

21 13 1311 ORDINANCE No. 115103

** COUNCIL BILL No. 107969

AN ORDINANCE relating to the conversion of buildings to condominium forms of ownership; establishing a new Chapter 22.903, Condominium Conversion Ordinance; establishing relocation assistance and code inspection and repair requirements in conformance with the State Condominium Act; and defining offenses and providing civil and criminal penalties.

The City of

Honorable President:

Your Committee on Housing

to which was referred the within Council report that we have considered the same

COMPTROLLER FILE No. _____

Introduced: MAY 2 1 1990	By: WEEKS
Referred: MAY 2 1 1990	To: Housing, Human Services Education
Referred:	To:
Referred:	To:
Reported: MAY 2 9 1990	Second Reading MAY 2 9 1990
Third Reading: MAY 3 9 1990	Signed: MAY 2 9 1990
Presented to Mayor: MAY 3 0 1990	Approved: JUN 1 1990
Returned to City Clerk: JUN 1 1990	Published:
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

5-22-90 PASS (WEEKS)

Vote

OK

Law Department

The City of Seattle--Legislative Department

Date Reported
and Adopted

REPORT OF COMMITTEE

President:

Committee on Housing, Human Services & Education

was referred the within Council Bill No. 107909

that we have considered the same and respectfully recommend that the same:

-90 PASS (Wicks, Chord + Noland)

Vote 8-0

Tom Thib

Committee Chair

ORDINANCE 115103

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AN ORDINANCE relating to the conversion of buildings to condominium forms of ownership; establishing a new Chapter 22.903, Condominium Conversion Ordinance; establishing relocation assistance and code inspection and repair requirements in conformance with the State Condominium Act; and defining offenses and providing civil and criminal penalties.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. There is hereby added to the Seattle Municipal Code a new Chapter 22.903 to read as follows:

Chapter 22.903

Condominium Conversion

22.903.010 Short Title

This chapter may be cited as the "Condominium Conversion Ordinance."

22.903.020 Definitions

The following words and phrases used in this chapter shall have the meanings set forth in this section:

A. "Condominium" means real property, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of those portions. Real property is not a condominium unless the undivided interests in the common elements are vested in the unit owners, and unless a declaration and a survey map and plans have been recorded pursuant to the Horizontal Property Regimes Act (RCW Chapter 64.32) or the Condominium Act (RCW Chapter 64.34).

B. "Condominium Conversion Notice" means the notice required by the Condominium Act (RCW Chapter 64.34, section 64.34.440) to be given to residential tenants and subtenants in real property to be converted to condominium ownership.

C. "Conversion Condominium" means a condominium (a) that, at any time before creation of the condominium, was lawfully occupied wholly or partially by a tenant or

1 subtenant for residential purposes pursuant to a rental
2 agreement, oral or written, express or implied, or (b) that,
3 at any time before the conveyance of, or acceptance of an
4 agreement to convey, any unit therein other than to a
5 declarant or any affiliate of a declarant, was lawfully
6 occupied by a residential tenant of a declarant or an
7 affiliate of a declarant and such tenant was not notified in
8 writing, prior to lawfully occupying a unit or executing a
9 rental agreement, whichever event first occurs, that the
unit was part of a condominium and subject to sale.

10 "Conversion Condominium" shall not include a condominium in
11 which, before the effective date of this ordinance, any unit
12 therein had been conveyed or been made subject to an
13 agreement to convey to any transferee other than a declarant
14 or an affiliate of a declarant.

15 D. "Declarant" means any person or group of persons
16 acting in concert who (a) executes as declarant the
17 document, however denominated, that creates a condominium by
18 setting forth the information required by the Condominium
19 Act (RCW Chapter 64.34), or (b) reserves or succeeds to any
special declarant rights under such a document.

20 E. "Developer" means any person, firm, partnership,
21 association, joint venture or corporation or any other
22 entity or combination of entities or successors thereto who
23 undertake to convert, sell, or offer for sale units in a
24 condominium. The term developer shall include the
25 developer's agent and any other person acting on behalf of
the developer.

26 F. "Director" means the Director of the Seattle
27 Department of Construction and Land Use or the Director's
28 designee.

