form and manner

required by the City of Spokane that leads to the successful enforcement of the regulations of Chapter 10.57 SMC.

- D. Disclosure of Whistleblower Identity. Any individual who chooses to make a claim anonymously must be represented by and communicate through counsel. Prior to the payment of an award, a whistleblower shall disclose their identity and provide such other information as the City Attorney may require, directly or through counsel, for the whistleblower.
- E. Amount of Award Limited. If the City of Spokane determines to make one or more awards under this chapter, the aggregate amount of awards that may be awarded in connection with enforcement actions may not be less than five percent nor more than thirty percent of the monetary sanctions imposed and collected in the related enforcement action.
- F. Authority to Determine Award. The determination of the amount of an award made under this chapter shall be in the discretion of the City Attorney or their designee.
- G. Payment From Legal Services and Relocation Fund. Any whistleblower awards paid under this chapter shall be paid from the Legal Services and Relocation Fund established in Section 07.08.158 SMC.
- H. Determination of Award Amount – Factors. In determining the amount of an award under this chapter, the City Attorney shall consider:
  - 1. The significance of the original information provided by the whistleblower to the success of the enforcement action;
  - 2. The degree of assistance provided by the whistleblower in connection with the enforcement action;
  - 3. The programmatic interest of the City of Spokane in deterring violations of the regulations of Chapter 10.57 SMC by making awards to whistleblowers who provide original information that led to the successful enforcement of such laws; and
  - 4. Any other factors the City Attorney considers relevant.
- I. Prohibition on Awards for Certain Whistleblowers. The City Attorney shall not provide an award to a whistleblower under this section if the whistleblower:
  - 1. Is convicted of a felony or misdemeanor in connection with the enforcement action for which the whistleblower could otherwise receive an award;
  - 2. Fails to submit information to the City of Spokane as may be prescribed;

3. Knowingly or recklessly makes a false, fictitious, or fraudulent statement or misrepresentation as part of, or in connection with, the original information provided or the enforcement action for which the original information was provided;
  4. In the whistleblower's submission, the whistleblower's other dealings with the City of Spokane, or in the whistleblower's dealings with another authority in connection with a related action, knowingly and willfully makes any false, fictitious, or fraudulent statement or representation, or uses any false writing or document knowing that it contains any false, fictitious, or fraudulent statement or entry with intent to mislead or otherwise hinder the City of Spokane or another authority;
  5. Knows that, or has a reckless disregard as to whether, the original information provided is false, fictitious, or fraudulent;
  6. Has a legal duty to otherwise report the original information to the City of Spokane;
  7. Is, or was at the time the whistleblower acquired the original information and submitted to the City of Spokane, a member, officer, or employee of the City, any other state or local regulatory authority, a self-regulatory organization, a public oversight board, or any law enforcement organization;
  8. Is, or was at the time the whistleblower acquired the original information submitted to the City of Spokane, a member, officer, or employee of a foreign government, any political subdivision, department, agency, or instrumentality of a foreign government, or any other foreign financial regulatory authority as that term is defined in 15 U.S.C. 78c(a)(52); or
  9. Directly or indirectly acquired the original information provided to the City of Spokane from a person:
    - i. Who is a person described in subsection (7) or (8) of this section; or
    - ii. With the intent to evade any provision of this chapter.
- J. Anti-Retaliation Protections. Whistleblowers who provide original information and who believe the submission of original information could be a violation of Chapter 10.57 SMC shall have all the protections and rights guaranteed in Section 10.57.130(B) SMC.

**Section 4.** That Section 07.07.158 of Spokane Municipal Code is amended to read as follows:

#### 07.08.158 Legal Services and Relocation Fund

- A. There is established a special revenue fund entitled the “legal services and relocation fund” into which shall be paid two percent of all revenue collected pursuant to SMC 8.07C each year for five calendar years (2023-2027) to seed the fund and then it shall thereafter be maintained with 100% proceeds from substandard housing enforcement actions by the Legal Services and Relocation Program and monetary sanctions collected from enforcement actions pursuant to Chapter 10.57.
- B. As provided in the annual budget, the “legal services and relocation fund” is appropriated to provide for legal services and relocation funds arising out of rental units that fall below standards of habitability, as established by SMC 10.57.070. The city council may also provide for additional revenues to be paid into such fund from time to time from any available funds of the City.

**Section 5.** That Section 10.57.130 of Spokane Municipal Code is amended to read as follows:

#### Section 10.57.130 Anti-Retaliation Protections

- A. Purpose and Intent.

Due to fears of retaliation, tenants may fear speaking up about housing habitability issues, practices relating to collection of past due rent, or organizing as tenants. State law provides protection against retaliation, and the City of Spokane intends for its code to provide additional protections.
- B. Prohibition on retaliation.
  - 1. No landlord or owner or manager of residential rental real property in Spokane may intimidate any person because that person is engaging in activities designed to make other persons aware of, or encouraging such other persons to exercise rights granted or protected by the fair housing laws, or engaging in political speech or political organizing.
  - 2. No person may threaten any employee or agent with dismissal or an adverse employment action, or take such adverse employment action, for any effort to assist any person in the exercise of their fair housing rights or engaging in whistleblowing pursuant to Section 10.57.190 SMC.
  - 3. Landlords are prohibited from retaliating against individuals for invoking their rights or protections under subsections 10.57.115, 10.57.116, 10.57.160, ~~((and))~~ 10.57.170, 10.57.180 and 10.57.190.



4. For purposes of this section, “fair housing laws” and “fair housing rights” include the federal Fair Housing Act, and the Washington Law Against Discrimination.

**Section 6.** That Section 10.57.140 of Spokane Municipal Code is amended to read as follows:

10.57.140 Private Right of Action

- A. Any person or class of persons who claim to have been injured by a violation of sections 10.57.020(H), 10.57.110, 10.57.120, 10.57.130, 10.57.160, ~~((or))~~ 10.57.170, or 10.57.180 may commence a civil action in Superior Court, not later than three (3) years after the occurrence of the alleged violation to obtain relief with respect to such violation. Upon prevailing, such aggrieved person may be awarded reasonable attorneys’ fees and costs, and such other legal and equitable relief as appropriate to remedy the violation including, without limitation, the payment of compensatory damages, a penalty of up to \$500, and injunctive relief.
- B. If a landlord fails to comply with the requirements of sections 10.57.020(H), 10.57.110, 10.57.120, 10.57.130, 10.57.160, ~~((or))~~ 10.57.170, or 10.57.180, and such failure was not caused by the tenant, the tenant may terminate the rental agreement by written notice pursuant to law.

**Section 7. Severability.** If any section, subsection, sentence, clause, phrase or word of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality thereof shall not affect the validity or constitutionality of any other section, subsection, sentence, clause, phrase or word of this ordinance.

**Section 8. Clerical Errors.** Upon approval by the City Attorney, the City Clerk is authorized to make necessary corrections to this ordinance, including scrivener’s errors or clerical mistakes; references to other local state or federal laws, rules, or regulations; or numbering or referencing of ordinances or their sections and subsections.

PASSED by the City Council on \_\_\_\_\_

\_\_\_\_\_  
Council President

Attest:

Approved as to form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Effective Date