

#### **Meeting Agenda**

City Hall 601 4th Avenue E Olympia, WA 98501

#### **Land Use & Environment Committee**

Information: 360.753.8244

Thursday, June 22, 2023

5:30 PM

**Online and Via Phone** 

#### Register to Attend:

https://us02web.zoom.us/webinar/register/WN\_\_QbST2rNQ4KCUPGDGsij0g

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. APPROVAL OF AGENDA
- 4. PUBLIC COMMENT

(Estimated Time: 0-15 Minutes)

During this portion of the meeting, community members may address the Committee for up to two (2) minutes regarding the Committee's business meeting topics.

- APPROVAL OF MINUTES

Minutes

Attachments: Minutes

- 6. COMMITTEE BUSINESS
- **6.A** 23-0569 Sidewalk Repair Policy Briefing

<u>Attachments:</u> Map of Areas of Street Trees Maintained by the City

**6.B** 23-0547 Rental Housing Registration Proposed Program Scope

Attachments: Peer City Comparison and Proposed Scope

City of Kent Rental Housing Program

City of Tukwila Rental Housing Program

City of Lakewood Rental Housing Program

#### 7. REPORTS AND UPDATES

#### ADJOURNMENT

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State Relay Service at 7-1-1 or 1.800.833.6384.





#### **Land Use & Environment Committee**

## **Approval of May 25, 2023 Land Use & Environment Committee Meeting Minutes**

Agenda Date: 6/22/2023 Agenda Item Number: 5.A File Number: 23-0568

Type: minutes Version: 1 Status: In Committee

**Title** 

Approval of May 25, 2023 Land Use & Environment Committee Meeting Minutes



## Meeting Minutes - Draft

**Land Use & Environment Committee** 

City Hall 601 4th Avenue E Olympia, WA 98501

Information: 360.753.8244

5:30 PM

Online and Via Phone, Room 112

#### 1. CALL TO ORDER

Thursday, May 25, 2023

Chair Madrone called the meeting to order at 5:31 p.m.

#### 2. ROLL CALL

**Present:** 3 - Chair Dani Madrone, Committee member Jim Cooper and Committee

member Clark Gilman

#### 2.A OTHERS PRESENT

City Manager Jay Burney
Assistant City Manager Rich Hoey
Community Planning and Development Director Leonard Bauer
Housing Program Manager Darian Lightfoot
Finance Director Aaron BeMiller

#### 3. APPROVAL OF AGENDA

The agenda was approved.

#### 4. PUBLIC COMMENT

The following people spoke: Larry Dzieza, Bob Jacobs, Judy Bardin, Walt Jorgensen.

#### 5. APPROVAL OF MINUTES

**5.A** Approval of April 27, 2023 Land Use & Environment Committee Meeting Minutes

The minutes were approved.

#### 6. COMMITTEE BUSINESS

#### **6.A** 23-0448 Multi-Family Tax Exemption Feasibility Study Recommendations

Ms. Lightfoot and Mr. Bauer provided a presentation regarding the Multi-Family Tax Exemption Feasibility Study Recommendations. The Committee discussed reporting and whether to require financial analysis of projects, use of a fee-in-lieu as a down payment assistance or assistance for tenant-option-to-purchase programs, adjusting

boundaries to include both sides of major arterials and match zoning, how the property tax is paid on the exempted valuation, the elements of a monitoring program, potential evaluation of the level of public benefit achieved, and inclusion of public art requirement.

The recommendation was recommended for approval pending additional legal and staff review based on the Committee discussion..

#### 7. REPORTS AND UPDATES

Mr. Bauer reported that the State Building Code Council has delayed the required implementation date of state building codes until October 29, 2023. He also reported that staff will provide Committee members with a summary of the 2023 legislation that affects CPD as well as agenda items being scheduled for the next Land Use meeting.

#### 8. ADJOURNMENT

The meeting adjourned at 7:02 p.m.

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## Land Use & Environment Committee Sidewalk Repair Policy Briefing

Agenda Date: 6/22/2023 Agenda Item Number: 6.A File Number:23-0569

Type: information Version: 1 Status: In Committee

#### Title

Sidewalk Repair Policy Briefing

## Recommended Action

Committee Recommendation:
Not referred to a committee.

**City Manager Recommendation:**Receive a briefing regarding Sidewalk Repair Policy.

#### Report

#### Issue:

Whether to receive a briefing regarding Sidewalk Repair Policy

#### Staff Contact:

Michelle Swanson, AICP, Senior Planner, Public Works Transportation, 360.753.8575

#### Presenter(s):

Michelle Swanson, AICP, Senior Planner

#### **Background and Analysis:**

Some sidewalks in Olympia are in a state of poor repair, and efforts to encourage the adjacent property owners to fix them are often not successful.

#### Current practice

In February 2022, this Committee was briefed on the City's approach to sidewalk repair. The Committee requested that staff explore policy options to improve the state of repair for sidewalks.

Currently, OMC 12.36.010 requires adjacent property owners to repair their sidewalks. The City does prioritize and maintain some sidewalks on the same streets where we maintain street trees. Those are streets downtown and along many major streets, which are shown in the attached map. These streets have a lot of pedestrian activity, and many of them also have transit stops along them, which people typically walk to.

Elsewhere, we generally send a letter to the property owner and request that they repair the sidewalk adjacent to their property. In some instances, when the sidewalk is reported directly to Code

Type: information Version: 1 Status: In Committee

Enforcement rather than to Public Works Transportation staff, Code Enforcement staff will pursue the case. This results in uneven enforcement.

#### Policy Approaches

Staff researched what other cities do to address sidewalk repair and found a range of approaches. These will be reported to the committee in the presentation.

#### Next steps

To make progress on sidewalk repair starting next year, the forthcoming 2024-2029 Preliminary Capital Facilities Plan will include a program to repair some sidewalks. From this program, we will get a better understanding of the costs of sidewalk repair. Additionally, staff proposes:

- Doing an inventory of sidewalks to learn the scope and scale of damaged sidewalks
- Continuing the policy of requesting that property owners repair their sidewalks
- Suspending code enforcement of sidewalk repair until a full policy can be developed

By doing an inventory, we can understand the extent of the repairs that are needed. With more data about the scope and scale of the problem, plus a better understanding of the cost of repairs, we can be better informed on how to design an effective program. With this information, staff can return to this Committee with clearly defined policy options to consider.

#### **Climate Analysis:**

Making it easier for people to walk is a key strategy for reducing greenhouse gas emissions from the transportation sector. Ensuring that sidewalks are in good repair is one way the City can promote walking.

The majority of sidewalk damage is caused by street tree roots. The City has robust street tree requirements, which is important not only for reducing the urban heat island effect but also to make walking more inviting. Managing the conflicts between street tree roots and sidewalk repair is one of the many ways Olympia can adapt to climate change.

#### **Equity Analysis:**

For many vulnerable people, walking - often to a bus stop - is their primary form of transportation. This includes children, some elders, and people who cannot afford a vehicle. For some people with disabilities who use walking aids, such as wheelchairs or walkers, a damaged sidewalk can be a barrier that prevents them from getting to where they need to go.

Additionally, uneven enforcement of the current policy is inequitable.

#### **Neighborhood/Community Interests (if known):**

Sidewalk damage is consistently raised as a concern by residents and business owners. Most property owners are not aware that they are responsible for fixing them. For some property owners, sidewalk repair can be a financial burden.

#### **Financial Impact:**

The sidewalk repair program that will be proposed in the 2024-2029 Preliminary Capital Facilities Plan is likely to be for \$600,000. Of that, staff estimates that \$100,000 will be needed to do the

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sidewalk repair inventory.

#### **Options:**

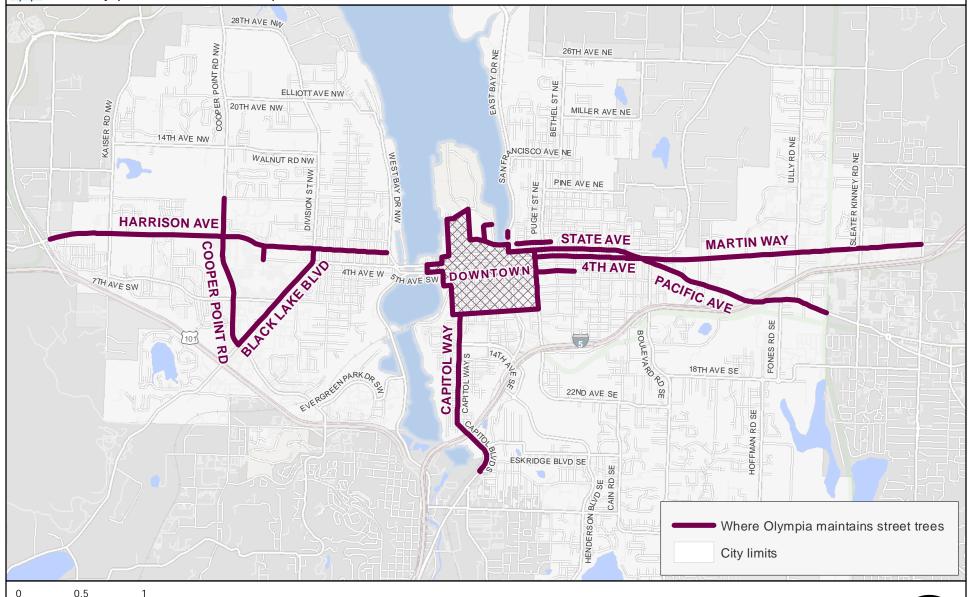
- 1. Receive the briefing.
- 2. Do not receive the briefing.
- 3. Receive the briefing at another time.

