



# City Council Agenda Bill

20382

Bill Number

**Subject:** A briefing on a draft ordinance to establish a rental registration program

**Summary Statement:** On January 27, 2014, City Council referred the discussion on a draft ordinance to establish a rental registration program to the Planning Committee. Based on the draft program framework presented to City Council and subsequent discussion on this date, the Mayor directed staff to prepare a draft ordinance to establish a rental registration program to support the committee's discussion. Staff will present an updated draft program framework as well as an overview of the draft ordinance.

**Previous Council Action:** January 27, 2014 City Council referral to the Planning Committee. See memorandum for previous City Council actions

**Fiscal Impact:** Staff time is budgeted in existing work programs for 2014 to research, analyze and develop a rental registration program. Additional staff resources to implement a program may be required.

**Funding Source:** TBD

- Attachments:**
- Draft Updated Program Framework  
Draft Ordinance

Meeting Activity	Meeting Date	Staff Recommendation	Presented By	Time
Committee Briefing Council Direction Requested	4/21/2014	Provide Direction to Staff	Jeff Thomas, PCD, Director Peter Ruffatto, Legal, City Attorney	15 minutes

**Recommended Motion:** .

**Council Committee:**  
Planning Committee

**Agenda Bill Contact:**  
Jeff Thomas, Planning & Community Development, 360-778-8360

Reviewed By	Department	Date
<i>Jeffrey B. Thomas</i>	Planning	04/08/2014
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<i>Peter M. Ruffatto</i>	Legal	04/16/2014
<i>Kelli J. Linville</i>	Executive	04/16/2014

**DRAFT**

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF BELLINGHAM, WASHINGTON RELATING TO RESIDENTIAL RENTAL REGISTRATION AND INSPECTIONS, ADDING A NEW CHAPTER 6.15 TO THE BELLINGHAM MUNICIPAL CODE, AND PROVIDING FOR AN EFFECTIVE DATE OF JANUARY 1, 2015.**

**WHEREAS**, some rental housing units with substandard conditions exist within the City of Bellingham; and

**WHEREAS**, improving residential housing and helping ensure that all rental housing in the City meets specific minimum life safety and fire safety standards requires a registration and inspection program to promote code compliance and to determine if such rental units endanger or impair the health or safety of tenants.

**NOW, THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:**

**Section 1:** Effective January 1, 2015, a new chapter is hereby enacted and added to the Bellingham Municipal Code, Chapter 6.15, as follows:

**Chapter 6.15  
RESIDENTIAL RENTAL REGISTRATION PROGRAM**

**Sections:**

- 6.15.010 Purpose**
- 6.15.020 Definitions**
- 6.15.030 Scope.**
- 6.15.040 Residential rental housing registration required for each rental property.**
- 6.15.050 Certificates of Inspection.**
- 6.15.060 Registration denial, suspension, or revocation.**
- 6.15.070 Inspection required in event of code violation.**
- 6.15.080 Notice that rental is unlawful when certificate not provided.**
- 6.15.090 Other inspections.**
- 6.15.100 Director is authorized to make rules.**
- 6.15.110 Correction notice prior to enforcement.**
- 6.15.120 Appeals.**
- 6.15.130 Immediate health and safety threats.**
- 6.15.140 Immunity and no warranty by City.**
- 6.15.150 Civil infraction penalties.**

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**6.15.160 Consistency with RCW 59.18.**

**6.15.170 City Council review and sunset provision.**

**6.15.180 Applicability.**

**6.15.190 Severability.**

**6.15.010 Purpose.**

The City of Bellingham finds that establishment of a residential rental registration program will protect the public health, safety, and welfare of tenants by encouraging the proper maintenance of residential 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 Bellingham.

