

Ordinance No. 123311

RENTAL HOUSING INSPECTIONS

Council Bill No. 116857

An ordinance relating to residential rental property registration and inspections, adding a new Chapter 6.440 to the Seattle Municipal Code and providing for an effective date of October 1, 2011.

Related Legislation File:

| | |
|------------------------------------------------------------|------------------------------------------------------------|
| Date Introduced and Referred: <u>May 3, 2010</u> | To: (committee): <u>Committee on the Built Environment</u> |
| Date Re-referred: | To: (committee): |
| Date Re-referred: | To: (committee): |
| Date of Final Action: <u>6.1.10</u> | Date Presented to Mayor: <u>6.1.10</u> |
| Date Signed by Mayor: <u>6.7.10</u> | Date Returned to City Clerk: <u>6.9.10</u> |
| Published by Title Only _____ | Date Vetoed by Mayor: |
| Published in Full Text <input checked="" type="checkbox"/> | |
| Date Veto Published: | Date Passed Over Veto: |
| Date Veto Sustained: | Date Returned Without Signature: |

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: *Samy V. Lewis*

Committee Action:

| Date | Recommendation | Vote |
|---------------|-----------------------------------------------------------|-----------|
| <u>052610</u> | <u>APPROVE AS AMENDED</u> <u>H-O SC, SB, NL, M, JB</u> | <u>@M</u> |

This file is complete and ready for presentation to Full Council.

Full Council Action:

| Date | Decision | Vote |
|---------------|----------------------|------------------------|
| <u>6.1.10</u> | <u>Passed</u> | <u>7-0</u> |
| | <u>Disqualified:</u> | <u>TR</u> <u>MO</u> |

Law Department

ORDINANCE 123311

1
2 AN ORDINANCE relating to residential rental property registration and inspections, adding a
3 new Chapter 6.440 to the Seattle Municipal Code and providing for an effective date of
4 October 1, 2011.

5 WHEREAS, the City Council has determined substandard and unsanitary residential buildings
6 and dwelling units exist within the City of Seattle; and

7 WHEREAS, improving residential housing and providing for neighborhood stability
8 throughout the City through improved housing conditions requires periodic inspection
9 of residential rental housing units in the City to determine if such premises fail to
10 comply with certain requirements of the City's Housing Code or endanger or impair the
11 health or safety of a tenant; and

12 WHEREAS, in order to provide for such periodic inspection of residential rental housing units,
13 a Residential Rental Business License and Inspection Program must be established; and

14 WHEREAS, the fees that will be imposed by separate ordinance are to recover the cost of the
15 Residential Rental Business License and Inspection Program, are not intended to raise
16 revenues for other purposes, and are not imposed on property ownership but on the
17 carrying out of the business of renting residential property subject to these regulations;
18 NOW, THEREFORE,

19 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

20 Section 1. Effective October 1, 2011, a new Chapter 6.440, the Residential Rental
21 Business License and Inspection Program, is added to the Seattle Municipal Code as follows:

22 **6.440.010 Declaration of Purpose**

23 The City Council finds that the establishment of a Residential Rental Business License
24 and Inspection Program is necessary to protect the public health, safety, and welfare of tenants
25 by encouraging the proper maintenance of rental housing, by identifying and requiring
26 correction of substandard housing conditions, and by preventing conditions of deterioration and
27 blight that could adversely impact the quality of life in the City of Seattle.

28 **6.440.020 Definitions**

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



1 1. "Accessory dwelling unit" or "ADU" means an "Accessory dwelling unit" or
2 a "Detached accessory dwelling unit" as defined under "Residential Use" in Section
3 23.84A.032.

4 2. "Certificate of Compliance" means the document signed and dated by a
5 Qualified Rental Housing Inspector and submitted to the City as the result of an inspection
6 conducted by a Qualified Rental Housing Inspector that certifies that the residential housing
7 units that were inspected comply with the requirements of the City's Housing Code listed in
8 Section 6.440.050.A and are not in a condition that endangers or impairs or could endanger or
9 impair the health and safety of a tenant.

10 3. "Housing Code" means the Housing and Building Maintenance Code in
11 SMC chapters 22.200-22.208.

12 4. "Mobile Home" means a "Mobile Home" or a "Manufactured Home" as
13 defined in RCW chapter 59.20.

14 5. "Owner" has the meaning given in Section 22.204.160.

15 6. "Qualified Rental Housing Inspector" means:

16 a. A City Housing and Zoning Inspector; or

17 b. A private inspector who is registered with the City as a qualified
18 rental housing inspector pursuant to Section 6.440.050 and who possesses at least one of the
19 following credentials:

20 1) A.A.C.E. Property Maintenance and Housing Inspector
21 certification,

22 2) I.C.C. Property Maintenance and Housing Inspector
23 certification,

24 3) I.C.C. Residential Building Code Inspector,

25 4) Washington State licensed home inspector; or



1 **6.440.030 Scope**

2 The provisions of this chapter apply to all residential housing units, with the exception
3 of:

4 A. Owner-occupied rental units;

5 B. Units unavailable for rent;

6 C. Housing accommodations in hotels, motels, inns or similar accommodations
7 for transient guests;

8 D. Housing accommodations in retirement or nursing homes;

9 E. Housing accommodations in any hospital, State-licensed community care
10 facility, convent, monastery or other facility occupied exclusively by members of a religious
11 order or an extended medical care facility;

12 F. Rental units that a government unit, agency or authority owns, operates or
13 manages, or that are specifically exempted from municipal regulation by State or federal law or
14 administrative regulation. This exception does not apply once the governmental ownership,
15 operation or management is discontinued.

16 G. Rental units:

17 1. That receive funding or subsidies from the federal, state or a local
18 government.

19 2. That are inspected at least every three years as a requirement of the
20 funding or subsidy,

21 3. That provide a copy of the inspection to the Department of Planning
22 and Development, and

23 4. For which the Director of the Department of Planning and
24 Development determines that the inspection is substantially equivalent to the inspection
25 required by this chapter.



1 H. Mobile homes or Manufactured Homes, both as defined in RCW chapter
2 59.20.

3 I. Accessory Dwelling Units.

4 J. Shelters and transitional housing.

5 **6.440.040 Residential Rental Housing Business License Required**

6 A. Beginning April 1, 2012, no person shall make available for rent, or rent, lease, or
7 let, to the public any residential housing unit without obtaining and holding a current residential
8 rental business license for the building in which the residential unit is located.

9 B. The fee for a residential rental business license shall be set by Council by ordinance
10 in an amount sufficient only to recover the cost of carrying out the provisions of this chapter.
11 The fees collected shall be allocated only to that purpose.

12 C. A residential rental business license expires on March 31 of each year.

13 D. The residential rental business license is personal and nontransferable except as
14 provided in Section 6.202.120.

15 E. Application. Application for a residential rental business license shall be made to the
16 Director of the Department of Executive Administration on forms provided by the Director of
17 the Department of Executive Administration. The application shall list and identify by address
18 the building and each of the residential housing units that the applicant intends to make
19 available for rent, or rent, lease, or let, to the public prior to the expiration of the applicant's
20 residential rental business license and shall include the fee due for the license.

