

Tenant Screening Regulations and Discourse about Tenant Eligibility in Seattle Rental Listings

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Abstract

Facing severe affordable housing shortages, Seattle is one of many cities employing regulatory remedies to expand housing access. During our case study in Seattle, the City Council passed two ordinances regulating how property owners and managers (POMs) select tenants, requiring POMs to rent an available home to the first qualified applicant (First in Time, or FiT), and limiting POMs' ability to reject applicants based on a criminal record (CRO). To assess some of the possible consequences of these ordinances, we analyze recent Seattle rental advertisements ("ads"), asking whether and how the use and meaning of language around criminal histories evolves over time with new regulations. We use Seattle Craigslist ads from March 2017-September 2018, tract-level American Community Survey Census data for 2012-2016, and new quantitative and established qualitative methods of text analysis that reveal topic prevalence and meaning. As a result, we find evidence of Seattle-specific trends in the usage of restrictive language about tenant eligibility that correspond to the implementation of FiT and CRO, and the subsequent repeal of FiT. In Seattle, tenant eligibility restrictions become both more common and stricter when FiT goes into effect, then become less common when FiT is repealed. At the same time, mentions of criminal records seem to decline around the implementation of CRO, while the overall presence of restrictions seems to increase. A higher prevalence of restrictions following the implementation of FiT is also present outside of Seattle, but we see no other trends in this area that correspond to regulatory timing. Overall, our findings tentatively suggest that POMs may adapt the language in their rental advertisements to maintain control over tenant selection when necessary (i.e., when their control over tenant selection is limited). And, contrary to the spirit of fair housing legislation, this could make rental housing less accessible.

Context

- Seattle is one of the tightest housing markets in the country. Though it stands out in this way, it is similar to many other cities around the world, in which housing affordability shortages have also reached "crisis" levels in recent years.
- In response to this, Seattle has recently passed several ordinances that attempted to expand access to housing. Two of these explicitly limited the criteria that property owners/managers (POMs) can use to determine who they would rent to:
 - First in Time (FiT): Required POMs to rent to the first eligible tenant
 - Implemented: July 1, 2017
 - Repealed: March 28, 2018
 - A criminal records ordinance (CRO): Limited POMs' ability to reject applicants based on a criminal record
 - Implemented: February 19, 2018
- We ask: Does the language in Seattle *Craigslist* rental ads change over time in a way that may reflect POM responses to regulations?

Data

- 41,395 Craigslist ads from the Seattle-Bellevue-Tacoma Metro Area, March 2017-September 2018
 - 5,700 from before FiT went into effect (pre-7/1/2017)
 - 13,463 from between FiT implementation and CRO going into effect (7/1/2017-2/18/18)
 - 2,250 from between CRO implementation and FiT repeal (2/19-3/28/18)
 - 19,982 from after FiT was repealed (post-3/28/18)
- U.S. Census American Community Survey Tract-Level Data, 2012-2016

