

CITY OF MOUNTLAKE TERRACE

ORDINANCE NO. 2539

**AN ORDINANCE OF THE CITY OF MOUNTLAKE TERRACE,
WASHINGTON, RELATING TO RESIDENTIAL RENTAL PROPERTY
REGISTRATION AND INSPECTIONS, ADDING A NEW CHAPTER 15.45 TO
THE MOUNTLAKE TERRACE MUNICIPAL CODE AND PROVIDING FOR
AN EFFECTIVE DATE OF JANUARY 1, 2012**

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

WHEREAS, improving residential housing and providing for neighborhood stability throughout the City requires periodic inspection of rental housing units in the City to determine if such premises endanger or impair the health or safety of a tenant or affect neighborhood stability; 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, the City Council of the City of Mountlake Terrace does ordain as follows:

Section 1. Effective January 1, 2012, a new Chapter 15.45, the Residential Rental Business License and Inspection Program, is added to the Mountlake Terrace Municipal Code as follows:

15.45.010 Declaration of Purpose.

The City of Mountlake Terrace finds that establishment of a Residential Rental Business License and Inspection 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 Mountlake Terrace.

15.45.020 Definitions.

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

1. "Accessory dwelling unit" or "ADU" means a housing unit that is accessory to a

single-household dwelling and meets the requirements of MTMC 19.30.050 for accessory dwellings.

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 subsection 15.45.050(A) and are not in a condition that endangers or impairs or could endanger or impair the health and safety of a tenant.

3. "Department" means the Community and Economic Development Department or its assigns.

4. "Director" means the Director of the Community and Economic Development Department or its assigns.

5. "Housing Code" means the Uniform Housing Code (or "Housing Code") as identified in MTMC 15.05.110.

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

7. "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.

8. "Qualified Rental Housing Inspector" means:

a. A City building inspector or building official; or

b. A private inspector contracted by the City and registered with the City as a qualified rental housing inspector pursuant to Section 15.45.050 and 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.

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

10. "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.

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

12. "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.

13. "Tenant" means a person occupying or holding possession of a building or premises pursuant to a rental agreement.

14. "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.

15. "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.

15.45.030 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, and
 - 4. For which the Director 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.

15.45.040 Residential Rental Housing Business License Required.

- A. Beginning January 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 resolution 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 December 31 of each year.
- D. The residential rental business license is personal and nontransferable except as provided in Section 15.45.090.

E. **Application.** Application for a residential rental business license shall be made to the Department on forms provided by the Department. 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 has required a more recent certificate of compliance pursuant to MTMC 15.45.050(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.** The residential rental business license and certificate of compliance shall be conveyed or displayed as follows, provided that the Directory may by rule establish one or more alternative methods for conveying the information to tenants of residential housing units.

1. For the rental of any single-family dwelling, as defined in the Residential Code pursuant to MTMC 15.05.060, a copy of the current residential business license and the most recent certificate of compliance 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 January 1, 2012, a copy of the current residential business license and the most recent certificate of compliance shall be provided to the tenant within 30 days after issuance.

2. For the rental of housing units in any multi-family building, as defined in the Building Code pursuant to MTMC 15.05.040, 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.

15.45.050 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 subsection 15.45.050(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 as contained in the Housing Code identified in MTMC 15.05.110;
2. The minimum sanitation standards as contained in the Housing Code adopted pursuant to MTMC 15.05.110;

3. The minimum structural standards as contained in the Housing Code adopted pursuant to MTMC 15.05.110

4. The occupancy standards as contained in the Housing Code adopted pursuant to MTMC 15.05.110

5. The minimum heating standards as contained in the Housing Code adopted pursuant to MTMC 15.05.110;

6. The minimum ventilation standards as contained in the Housing Code adopted pursuant to MTMC 15.05.110;

7. The minimum electrical standards as contained in the Housing Code adopted pursuant to MTMC 15.05.110;

8. The minimum standards for Emergency Escape Window and Doors as contained in the Housing Code adopted pursuant to MTMC 15.05.110;

9. The requirements for garbage, recyclables, and debris removal as contained in MTMC 13.10.040; and

10. The requirement to provide and test smoke detectors as contained in the applicable code adopted pursuant to MTMC 15.05.040 or MTMC 15.05.060.

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 include, but not limited to, the following:

1. List and show compliance with the standards contained in subsection 15.45.050(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.

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 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 10 or fewer rental units, no more than two rental units are required to be inspected;

b) If the building contains more than 10 rental units, no more than 20 percent of the rental units are required to be inspected, up to a maximum of 30 rental units in each building;

c) The Department will randomly select the units to be inspected.

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

E. Notice to Tenants.

1. Before the Department 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 aintenance 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 about the conditions without reprisal; and
 - g) the address at which the tenant may contact the Department.
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 determines that violations of the Housing Code exist for any units listed in the certificate of compliance. If the Department 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.