21 F. Renewal. A residential rental business license may be renewed by paying the license
22 fee for the ensuing year on or before the date of the expiration of the current license,
23 submitting a renewal application updating the information contained in the original
24 application, and submitting a certificate of compliance dated within three years and 90 days of
25 the date of the application for renewal, unless the Department of Planning and Development
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1 has required a more recent certificate of compliance pursuant to Section 6.440.050.G, in which
2 case the more recent certificate of compliance shall be submitted. Any licensee who fails to
3 pay the renewal license fee on or prior to the expiration date of the business license shall be
4 subject to penalties in the following amounts:

5 1. \$100 if not received on or before the last day of the month following the
6 expiration date.

7 2. \$200 if not received on or before the last day of the second month following
8 the expiration date.

9 G. Display of business license and certificate of compliance. Within 30 calendar days
10 after issuance or renewal of a residential business license, a copy of the current residential
11 rental business license and the most recent certificate of compliance shall be posted and remain
12 posted in a common area in the building that is readily visible to all tenants.

13 **6.440.050 Inspection and Certificate of Compliance Required**

14 A. As a condition to the issuance or renewal of a residential rental business license, an
15 applicant shall provide a valid certificate of compliance stating that the applicant's residential
16 housing units that were inspected comply with the requirements of the Housing Code listed in
17 this Section 6.440.050.A, and that there are no conditions in those units that endanger or impair
18 or could endanger or impair the health or safety of a tenant. A qualified rental housing
19 inspector inspecting a rental unit for a certificate of compliance under this chapter shall inspect
20 for and certify compliance with the following requirements of the Housing Code:

21 1. The minimum floor area standards for a habitable room contained in Section
22 22.206.020.A;

23 2. The minimum sanitation standards contained in Sections 22.206.050.A,
24 22.206.050.D, 22.206.050.E, 22.206.050.F and 22.206.050.G;

25 3. The minimum structural standards contained in Section 22.206.060



- 1 4. The minimum sheltering standards contained in Section 22.206.070;
- 2 5. The minimum maintenance standards contained in Section 22.206.080.A;
- 3 6. The minimum heating standards contained in Section 22.206.090;
- 4 7. The minimum ventilation standards contained in Section 22.206.100;
- 5 8. The minimum electrical standards contained in Section 22.206.110.A;
- 6 9. The minimum standards for Emergency Escape Window and Doors contained
- 7 in Section 22.206.130.J;
- 8 10. The requirements for garbage, rubbish, and debris removal contained in
- 9 Section 22.206.160.A.1;
- 10 11. The requirements for extermination contained in Section 22.206.160.A.3;
- 11 12. The requirement to provide keys and locks contained in Section
- 12 22.206.160.A.11;
- 13 13. The requirement to provide garbage cans contained in Section
- 14 22.206.160.B.2; and
- 15 14. The requirement to provide and test smoke detectors contained in Section
- 16 22.206.160.B.4.

17 B. A certificate of compliance shall be issued by a qualified rental housing inspector
18 and be based upon the physical inspection by the qualified rental housing inspector of the
19 residential housing units conducted not more than 90 days prior to the date of the certificate of
20 compliance.

21 C. The certificate of compliance shall:

- 22 1. List and show compliance with the standards contained in Section 6.44.050.A for
- 23 each residential housing unit that was inspected;
- 24 2. State the date of the inspection and the name and address of the qualified rental
- 25 housing inspector who performed the inspection; and
- 26
- 27
- 28



1 3. State the name, address and phone number of the building's owner/licensee or the
2 agent designated by the owner/licensee.

3 D. Inspection of units for certificate of compliance.

4 1. In buildings that contain more than one rental unit, an applicant may choose to have
5 all of the rental units inspected or, if the building has not had conditions reported to the
6 Department of Planning and Development that endanger or impair the health or safety of a
7 tenant since the last inspection required by this chapter, the applicant may choose to have only
8 a sample of the rental units inspected. If the applicant chooses to have only a sample of the
9 rental units inspected:

10 a. If the building contains 20 or fewer rental units, no more than four rental units
11 are required to be inspected; or

12 b. If the building contains more than 20 rental units, no more than 20 percent of
13 the rental units are required to be inspected, up to a maximum of 50 rental units in each
14 building.

15 c. The Department of Planning and Development will randomly select the units
16 to be inspected.

17 2. If an applicant chooses sampling, the applicant shall provide the Department of
18 Planning and Development with copies of all the inspections performed on the sampled units in
19 order to obtain a certificate of compliance.

20 3. If an applicant chooses sampling and a rental unit randomly selected by the
21 Department of Planning and Development fails the inspection, the Department of Planning and
22 Development may require that 100 percent of the rental units be inspected.

23 E. Notice to Tenants.

24 1. Before the Department of Planning and Development selects the rental units to be
25 inspected, or, if all of the units are to be inspected, before the inspection, the landlord shall
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1 provide at least two days' advance written notice to all rental units in the building advising
2 tenants:

3 a) that some or all of the rental units will be inspected;

4 b) that an inspector intends to enter the rental unit for purposes of performing
5 the inspection;

6 c) of the date and approximate time of the proposed inspection and the name of
7 the company or person performing the inspection;

8 d) that the tenant has the right to see the inspector's identification before the
9 inspector enters the rental unit;

10 e) that a tenant whose rental unit need repairs or maintenance should send a
11 written notice to the landlord or the person who collects the rent specifying the address of the
12 rental unit, the name of the owner, if known, and the defective condition, repair or maintenance
13 that is needed;

14 f) that if the landlord fails to adequately respond to the request for repairs or
15 maintenance, the tenant may contact the Department of Planning and Development about the
16 conditions without reprisal; and

17 g) the address at which the tenant may contact the Department of Planning and
18 Development.

19 2. Upon request the landlord shall provide a copy of the notice to the inspector on the
20 day of the inspection.

21 F. A certificate of compliance is valid and may be used for license applications and
22 renewals under this chapter for a period of three years and 90 days from the date it is issued,
23 unless the Department of Planning and Development determines that violations of the Housing
24 Code exist for any units listed in the certificate of compliance. If the Department of Planning
25 and Development determines that violations of the Housing Code exist in any of the units listed
26



1 in a certificate of compliance, the applicant may be required to obtain an inspection and submit
2 a new certificate of compliance with the annual application for license renewal for the
3 subsequent two years for those units for which violations were found.

4 G. Other inspections. Nothing in this section precludes additional inspections
5 conducted at the request or consent of a tenant, pursuant to a warrant, or pursuant to the tenant
6 remedy provided by RCW 59.18.115 of the Residential Landlord-Tenant Act.

7 **6.440.060 Qualified Rental Housing Inspector registration**

8 A. To register as a qualified rental housing inspector (RHI), each applicant shall:

9 1. Pay to the Director of the Department of Planning and Development the
10 annual registration fee set in the annual Department of Planning and Development fee
11 ordinance;

12 2. Successfully complete an RHI examination administered or approved by the
13 Director of the Department of Planning and Development. Each applicant for the exam shall
14 pay to the Director of the Department of Planning and Development an examination fee to be
15 set by the Director of the Department of Planning and Development at an amount that will fund
16 the cost of administering and grading the examination.

17 3. Provide evidence to the Department of Planning and Development that the
18 applicant possesses a current City business license issued pursuant to Section 5.55.030 and that
19 the applicant has successfully completed the RHI examination within the last two years.