**6.15.020 Definitions.**

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

- A. "Accessory dwelling unit" or "ADU" means a second, subordinate housing unit that is accessory to a single family dwelling, and meets the definition and requirements of BMC 20.10.035 and BMC 20.28.100 for accessory dwellings.
- B. "Building" means a structure having a roof supported by columns or walls used for supporting or sheltering a use of any kind.
- C. "Building Code" means all code provisions adopted in and throughout BMC Chapter 17.10.
- D. "Carriage house unit" means a second dwelling unit located above a parking garage that meets the definition and requirements of BMC 20.28.090.
- E. "Certificate of Inspection" means the document signed and dated by a qualified rental housing inspector and submitted to the City as the result of an inspection conducted by a qualified rental housing inspector that certifies that the residential housing units that were inspected comply with the requirements and standards of BMC 6.15.050.
- F. "Declaration of Compliance" means an unsworn document submitted to the City, signed and dated by the owner or the landlord that certifies that each residential housing unit complies with the requirements and standards of BMC 6.15.050.
- G. "Department" means the City of Bellingham Department of Planning and Community Development.

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- H. "Director" means the Director of the Department of Planning and Community Development or the Director's designee.
- I. "Fire Code" means all code provisions adopted in and throughout BMC Chapter 17.20.
- J. "Landlord" means the owner, lessor, or sublessor of the rental unit or the rental property of which it is a part, and in addition means any person designated as representative of the owner, lessor, or sublessor including, but not limited to, an agent, a resident manager, or a designated property manager.
- K. "Mobile home" means a mobile home or a manufactured home as defined in Chapter 59.20 RCW.
- L. "Owner" means any person who, alone or with others, has title or interest in any building, with or without accompanying actual possession thereof, and including any person who as agent, or executor, administrator, trustee, or guardian of an estate has charge, care, or control of any building.
- M. "Qualified rental housing inspector" and "RHI" mean a private inspector who possesses at least one of the following credentials:
1. American Association of Code Enforcement Property Maintenance and Housing Inspector certification;
  2. International Code Council Property Maintenance and Housing Inspector certification;
  3. International Code Council Residential Building Code Inspector;
  4. Washington State licensed home inspector; or
  5. Other acceptable credential the Director establishes by rule.
- M. "Rental unit" means a residential housing unit occupied or rented by a tenant or available for rent by a tenant.
- N. "Rental Property" means all residential dwelling units rented or leased on a contiguous parcel or parcels of land managed by the same landlord as a single rental complex.
- O. "Residential housing unit" means any building or part of a building in the City of Bellingham 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, multifamily dwellings, apartment buildings, condominiums, and similar living accommodations.
- P. "Residential rental housing registration" means a registration issued under this chapter.

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- Q. "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.
- R. "Single Family Residence" means a single detached building containing only one residential housing unit that is completely separated by open space on all sides from any other structure, except its own garage or shed.
- S. "Tenant" means a person occupying or holding possession of a building or premises pursuant to a rental agreement or who pays rent for occupancy or possession.
- T. "Transient" means any guest, resident, or other occupant to whom lodging and other services are furnished under a license to use real property for less than one month, or less than thirty continuous days if the rental period does not begin on the first day of the month. The furnishing of lodging for a continuous period of one month or more to a guest, resident, or other occupant is a rental or lease of real property. It is presumed that when lodging is furnished for a continuous period of one month or more, or thirty continuous days or more if the rental period does not begin on the first day of the month, the guest, resident, or other occupant purchasing the lodging is a nontransient upon the thirtieth day without regard to a specific lodging unit occupied throughout the continuous thirty-day period. An occupant who contracts in advance and does remain in continuous occupancy for the initial thirty days will be considered a nontransient from the first day of occupancy provided in the contract.
- U. "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.
- V. "Unit unavailable for rent" means a residential housing unit that is not offered or available for rent as a rental unit, and that prior to offering or making the unit available as a rental unit, the owner is required to obtain a residential rental registration for the rental property in which the unit is located and comply with applicable regulations adopted pursuant to this chapter.