1 G. "Housing and Building Maintenance Code" means the
2 Seattle Housing and Building Maintenance Code as codified in
3 Ordinance No. 113545 as amended.

4 H. "Owners' association" means the association formed
5 by owners of units in a condominium for the purpose of
6 managing the condominium.

7 I. "Person" means any individual, corporation,
8 partnership, association, trustee or other legal entity.

9 J. "Tenant" means any person who occupies or has a
10 leasehold interest in a rental unit under a lawful rental
11 agreement whether oral or written, express or implied.

12 K. "Unit" means a physical portion of a condominium
13 designated for separate ownership, the boundaries of which
14 are described pursuant to RCW 64.34.216(1)(d).

15 22.903.030 Relocation Assistance

16 A. Relocation assistance of Five Hundred Dollars
17 (\$500.00) per unit shall be paid to tenants and subtenants
18 of units who elect not to purchase a unit in a Conversion
19 Condominium and who are in lawful occupancy for residential
20 purposes of a unit on the date of the Condominium Conversion
21 Notice and whose monthly household income from all sources,
22 on the date of the Condominium Conversion Notice, was less
23 than an amount equal to eighty percent (80%) of the monthly
24 median income for comparably sized households in the
25 Seattle-Everett Standard Metropolitan Statistical Area, as
26 defined and established by the United States Department of
27 Housing and Urban Development.

28 B. The household size of a unit shall be based on the
number of persons actually in lawful occupancy of the unit
on the date of the Condominium Conversion Notice.

1 C. The tenant or subtenant actually in lawful
2 occupancy of the unit shall be entitled to the relocation
3 assistance.

4 D. Relocation assistance shall be paid on or before
5 the date the tenant or subtenant vacates the unit and shall
6 be in addition to any damage deposit or other compensation
7 or refund to which the tenant is otherwise entitled. Unpaid
8 rent or other amounts owed by the tenant or subtenant to the
9 landlord may be offset against the relocation assistance.

10 22.903.040 Mandatory Code Inspection and Repair

11 A. Prior to the delivery of any public offering
12 statement or Condominium Conversion Notice, a developer
13 shall, at his or her expense, request a Housing and Building
14 Maintenance Code inspection of the entire premises subject
15 to conversion by the Seattle Department of Construction and
16 Land Use. The inspection shall be completed within forty-
17 five (45) days of a developer's request, and the written
18 report shall be issued within fourteen (14) days of the
19 completion of the inspection.

20 B. All violations of the Housing and Building
21 Maintenance Code revealed by the inspection shall be
22 corrected by the developer prior to the closing of the sale
23 of the first condominium unit or by the compliance date on
24 the inspection report, whichever is sooner. The inspection
25 for compliance shall be completed within seven (7) days of a
26 developer's request unless the developer fails to provide or
27 refuses access to Department of Construction and Land Use
28 personnel. The certification of repairs shall be issued
only if the necessary corrections are made and shall be
issued within seven (7) days of the reinspection confirming
compliance.

1 C. The public offering statement and the Condominium
2 Conversion Notice shall contain a copy of the written
3 inspection report of the Department of Construction and Land
4 Use. A copy of the Department of Construction and Land Use
5 inspection report shall be provided by the developer to each
6 prospective purchaser before the signing of any earnest
7 money agreement or other binding purchase commitment. Prior
8 to closing any sale, the developer shall deliver a copy of
9 the certification of repairs to the purchaser.

9 22.903.050 Certification of Repairs

10 For the protection of the general public, the
11 Department of Construction and Land Use shall inspect the
12 repairs of defective conditions identified in the inspection
13 report and certify that the violations have been corrected.
14 The certification shall state that only those defects
15 discovered by the Housing and Building Maintenance Code
16 inspection and listed on the inspection report have been
17 corrected and that the certification does not guarantee that
18 all Housing and Building Maintenance Code violations have
19 been corrected. No developer shall use the Department of
20 Construction and Land Use's certificate in any advertising
21 or indicate to anyone, in any fashion, for the purpose of
22 inducing a person to purchase a condominium unit, that the
23 City or any of its departments has "approved" the premises
24 or any unit for sale because the City has certified the
25 premises or any unit to be in any particular condition.

24 22.903.060 Warranty of Repairs -- Escrow Fund

25 A. Each developer shall warrant for one (1) year from
26 the date of completion all improvements and repairs required
27 to be made pursuant to Section 22.903.040.