20 B. Expiration of Registration. All RHI registrations automatically expire on January 31
21 of each year and must be renewed pursuant to the provisions of subsection 6.440.060.C.

22 C. Renewal of Registration. In order to renew a registration, the RHI shall:

23 1. Pay the renewal fee set in the annual Department of Planning and
24 Development fee ordinance.



1 2. Provide proof of compliance with the requirements of subsections

2 6.440.060.A.2–6.440.060A.3.

3 D. Failure to Renew. An RHI who fails to renew its registration is prohibited from
4 inspecting and certifying rental housing pursuant to Chapter 6.440 until the RHI registers or
5 renews pursuant to subsection 6.440.060.

6 **6.440.070 Directors to Make Rules**

7 The Director of the Department of Executive Administration and the Director of the
8 Department of Planning and Development are authorized to adopt, publish and enforce rules
9 and regulations consistent with this chapter for the purpose of carrying out the provisions of
10 this chapter.

11 **6.440.080 License Denial, Suspension, or Revocation**

12 A. A residential rental housing business license may be suspended, denied, or revoked
13 pursuant to chapter 6.202.

14 B. If an application for a residential rental housing business license is denied, or a
15 residential rental housing license is suspended or revoked, no reapplication for that license will
16 be considered by the Director until correction of any and all deficiencies on which the denial,
17 suspension, or revocation was based.

18 C. If an application for a license renewal is denied, no application for a license or a
19 license renewal will be considered by the Director until any and all deficiencies on which the
20 refusal to renew was based have been corrected.

21 **6.440.090 Penalties**

22 A. Any person violating any of the provisions or failing to comply with any of the
23 requirements of this chapter or any rules or regulations adopted by the Director of Executive
24 Administration or the Director of Planning and Development pursuant to this chapter, may be
25 punished by a penalty of \$150 per day for the first ten days that the violation or failure to
26



1 comply exists and \$500 per day for each day thereafter. Each person is guilty of a separate
2 violation for each and every day during any portion of which any violation of any provision of
3 this chapter is committed, continued, or permitted by such person.

4 B. Any person who knowingly submits or assists in the submission of a falsified
5 certificate of inspection, or knowingly submits falsified information upon which a certificate of
6 compliance is issued, in addition to the penalties provided in subsection 6.44.060.A above,
7 shall be subject to a penalty of \$1000.

8 C. For any rental unit that fails the inspection for the certificate of compliance under
9 this chapter, the Department of Planning and Development may issue a notice of violation
10 under the Housing Code and subject the violator to the penalties imposed or remedies available
11 under the provisions of the Housing Code.

12 Section 2. Severability. If any part, provision or section of this ordinance is held to
13 be void or unconstitutional, all other parts, provisions, and sections of this ordinance not
14 expressly so held to be void or unconstitutional shall continue in full force and effect.

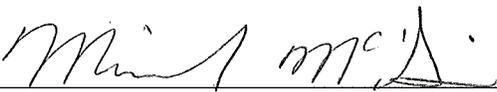


1 Section 3. This ordinance shall take effect and be in force 30 days from and after its
2 approval by the Mayor, but if not approved and returned by the Mayor within ten days after
3 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

4 Passed by the City Council the 1st day of June, 2010, and
5 signed by me in open session in authentication of its passage this 1st day of
6 June, 2010.

7 
8 _____
9 President _____ of the City Council

10
11 Approved by me this 7th day of June, 2010.

12
13 
14 _____
15 Michael McGinn, Mayor

16
17 Filed by me this 9th day of June, 2010.

18 
19 _____
20 City Clerk

21 (Seal)



FISCAL NOTE FOR NON-CAPITAL PROJECTS

| Department: | Contact Person/Phone: | DOF Analyst/Phone: |
|--------------------------|------------------------------|---------------------------|
| Planning and Development | Karen White/615-0097 | Kristi Beattie/684-5266 |

Legislation Title:

An ordinance relating to residential rental property registration and inspections, adding a new Chapter 6.4 to the Seattle Municipal Code and providing for an effective date of October 1, 2011.

• **Summary of the Legislation:**

The bill would create a licensing requirement for residential rental housing, and establish a testing and registration requirement for qualified private housing inspectors.

- **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

The bill would create a licensing requirement for residential rental housing that would require rental units to be inspected every three years to determine whether they meet Seattle’s maintenance standards and whether there are other conditions present that may endanger the health or safety of tenants. If such problems exist, they would have to be fixed before a rental housing license could be obtained or renewed. If code violations were discovered by the Department of Planning and Development (DPD) as a result of a complaint-response inspection, then there would be authority to require the landlord to have annual inspections for the next two years to demonstrate the units were being maintained to code standards; after two years, the units would revert to a three-year inspection requirement.

The rental housing licenses would be issued by the Department of Executive Administration (DEA). A licensing fee would be charged that would be set to recover program start up costs and the ongoing costs of administering the licensing program. The fee would be set in a separately adopted ordinance. DEA would maintain rental housing license information and enforce the licensing requirement.

The legislation also would require private housing inspectors who perform these inspections to register with the City; in order to register, they would have to pass a test to demonstrate adequate knowledge of Seattle’s Housing Code as well as provide proof of professional training and certification or licensing. Allowable professional credentials would include at least one of the following:

- A.A.C.E. Property Maintenance and Housing Inspector certification,
- I.C.C. Property Maintenance and Housing Inspector certification, or I.C.C. Residential Building Code Inspector certification, or
- Washington State license as a home inspector.



Inspectors would have to pass a test on the Seattle Housing Code and Building Maintenance Code and renew their registration annually; in addition, they would have to pass the code test every three years. DPD would develop the test and administer it or arrange for third party test administration. DPD would maintain records of registered inspectors' identifying information, credentials, test results and registration fee payment.

The inspector registration fee would be set to cover program start up costs and ongoing costs of the registration program administration. The fee would be defined and adopted in the annual DPD fee ordinance.

Start up costs for the program would include: retaining an educational consultant to assist with inspector test development and design; developing a database of inspectors' registration information; programming for the business licensing data system (SLIM); developing a database to track specific housing units for which a rental housing business license has been issued, as well as renewals and expirations; and designing forms and other materials. Some of these costs would be covered in existing budget authority, others would require new appropriations.

Ongoing program costs would include staffing for: processing rental housing license applications and renewals; updating a database for tracking housing units and their associated rental housing licenses and expiration dates; administering and grading inspector tests, notifying applicants of results, maintaining a database of registered inspectors, and notifying inspectors when their registrations are due to lapse; and investigating violations and enforcement. Ongoing costs would also include postage expenses.

The ordinance would take effect in October 2011. Inspector testing and registration would occur in advance of the deadline for landlords to obtain a rental housing business license to allow time for the qualified inspectors to perform the required inspections. The deadline for having a rental housing license would therefore be April 1, 2012.

- *Please check one of the following:*

This legislation does not have any financial implications. *(Stop here and delete the remainder of this document prior to saving and printing.)*

This legislation has financial implications. *(Please complete all relevant sections that follow.)*

As noted above, implementation of this ordinance will result in both one-time start-up costs and ongoing program implementation and administration costs for both DPD and DEA, occurring in 2011 and beyond, which are expected to be fully recovered through licensing fee revenues. Additional information about additional appropriation authority, revenues, and position requests will be forthcoming in the 2011-2012 Budget submittal for DPD and DEA. No additional appropriation or position authority is requested for 2010.