#### **Attachments:**

Map of Areas of Street Trees Maintained by the City

## Street tree maintenance areas

And City-prioritized sidewalk repairs



Map printed 6/6/2023 For more information, please contact: Michelle Swanson, AICP, Senior Planner mswanson@ci.olympia.wa.us 360.753.8575 The City of Olympia and its personnel cannot assure the accuracy, completeness, reliability, or suitability of this information for any particular purpose. The parcets, right-of-ways, utilities and structures depicted hereon are based on record information and aerial photos only. It is recommended the recipient and or user field verify all information prior to use. The use of this data for purposes other than those for which they were oreated may yield inaccurate or misleading results. The recipient may not assert any proprietary rights to this information. The City of Olympia and its personnel neither accept or assume liability or responsibility, whatsoever, for any activity involving this information with respect to lost profits, lost savings or any other consequential damages.



■ Miles





#### **Land Use & Environment Committee**

#### Rental Housing Registration Proposed Program Scope

Agenda Date: 6/22/2023 Agenda Item Number: 6.B File Number: 23-0547

Type: discussion Version: 1 Status: In Committee

#### **Title**

Rental Housing Registration Proposed Program Scope

#### **Recommended Action**

#### **Committee Recommendation:**

In May 2022, the Land Use & Environment Committee directed staff to explore options for implementing a rental housing registration program, as part of Council's update to the City's rental housing code (OMC 5.82).

#### **City Manager Recommendation:**

Discuss the rental housing registration proposed program scope and options.

#### Report

#### Issue:

Whether to discuss the proposed rental housing registration program.

#### **Staff Contact:**

Christa Lenssen, Housing Program Specialist, City Manager's Office, 360.570.3762

#### Presenter(s):

Christa Lenssen, Housing Program Specialist, City Manager's Office

#### **Background and Analysis:**

In May 2022, the Land Use & Environment Committee directed staff to explore options for implementing a rental housing registration program, as part of the City Council's update to the City's rental housing code (OMC 5.82). The City Council adopted an ordinance amending OMC 5.82 in August 2022 to limit move-in fees and security deposits, as well as notice periods required for rent increases.

The Committee identified the following goals for a registration program:

- Gather data about rental housing in Olympia
- Share information and resources with landlords
- Ensure basic life, health and safety in rental housing

Staff from Housing, Code Enforcement, Building Inspections, and Community Planning & Development met regularly to review peer city programs and options. Staff interviewed peer cities to learn more about program models, staffing structure, and sample code language. Staff will present information regarding legal authority to require inspections, peer city programs, proposed structure, resources needed to implement proposed program structure, additional policy and program considerations for developing a rental housing registration and inspection program.

In the proposed program model, an annual City-issued rental housing registration or permit would be required with mandatory periodic inspections in order to renew their Olympia business license. Certain unit types could be required to register, but not be subject to inspection requirements (renter-occupied manufactured homes, owner-occupied rentals such as an ADU onsite). Staff recommends requiring third party inspections, on a 5-year inspection cycle (a portion of rental units at a property would be inspected one out of every five years). Approximately 2,400 rental units would undergo inspections each year. City staff would be responsible for overseeing compliance with the program, selecting units for inspection, notifying property owners, reviewing inspections, training and certifying inspectors, providing education and outreach to property owners, as well as adding information and resources responsive to community needs.

Staff is seeking direction from the Committee to move forward with program development and drafting of code language. Information will be presented for the Committee to consider regarding:

- program structure, including exemptions and scope:
- fee schedule
- program staffing
- other policy additions

To implement a rental housing registration program, staff will need to:

- build a permit process and create a checklist for information needed to submit an application in SmartGov
- perform outreach to communicate with rental housing property owners about new requirements, implementation schedule and deadlines
- create inspection checklist
- create system for tracking inspections and selecting units for inspections
- create geographic sectors for inspection cycle
- perform outreach to potential inspectors
- create inspector training and certification

#### Other policy considerations:

Tenants who are residing in housing units with deficient conditions may be displaced if the property requires substantial rehabilitation or the property is condemned. The City Council could explore two different options for relocation assistance at this time and could reevaluate after program implementation to determine need.

State law (RCW 59.18.085) requires a landlord to pay relocation assistance if the property is condemned or deemed unlawful to occupy by a government enforcement entity (not required if a natural disaster occurs, because of eminent domain, or caused by a tenant or other third party). In

Tukwila and Lakewood, their code requires landlords to comply with state law and to pay relocation assistance if the property is condemned. The landlord either pays the tenant directly or the City pays the tenant and seeks reimbursement from the landlord.

State law (RCW 59.18.440) allows cities to require payment of relocation assistance to a low-income tenant if the unit is demolished, substantially rehabilitated, or the use changes. Cities can only require landlords to pay up to half of the total amount of relocation assistance. A public hearing is required for a City to implement this type of relocation assistance.

Additional tenant protections that can be added to code language for compliance with a rental housing registration and inspection program:

- Repeated violations of OMC 5.82 (all tenant protection provisions) could result in denial or revocation of license.
- Failure to comply with program is a defense to eviction (no license or noncompliance with inspection program).
- Rent increases are prohibited if the unit fails to meet health and safety standards in the inspection.

#### **Climate Analysis:**

The proposed rental housing registry and inspection program will result in a long-term reduction of greenhouse gas emissions by reducing energy use in existing buildings and electrifying buildings to phase out natural gas. An inspection checklist will be developed to monitor health and safety in housing units, as well as energy efficiency. Climate, housing, building inspections and code enforcement staff will work together to develop the inspection standards and ensure that third-party inspectors are adequately trained to perform this work. Inspectors will utilize the inspection checklist to identify deficiencies in housing units, including structural conditions and extreme energy inefficiency. Rental property owners will be required to remedy deficient conditions and will be provided information about available resources to make repairs and upgrades. Information will be shared about City resources to electrify housing units, make weatherization repairs and other updates.

#### **Equity Analysis:**

BIPOC households are more likely to be renters than white households in Thurston County. Approximately 42% of BIPOC households rent, compared to 31% of white households. Renters benefit from ensuring housing units are in good condition. Renters with disabilities whose health may be negatively impacted by unit conditions (inadequate ventilation, mold/moisture intrusion, cold/heat) will benefit from improvements to housing units. About 20% of respondents to the fair housing survey in 2022 indicated they experience health impacts from their housing unit conditions. High heating and cooling costs or insufficient heat/cooling, mold, and air quality/pollution were the most commonly reported environmental concerns in housing units. Renters will benefit from decreased utility costs if energy efficiency improves, and repairs are completed. According to the landlord survey conducted in 2021 as part of the Housing Needs Assessment, only 13% of landlords include electricity/gas utilities in rent. Renters may also benefit from the landlord being more aware of legal rights and responsibilities, if additional educational resources and information are included as part of this program.

People of color and people with disabilities earn less on average than white, non-disabled people. In

Thurston County, about 36% of white households earn over \$100,000 per year compared to 18% of Native American households. White households are the most likely to earn over \$100,000 annually and least likely to earn under \$35,000 annually than any other racial or ethnic group countywide. In 2020 in Olympia, a person with a disability earned on average \$26,075, compared to \$37,168 earned by a person without a disability. Low-income renters could be disproportionately harmed by this program if they are currently renting lower cost units that need significant repairs, and their rents are increased as a result of unit upgrades, they are displaced due to the unit needing significant repairs, or the unit is taken off the rental market. Renters with disabilities may also be burdened by inspectors entering their units (some individuals may be immune compromised).

There is limited data on landlord demographics. City of Olympia surveys include demographic data, but not all respondents provide demographic information and there is a limited sample size. Approximately 71% of landlords who completed the landlord survey (part of the Olympia rental housing code update in 2022) identified as white, which is similar to the general population of Olympia overall. Landlords are burdened by additional requirements and costs. Landlords may benefit from value-added programs and resources offered by the City. Landlords may also benefit from knowing about repairs needed in their housing unit due to inspections which may not be reported by a renter. Some renters may fear retaliation from their landlord if they request repairs or report to code enforcement.

Staff recommends adopting relocation assistance measures and will present options to the City Council. Additionally, staff will work to promote resources to help property owners make upgrades in exchange for renting to households earning below 80% of Area Median Income through the CDBG revolving loan fund and critical home repair programs. Staff is also exploring addition of a reasonable accommodation policy to ensure that any renters with disabilities may have the option of forgoing an inspection in their unit (if entrance to their unit by an inspector poses a health risk). In the future, this program could employ incentives to encourage landlords to keep rents low, to partner with community organizations who are seeking housing placements for clients, or provide other pathways for tenants with higher barriers to access housing.

Many City departments may be impacted by increased work due to implementation of a new program, including: GIS, business licensing, legal and code enforcement. Many departments would also benefit from having access to data about rental housing, as well as ability to communicate with landlords and tenants about City initiatives and resources.

#### Neighborhood/Community Interests (if known):

Potential changes to Olympia Municipal Code's Rental Housing Code (OMC 5.82) are a topic of significant interest to renters and rental housing owners/operators within the city and around Thurston County. Any work on this topic will draw local and regional attention and public engagement.

#### **Financial Impact:**

Creating a new program will require additional staff. Revenue from fees is expected to offset staffing costs to operate the program, however, it is anticipated that additional staffing needs will have a budgetary impact, particularly in the startup phase. At full compliance, it is anticipated that revenue would be approximately \$300,000 (with a \$20 fee per unit). Staff expect that it may take 3-5 years to gain program compliance. It is anticipated that 2.5 FTE (1 FTE coordinator, 1 FTE code enforcement, and 0.5 FTE permit tech or program assistant) will be needed to operate the program on an ongoing

basis. In Year 1, the program could operate with 1.5 FTE to establish the program and garner voluntary compliance without enforcement penalties. The program may have additional workload impacts on GIS, business licensing, legal, code enforcement, community planning and development business operations, and housing staff.