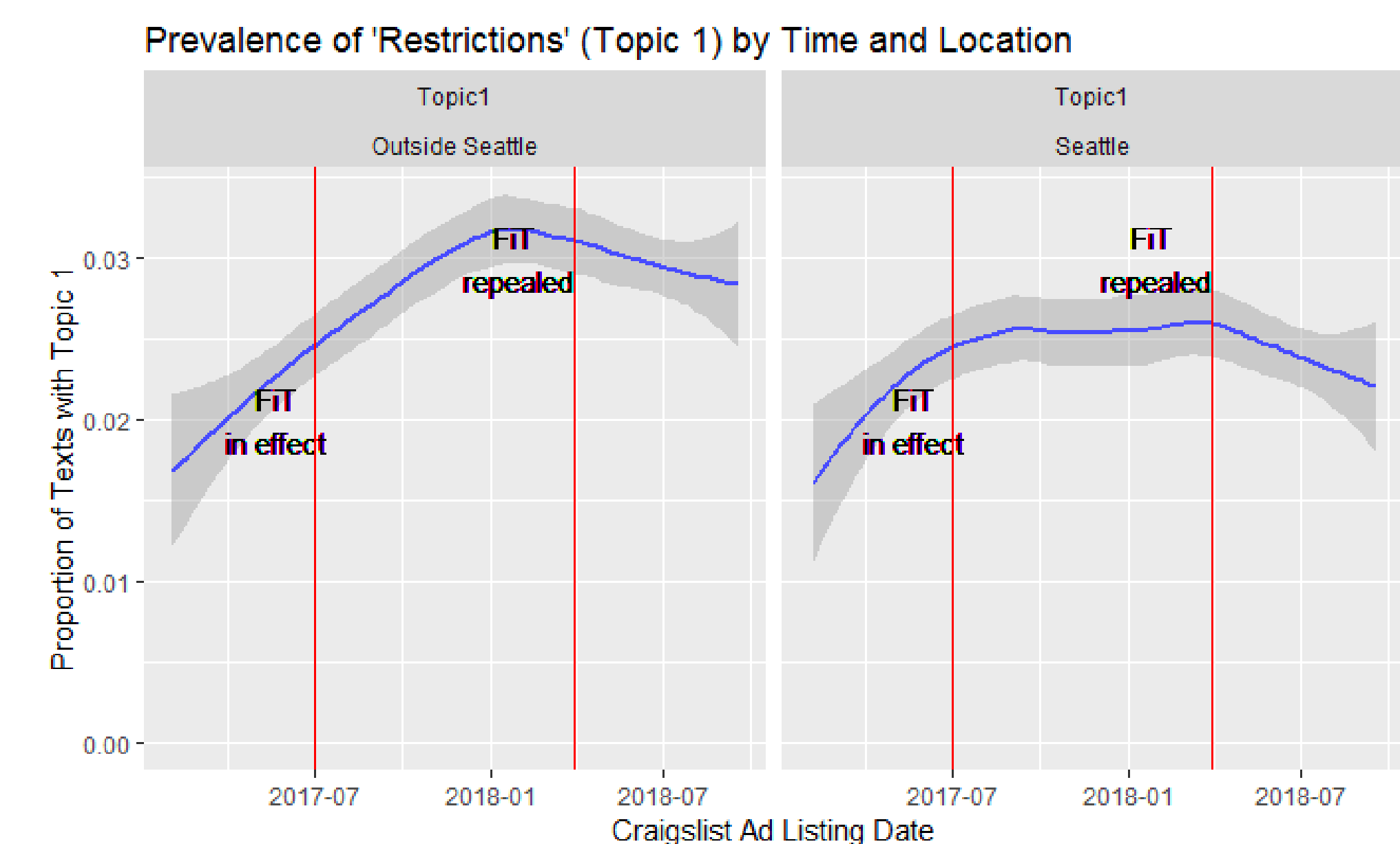
Methods

- Quantitative Analyses**
 - Structural topic models* to look for word co-occurrence/themes in texts
 - Keyword prevalence tests* to identify keywords for analyzing changes in discourse specific to criminal records (e.g., 'crim' 'record' 'felon' 'violent' 'convict')
 - Difference-in-difference weighted least squares analysis* with neighborhood-level controls (housing market, population, SES) to examine whether observed bivariate relationships are unique to Seattle/ spurious
 - Space (Seattle/not Seattle) and Time (pre-7/1/17, 7/1/17-2/18/18, 2/18-3/28/18, post-3/28/18) indicators
 - Separate models for tenant eligibility 'restrictions' topic and 'crim' keyword (DVs are counts of listings with topic/keyword)
- Qualitative Analyses**
 - Close reading/coding of 119 texts from the "restrictions" topic, which are split roughly evenly between Seattle and outside of Seattle and across the first three time periods *only* (so far)