28

1 B. The developer shall establish within thirty (30)
2 days after sale of the first unit, in a bank or other
3 financial institution of his or her choosing, a separate
4 escrow account, with terms and conditions approved by the
5 Director, containing funds in an amount equal to ten percent
6 (10%) of the actual cost of all repairs and improvements
7 warranted. The location of the fund shall be made known to
8 all condominium unit owners and to the owners' association
9 and shall be available for making repairs to warranted
10 improvements and repairs; provided, that no money shall be
11 withdrawn from the fund unless the developer has been
12 advised in writing of the need for the specific repair and
13 has failed to complete the repair within a reasonable period
14 of time.

14 C. Depletion of the escrow fund prior to expiration of
15 the warranty period shall not relieve the developer of the
16 obligation of making all repairs warranted.

16 D. Any money remaining in the fund at the end of the
17 one (1) year period shall be returned to the developer. The
18 owners' association's claim to any money in the escrow fund
19 shall be prior to any creditor of the developer.

20 22.903.070 Violations

21 It shall be a violation of this chapter for any person
22 to fail or refuse to comply with the provisions of this
23 chapter.

23 22.903.080 Filing of Complaint

24 A. Any person subjected to any violation of the
25 provisions of this chapter may file a complaint with the
26 Director. The Director is authorized and directed to
27 receive complaints and conduct such investigations as are
28 deemed necessary.

1 B. Whenever it is determined that there has been a
2 violation of this chapter, the Director is authorized, at
3 the Director's discretion, to follow one or more of the
4 following procedures:

- 5 1. Attempt to mediate the matter by conference or
6 otherwise and secure a written mediation agreement;
- 7 2. Refer the matter to the City attorney for civil
8 prosecution; or
- 9 3. Refer the matter to the City attorney for criminal
10 prosecution.

11 22.903.090 Civil Penalty

12 A. Any person who fails or refuses to comply with the
13 provisions or requirements of this chapter shall be subject
14 to a cumulative civil penalty in the amount of One Hundred
15 Dollars (\$100.00) per day from the date the violation begins
16 until the person complies with the requirements of this
17 chapter.

18 B. The Director shall notify the City Attorney in
19 writing of the name of any person subject to the penalty.
20 The City Attorney shall, with the assistance of the
21 Director, take appropriate action to collect the penalty.

22 22.903.100 Criminal Penalty

23 Any person who violates any provision of this chapter,
24 fails to comply with the provisions of this chapter or who
25 deliberately attempts to avoid the application of this
26 chapter and who has had a prior civil judgment entered
27 against him or her pursuant to section 22.903.090 shall,
28 upon conviction of the violation, be fined a sum not to
exceed Five Hundred Dollars (\$500.00). Each day's violation
or failure to comply shall constitute a separate offense.

1 22.903.110 Authority to Make Rules

2 The Director is authorized to adopt, promulgate, amend
3 and rescind in accordance with the Administrative Code of
4 the City administrative rules consistent with the provisions
5 of this chapter and necessary to carry out the duties of the
6 Director under this chapter.

7 Section 2. This ordinance shall become effective on
8 July 1, 1990.

Section..... This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 29th day of May, 1990
and signed by me in open session in authentication of its passage this 29th day of May, 1990

President..... of the City Council.

Approved by me this 1st day of June, 1990

Norman Brooks

Mayor.

Filed by me this 1st day of June, 1990

Attest: Norman O. Brooks
City Comptroller and City Clerk.

(SEAL)

Published.....

By Margaret Carter
Deputy Clerk.

Seattle
Department of Construction and Land Use



Dennis J. McLerran, Director
Norman B. Rice, Mayor

M E M O R A N D U M

TO: Paul Kraabel, City Council President
Via Office of Management and Budget

FROM: Dennis J. McLerran, Director *D.J.M.*

DATE: April 13, 1990

RE: Proposed Amendments to the Condominium Conversion
Ordinance

RECEIVED OMB

APR 11 1990

845420

TRANSMITTAL:

Attached for City Council consideration is the proposed ordinance to adopt a new Condominium Conversion Ordinance. The proposed amendment is necessary to bring City law regarding condominium conversions into accord with the newly adopted requirements of the State Condominium Act. The local amendment must be effective by July 1, 1990, the effective date of the State Condominium Act. Councilmember Tom Weeks has agreed to sponsor this proposal.