#### **Options:**

- 1. Move to direct staff to draft code language and develop program, as discussed, for future Land Use & Environment committee meeting or Council meeting.
- 2. Move to direct staff to present alternative program scope and staffing needed at a future Land Use & Environment committee meeting.
- 3. Take other action.

#### Attachments:

Peer City Comparison and Proposed Scope City of Kent Rental Housing Program City of Tukwila Rental Housing Program City of Lakewood Rental Housing Program

## Peer City Program models

| City   | # units registered | # properties registered | staffing  | fees  | exemptions  | notes   |
|--------|--------------------|-------------------------|---|---|---|---|
| Burien | 5,986              | 346                     | 1 dedicated FTE:         1 FTE coordinator (enforces license and inspection requirement, oversees program)     1 code enforcement officer for City (not dedicated to the program)   | 1-10 units: \$290<br>11-50 units: \$725<br>50+ units: \$871                                     | <ul> <li>single-family homes</li> <li>condos</li> <li>townhomes</li> <li>mobile or         manufactured homes</li> <li>ADUs</li> <li>Owner occupied         (duplexes if they         reside on one side)</li> <li>rental units owned,         operated, or managed         by a government         agency</li> </ul> | Inspection cycle: 3 years.  Private inspectors are hired by landlord.  Burien uses DoR for business license.  |
| Kent   | 14,421             | 290                     | 1 dedicated FTE:         1 FTE coordinator         City has 2 law enforcement officers who do code enforcement (not dedicated to this program)         1 Tax & Compliance officer for business license enforcement (not dedicated to program) | Business license fees: \$15/unit plus application fees of: 2-10 units: \$101 11-50 units: \$601 | <ul> <li>Owner-occupied single-family residences</li> <li>rental units owned, operated, or managed by a government agency</li> <li>Single family homes and ADUs registered but not licensed/inspected</li> <li>Renter-occupied mobile or manufactured homes registered but not licensed/inspected</li> </ul>          | Inspection cycle: 3 years.  Private inspectors are hired by landlord.  Kent has own business license system (FileLocal) and enforcement. Separate registration is required. |

|          |                               |   |   |  | • | Condos/townhomes<br>registered but not<br>licensed/inspected  |  |
|----------|-------------------------------|---|---|--|---|---|--|
| Lakewood | 11,637<br>(94%<br>compliance) | 1,854 (84% compliance)  Over half of their registered rental properties are single family homes (1,044 properties); additional 300 are duplexes | <ul> <li>2.25 dedicated FTE:</li> <li>1 FTE coordinator</li> <li>1 inspector</li> <li>0.25 housing program manager</li> <li>Indicated they need more than 2.25 FTE staff and will be re-evaluating with Council</li> <li>Have 3 code enforcement officers for City</li> <li>Have to coordinate at times with building official, building inspections, legal, code enforcement.</li> </ul> | \$12/unit  | • | owner occupied units units occupied by parent or child of owner ADUs government owned or operated units mobile homes                              | Inspection cycle: 5 years.  City inspects properties at no cost, but give option of hiring private inspector.  Recommended auditing private inspectors (quality control) or having City staff do reinspections, in the event a property needs to be condemned. Indicated that 2 FTE seems like the minimum staff to support program and enforcement, even if private inspectors do initial inspections.  City pays relocation assistance and landlord is required to pay City back.  Lakewood has own Rental Housing Business license. |
| Tukwila  | 4,567                         | 535 rental<br>licenses  | <ul> <li>1.75 dedicated FTE:</li> <li>.75 FTE program coordinator</li> <li>1 FTE code enforcement officer</li> </ul>  | Properties with up to 4 units: \$80  5-20 unit properties: \$208  21-50 unit properties: \$260  51+ unit properties: \$324 | • | All rental units covered under program Units with Section 8 tenants can provide alternate inspection report, but still must obtain rental license | Require an initial inspection prior to issuing a license. After that inspections occur every 4 years.  Properties with up to 12 units may use a city inspector (code enforcement officer) for a fee.  City pays relocation assistance and landlord is required to pay City back.  Tukwila has own Rental Housing Business License.   |

#### Proposed program structure

| City    | Estimated # units | Estimated<br># properties | staffing   | fees   | exemptions  | notes  |
|---------|-------------------|---------------------------|--|--|---|--|
| Olympia | 15,513<br>units   | 4,212                     | <ul> <li>2.5 dedicated FTE:</li> <li>1 FTE coordinator</li> <li>1 FTE code enforcement (may not need until second year of implementation to give opportunity for voluntary compliance)</li> <li>0.5 FTE admin support/permit tech</li> </ul> | \$20/unit plus annual<br>business license<br>costs (\$50 for initial<br>DoR application and<br>\$5 annually to<br>renew, plus Olympia<br>endorsement \$30) | <ul> <li>Owner-occupied room rentals</li> <li>Consider exemption of owner-occupied properties (ADU onsite, duplex) with only 1 rental unit from inspection requirements</li> <li>Mobile homes: consider requiring registration for rented homes, but not inspection</li> <li>Government and nonprofit owned or operated affordable housing units exempted from fees and can submit alternate inspection report</li> </ul> | All inspections conducted by private third-party inspectors, paid by landlord.  Inspection cycle: 5 years  Annual City-issued rental housing registration or permit with periodic inspections required in order to renew Olympia business license.  Enforcement through civil infractions, and ability to revoke business license.  There are monetary penalties and misdemeanor charges for operating a business without a license. |

#### Other considerations:

- More code enforcement staff time needed if City code enforcement performs reinspections to make sure units that failed initial inspection are compliant (can charge a fee for reinspections).
- Could require property owners with 1 rental unit onsite (ADU or duplex) to submit self-certification of inspection checklist/statement of compliance and require inspections if code violations found.
- City could train onsite staff to perform inspections or reimburse costs for inspection of properties that are affordable to low-income households but not owned by a government agency or nonprofit organization (ex: 12-year MFTE).
- Could create longer inspection timeframes for single family homes (once every 10 years if pass inspection) and/or inspect 20% of portfolio in an inspection cycle (if own multiple single-family homes).
- Could delay implementation for certain unit types to scale up program (913 rental property owners only rent out 1 unit; 20-25% of rentals are single-family units).

#### Scope of rental properties to be inspected (with possible exemptions)

| Housing Type                                    | Total Number of Rentals* | Units Inspected Annually** | Potential Exemptions (from inspection requirements)***                          |
|---|--------------------------|----------------------------|---|
| SFR/ADU, CONDO, MANUFACTURED HOME, OR TOWNHOUSE | 3481                     | 696                        | 199 Units (Owner-occupied) 206 Units (Renter-occupied Manufactured Home in MHP) |
| 2-4 Units                                       | 1548                     | 150                        | 588 Units (Affordable units Owned/Operated                                      |
| 5-10 Units                                      | 445                      | 92                         | by Gov/Non-Profit) – can submit alternate                                       |
| 11-20 Units                                     | 540                      | 117                        | inspection report   |
| 21-50 Units                                     | 1849                     | 378                        |   |
| 51+ Units                                       | 7,650                    | 1,546                      |   |
| TOTAL   | 15,513                   | 2,979                      | 2,364 units inspected annually after Exemptions                                 |

<sup>\*</sup> These numbers are estimates determined by identifying residential units where a taxpayer's mailing address is different than the property address. However, there are 651 properties where the owner mailing address is a PO BOX. Of those, 380 have the PO BOX city listed as OLYMPIA. It's likely there are a percentage of those that are Owner Occupied Units that we've counted as rentals for this analysis. This includes all possible rental units, including suggested exemptions in the columns to the right.

#### Estimated fee revenue (\$20/unit)

| Projected Revenue                         | Total rental units | Government or nonprofit owned/operated affordable housing units | Total after exemptions |
|---|--------------------|---|------------------------|
| Revenue at \$20/unit (if 100% compliance) | \$310,260          | \$11,760  | \$298,500              |
| Revenue Year 1 @ 25% compliance           | \$77,565           | \$2,940   | \$74,625               |
| Revenue Year 2 @ 50% compliance           | \$155,130          | \$5,880   | \$149,250              |
| Revenue Year 3 @ 75% compliance           | \$232,695          | \$8,820   | \$223,875              |

<sup>\*\*</sup>Per state law, no more than 4 units may be inspected if the property has 20 or fewer units; 20% of units (up to a maximum of 50 units) may be inspected at larger multifamily properties (with 21+ units). State law allows properties to be inspected no more than once every three years. Staff recommends implementing a 5-year inspection cycle.

<sup>\*\*\*</sup>Could consider extending inspection period to every 10 years for single family residences, or only inspect 20% of units in portfolio of single-family properties owned by a property owner.

## Estimated Cost to Landlords (\$20/unit)

| Unit Type         | Per unit total fees (annual) | Estimated Inspection Cost Range* | Business license fees | Annualized Total |
|-------------------|------------------------------|----------------------------------|-----------------------|------------------|
|                   |                              | (once every 5 years)             | (annual)**            |                  |
| Duplex            | \$40                         | \$140-\$280                      | \$35                  | \$103-\$131      |
| 20-unit property  | \$400                        | \$100-\$140                      | \$35                  | \$455-463        |
| 300-unit property | \$6,000                      | \$1,250-\$1,750                  | \$35                  | \$6,285-\$6,385  |

<sup>\*</sup>Does not include travel costs. Estimates are taken from interviews with Kent-certified inspectors.

<sup>\*\*</sup>Does not include initial DoR business license application (\$50).