Results & Conclusions

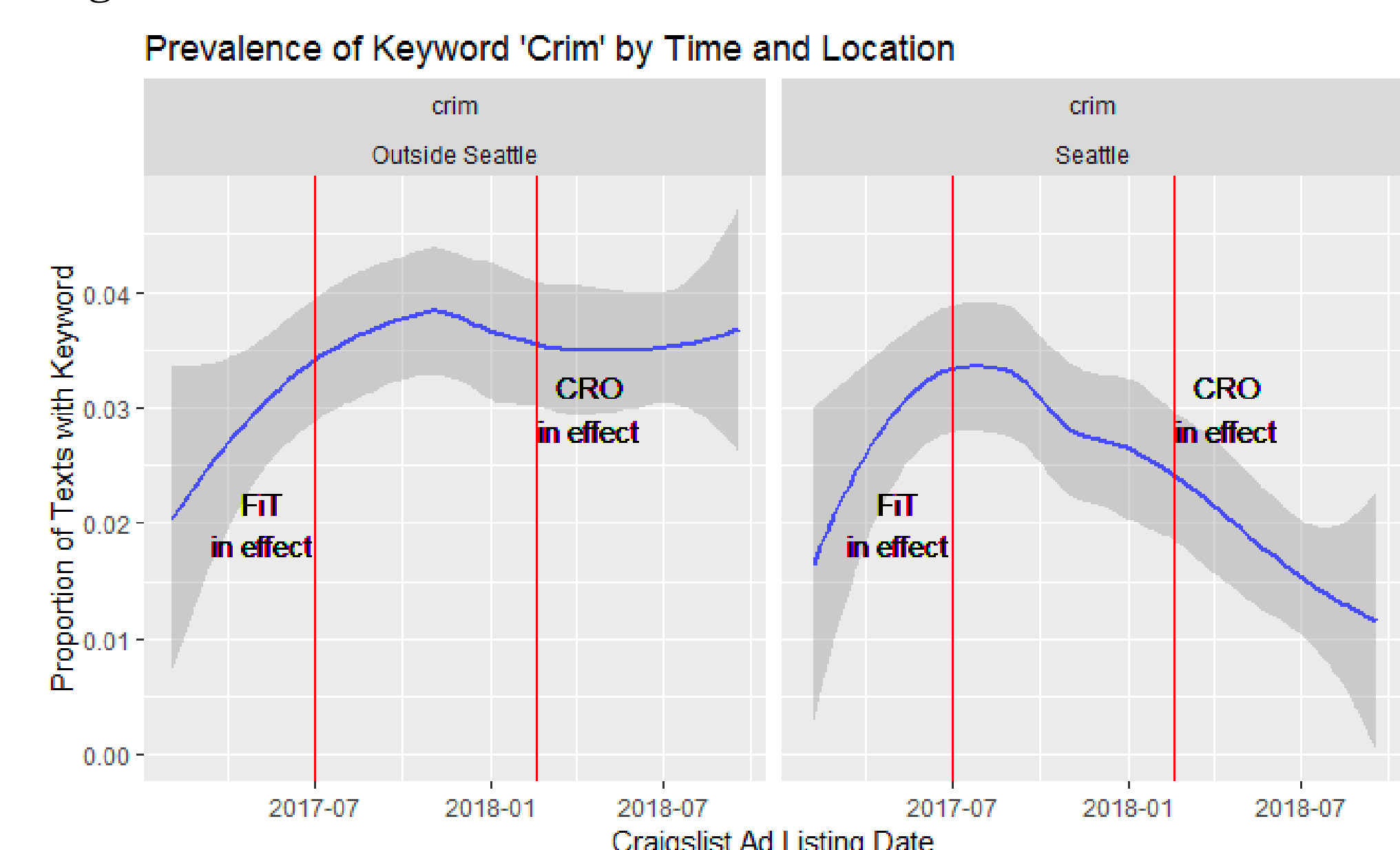
- STM:** Topic 1 is the most common topic, present in 2.7% of ads. Topic 1 relates to tenant eligibility restrictions.
 - Descriptively examining this over time suggests that Topic 1 prevalence increases leading up to the implementation of FiT and declines when FiT is repealed; this is specific to Seattle (see Figure 1)
- Keyword prevalence:** The 'crim' stem was common, present in roughly 1/3 of listings with a large representation of Topic 1 ('restrictions')-related terms and 2.9% of overall texts.
 - Over time, we descriptively see that—in Seattle only—the prevalence of 'crim' increases around the implementation of FiT and declines after CRO implementation (see Figure 2)
- Difference-in-difference WLS:**
 - Restrictions Topic 1: Weak-to-no evidence of *Seattle-specific* trend (see Figure 3)
 - 'Crim' Keyword: Stronger evidence of *Seattle-specific* trend, particularly when considering post-FiT repeal (see Figure 4)
- Qualitative analyses:**
 - Seattle ads appear to provide more detail about tenant eligibility restrictions after FiT implementation (11 of 37 ads v. 4 of 17); no similar time-trend outside of Seattle
 - Listings more commonly require 700+ credit scores (13 of 37 post-FiT v. 3 of 17 pre-FiT; 0 ads across time periods require such high credit scores outside of Seattle)
 - 5 of 21 ads post-CRO include potentially illegal language, with criminal records-related tenants exclusions.
- Conclusions:**
 - Tentatively evidence that POMs may adapt the language in their rental advertisements to maintain control over tenant selection when necessary (i.e., when their control over tenant selection is limited).
 - Contrary to the spirit of fair housing legislation, this could make rental housing less accessible.