**6.15.030 Scope.**

- A. Exemptions. The provisions of this chapter apply to all residential housing units, with the exception of:
1. Owner-occupied buildings containing two units or less;
  2. Units unavailable for rent;

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3. Housing accommodations in hotels, motels, inns or similar accommodations for transient guests; provided that, as allowed by state law, this chapter shall apply to any unit within such an accommodation that is occupied by a person that does not meet the definition of transient guest;
4. Housing accommodations in retirement or nursing homes;
5. Housing accommodations in any hospital, State-licensed Medical Care Facility as defined by BMC 20.08.020, State-licensed facility providing Service Care as defined by BMC 20.08.020, convent, monastery or other facility occupied exclusively by members of a religious order.
6. 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;
7. Rental units:
  - a. That receive funding or subsidies from the federal, state or a local government;
  - b. That are inspected at least every three years as a requirement of the funding or subsidy;
  - c. That provide a copy of the inspection to the Department; and
  - d. For which the Director determines that the inspection is substantially equivalent to the inspection required by this chapter;
8. Mobile homes or manufactured homes, both as defined in Chapter 59.20 RCW;
9. Shelters and transitional housing; and
10. Accessory Dwelling Units. This exception applies only when an owner resides in either the single-family residence or the ADU.
11. Carriage House Units. This exception applies only when an owner resides in either the single-family residence or the carriage house unit.

B. Standards For declaration of compliance and certificates of inspection. The checklist for a declaration of compliance and for a certificate of inspection required under this chapter shall include those standards appropriate for determining whether conditions exist in a rental unit that endanger or impair or could endanger or impair the health or safety of a tenant.

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Cosmetic conditions that do not affect structural systems, fire safety systems, sanitation components or weather resistive systems shall not be considered as part of any declaration of compliance or certificate of inspection required under this chapter.

**6.15.040 Residential rental housing registration required for each rental property.**

- A. Beginning on July 1, 2015 for all Rental Properties west of I-5 and beginning on January 1, 2016 for all Rental Properties east of I-5, no person shall make available for rent, or rent, lease, or let, to the public any residential housing unit without registering and maintaining registration of the Rental Property at which the unit is located.
- B. The fee for registration shall be set by Council by resolution.
- C. A residential rental registration expires by operation of law one year after the date the registration was issued.
- D. The residential rental registration is transferable to any person who has acquired ownership of a registered rental property for the unexpired portion of the one-year term for which it was issued.
- E. Application. Application for a residential rental registration shall be made to the City through the City's online Business Licensing Service Website. The application shall list and identify by address the rental property, each building containing a rental housing unit in the rental property, and each of the residential housing units (by number) that the applicant intends to make available for rent, or rent, lease, or let, to the public prior to the expiration of the Rental Property's residential rental registration, shall include the fee due for the registration, and shall provide a declaration of compliance as described in BMC 6.14.040(I).
- F. Renewal. A residential rental registration may be renewed by paying the registration fee for the ensuing year on or before the date of the expiration of the current registration, submitting a renewal application through the City's online Business Licensing Service Website updating the information contained in the original application, and providing a declaration of compliance as described in BMC 6.14.040(I). Additionally, as a condition to the renewal of a residential rental registration for any rental property selected for inspection under BMC 6.15.050A, an applicant shall provide a valid certificate of inspection prior to the issuance of a registration. Any registrant who fails to pay the renewal registration fee on or prior to the expiration date of the registration shall be subject to penalties in the following amounts:
  - 1. One hundred dollars if not received on or before the last day of the month following the expiration date.

2. Two hundred dollars if not received on or before the last day of the second month following the expiration date.

G. Display of Registration. The residential rental registration shall be conveyed or displayed as follows; provided, that the Director may by rule establish one or more alternative methods for conveying the information to tenants of residential housing units:

1. For all rental housing units, a copy of the current residential registration shall be provided to the tenant at the time a rental agreement is executed; provided, that if the rental agreement has been executed prior to the effective date of this chapter, a copy of the current residential registration shall be provided to the tenant within 30 days after issuance.
2. Additionally, for the rental of each housing unit in any multiple family dwelling, as defined in BMC 20.08.020, which has a common area, a copy of the current residential rental registration shall be posted and remain posted in a common area in the building that is readily visible to all tenants.