## Chapter 10.02 RENTAL HOUSING REGISTRATION AND INSPECTION PROGAM

#### Sections:

| 10.02.010 | Purpose.   |
|-----------|--|
| 10.02.020 | Applicability – Conflicts.                                     |
| 10.02.030 | Definitions.   |
| 10.02.040 | Scope.   |
| 10.02.050 | Business license period – Application and relicensing – Fee.   |
| 10.02.060 | Denial or revocation of business license – Appeal.             |
| 10.02.070 | Certificates of inspection.                                    |
| 10.02.080 | Notice that rental is unlawful when certificate not provided.  |
| 10.02.090 | Other inspections.   |
| 10.02.100 | Director is authorized to make rules.                          |
| 10.02.110 | Correction notice prior to enforcement.                        |
| 10.02.120 | Immediate health and safety threats.                           |
| 10.02.130 | Immunity, no warranty by city, and no private right of action. |
| 10.02.140 | Notice – Additional penalties.                                 |
| 10.02.150 | Consistency with Chapter 59.18 RCW.                            |
|           |  |

#### 10.02.010 Purpose.

The city of Kent finds that the establishment of a rental housing registration and safety inspection program and the continuation of its rental housing business license requirements will protect the public health, safety, and welfare of tenants by encouraging the proper maintenance of rental housing by identifying and requiring correction of substandard housing conditions. By establishing this program, the city intends to prevent conditions of deterioration and blight that would adversely impact the quality of life in Kent.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.020 Applicability - Conflicts.

The provisions of this chapter shall apply in addition to the provisions of any other code provision or ordinance. Where there is a conflict, the more restrictive provision shall apply.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.030 Definitions.

For the purpose of this chapter, the following words or phrases have the meaning prescribed below:

- A. *Accessory dwelling unit* or *ADU* means a second, subordinate housing unit that is accessory to a single-family residence, and meets the definition and requirements of KCC <u>15.02.003</u> and <u>15.08.160</u> for accessory dwellings.
- B. Building means a structure having a roof supported by columns or walls used for supporting or sheltering a use of any kind.
- C. Building code means all code provisions adopted in and throughout Chapter 14.01 KCC.
- D. Business license means a business license as required by Chapter 5.01 KCC.
- E. Certificate of inspection means the document signed and dated by a qualified rental housing inspector and submitted to the city as the result of an inspection conducted by a qualified rental housing inspector that certifies that the residential housing units that were inspected comply with the requirements and standards of this chapter.
- F. Declaration of compliance means a statement submitted to the city by the owner or the landlord that certifies that, to the best of his or her knowledge, after an onsite review of the conditions of the rental unit, each residential housing unit complies with the requirements and standards of this chapter.
- G. Department means the city of Kent economic and community development department.
- H. Director means the director of the economic and community development department or the director's designee.
- I. Fire code means all code provisions adopted in and throughout Chapter 13.01 KCC.
- J. Landlord means the owner, lessor, or sublessor of the rental unit or the rental property of which it is a part and, in addition, means any person designated as representative of the owner, lessor, or sublessor including, but not limited to, an agent, a resident manager, or a designated property manager.
- K. Mobile home means a mobile home or a manufactured home as defined in Chapter 59.20 RCW.
- L. Owner has the meaning as defined in RCW 59.18.030.
- M. Qualified rental housing inspector and RHI mean a private inspector who possesses at least one of the following credentials and who has been approved by the director as an RHI based on a process developed by the director consistent with the intent of this chapter:
  - 1. American Association of Code Enforcement Property Maintenance and Housing Inspector certification;
  - 2. International Code Council Property Maintenance and Housing Inspector certification;
  - 3. International Code Council Residential Building Code Inspector;
  - 4. Washington State licensed home inspector; or
  - 5. Other acceptable credential the director establishes by rule.

- N. Rental property means all residential dwelling units rented or leased on a single parcel of land managed by the same landlord.
- O. Rental property complex means all residential dwelling units rented or leased on a contiguous parcel or parcels of land managed by the same landlord as a single rental complex.
- P. Rental unit means a residential housing unit occupied or rented by a tenant or available for rent by a tenant.
- Q. Residential housing unit means any building or part of a building in the city of Kent that is used or may be used as a home, residence, or sleeping place by one or more persons, including but not limited to single-family residences, accessory dwelling units, duplexes, triplexes, fourplexes, townhouses, multifamily dwellings, apartment buildings, condominiums, and similar living accommodations.
- R. Residential rental housing registration means registration required under this chapter.
- S. Shelter means a facility with overnight sleeping accommodations, owned, operated, or managed by a nonprofit agency or governmental entity, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of the homeless.
- T. Single-family residence means a single detached building containing only one residential housing unit that is completely separated by open space on all sides from any other structure, except its own garage or shed.
- U. Tenant means a person entitled to occupy a residential housing unit pursuant to a rental agreement or who pays rent for occupancy or possession.
- V. *Transitional housing* means residential housing units owned, operated, or managed by a nonprofit agency or governmental entity in which supportive services are provided to individuals or families that were formerly homeless, with the intent to stabilize them and move them to permanent housing within a period of not more than 24 months.
- W. *Unit unavailable for rent* means a residential housing unit that is not offered or available for rent as a rental unit, and that prior to offering or making the unit available as a rental unit, the owner is required to obtain a residential rental registration for the rental property in which the unit is located and comply with applicable regulations adopted pursuant to this chapter.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.040 Scope.

- A. Exempt residential housing units. This chapter does not apply to the following residential housing units:
  - 1. Owner-occupied single-family residences;
  - 2. Units unavailable for rent;
  - 3. Housing accommodations in a hotel, motel, or other similar transient lodging;

- 4. Housing accommodations at an institution, whether public or private, where residence is merely incidental to detention or the provision of medical, religious, educational, recreational, or similar services, including but not limited to correctional facilities, licensed nursing homes, monasteries and convents, and hospitals;
- Owner-occupied mobile homes or manufactured homes, both as defined in Chapter 59.20 RCW;
- 6. Shelters and transitional housing; and
- 7. Rental units that a government unit, agency, or authority owns, operates, or manages, or that are specifically exempted from such a registration requirement by state or federal law or administrative regulation. This exemption does not apply once the governmental ownership, operation, or management is discontinued.

#### B. Registration required.

- 1. No person shall make available for rent, or rent, lease, or let to the public, any residential housing unit that is not exempt under subsection (A) of this section without first registering the rental unit with the department.
- 2. A residential rental housing registration expires on December 31st of the calendar year following registration or renewal.
- 3. The residential rental housing registration is transferable to any person who has acquired ownership of a registered rental property for the unexpired portion of the one-year term for which it was issued.
- 4. Application. Application for a residential rental registration shall be made to the city on a form and through a process established by the director. The application shall include a declaration of compliance and such other information as required by the director in order to carry out the intent of this chapter.
- 5. Renewal. A residential rental registration may be renewed for the ensuing year on or before the date of the expiration of the current registration, by submitting a renewal application on a form and through a process established by the director updating the information contained in the original application.
- 6. Penalty. Any person who fails to properly register any residential housing unit or fails to submit the required documentation for renewal on or prior to the expiration date of the registration shall be subject to a \$50 penalty.
- C. License required. As a condition of operation, each and every owner or landlord renting or leasing a residential housing unit within the city limits shall, in accordance with Chapter 5.01 KCC, obtain and maintain a business license. The issuance of such a license shall be considered a privilege and not an absolute right of the landlord, and the possession of such license shall not entitle the landlord to a new business license for subsequent years.
  - 1. Exemptions. Landlords are exempt from the requirement to obtain a business license for the following rental units:
    - a. Single-family residences;

- b. Mobile homes or manufactured homes, both as defined in Chapter 59.20 RCW;
- c. Condominiums and townhomes; and
- d. All residential housing units exempt from the residential rental housing registration requirements under subsection (A) of this section.
- 2. Penalty for not obtaining license. In addition to the penalties set forth in Chapter <u>5.01</u> KCC, there shall be assessed a penalty of \$100 per day for each day that a residential housing unit operates without a valid and current business license for the first 10 days of noncompliance with this chapter, and up to \$400 per day for each day in excess of 10 days of noncompliance with this chapter.
- 3. Display of program information. Information regarding the rental housing and safety inspection program shall be posted on the inside of each residential housing unit or in a common area; provided, that the director may by rule establish one or more alternative or additional methods for conveying the information to tenants.
- 4. Declaration of compliance. As a condition to the issuance and/or renewal of a business license, an applicant shall provide a valid declaration of compliance addressing each rental unit in the rental property prior to the issuance of a license. A declaration of compliance submitted under this chapter must state that each unit complies with the requirements of this chapter and that there are no conditions presented in the units that endanger or impair the health or safety of a tenant.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.050 Business license period – Application and relicensing – Fee.

The business licensing period shall run from January 1st through December 31st of each year. Any application for a license required by this chapter shall be accompanied by a certificate of inspection and a fee as established in Chapter <u>5.01</u> KCC and any resolution established in accordance with that chapter. Residential rental housing business licensing applications shall comply with the requirements of KCC <u>5.01.090</u> and <u>5.01.110</u>.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.060 Denial or revocation of business license – Appeal.

