



## **INFORMATIONAL MEMORANDUM**

**TO: Planning and Economic Development Committee**

**FROM: Jack Pace, Community Development**

**BY: Kia Shagena, Code Enforcement Officer**

**CC: Mayor Ekberg**

**DATE: May 13, 2020**

**SUBJECT: Resolution to Amend Rental Housing Program Fee Schedule**

### **ISSUE**

Amend Rental Business License and Inspection Program Fee Schedule (Resolution 1946) to waive 2020 late fees in response to COVID-19 pandemic.

### **BACKGROUND**

In order to ensure safe and healthy housing for tenants, Tukwila requires all owners of residential rental property to obtain an annual Rental Business License and an inspection of every unit once every four years. This applies to large multi-family developments all the way down to single-family houses, condominiums and accessory dwelling units, which are rented to tenants. These licenses are renewed annually. There are currently approximately 600 rental business licenses for 4182 residential units. Out of 600 licenses approximately 100 are overdue and subject to late fees.

On February 29, 2020 Washington Governor Inslee declared a state of emergency in response to the COVID-19 pandemic. On March 23, 2020 Governor Inslee issued a statewide “Stay Home, Stay Healthy” order. The impacts of this public health crisis have resulted in widespread economic hardship. Additionally, it is anticipated that inspections that are due by September could be delayed to due social distancing requirements.

### **DISCUSSION**

The Rental Housing Program has two types of late fees:

- 1) \$10 monthly late fee for late license renewals. Late renewal fees apply to rental licenses that have not been renewed by March 1.
- 2) \$10 monthly late fee for late rental inspections. Late inspection fees apply to rental licenses that have not been inspected and or (inspection results submitted to the City) by September 30.

Removal of 2020 Rental Housing Program late fees is in alignment with the City’s response to the COVID-19 pandemic, similar to City’s interim policies to waive utility late fees.

### **FINANCIAL IMPACT**

The proposed removal of 2020 late fees from the rental license program fee schedule will waive approximately \$3480 in current late fees owed and will stop the future assessment of late fees for the duration of 2020.

**RECOMMENDATION**

The Council is being asked to approve the amended resolution and consider this item at the June 8, 2020 Committee of the Whole meeting and the subsequent June 15<sup>th</sup>, 2020 Regular Meeting consent agenda.

**ATTACHMENTS**

Draft Residential Rental Licensing Fee Resolution

# DRAFT

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, AMENDING RESOLUTION NO. 1946 TO WAIVE LATE FEES ASSOCIATED WITH THE RESIDENTIAL RENTAL BUSINESS LICENSE AND INSPECTION PROGRAM THROUGH 2020 IN RESPONSE TO IMPACTS OF THE NOVEL CORONAVIRUS (COVID-19).**

**WHEREAS**, the City established a Residential Rental Business License and Inspection Program in 2010, as codified at Tukwila Municipal Code Chapter 5.06; and

**WHEREAS**, the City adopted a Residential Rental Business License and Inspection Program fee schedule for 2020, pursuant to Resolution No 1946; and

**WHEREAS**, on February 29, 2020, Washington Governor Jay Inslee declared a State of Emergency in response to new cases of COVID-19, directing agencies to use all resources necessary to prepare for and respond to the outbreak; and

**WHEREAS**, on March 23, 2020, Governor Inslee issued the “Stay Home – Stay Healthy” order; and

**WHEREAS**, the impact of this public health crisis has caused widespread economic hardship; and

**WHEREAS**, waiving late fees associated with the Residential Rental Business License and Inspection Program through 2020 may provide economic relief to residential rental property owners;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**Section 1.** Resolution No. 1946 is hereby amended to revise the Residential Rental Business License and Inspection Program fee schedule to waive late fees through 2020 as shown in the following schedule:

**RESIDENTIAL RENTAL BUSINESS LICENSE AND INSPECTION FEES**

| DESCRIPTION   | 2020 LICENSE       |
|---|--------------------|
| <b>Annual Residential Rental Business License:</b>  |                    |
| Property with one, two, three or four units   | \$ 75.00           |
| Property with 5 to 20 units   | \$195.00           |
| Property with 21 to 50 units  | \$245.00           |
| Property with 51 or more units  | \$305.00           |
| <del>Late fee per month if existing license is not renewed before March 1*</del>  | <del>\$10.00</del> |
| Penalty fee if a new unit is leased before a license and inspection is obtained   | \$ 50.00           |
| Inspection fee per unit (City inspector)  | \$ 60.00           |
| Re-inspection fee per unit (City inspector)   | \$ 60.00           |
| <del>Late fee per unit, per month if Inspection Checklist is not submitted by September 30 of the year it is due*</del> | <del>\$10.00</del> |
| Hearing Examiner appeal fee   | \$340.00           |

\*

[\\*Late fees waived through 2020](#)

**Section 2. Effective Date.** The amended fee schedule contained herein shall be effective as of June 16, 2020.

PASSED BY THE CITY COUNCIL OF THE CITY OF TUKWILA, WASHINGTON, at a Regular Meeting thereof this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Christy O'Flaherty, MMC, City Clerk

\_\_\_\_\_  
De'Sean Quinn, Council President

APPROVED AS TO FORM BY:

Filed with the City Clerk: \_\_\_\_\_  
Passed by the City Council: \_\_\_\_\_  
Resolution Number: \_\_\_\_\_

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