H. Registration List. The Department will maintain a list of Rental Properties that have a valid registration.

I. Declaration of Compliance. As a condition to the issuance and/or renewal of a residential rental registration, an applicant shall provide a valid Declaration of Compliance prior to the issuance of a registration. A Declaration of Compliance submitted under this chapter must state that each unit complies with the requirements of the Building Code and state law listed in BMC 6.15.050.B.1-13 using a checklist provided by the City, and state that there are no conditions in the units that endanger or impair or could endanger or impair the health or safety of a tenant.

**6.15.050 Certificates of inspection.**

A. For purposes of furthering compliance with this chapter, 0.5% of the rental properties on the registration shall be subject to inspection by a qualified rental housing inspector under the provisions of this chapter each year. The Department shall periodically select from registered properties containing rental housing units, the properties that shall be inspected by a qualified rental housing inspector and will require a certificate of inspection prior to renewal of the registration. The property selection process shall be based on a random methodology adopted by rule, and shall include no more than .5% of all registered rental properties per year.

B. All Certificates of Inspection submitted under this chapter must state that all units subject to inspection have been inspected, that all units inspected comply with the requirements of the Building Code and state law listed in this subsection, and that there are no conditions in the units inspected that endanger or impair or could endanger or impair the

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health or safety of a tenant. A qualified rental housing inspector or City Building Code enforcement officer inspecting a rental unit for a certificate of inspection under this chapter shall inspect for and certify compliance with the following requirements of the Building Code and RCW 59.18:

1. The minimum floor area standards for a habitable room as contained in the Building Code.
2. The minimum sanitation standards as contained in the Building Code.
3. The minimum structural standards as contained in the Building Code.
4. The occupancy standards as contained in the Building Code.
5. The minimum heating standards as contained in the Building Code.
6. The minimum ventilation standards as contained in the Building Code.
7. The minimum electrical standards as contained in the Building Code.
8. The minimum standards for emergency escape window and doors as contained in the Building Code.
9. The requirements for garbage, recyclables, and debris removal as contained in the Building Code.
10. The requirement to provide and test smoke alarms and carbon monoxide alarms as contained in the Building Code.
11. The requirements regarding fire sprinkler or fire alarm systems (if any) required by the Building Code.
12. The requirements regarding passive fire resistive construction components contained in the Building Code.
13. The requirements related to fitness for human habitation as set forth in RCW 59.18.060.

C. The Director is authorized to adopt and publish a checklist to be used for inspections conducted under this chapter and is authorized to include additional standards within the Building Code so long as the checklist and standards are consistent with this chapter.

D. A certificate of inspection shall 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 inspection.

E. The certificate of inspection shall include, but not be limited to, the following:

1. List and show compliance with the minimum standards contained in subsection B of this section for each residential housing unit that was inspected using the checklist provided by the City;
2. State the date of the inspection and the name and address of the qualified rental housing inspector who performed the inspection;
3. State the name, address and phone number of the building's owner/registrant or the agent designated by the owner/registrant;
4. An attached copy of the notice to tenants required under BMC 6.15.050F3; and
5. Proof that the inspector possessed one of the credentials listed in BMC 6.15.020 for a qualified rental housing inspector as of the date of inspection.

F. Limitations and conditions on inspection of units for certificate of inspection.

1. The City may only require a certificate of inspection on a rental property once every three years.
2. A rental property that has received a Certificate of Occupancy within the last four years and has had no code violations reported on the property during that period is exempt from inspection under BMC 6.15.050A.
3. If an owner chooses to inspect only a sampling of the units as allowed under BMC 6.15.050 F 4-5, the owner or landlord must send written notice of the inspection to all units at the rental property. The notice must advise tenants that some of the units at the property will be inspected and that the tenants whose units need repairs or maintenance should send written notification to the landlord as provided in RCW 59.18.070. The notice must also advise tenants that if the landlord fails to adequately respond to the request for repairs or maintenance, the tenants may contact City of Bellingham officials. A copy of the notice must be provided to the inspector upon request on the day of inspection.
4. If a rental property has twenty or fewer rental units, no more than four rental units at the rental property may be selected to provide a certificate of inspection as long as the initial inspection reveals that no conditions exist that endanger or impair the health or safety of a tenant.