A. Denial or revocation of license. A residential rental housing business license may be denied or revoked for the following reasons:

- 1. Failure to obtain a certificate of inspection as required by this chapter;
- 2. The certificate of inspection or business license was procured by fraud or false representation of fact;
- 3. The applicant or registration holder has failed to comply with any of the provisions of this chapter;
- 4. The applicant or registration holder is in default in any fee due to the city under this chapter;
- 5. Any reason set forth in KCC 5.01.130;

- 6. The property is subject to a notice of violation for a code violation which has been deemed committed or found to have been committed pursuant to Chapter 1.04 KCC or violation of the Revised Code of Washington.
- B. *Process Appeal*. The denial or revocation of a residential rental housing business license shall comply with the business license revocation procedures set forth in Chapter <u>5.01</u> KCC. The denial or revocation of a business license required by this chapter may be appealed in conformance with the requirements of Chapter <u>5.01</u> KCC.
- C. If a residential rental housing business license is revoked, or an application for a license is denied, the landlord will be granted a business license only after:
  - 1. Any and all deficiencies on which the revocation or denial was based have been corrected;
  - 2. In the event an inspection has been required, the applicant has provided to the city a valid certificate of inspection that meets the requirements of this chapter; and
  - 3. The applicant pays a license fee as determined by ordinance.
- D. Tenant relocation assistance shall be provided as required by RCW 59.18.085, and pursuant to the process set forth therein.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.070 Certificates of inspection.

- A. All residential rental properties subject to the business license requirements of this chapter must be inspected once every three years by a qualified rental housing inspector and will require a certificate of inspection within a time period established by the director. The property selection process shall be based on a methodology determined by the director that will further the purpose of this chapter.
- B. The director is authorized to create and publish a checklist to be used for declarations of compliance and inspections submitted or conducted under this chapter, and is authorized to include additional standards including, but not limited to, those within the building code, fire code, or RCW 59.18.060.
- C. All certificates of inspection submitted under this chapter must state that all units subject to inspection have been inspected, and that all units inspected comply with the requirements of the checklist.
- D. A certificate of inspection shall be based upon a physical inspection by the qualified rental housing inspector of the residential housing units conducted not more than 90 days prior to the date of the certificate of inspection.
- E. The certificate of inspection shall list and show compliance with the minimum standards for each residential housing unit that was inspected using the checklist provided by the city and shall contain such other information as determined by the director to carry out the intent of this chapter.
- F. Limitations and conditions on inspection of units for certificate of inspection.
  - 1. The unit selection process shall be based on a methodology determined by the director that will further the purpose of this chapter.

- 2. The city may only require a certificate of inspection on a rental property no more frequently than once every three years in accordance with RCW 59.18.125.
- 3. A rental property that has received a certificate of occupancy within the last four years and has had no code violations reported on the property during that period is exempt from inspection.
- 4. For properties that require an inspection, the owner or landlord must send written notice of the inspection to all units at the rental property. The notice must advise tenants that some of the units at the property will be inspected and that the tenants whose units need repairs or maintenance should send written notification to the landlord as provided in RCW 59.18.070. The notice must also advise tenants that if the landlord fails to adequately respond to the request for repairs or maintenance, the tenants may contact city of Kent officials. A copy of the notice must be provided to the inspector upon request on the day of inspection.
- 5. If a rental property has 20 or fewer rental units, no more than four rental units at the rental property may be selected by the city to provide a certificate of inspection as long as the initial inspection reveals that no conditions exist that endanger or impair the health or safety of a tenant.
- 6. If a rental property has 21 or more rental units, no more than 20 percent of the units, rounded up to the next whole number, on the rental property, and up to a maximum of 50 units at any one property, may be selected by the city to provide a certificate of inspection as long as the initial inspection reveals that no conditions exist that endanger or impair the health or safety of a tenant.
- 7. If an owner or landlord is asked to provide a certificate of inspection for a sample of units on the rental property and a selected unit fails the initial inspection, the city may require up to 100 percent of the units on the rental property to provide a certificate of inspection.
- 8. If a rental property has had conditions that endanger or impair the health or safety of a tenant reported since the last required inspection, the city may require 100 percent of the units on the rental property to provide a certificate of inspection.
- 9. An inspector conducting an inspection under this chapter may only investigate a rental property as needed to provide a certificate of inspection.

#### G. Notice to tenants.

- 1. The landlord shall provide written notification of his or her intent to allow an inspector to enter an individual unit for the purposes of providing the city with a declaration of compliance or certificate of inspection in accordance with RCW 59.18.150(6). The written notice must indicate the date and approximate time of the inspection and the company or person performing the inspection, and that the tenant has the right to see the inspector's identification before the inspector enters the individual unit. A copy of this notice must be provided to the inspector upon request on or before the day of inspection.
- 2. A tenant who continues to deny access to his or her unit is subject to the penalties in RCW 59.18.150(8).

(Ord. No. 4272, § 1, 3-20-18)

10.02.080 Notice that rental is unlawful when certificate not provided.

When a certificate of inspection or a declaration of compliance is required for a specified residential housing unit under this chapter and a valid certificate of inspection or declaration of compliance has not been provided to the city, the director is authorized to notify the owner or landlord that until a valid certificate of inspection or declaration of compliance is provided to the city, it is unlawful to rent or to allow a tenant to occupy the residential housing unit. It shall be unlawful to rent or allow a tenant to occupy or continue to occupy such unit.

(Ord. No. <u>4272</u>, § 1, 3-20-18)

#### 10.02.090 Other inspections.

Nothing in this chapter precludes additional inspections conducted under RCW <u>59.18.150</u>, Chapter <u>1.04</u> KCC, or at the request or consent of a tenant, pursuant to a warrant, or pursuant to the tenant remedy provided by RCW <u>59.18.115</u> of the Residential Landlord-Tenant Act.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.100 Director is authorized to make rules.

The director is authorized to adopt, publish, and enforce rules and regulations, consistent with this chapter and the standards in this chapter, for the purpose of carrying out the provisions of this chapter and it is unlawful to violate or fail to comply with any such rule or regulation.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.110 Correction notice prior to enforcement.

Before the city suspends or revokes a registration or imposes the penalties set forth in this chapter, an attempt shall be made to give the owner or landlord a written notice by personal service or by certified mail, return receipt requested, stating the existence of a violation, that enforcement action is contemplated, and that such person shall have a specified period of time in which to correct the violation.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.120 Immediate health and safety threats.

Nothing in this chapter shall limit the city's ability to inspect properties and issue citations for property-related conditions that may constitute an immediate health or safety threat.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.130 Immunity, no warranty by city, and no private right of action.

The purpose of this chapter is to promote the safety and welfare of the general public and not to create or designate any particular class of persons who will or should be specially protected by its terms. Nothing contained in this chapter is intended nor shall be construed to create any liability on the part of the city or its employees for any injury or damage resulting from the failure of an owner, landlord, inspector, or other individual to comply with the provisions of this chapter, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this chapter on the part of the city

or its employees. By enacting and undertaking to enforce this chapter, neither the city, its agents or employees, nor the city council warrant or guarantee the safety, fitness, or suitability of any dwelling in the city or any unit inspected under this program. Owners, landlords, and occupants shall take whatever steps they deem appropriate to protect their interest, health, safety, and welfare. Nothing contained in this chapter is intended to create a private right of action.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.140 Notice – Additional penalties.

A. Prior to imposing any penalties set forth in this chapter, the city shall provide notice and an opportunity to correct pursuant to Chapter 1.04 KCC.

B. Any person who knowingly submits or assists in the submission of a falsified certificate of inspection, or knowingly submits falsified information upon which a certificate of inspection is issued, is guilty of a gross misdemeanor and must be punished by a fine of not more than \$5,000 as provided in RCW 59.18.125.

C. The penalties imposed in this chapter are not exclusive when the acts or omissions constitute a violation of another chapter of the Kent City Code. In addition to all other penalties, remedies, or other enforcement measures established within this chapter, or as otherwise provided by law, the acts or omissions that constitute violations of this chapter may be subject to penalties and enforcement provisions as provided by other chapters of the Kent City Code, and such penalties and enforcement provisions may be imposed as set forth therein. All remedies under this chapter are cumulative unless otherwise expressly stated. The exercise of one remedy shall not foreclose use of another. Remedies may be used singly or in combination; in addition, the city of Kent may exercise any rights it has at law or equity.

(Ord. No. 4272, § 1, 3-20-18)

#### 10.02.150 Consistency with Chapter 59.18 RCW.

The provisions of this chapter shall be interpreted in a manner that is consistent with the provisions of Chapter 59.18 RCW.

(Ord. No. 4272, § 1, 3-20-18)

## The Kent City Code is current through Ordinance 4459, passed March 21, 2023.

Disclaimer: The City Clerk's Office has the official version of the Kent City Code. Users should contact the City Clerk's Office for ordinances passed subsequent to the ordinance cited above.

City Website: https://kentwa.gov/ (https://kentwa.gov/)

City Telephone: (253) 856-5725

Code Publishing Company (https://www.codepublishing.com/)



### City of Tukwila

Allan Ekberg, Mayor

#### INFORMATIONAL MEMORANDUM

TO: Planning and Community Development Committee

FROM: Nora Gierloff, Community Development Director

BY: Lori Solberg, Rental Housing Program Admin.

**Joseph Mose, Code Enforcement Officer** 

CC: Mayor Ekberg

DATE: **March 6, 2023** 

SUBJECT: Rental Housing Program Update

#### ISSUE

Review the Rental Housing Program's current activity.

#### **BACKGROUND**

The Tukwila Code Enforcement team works to support a safe, inviting, and healthy environment for residents, businesses, and visitors by enforcing the parts of the Tukwila Municipal Code that relate to conditions on private property. Compliance is typically reached through promoting public awareness, communication, and collaboration. In difficult cases monetary penalties and/or legal action may be required. In addition to general code enforcement, the team is also responsible for managing and administering the Residential Rental Business License and Inspection Program.

The City established the Rental Program in 2010 to protect the public health, safety, and welfare by ensuring the proper maintenance of rental housing. It does this by identifying and requiring correction of substandard housing conditions and by preventing conditions of deterioration and blight that could adversely impact the quality of life in the City of Tukwila.