Figure 1



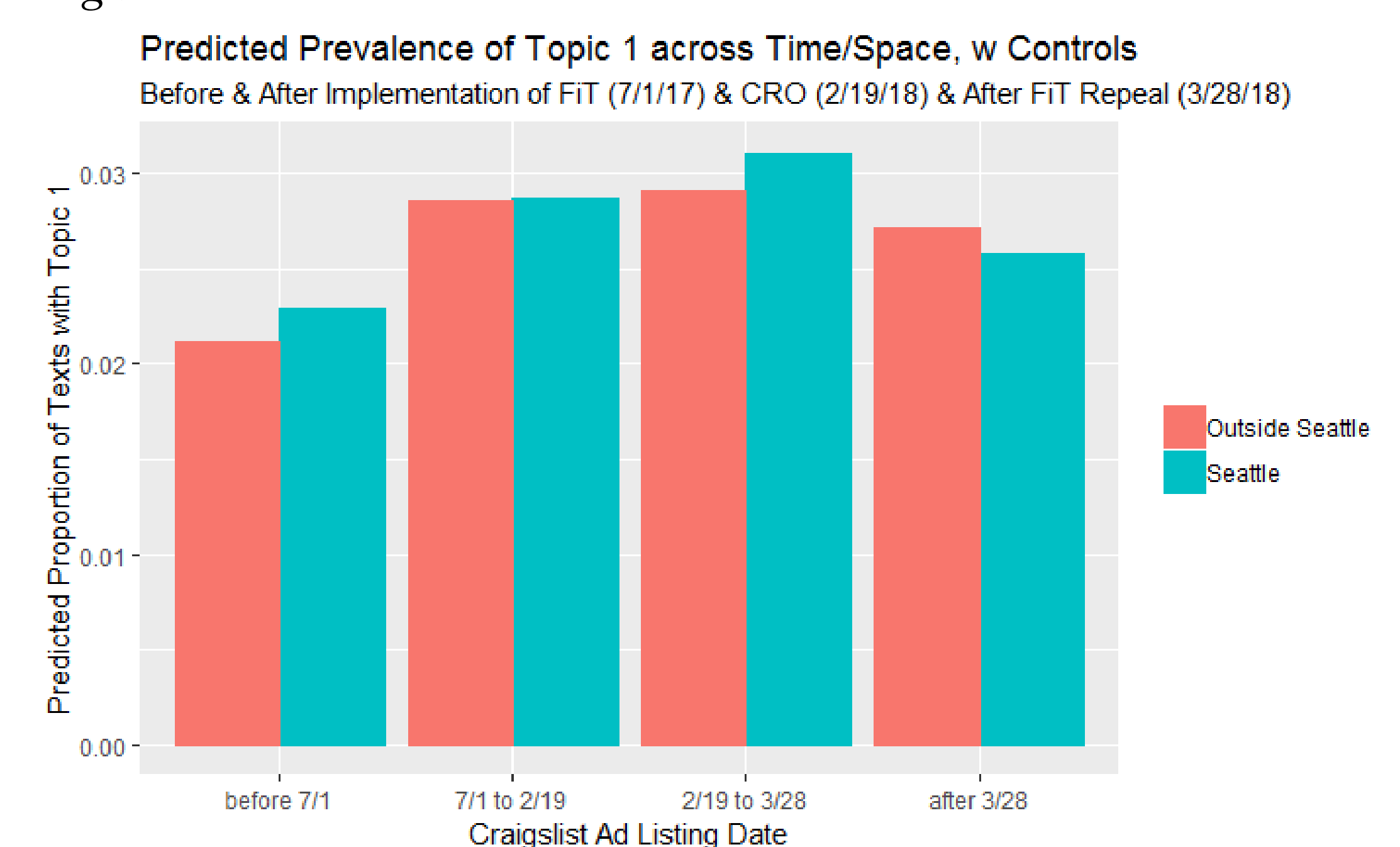
Descriptively, there are different time trends in and outside of Seattle for the prevalence of Topic 1 (Restrictions). Only in Seattle is there an increase that seems to occur around FiT implementation (which doesn't continue throughout).