DISCUSSION:

The attached ordinance repeals the current provisions of Seattle's Condominium Conversion Ordinance and adopts new provisions consistent with the requirements of the new state law. Because the protections for tenants which made up the bulk of the local Condominium Conversion Ordinance -- requirements for tenant notice, disclosure of material information, and tenant rights of first refusal on converted units -- have now been incorporated into the comprehensive state law on condominiums in RCW Chapter 64.34, most of the provisions of the old ordinance are not included in the new chapter.

The legislature, in adopting the new state act, expressly provided that the act is intended to create uniformity of regulations throughout the state on condominiums and that local jurisdictions may not adopt regulatory measures which affect condominiums differently from other forms of real estate ownership. As a result, Seattle must repeal those existing provisions of the Condominium Conversion Ordinance which encroach on the state's regulation of the field.

Paul Kraabel
April 3, 1990
Page - 2 -

In recognition that unique local issues are associated with condominium conversions, the legislature provided for "local option" requirements related to relocation assistance for low income tenants and code inspections and repairs for minimum habitability. The proposed ordinance includes relocation assistance and code inspection provisions consistent with the local option provision of the state act. The proposal also includes enforcement provisions for the relocation assistance and code inspection requirements, including both civil and criminal penalties for violations.

SEPA:

Environmental review of the proposal is not necessary because, under SMC 25.05.800(K), the proposed amendments are required by state law, and because the amendments are procedural actions under SMC 25.05.800(T).

COSTS OF IMPLEMENTATION:

The costs of implementing the proposed amendments will principally be for preparation and production of a public information brochure outlining the changes in the state act and the local ordinance. The costs for development and production of 500 copies of such a brochure will be approximately \$600.00. Other costs for implementing the amendments will not exceed \$150.00: detailed training will be done for only 2 staff persons who administer the requirements of the ordinance; copies of the ordinance will be distributed among only a limited number of staff in the Housing and Zoning Enforcement Division of DCLU. Thus, total costs are not expected to exceed \$750.00.

City of Seattle

Executive Department-Office of Management and Budget

Andrew J. Lofton, Director
Norman B. Rice, Mayor

April 12, 1990

COPY RECEIVED

90 APR 19 AM 8:08

SEATTLE CITY ATTORNEY



The Honorable Mark Sidran
City Attorney
City of Seattle

*Schneider / OK
5/7/90*

Dear Mr. Sidran:

The Mayor is proposing to the City Council that the enclosed legislation be adopted.

REQUESTING
DEPARTMENT: DCLU

SUBJECT: AN ORDINANCE relating to the conversion of buildings to condominium and cooperative forms of ownership; establishing relocation assistance and code inspection and repair requirements in conformance with the State Condominium Act; and defining offenses and providing civil and criminal penalties, and repealing Ordinance 107707.

Pursuant to the City Council's S.O.P. 100-014, the Executive Department is forwarding this request for legislation to your office for review and drafting.

After reviewing this request and any necessary redrafting of the enclosed legislation, return the legislation to OMB. Any specific questions regarding the legislation can be directed to Mona Goode, at 4-8053.

Sincerely,

Norman B. Rice
Mayor

by

ANDREW J. LOFTON
Budget Director

AL/mg/js

Enclosure

cc: Director, DCLU

Seattle
Department of Construction and Land Use



Dennis J. McLerran, Director
Norman B. Rice, Mayor

M E M O R A N D U M

TO: Paul Kraabel, City Council President
Via Office of Management and Budget

FROM: Dennis J. McLerran, Director *D.J.M.*

DATE: May 4, 1990

RE: Proposed Amendments to the Condominium Conversion Ordinance

TRANSMITTAL:

Attached for City Council consideration are two proposed ordinances: one to amend the existing Condominium Conversion Ordinance to create a Cooperative Conversion Ordinance and one to adopt a new Condominium Conversion Ordinance. The proposed amendments are necessary to bring the City law regarding condominium conversions into accord with the newly adopted requirements of the State Condominium Act. The local amendments must be effective by July 1, 1990, the effective date of the State Condominium Act. Councilmember Tom Weeks has agreed to sponsor this proposal.