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5. If a rental property has twenty-one or more rental units, no more than twenty percent of the units, rounded up to the next whole number, on the rental property, and up to a maximum of fifty units at any one property, may be selected to provide a certificate of inspection as long as the initial inspection reveals that no conditions exist that endanger or impair the health or safety of a tenant.
6. If an owner or landlord is asked to provide a certificate of inspection for a sample of units on the rental property and a selected unit fails the initial inspection, the City may require up to one hundred percent of the units on the rental property to provide a certificate of inspection.
7. If a rental property has had conditions that endanger or impair the health or safety of a tenant reported since the last required inspection, the City may require one hundred percent of the units on the rental property to provide a certificate of inspection.
8. If an owner or landlord chooses to hire a qualified inspector other than a City building code enforcement officer, and a selected unit of the rental property fails the initial inspection, both the results of the initial inspection and any certificate of inspection must be provided to the City.

G. Notice to Tenants.

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

H. The fee to be assessed for a City building code enforcement officer to conduct an inspection under this chapter shall be set by Council resolution.

**6.15.060 Registration denial, suspension, or revocation.**

A. The registration of any rental property may be denied, suspended or revoked by the Director based on one or more of the following grounds:

1. The registration was procured by fraud or false representation of fact;
  2. The applicant or registration holder has failed to comply with any of the provisions of this chapter;
  3. The applicant or registration holder is in default in any fee due to the City under this chapter;
  4. The continued operation of any rental housing unit at the rental property will result in a danger to the public health, safety, or welfare by reason of any of the following:
    - a. The City is provided notice of a violation of the Building Code, the Fire Code, or violations of any other applicable City Code or State law which endangers or impairs or could endanger or impair the health or safety of the tenant.
    - b. The applicant or registration holder or his/her/its employees or agents have been convicted of a crime which bears a direct relationship to the operation of a residential housing unit under the residential rental registration issued pursuant to this chapter.
- B. If an application for registration is denied, or a rental property's registration is suspended or revoked, no reapplication for registration will be considered by the Director until correction of any and all deficiencies on which the denial, suspension, or revocation was based.
- C. If the registration of any rental property is suspended or revoked, or an application for renewal is denied, the rental property will be removed from the rental registration list. The rental property will be reinstated to the registration list only after:
1. Any and all deficiencies on which the suspension, revocation, or denial was based have been corrected;
  2. The applicant has provided to the City a valid certificate of inspection that meets the requirements of BMC 6.15.050; and
  2. The applicant pays a registration fee that is twice the amount established as the fee for registration of the rental property.

**6.15.070 Inspection required in event of code violation.**

Whenever the City is provided notice, by any means, of a violation of the Building Code, the Fire Code, or violations of any other applicable Bellingham Municipal Code or State law

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which endangers or impairs the health or safety of the tenant and the violation is not corrected within the time specified by the notice of violation or order served on the owner or landlord, the Director is authorized to require, as a condition of registration renewal for the rental property and/or unit subject to the violation, that the owner obtain a certificate of inspection as described in BMC 6.15.050.

**6.15.080 Notice that rental is unlawful when certificate not provided.**

When a certificate of inspection is required for a specified residential housing unit under this chapter and a valid certificate of inspection has not been provided to the City, the Director is authorized to notify the owner that until a valid certificate of inspection is provided to the City, it is unlawful to rent or to allow a tenant to continue to occupy the residential housing unit.

**6.15.090 Other inspections.**

Nothing in this chapter precludes additional inspections conducted under RCW 59.18.150 or 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.

**6.15.100 Director is authorized to make rules.**

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

**6.15.110 Correction notice prior to enforcement.**

Before the City suspends or revokes a registration or imposes the penalties set forth in BMC 6.15.150, an attempt shall be made to give the owner or landlord a written notice by personal service or by certified mail, return receipt requested, stating the existence of a violation, that enforcement action is contemplated, and that such person shall a specified period of time in which to correct the violation.

**6.15.120 Appeals.**

A. General. Appeals of registration denials, revocations, or suspensions or other decisions or determinations made by the Director or the findings of an inspection by a City building code enforcement officer (i.e. decisions) relative to the application and interpretation of this code and may be appealed by filing a notice of appeal in the form specified in BMC 6.15.120(B) at City of Bellingham Permit Center and pay the applicable appeal fee within 14 days of issuance of the decision.

