



INFORMATIONAL MEMORANDUM

TO: Planning and Community Development Committee

FROM: Nora Gierloff, Community Development Director

BY: Joseph Mose, Code Enforcement Officer

CC: Mayor Ekberg

DATE: August 8, 2022

SUBJECT: Rental Housing Program Update

ISSUE

Review the Rental Housing Program's goals, current activity, and pandemic response.

BACKGROUND

The Tukwila Code Enforcement team works to support a safe, inviting, and healthy environment for residents, businesses, and visitors by enforcing the parts of the Tukwila Municipal Code that relate to conditions on private property. Compliance is typically reached through promoting public awareness, communication, and collaboration. In difficult cases monetary penalties and/or legal action may be required. In addition to general code enforcement, the team is also responsible for managing and administering the Residential Rental Business License and Inspection Program.

The city established the Rental Program in 2010 to protect the public health, safety, and welfare by ensuring the proper maintenance of rental housing. It does this by identifying and requiring correction of substandard housing conditions and by preventing conditions of deterioration and blight that could adversely impact the quality of life in the City of Tukwila.

DISCUSSION

Current Code Enforcement activity:

As of July 28, 2022, code enforcement has 15 open enforcement cases related to rental housing, most of the cases are for overdue rental licenses and/or inspections, however, a few are for confirmed rentals that do not have a license and/or complaint-based issues.

Rental Housing Business Licensing and Inspection Program:

Tukwila Municipal Code Chapter 5.06 establishes regulations pertaining to rental housing licensing and inspection. Residential rental properties are required to obtain an annual rental business license. As of July 28, 2022, the Rental Housing Program has 4,214 registered rental units and 527 active rental licenses (one license per property). All program late fees for 2020 and for 2021 (through September 30, 2021) were waived in response to the ongoing COVID-19 pandemic but were implemented again in March of 2022. As of July 28, 2022, 41 properties have yet to renew their 2022 rental licenses. Late fees began March 1 at a rate of \$10 per month until the license is renewed.

Rental Inspections and Deadline Extension

In addition to annual licensing, all rental housing units in the city must pass an inspection every 4 years. This allows the City to catch and correct health and safety violations that otherwise tenants might be reluctant to report due to language barriers or fear of retaliation by landlords. The purpose of the periodic inspections is to ensure that all rental units are safe, healthy and

suitable for occupancy. The inspectors check for properly working door locks, functional appliances, windows that are intact and that open, smoke and carbon monoxide detectors, adequate emergency escape routes, mold, and other items. Some of the most common maintenance items that we find during inspections are improperly installed and maintained water heaters, water leaks, and missing or inoperable carbon monoxide or smoke detector(s).

Properties with up to 4 units may use a city inspector (code enforcement officer) while all larger properties must use a private inspector who meets specific qualifications. The city may also inspect units in response to complaints and audit inspections submitted by private inspectors when inspection reports are in question.

During the first inspection cycle in 2010-2014 we had many more units fail than we do now after buildings have gone through several rounds of inspections. This shows that the program has been effective in improving housing quality in the city. In 2019, the city conducted 133 inspections, but in 2020 and 2021 they were mostly paused due to the pandemic. This March, with the reopening of city services to the public, the Rental Housing Program began scheduling rental inspections again.

In response to the large backlog of inspections that was created by the pandemic pause, staff proposed, and the Council granted a 2-year extension to all inspection deadlines. Extending all inspection deadlines eliminated the backlog and has allowed staff to focus on the properties that were the most overdue without an extension. 280 rental units are due for their next inspection this year and 937 units will be due in 2023.

Recently, code enforcement was called into two situations at different apartment complexes.

Hampton Heights

On June 29, 2022, we received an email from the Fire Department regarding the Hampton Heights apartment complex. They had received a call from a tenant at Hampton Heights (building #2) reporting an active sewer backflow and sewage "coming out of the walls". They found the entire apartment flooded with about 1" of raw sewage actively coming from her sink and toilet. The center hallway carpet was soaked, with a pattern of water coming from her door as well as other apartment doors up and down the hall.

Code enforcement officers went to the complex and verified all issues that were stated in the email. In addition, smoke detectors were missing in the hallways of building #3 and bare wires were coming out of electrical outlets. We talked to four residents and did courtesy rental housing inspections. All four of the units failed.

On July 21, 2022, the city notified the owner of the complex by email and USPS Certified mail that he had until August 19, 2022, to have the four units reinspected. We have not heard back from the owner yet and if he does not comply by that date, a Notice of Violation and Order will be issued.



Avenue 42 Apartments

On July 11, 2022, we were contacted by the Fire Department about a water leak at Avenue 42 Apartments. They stated that there was at least 10,000 to 20,000 gallons of water in the crawl space. We responded to the complex the next morning and contacted management. The water to all the units was shut off upon our arrival and a plumber was repairing the leak. Management was already working with the plumber on a plan to pump the water out and repair other sections of piping that could likely fail in the future. We have been stopping by weekly to check on their progress. As of July 28, 2022, the water is still being pumped out and there is no visible sign of structural deficiencies. The building has numerous vents, and we could feel the natural airflow. We will continue to monitor the situation and give our recommendations such as permanent sump pumps and mechanical fans, to prevent any future problems that may arise if water builds up in the crawl space again.



FINANCIAL IMPACT

The Residential Rental License and Inspection Program YTD revenue for 2022 is \$44,241; 2021 was \$51,728; 2020 revenue was \$55,123; and 2019 revenue was \$52,313.

2022 RENTAL BUSINESS LICENSE FEES:

- \$77 for properties with up to four units
- \$201 for properties with five to 20 units
- \$252 for properties with 21 to 50 units
- \$314 for properties with 51 or more units

With the pandemic hopefully coming to an end, late fees returning, and inspections getting back to normal, revenue should increase in 2023.

City inspectors currently perform rental inspections for smaller properties (4 or less units), larger properties (5+ units) are required to be inspected by a private inspector. For greater revenue recovery we are looking at offering rental inspections by a city inspector for properties with up to 12 units. We also plan to review the \$62 inspection fee charged.

RECOMMENDATION

Information and discussion only