DISCUSSION:

The current Condominium Conversion Ordinance creates notice, right of first refusal and other tenants rights in cases where rental units are converted to either condominiums or cooperatives. The recently adopted state Condominium Act changes the rules relative to condominiums but does not change the requirements for cooperative buildings. As a result, the City must separate its regulations relating to condominiums and cooperatives conversions in order to comply with the requirements of the new state law.

One of the ordinances amends the current provisions of Seattle's Condominium Conversion Ordinance to remove all references to condominiums. That ordinance would change the current chapter 22.902 into the Cooperative Conversion Ordinance and would leave intact all current tenant protections applicable to cooperative conversions. Because the state has not superceded our regulations relating to conversion of rental buildings into cooperatives, we need not repeal the existing cooperative protections in chapter 22.902.

However, our current provisions relating to condominiums must be changed. The second ordinance creates a new chapter 22.903 relating to condominiums; its provisions are consistent with the requirements of the new state law.

The legislature, in adopting the new state act, provided that the act is intended to create uniformity of regulations throughout the state on condominiums and that local jurisdictions may not adopt regulatory measures which affect condominiums differently from other forms of real estate ownership. The protections for tenants which made up the bulk of the local Condominium Conversion Ordinance -- requirements for tenant notice, disclosure of material information, and tenant rights of first refusal on converted units -- have now been incorporated into the comprehensive state law in RCW Chapter 64.34.

In recognition that unique local issues are associated with condominium conversions, the legislature provided for "local option" requirements related to relocation assistance for low income tenants and code inspections and repairs for minimum habitability. The proposed new Chapter 22.903 includes relocation assistance and code inspection requirements consistent with the local option provision of the state act. The proposal also includes enforcement provisions for the relocation assistance and code inspection requirements, including both civil and criminal penalties for violations.

SEPA:

Environmental review of the proposal is not necessary because, under SMC 25.05.800(K), the proposed amendments are required by state law, and because the amendments are procedural actions under SMC 25.05.800(T).

COSTS OF IMPLEMENTATION:

The costs of implementing the proposed amendments will principally be for preparation and production of a public information brochure outlining the changes in the state act and the local ordinance. The costs for development and production of 500 copies of such a brochure will be approximately \$600.00. Other costs for implementing the amendments will not exceed \$150.00: detailed training will be done for only 2 staff persons who administer the requirements of the ordinance; copies of the ordinances will be distributed among only a limited number of staff in the Housing and Zoning Enforcement Division of DCLU. Thus, total costs are not expected to exceed \$750.00.

STATE OF WASHINGTON - KING COUNTY

27230
City of Seattle

—ss.

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

ORD 115103

was published on

06/07/50

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

M. Skyles

Subscribed and sworn to before me on

Lee Ray JUN 7 1950

Notary Public for the State of Washington,
residing in Seattle

City of Seattle

ORDINANCE 115165

AN ORDINANCE relating to the conversion of buildings to condominium forms of ownership; establishing a new Chapter 22.903, Condominium Conversion Ordinance; establishing relocation assistance and code inspection and repair requirements in conformance with the State Condominium Act; and defining offenses and providing civil and criminal penalties.

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. There is hereby added to the Seattle Municipal Code a new Chapter 22.903 to read as follows:

Chapter 22.903

Condominium Conversion

22.903.010 Short Title

This chapter may be cited as the "Condominium Conversion Ordinance."

22.903.020 Definitions

The following words and phrases used in this chapter shall have the meanings set forth in this section:

A. "Condominium" means real property, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of those portions. Real property is not a condominium unless the undivided interests in the common elements are vested in the unit owners, and unless a declaration and a survey map and plans have been recorded pursuant to the Horizontal Property Regimes Act (RCW Chapter 64.32) or the Condominium Act (RCW Chapter 64.34).

B. "Condominium Conversion Notice" means the notice required by the Condominium Act (RCW Chapter 64.34, section 64.34.440) to be given to residential tenants and subtenants in real property to be converted to condominium ownership.