- B. Form of Notice of Appeal. A person appealing a decision must pay the applicable appeal fee and submit a completed notice of appeal which sets forth:
1. The decision being appealed and the date it was issued;
  2. Facts demonstrating that the person is adversely affected by the decision;
  3. A statement identifying each alleged error in the decision;
  4. The specific relief requested; and
  5. Any other information reasonably necessary to make a decision on the appeal.
- C. No suspension or revocation of a registration issued pursuant to the provision of this chapter shall take effect until 14 days after the mailing of the notice thereof by the Department and, if appeal is taken as herein prescribed, the suspension or revocation shall be stayed pending final action by the Hearing Examiner.
- D. The decision of the hearing examiner shall be final. The owner and/or the Department may seek review of the decision by the superior court of Washington in and for Whatcom County within 21 days from the date of the decision. If review is sought as herein prescribed, the suspension or revocation shall be stayed pending final action by the superior court.
- F. Upon revocation or suspension of any registration as provided in this chapter, no portion of the registration fee shall be refunded.

**6.15.130 Immediate health and safety threats.**

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

**6.15.140 Immunity and no warranty by City.**

The purpose of this chapter is to promote the safety and welfare of the general public and not to create or designate any particular class of persons who will or should be specially protected by its terms. Nothing contained in this chapter is intended nor shall be construed to create any liability on the part of the city or its employees for any injury or damage resulting from the failure of an owner, landlord, inspector, or other individual to comply with the provisions of this chapter, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this chapter on the part of the city or its employees. By enacting and undertaking to enforce this chapter, neither the City, its agents or employees, nor the City Council warrant or guarantee the safety, fitness or suitability of any dwelling in the City or any unit inspected under this program. Owners,

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landlords, and occupants shall take whatever steps they deem appropriate to protect their interest, health, safety and welfare.

**6.15.150 Civil infraction penalties.**

- A. Any person violating any of the provisions or failing to comply with any of the requirements of this chapter shall have committed a civil infraction and shall be punished by a fine not to exceed \$200 per day for the first 10 days that the violation or failure to comply exists and \$500.00 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 inspection is issued, in addition to the penalties provided in subsection A of this section shall be subject to a penalty of \$1,000.
- C. In addition to all other penalties, remedies, or other enforcement measures established within this chapter, or as otherwise provided by law, the violations of certain provisions of this chapter may be subject to penalties and enforcement provisions as provided by Chapters 10.28, 17.10, 17.20 and other provisions of the Bellingham Municipal Code, and such penalties and enforcement provisions may be imposed as set forth therein. All remedies under this chapter are cumulative unless otherwise expressly stated. The exercise of one remedy shall not foreclose use of another. Remedies may be used singly or in combination; in addition, the City of Bellingham may exercise any rights it has at law or equity.

**6.15.160 Consistency with RCW 59.18.**

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

**6.15.170 City Council Review and Sunset Provision.**

Before the third anniversary of the date of the adoption of this chapter, the City Council shall review the chapter's effects on the community and the problems the chapter was intended to remedy and shall repeal, continue or modify this chapter. Failure by the City Council to act in accordance with this section shall cause this chapter to expire at 12:01 a.m. on the date of the third anniversary of the passage of this chapter by City Council.

**6.15.180 Applicability.**

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

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**6.15.190 Severability.**

If any section, sentence, clause, or phrase (i.e., provision) of this chapter or its application to any person or circumstance is held invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other provision and the remainder of this chapter, or the application of such provisions to other persons or circumstances, shall not be affected.

**PASSED** by the Council this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Council President

**APPROVED** by me this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Mayor

**ATTEST:** \_\_\_\_\_  
Finance Director

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Office of the City Attorney

Published:  
\_\_\_\_\_

RRR & I Ordinance (15)



## Memorandum

**Date:** April 15, 2014  
**To:** Mayor Linville  
**From:** Jeff Thomas, PCD Director  
**Subject:** Updated Draft Rental Registration Program Framework Proposal

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### Introduction

On January 27, 2014, City Council referred the discussion on a draft ordinance to establish a rental registration program to the Planning Committee. Based on the draft program framework presented to City Council and subsequent discussion on this date, the Mayor directed staff to prepare a draft ordinance to establish a rental registration program to support the committee's discussion.