#### **DISCUSSION**

#### **Current Code Enforcement activity:**

As of February 16, 2023, Code Enforcement has 18 open enforcement cases related to rental housing, most of the cases are for overdue rental licenses and/or inspections, however, a few are for confirmed rentals that do not have a license and/or complaint-based issues.

#### **Rental Housing Business Licensing and Inspection Program:**

Tukwila Municipal Code Chapter 5.06 establishes regulations pertaining to rental housing licensing and inspection. Residential rental properties are required to obtain an annual rental business license. The Rental Housing Program has 4,559 registered rental units and 529 active rental licenses (one license per property). As of February 16, 2023, 110 properties have yet to renew their 2023 rental licenses. Late fees begin March 1 at a rate of \$10 per month until the license is renewed.

#### **Rental Inspections and Deadline Extension**

In addition to annual licensing, all rental housing units in the city must pass an inspection every 4 years. This allows the city to catch and correct health and safety violations that otherwise tenants might be reluctant to report due to language barriers or fear of retaliation by landlords. The purpose of the periodic inspections is to ensure that all rental units are safe, healthy, and suitable for occupancy. The inspectors check for properly working door locks, functional

appliances, windows that are intact and that open, smoke and carbon monoxide detectors, adequate emergency escape routes, mold, and other items. Some of the most common maintenance items that we find during inspections are improperly installed and maintained water heaters, water leaks, and missing or inoperable carbon monoxide or smoke detector(s).

One of the main complaints that we receive from tenants are issues with mold. Tenants and landlords both have responsibilities for addressing water and moisture problems that can cause mold. Generally, finding and fixing plumbing or roof leaks is the landlord's responsibility and reducing sources of condensation, such as around windows, is the renter's responsibility. The Rental Housing Program provides information on how they can work together to avoid and control the spreading of mold.

New this year, properties with up to 12 units may use a city inspector (code enforcement officer). Previously city inspectors only performed inspections for properties with up to 4 units due to staffing constraints but now that we are fully staffed, we can offer more services. Larger properties must use a private inspector who meets specific qualifications. The city may also inspect units in response to complaints and audit inspections submitted by private inspectors when inspection reports are in question. Tenants can also request a courtesy inspection by contacting the Rental Housing Program.

During the first inspection cycle in 2010-2014 we had many more units fail than we did after buildings went through a few rounds of inspections. This shows that the program has been effective in improving housing quality in the city. In 2019, the city conducted 133 inspections, but in 2020 and 2021 they were paused due to the pandemic. In 2022, the Rental Housing Program began scheduling rental inspections again. We are finding that many property owners have deferred maintenance, causing units to deteriorate and therefore fail rental inspections. It is clear that without regular inspections rental housing conditions, and our residents, will suffer.

Staff continue to work to bring approximately 51 properties into compliance that are overdue renewing their rental license or inspection or failed their initial inspection. In 2023, 114 rental licenses (895 rental units) are due for their next inspection and in 2024, 105 rental licenses (1,570 units) will be due.

Here are two situations at different apartment complexes that were reported to the Rental Housing program.

#### **Avana at South Station Apartments**

On January 9th, 2023, Rental Housing received a complaint regarding living conditions at 4708 Southcenter Blvd E312 specifically multiple areas spotted with mold. The tenants had notified the property management but there was a delay in response time, therefore the City was later notified.

A City inspector met with the tenants the next day and was able to schedule a courtesy inspection. The unit failed inspection due to severe signs of leakage and mold in the walls. The inspection report and failure notice has been sent to the property manager with a compliance date to respond to the issues and reschedule an inspection by 3/1/2023. Tenants have been in contact with the City inspector to ensure the necessary repairs and deficiencies are being corrected by the property management.





#### **Avenue 42 Apartments**

On July 11, 2022, we were contacted by the Fire Department about a water leak at Avenue 42 Apartments. They stated that there was at least 10,000 to 20,000 gallons of water in the crawl space. We responded to the complex the next morning and contacted management. The water to all the units was shut off upon our arrival and a plumber was repairing the leak. Management was already working with the plumber on a plan to pump the water out and repair other sections of piping that could likely fail in the future. Code Enforcement stopped by weekly to check on their progress. The property management has since reached out to the City and has confirmed that the leak under the crawl space has been repaired and worked with the City of Tukwila's Street department in pumping the water out.



#### **FINANCIAL IMPACT**

The Residential Rental License and Inspection Program YTD revenue for 2023 is \$32,018; for 2022 revenue was \$82,102; 2021 was \$51,728; 2020 was \$55,123.

#### 2023 RENTAL BUSINESS LICENSE FEES:

- \$80 for properties with up to 4 units
- \$208 for properties with 5 to 20 units
- \$260 for properties with 21 to 50 units
- \$324 for properties with 51 or more units

New this year, the City is offering inspections for properties with up to 12 units for those landlords who would prefer to use City services. The rental inspection fee increased from \$62 per unit in 2022 to \$75 per unit for the first 4 units, then each additional unit is \$35 each up to 12.