C. "Conversion Condominium" means a condominium (a) that, at any time before creation of the condominium, was lawfully occupied wholly or partially by a tenant or subtenant for residential purposes pursuant to a rental agreement, oral or written, express or implied, or (b) that, at any time before the conveyance of, or acceptance of an agreement to convey, any unit therein other than to a declarant or any affiliate of a declarant, was lawfully occupied by a residential tenant of a declarant or an affiliate of a declarant and such tenant was not notified in writing, prior to lawfully occupying a unit or executing a rental agreement, whichever event first occurs, that the unit was part of a condominium and subject to sale.

"Conversion Condominium" shall not include a condominium in which, before the effective date of this ordinance, any unit therein had been conveyed or been made subject to an agreement to convey to any transferee other than a declarant or an affiliate of a declarant.

D. "Declarant" means any person or group of persons acting in concert who (a) executes as declarant the document, however denominated, that creates a condominium by

setting forth the information required by the Condominium Act (RCW Chapter 64.34), or (b) reserves or succeeds to any special declarant rights under such a document.

E. "Developer" means any person, firm, partnership, association, joint venture or corporation or any other entity or combination of entities or successors thereto who undertake to convert, sell, or offer for sale units in a condominium. The term developer shall include the developer's agent and any other person acting on behalf of the developer.

F. "Director" means the Director of the Seattle Department of Construction and Land Use or the Director's designee.

G. "Housing and Building Maintenance Code" means the Seattle Housing and Building Maintenance Code as codified in Ordinance No. 113545 as amended.

H. "Owners' association" means the association formed by owners of units in a condominium for the purpose of managing the condominium.

I. "Person" means any individual, corporation, partnership, association, trustee or other legal entity.

J. "Tenant" means any person who occupies or has a leasehold interest in a rental unit under a lawful rental agreement whether oral or written, express or implied.

K. "Unit" means a physical portion of a condominium designated for separate ownership, the boundaries of which are described pursuant to RCW 64.34.216(1)(d).

22.903.030 Relocation Assistance

A. Relocation assistance of Five Hundred Dollars (\$500.00) per unit shall be paid to tenants and subtenants of units who elect not to purchase a unit in a Conversion Condominium and who are in lawful occupancy for residential purposes of a unit on the date of the Condominium Conversion Notice and whose monthly household income from all sources, on the date of the Condominium Conversion Notice, was less than an amount equal to eighty percent (80%) of the monthly median income for comparably sized households in the Seattle-Everett Standard Metropolitan Statistical Area, as defined and established by the United States Department of Housing and Urban Development.

B. The household size of a unit shall be based on the number of persons actually in lawful occupancy of the unit on the date of the Condominium Conversion Notice.

C. The tenant or subtenant actually in lawful occupancy of the unit shall be entitled to the relocation assistance.

D. Relocation assistance shall be paid on or before the date the tenant or subtenant vacates the unit and shall be in addition to any damage deposit or other compensation

or refund to which the tenant is otherwise entitled. Unpaid rent or other amounts owed by the tenant or subtenant to the landlord may be offset against the relocation assistance.

22.903.040 Mandatory Code Inspection and Repair

A. Prior to the delivery of any public offering statement or Condominium Conversion Notice, a developer shall, at his or her expense, request a Housing and Building Maintenance Code inspection of the entire premises subject to conversion by the Seattle Department of Construction and Land Use. The inspection shall be completed within forty-five (45) days of a developer's request, and the written report shall be issued within fourteen (14) days of the completion of the inspection.

B. All violations of the Housing and Building Maintenance Code revealed by the inspection shall be corrected by the developer prior to the closing of the sale of the first condominium unit or by the compliance date on the inspection report, whichever is sooner. The inspection for compliance shall be completed within seven (7) days of a developer's request unless the developer fails to provide or refuses access to Department of Construction and Land Use personnel. The certification of repairs shall be issued only if the necessary corrections are made and shall be issued within seven (7) days of the reinspection confirming compliance.

C. The public offering statement and the Condominium Conversion Notice shall contain a copy of the written inspection report of the Department of Construction and Land Use. A copy of the Department of Construction and Land Use inspection report shall be provided by the developer to each prospective purchaser before the signing of any earnest money agreement or other binding purchase commitment. Prior to closing any sale, the developer shall deliver a copy of the certification of repairs to the purchaser.