Fees would be set at a level to recover program costs; when actual fees are adopted they may be



designed to recover the startup costs over a longer period of time, not in the first year of the program. This would result in departments initially drawing down fund balance and gradually recovering the startup costs over time. The DEA rental housing license fee would be set in a separately adopted ordinance. DPD would adopt the inspector registration fee in its annual fee ordinance as part of the budget process.

- **What is the financial cost of not implementing the legislation?** *(Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented.)*

There would be no significant financial cost from not implementing the legislation, however this legislation is necessary to allow the City to implement an effective rental inspection program as a result.

- **Does this legislation affect any departments besides the originating department?** *If so, please list the affected department(s), the nature of the impact (financial, operational, etc.), and indicate which staff members in the other department(s) are aware of this Bill.*

This legislation affects the Department of Executive Administration. Contact is Denise Movius, Director of Revenue and Licensing. The operation impact is related to: issuance of business licenses, license renewals, and enforcement of licensing requirement.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** *(Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)*

The City could adopt a licensing and inspection program and use City inspectors rather than private inspectors.

- **Is the legislation subject to public hearing requirements?** *(If yes, what public hearings have been held to date, and/or what plans are in place to hold a public hearing(s) in the future.*

No

- **Other Issues** *(including long-term implications of the legislation):*

None.



THIS VERSION IS NOT ADOPTED

ORDINANCE _____

1
2 AN ORDINANCE relating to residential rental property registration and inspections, adding a
3 new Chapter 6.440 to the Seattle Municipal Code and providing for an effective date of
4 October 1, 2011.

5 WHEREAS, the City Council has determined substandard and unsanitary residential buildings
6 and dwelling units exist within the City of Seattle, the physical condition of which
7 violates State and local housing and technical codes; and

8 WHEREAS, improving residential housing and providing for neighborhood stability
9 throughout the City through improved housing conditions requires periodic inspection
10 of residential rental housing units in the City to determine if such premises conform to
11 the City's Housing Code and other applicable laws; and

12 WHEREAS, in order to provide for such periodic inspection of residential rental housing units,
13 a Residential Rental Business License and Inspection Program must be established; and

14 WHEREAS, the fees that will be imposed by separate ordinance are to recover the cost of the
15 Residential Rental Business License and Inspection Program are not intended to raise
16 revenues for other purposes, and are not imposed on property ownership but on the
17 carrying out of the business of renting residential property subject to these regulations;
18 NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

19 Section 1. Effective October 1, 2011, a new Chapter 6.440, the Residential Rental
20 Business License and Inspection Program, is added to the Seattle Municipal Code as follows:

6.440.010 Declaration of Purpose

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22 and Inspection Program is necessary to protect the public health, safety and welfare of tenants
23 by encouraging the proper maintenance of rental housing, by identifying and requiring
24 correction of substandard housing conditions, and by preventing conditions of deterioration and
25 blight that could adversely impact the quality of life in the City of Seattle.

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26 For purposes of this chapter, the following words or phrases have the meaning
27 prescribed below:
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2 a "Detached accessory dwelling unit" as defined under "Residential Use" in Section
3 23.84A.032.

4 2. "Certificate of Compliance" means the document submitted to the City as the
5 result of an inspection conducted by a Qualified Rental Housing Inspector that certifies that the
6 residential housing unit complies with the applicable requirements of the Housing Code, and is
7 not in a condition that endangers or impairs or could endanger or impair the health or safety of
8 a tenant. A Certificate of Compliance must be signed and dated by a Qualified Rental Housing
9 inspector.

10 3. "Housing Code" means the Housing and Building Maintenance Code in
11 chapters 22.200-22.208.

12 4. "Mobile Home" means a "Mobile Home" or a "Manufactured Home" as
13 defined in RCW chapter 59.20.

14 5. "Owner" has the meaning given in Section 22.204.160.

15 6. "Qualified Rental Housing Inspector" means:

16 a. A City Housing and Zoning Inspector; or

17 b. A private inspector who is registered with the City as a registered
18 rental housing inspector pursuant to Section 6.440.050 and who possesses at least one of the
19 following credentials:

20 1) A.A.C.E. Property Maintenance and Housing Inspector
21 certification,

22 2) I.C.C. Property Maintenance and Housing Inspector
23 certification,

24 3) I.C.C. Residential Building Code Inspector,

25 4) Washington State licensed home inspector; or



1 5) Other acceptable credential the Director of the Department of
2 Planning and Development establishes by rule.

3 7. "Rental unit" means a residential housing unit occupied or rented by a tenant
4 or available for rent by a tenant.

5 8. "Residential Housing Unit" means any structure or part of a structure in the
6 City of Seattle that is used as a home, residence or sleeping place by one or more persons,
7 including but not limited to, single-family residences, duplexes, tri-plexes, four-plexes, multi-
8 family dwellings, apartment buildings, condominiums, and similar living accommodations.

9 9. "Residential Rental Business License" means a license issued under this
10 chapter.

11 10. "Shelter" means a facility with overnight sleeping accommodations, owned,
12 operated, or managed by a nonprofit agency or governmental entity, the primary purpose of
13 which is to provide temporary shelter for the homeless in general or for specific populations of
14 the homeless.

15 11. "Tenant" has the meaning given in Section 22.204.210.A.

16 12. "Transitional Housing" means residential housing units owned, operated, or
17 managed by a nonprofit agency or governmental entity in which supportive services are provided
18 to individuals or families that were formerly homeless, with the intent to stabilize them and move
19 them to permanent housing within a period of not more than 24 months.

20 13. "Unit unavailable for rent" means a residential housing unit that is not
21 offered or available for rent as a rental unit and that prior to offering or making the unit
22 available as a rental unit, the owner is required to apply for a residential rental business license
23 and comply with any applicable administrative regulations adopted pursuant to this chapter.



THIS VERSION IS NOT ADOPTED

1 **6.440.030 Scope**

2 The provisions of this chapter apply to all residential housing units, with the exception
3 of:

- 4 1. Owner-occupied rental units;
- 5 2. Units unavailable for rent;
- 6 3. Housing accommodations in hotels, motels, inns or similar accommodations
7 for transient guests;
- 8 4. Housing accommodations in retirement or nursing homes;
- 9 5. Housing accommodations in any hospital, State-licensed community care
10 facility, convent, monastery or other facility occupied exclusively by members of a religious
11 order or an extended medical care facility;
- 12 6. Housing accommodations that a government unit, agency or authority owns,
13 operates or manages, or that are specifically exempted from municipal regulation by State or
14 federal law or administrative regulation. This exception does not apply once the governmental
15 ownership, operation or management is discontinued.
- 16 7. Mobile homes or Manufactured Homes, both as defined in RCW chapter
17 59.20.
- 18 8. Accessory Dwelling Units.
- 19 9. Shelters and transitional housing.

20 **6.440.040 Residential Rental Housing Business License Required**

21 A. Beginning April 1, 2012, no person shall make available for rent, or rent, lease, or
22 let, to the public any residential housing unit without obtaining and holding a current residential
23 rental business license.



~~THIS VERSION IS NOT ADOPTED~~

1 B. The fee for a residential rental business license shall be set by rule by Council by
2 ordinance in an amount sufficient only to recover the cost of carrying out the provisions of this
3 chapter: The fees collected shall be allocated only to that purpose.