15.45.060 Qualified Rental Housing Inspector registration.

A. To register as a qualified rental housing inspector (RHI), each applicant, unless currently employed as the City's building inspector or building official, shall:

1. Pay to the City the annual registration fee set by the City Council in a fee schedule resolution;
2. Successfully complete an RHI examination administered or approved by the Director. Each applicant for the exam shall pay to the City an examination fee to be set by the Director at an amount that will fund the cost of administering and grading the examination; and
3. Provide evidence to the Department that the applicant possesses a current City business license issued pursuant to Chapter 5.05 MTMC 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 October 31 of each year and must be renewed pursuant to the provisions of subsection 15.45.060(C).

- C. Renewal of Registration. In order to renew a registration, the RHI shall:
1. Pay the renewal fee set by the City Council in a fee schedule resolution.
 2. Provide proof of compliance with the requirements of subsections 15.45.060(A)(2)-15.45.060(A)(3) herein.

D. Failure to Renew. An RHI who fails to renew its registration is prohibited from inspecting and certifying rental housing pursuant to this chapter until the RHI registers or renews pursuant to section 15.45.060 herein.

15.45.070 Director to Make Rules.

The Director is authorized to adopt, publish and enforce rules and regulations consistent with this chapter for the purpose of carrying out the provisions of this chapter.

15.45.080 License Denial, Suspension, or Revocation.

A. A residential rental housing business license may be suspended, denied, or revoked by the Director based on one or more of the following grounds:

1. The license was procured by fraud or false representation of fact;
2. The licensee has failed to comply with any of the provisions of this chapter;
3. The licensee is in default in any license or inspection fee due to the City under this chapter;
4. The licensee's continued operation of the rental housing unit for which the license was issued will result in a danger to the public health, safety, or welfare by reason of any of the following:

a. The licensee 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 business license issued pursuant to this chapter;

b. The licensee or his/her/its agent or employees have in the operation of the rental housing unit violated any law or regulation relating to public health or safety.

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.

15.45.090 Appeal.

A. Upon notice of denial, suspension, or revocation of a residential rental housing license, the Owner may appeal by filing a notice of appeal—specifying the particular reason(s) upon which the appeal is based—with the City Clerk within ten (10) calendar days of the date of the notice of denial, suspension, or revocation.

B. Upon timely filing of a notice of appeal and payment of an appeal filing fee, which shall be set by resolution, the City Clerk or his/her designee shall schedule a hearing on the appeal before a Hearing Examiner. The hearing shall be conducted no later than 45 business days from the date of the notice of appeal, unless an extension is agreed to by the appellant, or otherwise ordered by the Hearing Examiner for good cause shown.

C. Within 14 business days (excluding holidays recognized by the City of Mountlake Terrace) from the date of the hearing on an appeal under this section, the Hearing Examiner shall issue a written decision, which shall set forth the reasons therefore.

D. A decision of the Hearing Examiner to reject an appeal as untimely shall be final unless an application for a writ of review is filed with the Snohomish County Superior Court and properly served upon the City within 14 calendar days of the date of the Hearing Examiner's decision.

15.45.100 Immediate Health and Safety Threats.

Nothing in this Ordinance 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.

15.45.110 No Warranty by City.

By enacting and undertaking to enforce this Ordinance, neither the City, its agents or employees, nor the City Council warrant or guarantee the safety, fitness or suitability of any dwelling the City or any unit inspected under this program. Owners and occupants shall take whatever steps they deem appropriate to protect their interest, health, safety and welfare.

15.45.120 Transferability.

A license is not transferable; provided, that the Director may authorize transfer where no previously unlicensed person acquires a license thereby and if, in the judgment of the Director, transferral is consistent with the purposes of this chapter.

15.45.130 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 pursuant to this chapter, may be punished by a penalty of \$150 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 15.45.060(A) above, shall be subject to a penalty of \$1000.

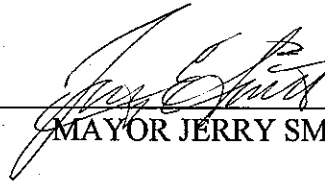
C. For any rental unit that fails the inspection for the certificate of compliance under this chapter, the Department may issue a notice of violation and subject the violator to the penalties imposed or remedies available under the provisions of the Housing Code.

Section 2 Conflicts. All ordinances or parts of ordinances of the City of Mountlake Terrace in conflict herewith, be in the same, are hereby repealed.

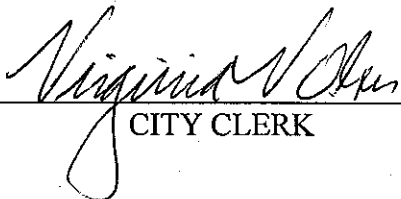
Section 4 Severability. If any section, sentence, clause or phrase of this Ordinance shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any section, sentence, clause or phrase of this Ordinance.

Section 5 Summary. This Ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City and shall take effect and be in force five (5) days after the date of publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF MOUNTLAKE TERRACE this
7th day of June, 2010 and signed in authentication of its passage the 7th day of June, 2010.



MAYOR JERRY SMITH

ATTEST: 

CITY CLERK

APPROVED AS TO FORM: Gregory G. Schrag, City Attorney

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