



Legislative Department Seattle City Council Memorandum

Date: September 21, 2012

To: Housing, Human Services, Health and Culture (HSSH&C) Committee
Councilmember Nick Licata (Chair)
Councilmember Bruce Harrell (Vice-Chair)
Councilmember Sally Bagshaw (Member)

From: Michael Jenkins, Council Central staff

Re: Council Bill 117569, substitute bill to make amendments to the rental housing registration and inspection program

Background

This is the 7th meeting held by this committee to review updates to Ordinance 123311, adopted in June, 2010, which established the City's residential rental housing licensing and inspection program. On July 13, 2012, the committee received its first briefing on proposed amendments to Ordinance 123311, in the form of draft legislation. Following that meeting, and the ongoing input of stakeholders and citizens, the Department of Planning and Development (DPD) developed an updated draft that was considered at your August 8, 2012 committee meeting. After that meeting, DPD sent its final version of the bill (v8a) to Council, which was introduced and referred to this committee.

At your September 12, 2012 meeting, you received a briefing on how the legislation that was introduced had been modified from the initial drafts based on previous committee briefings, committee direction and input from stakeholders. In addition, you approved the following substantive amendments, in addition to two additional technical amendments:

- Require an inspection in the first year of the program for those properties seeking a rental housing registration when the properties have had two or more notices of violation (NOV) or one emergency order and 1) enforced code compliance was achieved or 2) the violation was upheld in a final court decision (SMC 22.214.040 and 050);
- At least 60 days prior to the adoption of any rule concerning the weighted values assigned to each inspection standard identified in subsection 22.214.050.M, the rule shall be presented to Council for review and comment (new Section 18); and
- Require an evaluation of the inspection component after the initial 10-year period for inspecting all registered residential properties has occurred, to consider if the inspection programs should continue in its present form or be modified (new Section 19).

Following that meeting, and additional meetings with stakeholders, a substitute version 12 of the bill has been prepared; the track changes version 12 is attached. Deletions from the original v8a that was introduced are shown in red with new text in blue. Minor amendments were also made in language to the September 12 amendments approved by the committee; these are highlighted in yellow. The following summarizes substantive changes to reflect stakeholder input and public comments; corresponding page numbers are included:

- Adds a definition of Single-room occupancy unit, of S.R.O. (Page 5 – 22.214.020.16)
- Refines exemptions for rental units that are made available for up to one year when the unit's owner is on a sabbatical or a temporary transfer, provided that the exemption is only for those rental units that had previously been the owners' primary residence (Page 7 - 22.214.030.A.2);
- Deletes specific references to retirement homes, adult family homes, and assisted living in the list of registration exemptions, while broadening the exemption to accurately reflect similar residential facilities that are regulated under state statutes (Page 7 - 22.213.030.A.5);
- Removes the registration exemption for accessory dwelling units and detached accessory dwelling units (ADU) (Page 7 - 22.214.030.A.11);
- Adds language to previous inspection exemptions related to housing units receiving federal state or local funds that have comparable inspection, setting a 60 day time limit on the inspection and requiring that the unit elements being inspected are substantially similar to those under this program, (Page 7 - 22.214.030.B.1)
- Adoption of a new inspection exemption when rental housing units are required to be inspected by a private or government insured lender, if the owner demonstrates the items that are inspected and the inspector qualifications are substantially similar to those required under this program (Page 8 - 22.214.030.B.2);
- Exempts ADU's from inspections, provided that an owner lives in one of the housing units and an immediate family resides in the other housing unit (Page 8 - 22.214.030.B.3);
- Clarifies that for rental units in condominiums and cooperatives only the unit, and not the entire building, are subject to the required inspection (Page 10 - 22.214.040.A);
- Expands the rental unit inspection requirement to require at least ten percent of properties with an inspection that is at least five years old to be re-inspected each year; DPD will develop a rule to determine the method of selecting properties for re-inspection (Page 15 - 22.214.050.B);
- Clarifies the extent to which inspection standards apply to single room occupancy units (Page 21 - 22.214.050.M);
- Eliminating a duplicative inspection requirement related to the provision of garbage cans, which is required under a separate program inspection requirement related to minimum building and unit sanitation requirements (Page 22 - 22.214.050.M); and
- Adds a new non-codified section 21 requiring that Council approve program fees with the 2014 budget (page 30).

There are several other technical amendments that clarify language and correct ordinance drafting errors.

I recommend approval of the substitute bill.