4 C. A residential rental business license expires on March 31 of each year.

5 D. The residential rental business license is personal and nontransferable except as
6 provided in Section 6.202.120.

7 E. Applications for the residential rental business license shall be made to the Director
8 of the Department of Executive Administration on forms provided by the Director of the
9 Department of Executive Administration. The application shall list and identify by address
10 each of the residential housing units that the applicant intends to make available for rent, or
11 rent, lease, or let, to the public prior to the expiration of the applicant's residential rental
12 business license and shall include the fee due for the license.

13 F. A residential rental business license may be renewed by paying the license fee for
14 the ensuing year on or before the date of the expiration of the current license and submission of
15 a certificate of compliance dated within 90 days of the date of the application for renewal. Any
16 licensee who fails to pay the license fee on or prior to the expiration date of said business
17 license shall be subject to penalties in the following amounts:

18 1. \$100 if not received on or before the last day of the month following the
19 expiration date.

20 2. \$200 if not received on or before the last day of the second month following
21 the expiration date.

22 **6.440.050 Inspection Required**

23 A. As a condition to the issuance or renewal of a residential rental business license, an
24 applicant shall provide a valid certificate of compliance stating that the applicant's residential
25

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1 rental housing units comply with the standards of the Housing Code and do not present
2 conditions that endanger or impair the health or safety of a tenant.

3 B. A certificate of compliance shall be issued by a qualified rental housing inspector
4 and be based upon the physical inspection by the qualified rental housing inspector of the
5 residential housing units conducted not more than 90 days prior to the date of the certificate of
6 compliance.

7 C. The certificate of compliance shall list and show compliance for each residential
8 housing unit. A certificate of compliance is valid and may be used for license applications and
9 renewals under this chapter for a period of three years from date it is issued, unless the
10 Department of Planning and Development determines that violations of the Housing Code exist
11 for any units listed in the certificate of compliance. If the Department of Planning and
12 Development determines that violations of the Housing Code exist in any of the units listed in a
13 certificate of compliance, the applicant may be required to obtain an inspection and submit a
14 new certificate of compliance with the annual application for license renewal for the
15 subsequent two years for those units for which violations were found.

16 D. Prior to making available for rent, or renting or leasing any residential housing units
17 not listed on the applicant's current residential rental business license, the applicant shall obtain
18 and provide to the Director of the Department of Executive Administration a valid certificate of
19 compliance for those units and obtain an amended license listing those units.

20 E. Other inspections. Nothing in this section precludes additional inspections
21 conducted at the request or consent of a tenant, pursuant to a warrant, or pursuant to the tenant
22 remedy provided by RCW 59.18.115 of the Residential Landlord-Tenant Act.

23 **6.440.060 Qualified Rental Housing Inspector registration**

24 A. To register as a qualified rental housing inspector (RHI), each applicant shall:
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27
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1 1. Pay to the Director of the Department of Planning and Development the
2 annual registration fee set in the annual Department of Planning and Development fee
3 ordinance;

4 2. Successfully complete an RHI examination administered or approved by the
5 Director of the Department of Planning and Development. Each applicant for the exam shall
6 pay to the Director of the Department of Planning and Development an examination fee to be
7 set by the Director of the Department of Planning and Development at an amount that will fund
8 the cost of administering and grading the examination.

9 3. Provide evidence to the Department of Planning and Development that the
10 applicant possesses a current City Business license issued pursuant to Section 5.55.030 and that
11 the applicant has successfully completed the RHI examination within the last two years.

12 B. Expiration of Registration. All RHI registrations automatically expire on January 31
13 of each year and must be renewed pursuant to the provisions of subsection 6.440.060.C.

14 C. Renewal of Registration. In order to renew a registration, the RHI shall:

15 1. Pay the renewal fee set in the annual Department of Planning and
16 Development fee ordinance.

17 2. Provide proof of compliance with the requirements of subsections
18 6.440.060.A.2–A.3.

19 D. Failure to Renew. An RHI who fails to renew its registration is prohibited from
20 inspecting and certifying rental housing pursuant to Chapter 6.440 until the RHI registers or
21 renews pursuant to subsection 6.440.060.

22 **6.440.070 Directors to Make Rules**

23 The Director of the Department of Executive Administration and the Director of the
24 Department of Planning and Development are authorized to adopt, publish and enforce rules



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1 and regulations consistent with this chapter for the purpose of carrying out the provisions of
2 this chapter.

3 **6.440.080 License Denial, Suspension, or Revocation**

4 A. A residential rental housing business license may be suspended, denied, or revoked
5 pursuant to chapter 6.202 for any or all of the licensee's residential housing units.

6 B. If an application for a residential rental housing business license is denied, or a
7 residential rental housing license is suspended or revoked, no reapplication for that license will
8 be considered by the Director until correction of any and all deficiencies on which the denial,
9 suspension, or revocation was based.

10 C. If an application for a license renewal is denied, no application for a license or a
11 license renewal will be considered by the Director until any and all deficiencies on which the
12 refusal to renew was based have been corrected.

13 **6.440.090 Penalties**

14 A. Any person violating any of the provisions or failing to comply with any of the
15 requirements of this chapter or any rules or regulations adopted by the Director of Executive
16 Administration or the Director of Planning and Development pursuant to this chapter, may be
17 punished by a penalty of \$150 per day for the first ten days that the violation or failure to
18 comply exists and \$500 per day for each day thereafter. Each person is guilty of a separate
19 violation for each and every day during any portion of which any violation of any provision of
20 this chapter is committed, continued, or permitted by such person.

21 B. Any person who knowingly submits or assists in the submission of a falsified
22 certificate of inspection, or knowingly submits falsified information upon which a certificate of
23 compliance is issued, in addition to the penalties provided in subsection 6.44.060.A above,
24 shall be subject to a penalty of \$1000.



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1 C. Any violation of this chapter including the determination by the City, after an
2 inspection of the residential housing unit, that a condition exists that violates the Housing Code
3 or substantially endangers or impairs the health or safety of a tenant may, in addition to the
4 penalties provided above, result in the issuance of a notice of violation under the Housing Code
5 and subject the violator to the penalties imposed or remedies available under the provisions of
6 the Housing Code.

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1 Section 2. Severability. If any part, provision or section of this ordinance is held to
2 be void or unconstitutional, all other parts, provisions, and sections of this ordinance not
3 expressly so held to be void or unconstitutional shall continue in full force and effect.

4 Section 3. This ordinance shall take effect and be in force 30 days from and after its
5 approval by the Mayor, but if not approved and returned by the Mayor within ten days after
6 presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

7 Passed by the City Council the ____ day of _____, 2010, and
8 signed by me in open session in authentication of its passage this ____ day of
9 _____, 2010.

11 _____
12 President _____ of the City Council

13 Approved by me this ____ day of _____, 2010.

16 _____
17 Michael McGinn, Mayor

18 Filed by me this ____ day of _____, 2010.

20 _____
21 City Clerk

21 (Seal)

23 THIS VERSION IS NOT ADOPTED



FISCAL NOTE FOR NON-CAPITAL PROJECTS

| Department: | Contact Person/Phone: | DOF Analyst/Phone: |
|--------------------------|------------------------------|---------------------------|
| Planning and Development | Karen White/615-0097 | Kristi Beattie/684-5266 |

Legislation Title:

An ordinance relating to residential rental property registration and inspections, adding a new Chapter 6.4 to the Seattle Municipal Code and providing for an effective date of March 1, 2011.