Figure 2



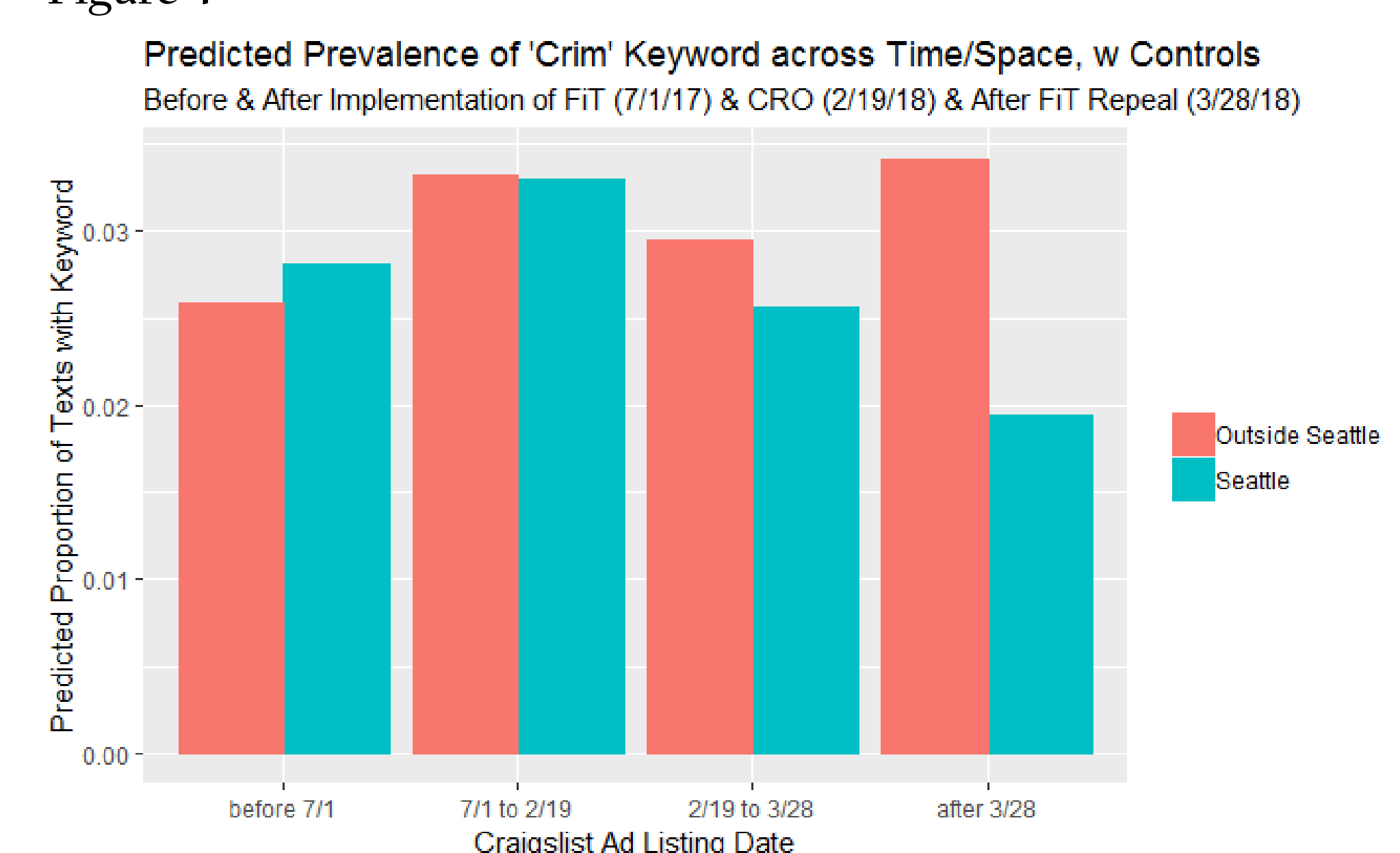
Descriptively, there are different time trends in and outside of Seattle for the prevalence of the 'crim' keyword. Only in Seattle is there the anticipated substantial drop-off in the use of 'crim' following CRO-implementation.

Figure 3



The time-trends in the prevalence of Topic 1 do not appear to be strongly Seattle-specific. However, based on modeling coefficients (not presented), the post-3/28 levels of Topic 1 have gotten close to returning to pre-7/1/17 levels in Seattle, but this is not the case outside of Seattle.

Figure 4



While the prevalence of 'crim' increases within and outside of Seattle when FiT is implemented, these levels stay higher over time outside of Seattle and, as expected, within Seattle, they decline more dramatically after CRO implementation and FiT repeal.