



ORDINANCE NO. 27154

1 AN ORDINANCE relating to licenses and rental properties; amending Chapter 2.01
2 of the Tacoma Municipal Code by repealing Section 2.01.100 thereof;
3 amending Chapter 6.24 by amending Section 6.24.020 thereof; and
4 amending Chapter 6.69 by amending Section 6.69.020.

5 WHEREAS the activity of rental of real estate is recognized by the City
6 as a business activity, and

7 WHEREAS it is not the intent of this ordinance to assess a Business and
8 Occupation Tax against such activity, and

9 WHEREAS it has been statistically demonstrated that some rental
10 facilities are responsible for a disproportionate share of police and emergency
11 medical calls for service and blighted property conditions, and

12 WHEREAS licensing is a tool to hold landlords accountable for
13 conditions and activities on their properties, and

14 WHEREAS the rental license fees may help to sustain crime prevention
15 and code enforcement services, including training, education, and inspection,
16 and

17 WHEREAS it is the intention of the City to implement a business license
18 fee for the activity of rental of real estate; Now, Therefore,

19 BE IT ORDAINED BY THE CITY OF TACOMA:

20 Section 1. That Section 2.01.100 of the Tacoma Municipal Code is
21 hereby repealed in its entirety as follows:

22 **~~2.01.100 Residential Building Rental Registration Program.~~**

23 ~~A. General. All buildings containing dwelling units for rent shall be~~
24 ~~registered with the Public Works Department, Building and Land Use Services~~
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1 ~~Division. All existing buildings containing dwelling units for rent shall be~~
2 ~~registered upon notification of the building owner or property manager. All~~
3 ~~buildings containing dwelling units for rent, which are under permit either as a~~
4 ~~new building or addition and/or remodel to an existing building, shall be~~
5 ~~registered during the final inspection or certificate of occupancy process, if not~~
6 ~~previously registered.~~

7 ~~B. Purpose. The sole purpose of the Residential Building Rental~~
8 ~~Registration Program is to prevent neighborhood blight and deterioration by~~
9 ~~providing accurate information for the notification of owners, or the owners'~~
10 ~~agents, by officers of the City of Tacoma, so as to be able to respond quickly~~
11 ~~and accurately if a complaint is filed against the property. It is also the intent of~~
12 ~~this program to offer incentives for the voluntary compliance of all residential~~
13 ~~rental buildings with the Crime Prevention Through Environmental Design~~
14 ~~(CPTED) and the participation of all multiple family rental buildings in the~~
15 ~~Crime-Free Multi-Family Housing Program.~~

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18 ~~C. Scope. The Residential Building Rental Registration Program shall~~
19 ~~apply to all buildings that contain one or more dwelling units which, for payment~~
20 ~~of money, goods, and/or services, are rented or leased to any individual or~~
21 ~~group of individuals.~~

22 ~~D. Registration Information.~~

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24 ~~1. In order to register residential rental buildings, the following~~
25 ~~information shall be provided to the Public Works Department, Building and~~
26 ~~Land Use Services Division:~~



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- ~~a. The owner's and local agent's name.~~
- ~~b. The address where the owner or local agent will receive mail.~~
- ~~c. The owner's or local agent's 24-hour telephone number.~~
- ~~d. The address of each residential rental property owned within the City of Tacoma.~~
- ~~e. A list of the number of dwelling units at each rental address.~~
- ~~f. The name and telephone number of the on-site manager, if applicable.~~

~~2. In addition to the information required by Subsection 1.a above, each owner whose principal place of residence is outside a 50-mile radius measured from the City of Tacoma Municipal Building at 747 Market Street, shall provide the following information:~~

- ~~a. The name of one local agent for each property.~~
- ~~b. The address where the local agent will receive mail.~~
- ~~c. The local agent's telephone number and/or a 24-hour emergency telephone number.~~

~~All of the above information shall be submitted to the Public Works Department, Building and Land Use Services Division, on forms provided for that purpose.~~

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E. Registration Fees.