• **Summary of the Legislation:**

The bill would create a licensing requirement for residential rental housing, and establish a testing and registration requirement for qualified private housing inspectors.

- **Background:** *(Include brief description of the purpose and context of legislation and include record of previous legislation and funding history, if applicable):*

The bill would create a licensing requirement for residential rental housing that would require rental units to be inspected every three years to determine whether they meet Seattle's maintenance standards and whether there are other conditions present that may endanger the health or safety of tenants. If such problems exist, they would have to be fixed before a rental housing license could be obtained or renewed. If code violations were discovered by the Department of Planning and Development (DPD) as a result of a complaint-response inspection, then there would be authority to require the landlord to have annual inspections for the next two years to demonstrate the units were being maintained to code standards; after two years, the units would revert to a three-year inspection requirement.

The rental housing licenses would be issued by the Department of Executive Administration (DEA). A licensing fee would be charged that would be set to recover program start up costs and the ongoing costs of administering the licensing program. The fee would be set in a separately adopted ordinance. DEA would maintain rental housing license information and enforce the licensing requirement.

The legislation also would require private housing inspectors who perform these inspections to register with the City; in order to register, they would have to pass a test to demonstrate adequate knowledge of Seattle's Housing Code as well as provide proof of professional training and certification or licensing. Allowable professional credentials would include at least one of the following:

- A.A.C.E. Property Maintenance and Housing Inspector certification,
- I.C.C. Property Maintenance and Housing Inspector certification, or I.C.C. Residential Building Code Inspector certification, or
- Washington State license as a home inspector.

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Inspectors would have to pass a test on the Seattle Housing Code and Building Maintenance Code and renew their registration annually; in addition, they would have to pass the code test every three years. DPD would develop the test and administer it or arrange for third party test administration. DPD would maintain records of registered inspectors' identifying information, credentials, test results and registration fee payment.

The inspector registration fee would be set to cover program start up costs and ongoing costs of the registration program administration. The fee would be defined and adopted in the annual DPD fee ordinance.

Start up costs for the program would include: retaining an educational consultant to assist with inspector test development and design; developing a database of inspectors' registration information; programming for the business licensing data system (SLIM); developing a database to track specific housing units for which a rental housing business license has been issued, as well as renewals and expirations; and designing forms and other materials. Some of these costs would be covered in existing budget authority, others would require new appropriations.

Ongoing program costs would include staffing for: processing rental housing license applications and renewals; updating a database for tracking housing units and their associated rental housing licenses and expiration dates; administering and grading inspector tests, notifying applicants of results, maintaining a database of registered inspectors, and notifying inspectors when their registrations are due to lapse; and investigating violations and enforcement. Ongoing costs would also include postage expenses.

The ordinance would take effect in October 2011. Inspector testing and registration would occur in advance of the deadline for landlords to obtain a rental housing business license to allow time for the qualified inspectors to perform the required inspections. The deadline for having a rental housing license would therefore be April 1, 2012.

- *Please check one of the following:*

This legislation does not have any financial implications. *(Stop here and delete the remainder of this document prior to saving and printing.)*

This legislation has financial implications. *(Please complete all relevant sections that follow.)*

As noted above, implementation of this ordinance will result in both one-time start-up costs and ongoing program implementation and administration costs for both DPD and DEA, occurring in 2011 and beyond, which are expected to be fully recovered through licensing fee revenues. Additional information about additional appropriation authority, revenues, and position requests will be forthcoming in the 2011-2012 Budget submittal for DPD and DEA. No additional appropriation or position authority is requested for 2010.

Fees would be set at a level to recover program costs; when actual fees are adopted they may be designed to recover the startup costs over a longer period of time, not in the first year of the

THIS VERSION IS NOT AL



program. This would result in departments initially drawing down fund balance and gradually recovering the startup costs over time. The DEA rental housing license fee would be set in a separately adopted ordinance. DPD would adopt the inspector registration fee in its annual fee ordinance as part of the budget process.

- **What is the financial cost of not implementing the legislation?** *(Estimate the costs to the City of not implementing the legislation, including estimated costs to maintain or expand an existing facility or the cost avoidance due to replacement of an existing facility, potential conflicts with regulatory requirements, or other potential costs if the legislation is not implemented.)*

There would be no significant financial cost from not implementing the legislation, however this legislation is necessary to allow the City to implement an effective rental inspection program as a result.

- **Does this legislation affect any departments besides the originating department?** *If so, please list the affected department(s), the nature of the impact (financial, operational, etc.), and indicate which staff members in the other department(s) are aware of this Bill.*

This legislation affects the Department of Executive Administration. Contact is Denise Movius, Director of Revenue and Licensing. The operation impact is related to: issuance of business licenses, license renewals, and enforcement of licensing requirement.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** *(Include any potential alternatives to the proposed legislation, such as reducing fee-supported activities, identifying outside funding sources for fee-supported activities, etc.)*

The City could adopt a licensing and inspection program and use City inspectors rather than private inspectors.

- **Is the legislation subject to public hearing requirements:** *(If yes, what public hearings have been held to date, and/or what plans are in place to hold a public hearing(s) in the future.*

No

- **Other Issues** *(including long-term implications of the legislation):*

None.

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City of Seattle
Office of the Mayor

April 27, 2010

Honorable Richard Conlin
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill to protect residential tenants and the quality of Seattle's rental housing stock. I believe it is important to act now on this proposal so that we can maintain our ability to have an effective and meaningful program to protect tenants and encourage the proper maintenance of rental housing in the city.

The bill would create a licensing requirement for residential rental housing which would involve inspection every three years of rental units to determine whether they meet Seattle's standards for maintenance of rental housing and whether there are other conditions which endanger the health or safety of tenants. If such problems exist, they would have to be fixed before a license could be obtained or renewed.

The legislation also would require private housing inspectors who would perform these inspections to have relevant professional training and certification or licensing, and to demonstrate knowledge of Seattle's Housing Code. Inspectors who would be authorized to perform these inspections would register with the City, would have to renew their registration annually, and pass a test on the Housing Code every three years.

As a result of adopting this legislation, residential tenants could have more assurance that their rental housing is safe and meets community standards. Thank you for your consideration of this legislation. Should you have questions, please contact Karen White at 615-0097.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor
Office of the Mayor
600 Fourth Avenue, 7th Floor
PO Box 94749
Seattle, WA 98124-4749

Tel (206) 684-4000
Fax (206) 684-5360
TDD (206) 615-0476
mike.mcginn@seattle.gov



STATE OF WASHINGTON – KING COUNTY

--SS.

256191
CITY OF SEATTLE, CLERKS OFFICE

No.

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

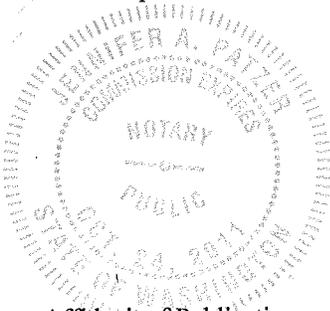
The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:123311 ORDINANCE

was published on

06/15/10

The amount of the fee charged for the foregoing publication is the sum of \$ 716.63, which amount has been paid in full.