#### **RECOMMENDATION**

Information and discussion only

# Rental Housing Safety Program Year-End Report 2022



## Overview

Property Map

Registered Properties at a Glance

Year-end Registration – 2022

Inspection/Re-Inspection By Property Type

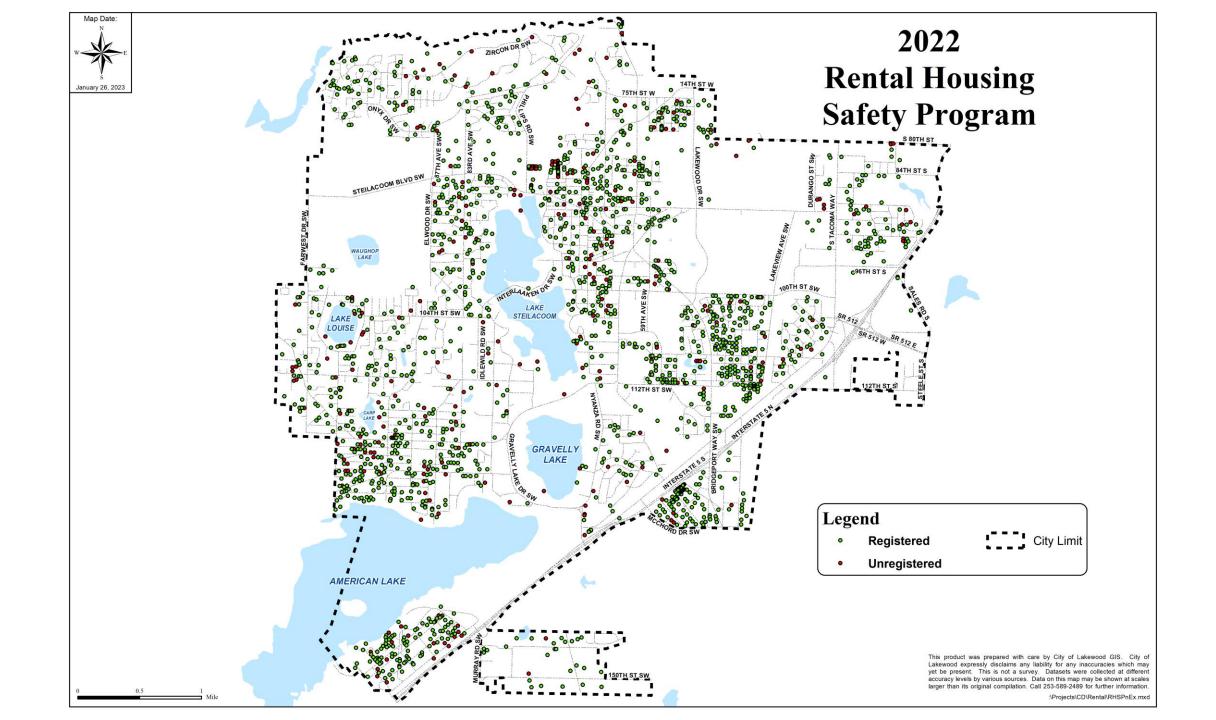
Common Inspection Items Failed

RHSP Property Inspections & Improvements

Mandated Inspections and Outcomes

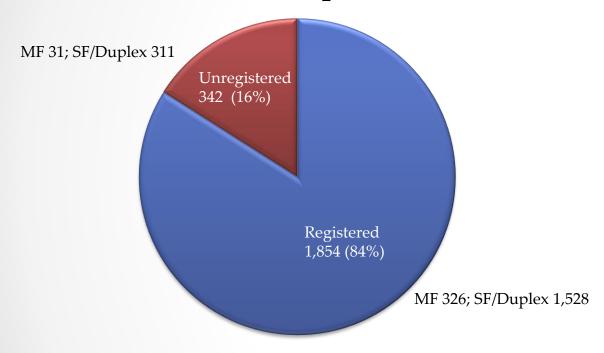
5 Years In Review



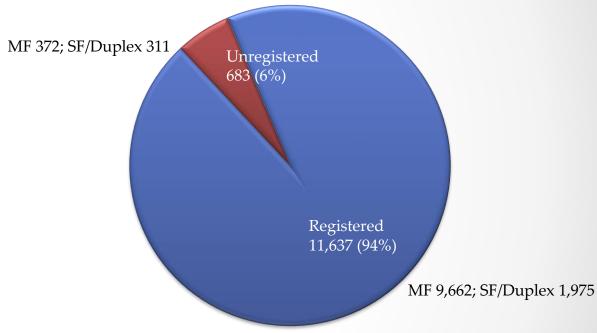


# Year-end Registration - 2022

## **Rental Properties**



## **Rental Units**



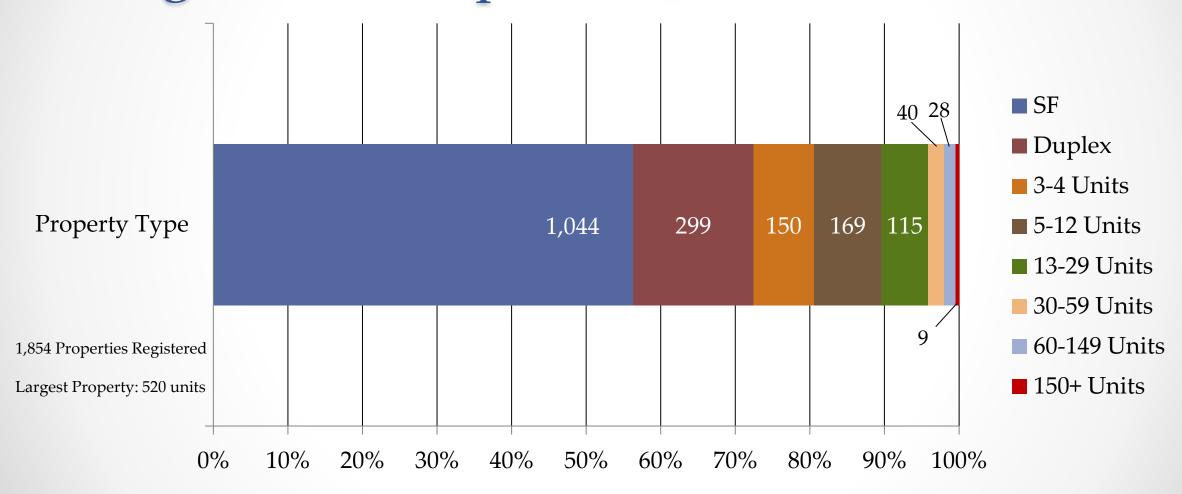
Year-end Registration - 2021

**Properties** 

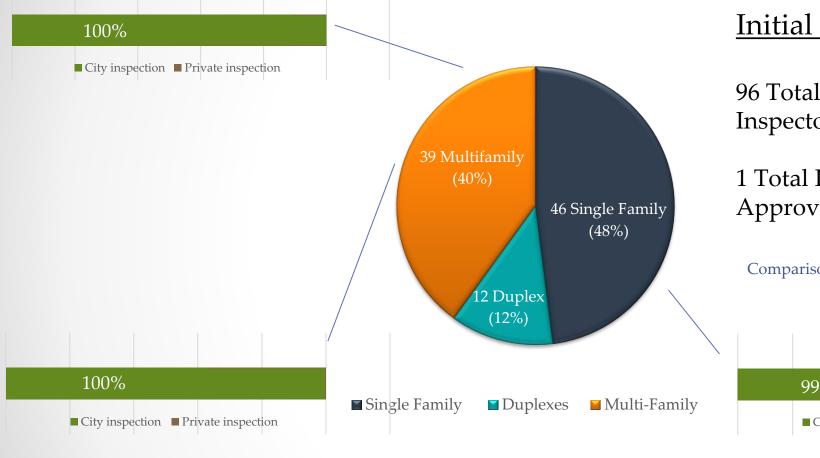
Unregistered: 585 (24%) Registered: 1,818 (76%) Units

Unregistered: 712 (6%) Registered: 10,923 (94%)

## Registered Properties at a Glance - 2022



## 2022 Initial Inspections by Property Type

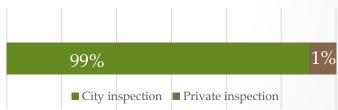


#### <u>Initial Property Inspections - 255</u>

96 Total Inspections Conducted by City Inspectors (99%)

1 Total Inspections Conducted by City Approved Private Inspectors (1%)

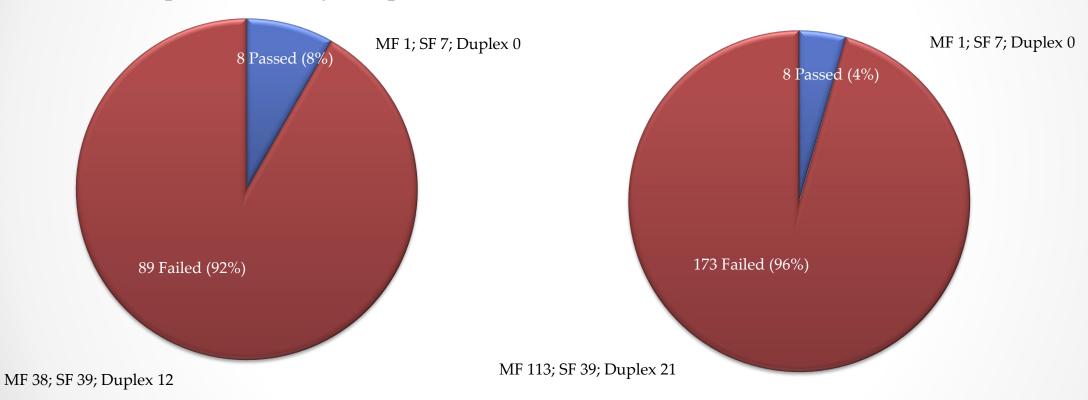
Comparison: 2021 Initial Inspections - 255



## Initial Inspection Results - 2022

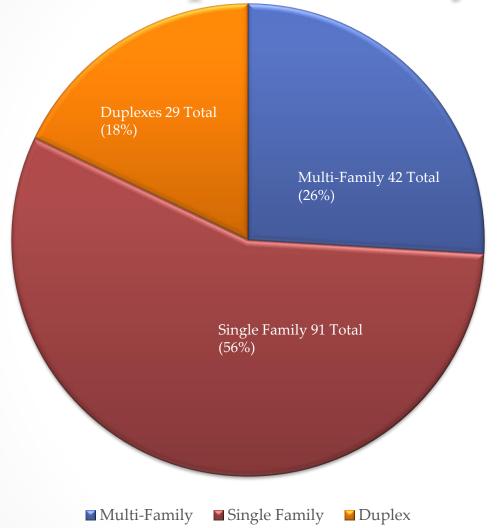
#### 97 Total Properties Initially Inspected

#### 181 Total Units Initially Inspected



Comparison: 2021 Failed – 87% 2021 Failed – 91%

## 2022 Re-Inspections by Property Type



#### Property Re-Inspections – 162

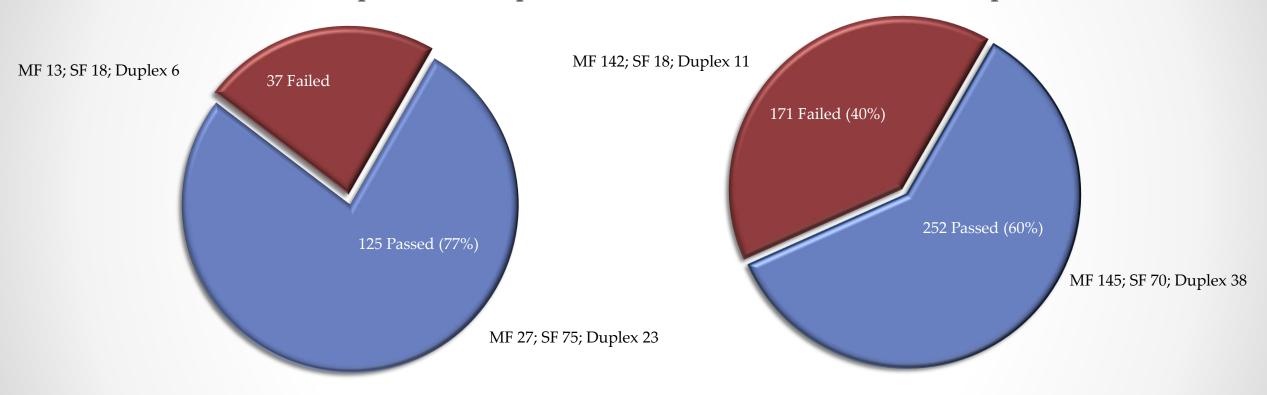
All Re-Inspections Completed By City of Lakewood.

Comparison: 2021 Re-Inspections - 257

## Re-Inspection Results - 2022

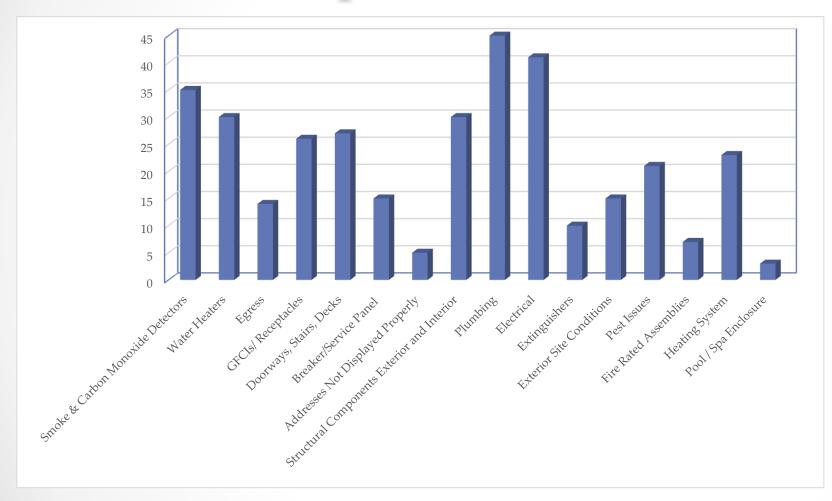
162 Total Properties Re-Inspected

**423 Total Units Re-Inspected** 



Comparison: 2021 Passed – 75% 2021 Passed – 47%

## Common Inspection Items Failed









#### Comparison:

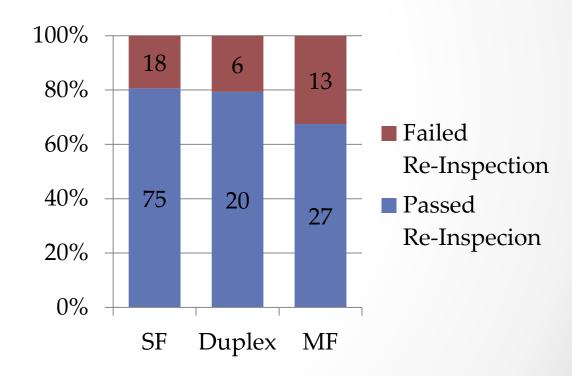
2021 Common Items Failed - 1) Smoke & CO Detectors; 2) Water Heaters; 3) Electrical and 4) Plumbing