Previous City Council history regarding rental registration includes:

06-23-2008 - City Council voted to authorize program research.

06-20-2011 & 05-19-2012 - City Council voted to not proceed with program development.

01-28-2013, 02-11-2013, 02-25-2013 - Planning Committee work sessions a where wide array of program options were presented and discussed ranging from a full cost recovery, required city inspection program to a low cost, self-registration, no city inspection program.

04-22-2013 - Planning Committee work sessions where staff presented code enforcement data as well as existing educational materials and resources.

06-17-2013 - City Council voted to request that the Mayor allocate resources in the 2014 budget, including needed staff resources, to develop a program, or comparable activities, to educate and enforce health and safety standards at rental properties in Bellingham. Direction was provided that the goal of the program is to ensure that all rental housing in the city meets specific minimum life safety and fire safety standards.

## Key Components and Guiding Principles

It is recommended that any program framework not only incorporate the key components of public outreach and education as well as improving the current code compliance program, but utilize the following guiding principles of a "least-cost program" as previously outlined by City Council staff:

Keep program fees flat and as low as possible.

Start the program small and in balance with fees, perhaps using a phased approach.

Perform a small sample of annual inspections as a management control function.

Utilize existing resources to focus on code compliance.

## Updated Program Framework Proposal

Using the key components and guiding principles outlined above, the following is a proposed program framework:

### *Administration*

For ease of administration and compliance, every rental property registers beginning in 2015 unless specifically exempt. A phased registration approach would be used (ie. units west of I-5 register January to June, units east of I-5 register July to December).

Staff are examining the pros and cons of using the State Business License software versus the City's soon-to-be new Permit Software. Additional human resources will likely be required in one of these departments for administration and other work.

Specific exemptions include owner occupied properties containing 2 units or less as well as government sponsored housing. Definitions of Transient and Transient Housing have been included and would be subject to this ordinance when it is not being used for such.

Registration and fee is annual and includes a self-declaration of compliance with a published checklist of minimum standards developed from RCW 59.18 and applicable fire and building codes.

Registration fee on a sliding scale to accommodate the variation in size of rental properties. City Council would need to consider a separate resolution establishing registration and inspection fees prior to proposed implementation in 2015.

A copy of valid registration is posted in unit.

A 3-year sunset provision is included where City Council would extend the program as-is or with amendments.

### *Compliance*

The City regularly (ie. bi-weekly) publishes a valid rental registration list. A unit is removed from the list if an unresolved code violation reaches "strike 3", which includes new violations that are of an imminent threat to life / safety.

Rental unit code violations are reported to and investigated by the City using existing policy and procedures for all code violations as well as existing staff resources.

Failure to register would constitute a code violation resulting in civil penalties.

To be reinstated to the rental registration list, a report from a third party, qualified inspector must be submitted to certify the rental unit meets the minimum standards of the published checklist, including any code violation. The cost to be reinstated to the list would double the normal registration fee.

Third party, qualified inspectors are defined.

The rental registration and published checklist will provide resources to where third party, qualified inspectors are available.

### *Auditing*

Each January, for auditing purposes the City shall randomly select up to ½ of 1 percent of the units from this list for inspection.

Inspections would be conducted using the published checklist and cumulative results would be part of an annual report from the Mayor to City Council in April of each year.

State Law provides for rental property owners to choose a third party, qualified inspector to perform an inspection.

### *Education*

The City develops a public outreach and education program based on state law for landlords and tenants, of which the published checklist of minimum standards, regular publishing of the rental registration list, government sponsored housing inventory, qualified inspector list and annual reporting from the Mayor are all part of.

Existing staff resources from a number of departments including the Council Office, Mayor's Office, Police Department, Fire Department, Finance Department and Planning Department would collaborate on public outreach and education efforts.