Affidavit of Publication

[Handwritten signature]

Subscribed and sworn to before me on

06/15/10

[Handwritten signature]

Notary public for the State of Washington,
residing in Seattle

City of Seattle

ORDINANCE 123311

AN ORDINANCE relating to residential rental property registration and inspections, adding a new Chapter 6.440 to the Seattle Municipal Code and providing for an effective date of October 1, 2011.

WHEREAS, the City Council has determined substandard and unsanitary residential buildings and dwelling units exist within the City of Seattle; and

WHEREAS, improving residential housing and providing for neighborhood stability throughout the City through improved housing conditions requires periodic inspection of residential rental housing units in the City to determine if such premises fail to comply with certain requirements of the City's Housing Code or endanger or impair the health or safety of a tenant; and

WHEREAS, in order to provide for such periodic inspection of residential rental housing units, a Residential Rental Business License and Inspection Program must be established; and

WHEREAS, the fees that will be imposed by separate ordinance are to recover the cost of the Residential Rental Business License and Inspection Program, are not intended to raise revenues for other purposes, and are not imposed on property ownership but on the carrying out of the business of renting residential property subject to these regulations; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Effective October 1, 2011, a new Chapter 6.440, the Residential Rental Business License and Inspection Program, is added to the Seattle Municipal Code as follows:

6.440.010 Declaration of Purpose

The City Council finds that the establishment of a Residential Rental Business License and Inspection Program is necessary to 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, and by preventing conditions of deterioration and blight that could adversely impact the quality of life in the City of Seattle.

6.440.020 Definitions

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

1. "Accessory dwelling unit" or "ADU" means an "Accessory dwelling unit" or a "Detached accessory dwelling unit" as defined under "Residential Use" in Section 23.84A.032.

2. "Certificate of Compliance" 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 of the City's Housing Code listed in Section 6.440.050.A and are not in a condition that endangers or impairs or could endanger or impair the health and safety of a tenant.

3. "Housing Code" means the Housing and Building Maintenance Code in SMC chapters 22.200-22.208.

4. "Mobile Home" means a "Mobile Home" or a "Manufactured Home" as defined in RCW chapter 59.20.

5. "Owner" has the meaning given in Section 22.204.160.

6. "Qualified Rental Housing Inspector" means:

a. A City Housing and Zoning Inspector; or

b. A private inspector who is registered with the City as a qualified rental housing inspector pursuant to Section 6.440.050 and who possesses at least one of the following credentials:

1) A.A.C.E. Property Maintenance and Housing Inspector certification,

2) I.C.C. Property Maintenance and Housing Inspector certification,

3) I.C.C. Residential Building Code Inspector,

4) Washington State licensed home inspector; or

5) Other acceptable credential the Director of the Department of Planning and Development establishes by rule.

7. "Rental unit" means a residential housing unit occupied or rented by a tenant or available for rent by a tenant.

8. "Residential Housing Unit" means any structure or part of a structure in the City of Seattle 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, duplexes, tri-plexes, four-plexes, multi-family dwellings, apartment buildings, condominiums, and similar living accommodations.

9. "Residential Rental Business License" means a license issued under this chapter.

10. "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.

11. "Tenant" has the meaning given in Section 22.204.210.A.

12. "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.

13. "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 business license for the building in which the unit is located and comply with applicable administrative regulations adopted pursuant to this chapter.

6.440.030 Scope

The provisions of this chapter apply to all residential housing units, with the exception of:

A. Owner-occupied rental units;

B. Units unavailable for rent;

C. Housing accommodations in hotels, motels, inns or similar accommodations for transient guests;

D. Housing accommodations in retirement or nursing homes;

E. Housing accommodations in any hospital, State-licensed community care facility, convent, monastery or other facility occupied exclusively by members of a religious order or an extended medical care facility;

F. Rental units that a government unit, agency or authority owns, operates or manages, or that are specifically exempted from municipal regulation by State or federal law or administrative regulation. This exception does not apply once the governmental ownership, operation or management is discontinued.

G. Rental units:

1. That receive funding or subsidies from the federal, state or a local government.

2. That are inspected at least every three years as a requirement of the funding or subsidy,

3. That provide a copy of the inspection to the Department of Planning and Development, and

4. For which the Director of the Department of Planning and Development determines that the inspection is substantially equivalent to the inspection required by this chapter.

H. Mobile homes or Manufactured Homes, both as defined in RCW chapter 59.20.

I. Accessory Dwelling Units.

J. Shelters and transitional housing.

6.440.040 Residential Rental Housing Business License Required

A. Beginning April 1, 2012, no person shall make available for rent, or rent, lease, or let, to the public any residential housing unit without obtaining and holding a current residential rental business license for the building in which the residential unit is located.

B. The fee for a residential rental business license shall be set by Council by ordinance in an amount sufficient only to recover the cost of carrying out the provisions of this chapter. The fees collected shall be allocated only to that purpose.

C. A residential rental business license expires on March 31 of each year.

D. The residential rental business license is personal and nontransferable except as provided in Section 6.202.120.

E. Application. Application for a residential rental business license shall be made to the Director of the Department of Executive Administration on forms provided by the Director of the Department of Executive Administration. The application shall list and identify by address the building and each of the residential housing units that the applicant intends to make available for rent, or rent, lease, or let, to the public prior to the expiration of the applicant's residential rental business license and shall include the fee due for the license.

F. Renewal. A residential rental business license may be renewed by paying the license fee for the ensuing year on or before the date of the expiration of the current license, submitting a renewal application updating the information contained in the original application, and submitting a certificate of compliance dated within three years and 90 days of the date of the application for renewal, unless the Department of Planning and Development has required a more recent certificate of compliance pursuant to Section 6.440.050.G, in which case the more recent certificate of compliance shall be submitted. Any licensee who fails to pay the renewal license fee on or prior to the expiration date of the business license shall be subject to penalties in the following amounts:

1. \$100 if not received on or before the last day of the month following the expiration date.

2. \$200 if not received on or before the last day of the second month following the expiration date.

G. Display of business license and certificate of compliance. Within 30 calendar days after issuance or renewal of a residential business license, a copy of the current residential rental business license and the most recent certificate of compliance shall be posted and remain posted in a common area in the building that is readily visible to all tenants.

6.440.050 Inspection and Certificate of Compliance Required

A. As a condition to the issuance or renewal of a residential rental business license, an applicant shall provide a valid certificate of compliance stating that the applicant's residential housing units that were inspected comply with the requirements of the Housing Code listed in this Section 6.440.050.A, and that there are no conditions in those units that endanger or impair or could endanger or impair the health or safety of a tenant. A qualified rental housing inspector inspecting a rental unit for a certificate of compliance under this chapter shall inspect for and certify compliance with the following requirements of the Housing Code:

1. The minimum floor area standards for a habitable room contained in Section 22.206.020.A;

2. The minimum sanitation standards contained in Sections 22.206.050.A, 22.206.050.D, 22.206.050.E, 22.206.050.F and 22.206.050.G;

3. The minimum structural standards contained in Section 22.206.060

4. The minimum sheltering standards contained in Section 22.206.070;

5. The minimum maintenance standards contained in Section 22.206.080.A;

6. The minimum heating standards contained in Section 22.206.090;

7. The minimum ventilation standards contained in Section 22.206.100;

8. The minimum electrical standards contained in Section 22.206.110.A;

9. The minimum standards for Emergency Escape Window and Doors contained in Section 22.206.130.J;

10. The requirements for garbage, rubbish, and debris removal contained in Section 22.206.160.A.1;

11. The requirements for extermination contained in Section 22.206.160.A.3;

12. The requirement to provide keys and locks contained in Section 22.206.160.A.11;

13. The requirement to provide garbage cans contained in Section 22.206.160.B.2; and

14. The requirement to provide and test smoke detectors contained in Section 22.206.160.B.4.

B. A certificate of compliance shall be issued by a qualified rental housing inspector and be based upon the 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 compliance.