# Inspection Insights – 2022

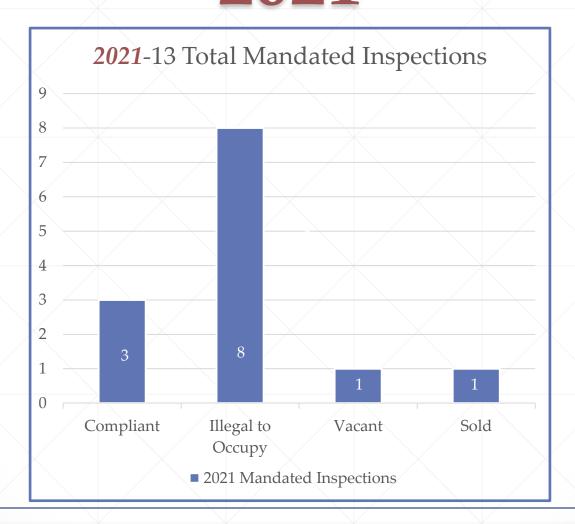
#### <u>Initial Inspection Results – By Property</u>



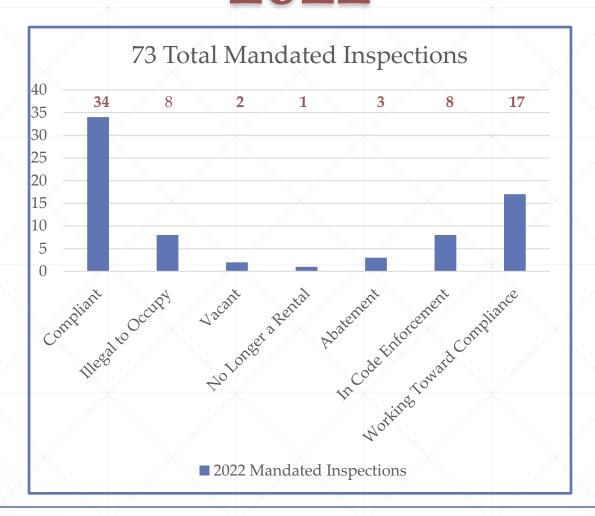
#### Re-Inspection Results – By Property



# Mandated Inspection Outcomes for 2021



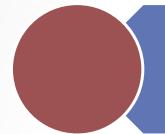
# Mandated Inspection Outcomes for 2022



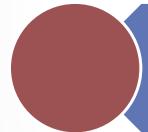
## Challenges Experienced –2022

- Working with remaining properties to complete re-inspection of units which failed between 2019 and 2022.
- Enforcement of unregistered properties.
- Mandating Inspections for unregistered and noncompliant properties.

### Five Years In Review



Registered Properties and Units Per Year

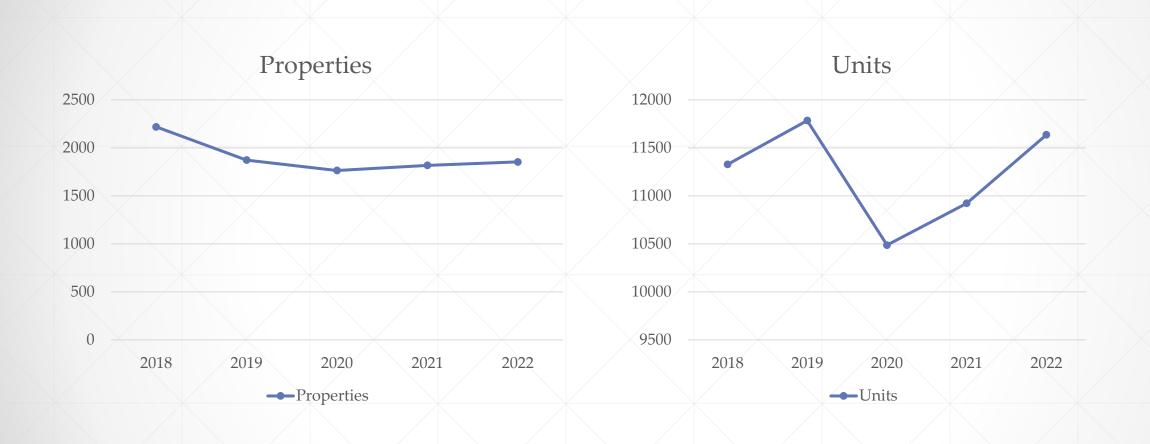


Inspected Properties and Units Per Year

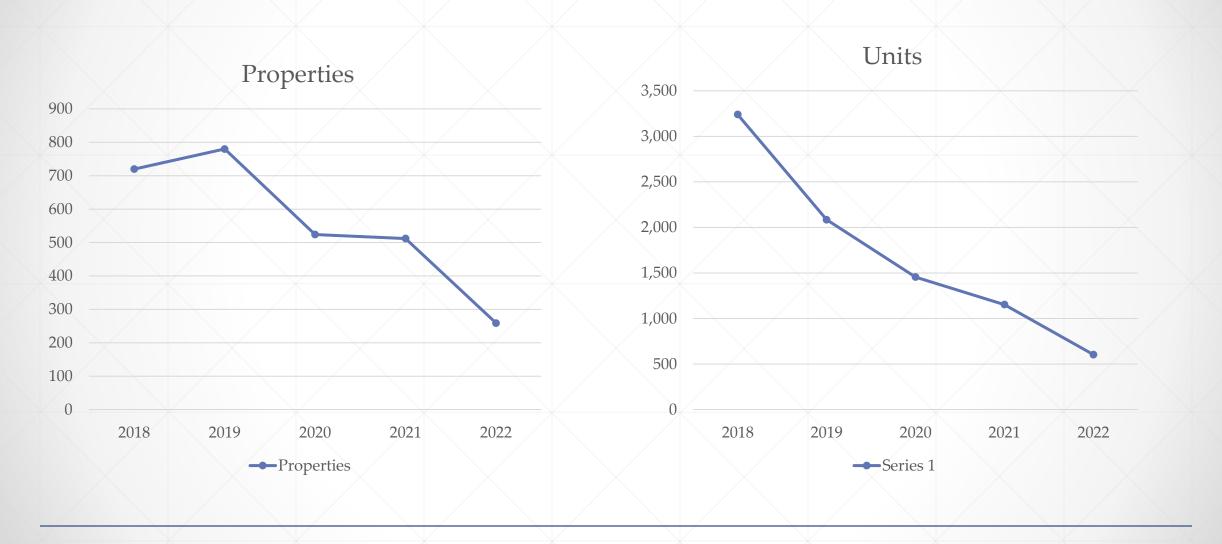


Inspected Properties and Units Passed & Failed Per Year

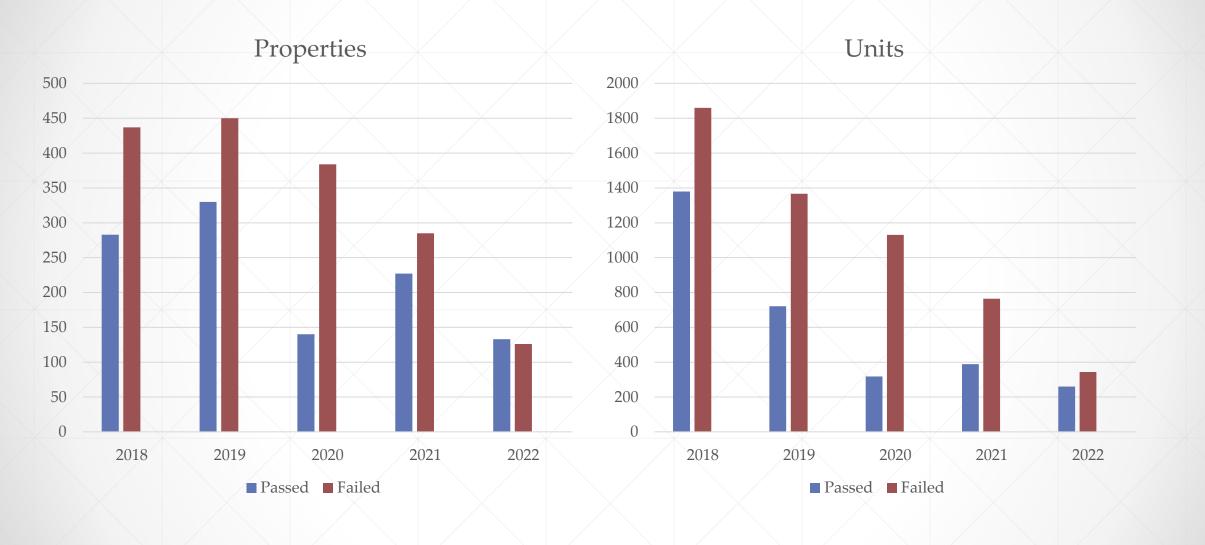
### Registered Properties and Units By Year



## Inspected Properties and Units By Year



## Passed and Failed Properties and Units by Year



## QUESTIONS?