22.903.050 Certification of Repairs

For the protection of the general public, the Department of Construction and Land Use shall inspect the repairs of defective conditions identified in the inspection report and certify that the violations have been corrected. The certification shall state that only those defects discovered by the Housing and Building Maintenance Code inspection and listed on the inspection report have been corrected and that the certification does not guarantee that all Housing and Building Maintenance Code violations have been corrected. No developer shall use the Department of Construction and Land Use's certificate in any advertising or indicate to anyone, in any fashion, for the purpose of inducing a person to purchase a condominium unit, that the City or any of its departments has "approved" the premises or any unit for sale because the City has certified the premises or any unit to be in any particular condition.

22.903.060 Warranty of Repairs -- Escrow Fund

A. Each developer shall warrant for one (1) year from the date of completion all improvements and repairs required to be made pursuant to Section 22.903.040.

B. The developer shall establish within thirty (30) days after sale of the first unit, in a bank or other financial institution of his or her choosing, a separate escrow account, with terms and conditions approved by the Director, containing funds in an amount equal to ten percent (10%) of the actual cost of all repairs and improvements warranted. The location of the fund shall be made known to all condominium unit owners and to the owners' association and shall be available for making repairs to warranted improvements and repairs; provided, that no money shall be withdrawn from the fund unless the developer has been advised in writing of the need for the specific repair and has failed to complete the repair within a reasonable period of time.

C. Depletion of the escrow fund prior to expiration of the warranty period shall not relieve the developer of the obligation of making all repairs warranted.

D. Any money remaining in the fund at the end of the one (1) year period shall be returned to the developer. The owners' association's claim to any money in the escrow fund shall be prior to any creditor of the developer.

22.903.070 Violations

It shall be a violation of this chapter for any person to fail or refuse to comply with the provisions of this chapter.

22.903.080 Filing of Complaint

A. Any person subjected to any violation of the provisions of this chapter may file a complaint with the Director. The Director is authorized and directed to receive complaints and conduct such investigations as are deemed necessary.

B. Whenever it is determined that there has been a violation of this chapter, the Director is authorized, at the Director's discretion, to follow one or more of the following procedures:

1. Attempt to mediate the matter by conference or

otherwise and secure a written mediation agreement;

2. Refer the matter to the City attorney for civil prosecution; or

3. Refer the matter to the City attorney for criminal prosecution.

22.903.090 Civil Penalty

A. Any person who fails or refuses to comply with the provisions or requirements of this chapter shall be subject to a cumulative civil penalty in the amount of One Hundred Dollars (\$100.00) per day from the date the violation begins until the person complies with the requirements of this chapter.

B. The Director shall notify the City Attorney in writing of the name of any person subject to the penalty. The City Attorney shall, with the assistance of the Director, take appropriate action to collect the penalty.

22.903.100 Criminal Penalty

Any person who violates any provision of this chapter, fails to comply with the provisions of this chapter or who deliberately attempts to avoid the application of this chapter and who has had a prior civil judgment entered against him or her pursuant to section 22.903.090 shall, upon conviction of the violation, be fined a sum not to exceed Five Hundred Dollars (\$500.00). Each day's violation or failure to comply shall constitute a separate offense.

22.903.110 Authority to Make Rules

The Director is authorized to adopt, promulgate, amend and rescind in accordance with the Administrative Code of the City administrative rules consistent with the provisions of this chapter and necessary to carry out the duties of the Director under this chapter.

Section 2. This ordinance shall become effective on July 1, 1990.

Section 3. This ordinance shall take effect and be in force thirty days from and after its passage and approval, if approved by the Mayor; otherwise it shall take effect at the time it shall become a law under the provisions of the city charter.

Passed by the City Council the 29th day of May, 1990, and signed by me in open session in authentication of its passage this 29th day of May, 1990.

PAUL KRAABEL

President of the City Council

Approved by me this 1st day of June, 1990.

NORMAN S. RICE

Mayor

Filed by me this 1st day of June, 1990.

Attest: NORWARD J. BROOKS,

City Comptroller and City Clerk.

(Seal) By MARGARET CARTER,

Deputy Clerk.

Publication ordered by NORWARD J. BROOKS, Comptroller and City Clerk.

Date of official publication in Daily Journal of Commerce, Seattle, June 7, 1990.

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