C. The certificate of compliance shall:

1. List and show compliance with the standards contained in Section 6.440.050.A for each residential housing unit that was inspected;

2. State the date of the inspection and the name and address of the qualified rental housing inspector who performed the inspection; and

3. State the name, address and phone number of the building's owner/licensee or the agent designated by the owner/licensee.

fidavit

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D. Inspection of units for certificate of compliance.

1. In buildings that contain more than one rental unit, an applicant may choose to have all of the rental units inspected or, if the building has not had conditions reported to the Department of Planning and Development that endanger or impair the health or safety of a tenant since the last inspection required by this chapter, the applicant may choose to have only a sample of the rental units inspected. If the applicant chooses to have only a sample of the rental units inspected:

a. If the building contains 20 or fewer rental units, no more than four rental units are required to be inspected; or

b. If the building contains more than 20 rental units, no more than 20 percent of the rental units are required to be inspected, up to a maximum of 50 rental units in each building.

c. The Department of Planning and Development will randomly select the units to be inspected.

2. If an applicant chooses sampling, the applicant shall provide the Department of Planning and Development with copies of all the inspections performed on the sampled units in order to obtain a certificate of compliance.

3. If an applicant chooses sampling and a rental unit randomly selected by the Department of Planning and Development fails the inspection, the Department of Planning and Development may require that 100 percent of the rental units be inspected.

E. Notice to Tenants.

1. Before the Department of Planning and Development selects the rental units to be inspected, or, if all of the units are to be inspected, before the inspection, the landlord shall provide at least two days' advance written notice to all rental units in the building advising tenants:

a) that some or all of the rental units will be inspected;

b) that an inspector intends to enter the rental unit for purposes of performing the inspection;

c) of the date and approximate time of the proposed inspection and the name of the company or person performing the inspection;

d) that the tenant has the right to see the inspector's identification before the inspector enters the rental unit;

e) that a tenant whose rental unit need repairs or maintenance should send a written notice to the landlord or the person who collects the rent specifying the address of the rental unit, the name of the owner, if known, and the defective condition, repair or maintenance that is needed;

f) that if the landlord fails to adequately respond to the request for repairs or maintenance, the tenant may contact the Department of Planning and Development about the conditions without reprisal; and

g) the address at which the tenant may contact the Department of Planning and Development.

2. Upon request the landlord shall provide a copy of the notice to the inspector on the day of the inspection.

F. A certificate of compliance is valid and may be used for license applications and renewals under this chapter for a period of three years and 90 days from the date it is issued, unless the Department of Planning and Development determines that violations of the Housing Code exist for any units listed in the certificate of compliance. If the Department of Planning and Development determines that violations of the Housing Code exist in any of the units listed in a certificate of compliance, the applicant may be required to obtain an inspection and submit a new certificate of compliance with the annual application for license renewal for the subsequent two years for those units for which violations were found.

G. Other inspections. Nothing in this section precludes additional inspections conducted at the request or consent of a tenant, pursuant to a warrant, or pursuant to the tenant remedy provided by RCW 59.18.115 of the Residential Landlord-Tenant Act.

6.440.060 Qualified Rental Housing Inspector registration

A. To register as a qualified rental housing inspector (RHI), each applicant shall:

1. Pay to the Director of the Department of Planning and Development the annual registration fee set in the annual Department of Planning and Development fee ordinance;

2. Successfully complete an RHI examination administered or approved by the Director of the Department of Planning and Development. Each applicant for the exam shall pay to the Director of the Department of Planning and Development an examination fee to be set by the Director of the Department of Planning and Development at an amount that will fund the cost of administering and grading the examination.

3. Provide evidence to the Department of Planning and Development that the applicant possesses a current City business license issued pursuant to Section 5.55.030 and that the applicant has successfully completed the RHI examination within the last two years.

B. Expiration of Registration. All RHI registrations automatically expire on January 31 of each year and must be renewed pursuant to the provisions of subsection 6.440.060.C.

C. Renewal of Registration. In order to renew a registration, the RHI shall:

1. Pay the renewal fee set in the annual Department of Planning and Development fee ordinance.

2. Provide proof of compliance with the requirements of subsections 6.440.060.A.2-6.440.060A.3.

D. Failure to Renew. An RHI who fails to renew its registration is prohibited from inspecting and certifying rental housing pursuant to Chapter 6.440 until the RHI registers or renews pursuant to subsection 6.440.060.

6.440.070 Directors to Make Rules

The Director of the Department of Executive Administration and the Director of the Department of Planning and Development are authorized to adopt, publish and enforce rules and regulations consistent with this chapter for the purpose of carrying out the provisions of this chapter.

6.440.080 License Denial, Suspension, or Revocation

A. A residential rental housing business license may be suspended, denied, or revoked pursuant to chapter 6.202.

B. If an application for a residential rental housing business license is denied, or a residential rental housing license is suspended or revoked, no reapplication for that license will be considered by the Director until correction of any and all deficiencies on which the denial, suspension, or revocation was based.

C. If an application for a license renewal is denied, no application for a license or a license renewal will be considered by the Director until any and all deficiencies on which the refusal to renew was based have been corrected.

6.440.090 Penalties

A. Any person violating any of the provisions or failing to comply with any of the requirements of this chapter or any rules or regulations adopted by the Director of Executive Administration or the Director of Planning and Development pursuant to this chapter, may be punished by a penalty of \$160 per day for the first ten days that the violation or failure to comply exists and \$500 per day for each day thereafter. Each person is guilty of a separate violation for each and every day during any portion of which any violation of any provision of this chapter is committed, continued, or permitted by such person.

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 compliance is issued, in addition to the penalties provided in subsection 6.440.060.A above, shall be subject to a penalty of \$1000.

C. For any rental unit that fails the inspection for the certificate of compliance under this chapter, the Department of Planning and Development may issue a notice of violation under the Housing Code and subject the violator to the penalties imposed or remedies available under the provisions of the Housing Code.

Section 2. Severability. If any part, provision or section of this ordinance is held to be void or unconstitutional, all other parts, provisions, and sections of this ordinance not expressly so held to be void or unconstitutional shall continue in full force and effect.

Section 3. This ordinance shall take effect and be in force 30 days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 1st day of June, 2010, and signed by me in open session in authentication of its passage this 1st day of June, 2010.

Richard Conlin
President of the City Council

Approved by me this 7th day of June, 2010.

Michael McGinn, Mayor
Filed by me this 9th day of June, 2010.

Publication ordered by the City Clerk
Date of publication in the Seattle Daily Journal of Commerce, June 15, 2010.
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