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~~1. A registration fee of \$25.00 shall be paid by each owner of residential rental properties. The single registration fee shall cover all residential rental properties within the City of Tacoma under a single ownership or licensed property management company. An owner may authorize a licensed property management company to register said residential rental properties.~~

~~2. Changes in information from the initial registration, including additions or deletions from the ownership list, shall be assessed a fee of \$10.00.~~

~~F. Incentives. The registration fee shall be waived for all owners of residential rental properties who voluntarily participate in the Tacoma Crime-Free Housing Program and meet the certification requirements.~~

~~EXCEPTION: Owners are not personally required to participate in the training program if they employ a property manager who has completed the Tacoma Crime-Free Housing Program training component.~~

G. Penalties.

~~1. When an owner of rental property has been notified to register his/her properties in accordance with the requirements of Subsection A, he/she shall have 30 calendar days in which to comply from the date of receipt of the letter of notification, sent by both first-class mail and by certified mail, return receipt requested.~~



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2. In the event the owner of such property fails to register said property within the allotted time, a civil penalty or penalties, in accordance with the first penalty assessment in Table F, shall be assessed. These penalties are intended to be only for remedial purposes. A new letter requesting registration of the property shall be sent to the owner along with the assessment of the first penalty. The owner shall be given 30 calendar days from the receipt of the second letter to register the property.

3. In the event the owner of such property still fails to register said property within the allotted time, a civil penalty or penalties, in accordance with the second penalty assessment in Table F, shall be assessed. A new letter requesting registration of the property shall be sent to the owner along with the assessment of the first penalty. The owner shall be given 14 calendar days from the receipt of the third letter to register the property.

4. In the event the owner of such property still fails to register said property within the allotted time, a civil penalty or penalties, in accordance with the third penalty assessment in Table F, shall be assessed. A new letter requesting registration of the property shall be sent to the owner along with the assessment of the first penalty. The owner shall be given seven calendar days from the receipt of the fourth letter to register the property.

5. In the event the owner of such property still fails to register said property within the allotted time, a civil penalty or penalties, in accordance with the Fourth Penalty and Subsequent Assessments in Table F, shall be assessed. A new letter requesting registration of the property shall be sent to

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~~the owner along with the assessment of the fourth penalty. The owner shall be given seven calendar days from the receipt of the fifth and subsequent letter(s) to register the property.~~

~~6. The process described in Subsection (e) above shall be repeated every seven days until such time as the owner registers his/her residential rental property(ies), each time assessing penalties in accordance with the Fourth Penalty and Subsequent Assessments in Table F.~~

Section 2. That Section 6.24.020 of the Tacoma Municipal Code is hereby amended to read as follows:

6.24.020 Exemptions. The fee assessed by the provisions of this chapter shall not apply to:

A. Any charitable organization that has been exempted from payment of taxes to the Federal government under Section 501(c)(3) of the United States Internal Revenue Code;

B. Day Cares, Bed and Breakfasts, and Boarding Homes.

C. Business of renting or leasing real property.

GD. Effective January 1, 1997, provisions of this chapter shall not apply to those persons whose gross business income is derived from service activity in or with the City of Tacoma ("City") generating annual gross income of less than \$1,000.00.

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Section 3. That Section 6.69.020 of the Tacoma Municipal Code is hereby amended to read as follows:

6.69.020 Date of payment. The annual license fee prescribed herein shall be due on the first day of January of each year, ~~provided, however, that the taxpayer shall have until March 31, 1992, to pay without incurring a penalty, and until January 31st of subsequent years.~~ Effective January 1, 2004, taxpayers who engage in the business of renting or leasing real property in the City shall pay the annual license fee. Said taxpayers shall have until March 31, 2004, to pay without penalty, and until January 1 of subsequent years. The amount of penalties to be assessed shall be calculated pursuant to the provisions of Section TMC 6.02.050 ~~of the Official Code of the City of Tacoma.~~

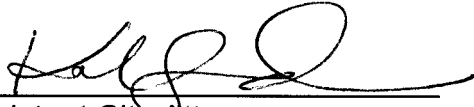
Passed _____

Mayor

Attest:

City Clerk

Approved as to form and legality:



Assistant City Attorney

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REQUEST FOR ORDINANCE OR RESOLUTION

CITY CLERK USE	
Request #:	9732
Ordinance #:	27154
Resolution #:	

1. DATE: September 23, 2003

2. REQUESTING DEPARTMENT/DIVISION Finance, Tax and License Division PWD/Building and Land Use Services	3. CONTACT PERSON (for questions): Jodie Trueblood, T & L Manager Lisa Wojtanowicz, BLUS, Program Coordinator	PHONE 591-5251 591-5267
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4. PREPARATION OF AN ORDINANCE IS REQUESTED FOR THE CITY COUNCIL MEETING OF TUESDAY, OCTOBER 14, 2003.

5. SUMMARY TITLE/RECOMMENDATION: (A concise sentence, as it will appear on the Council Agenda)

Authorize proposed amendments to Chapter 2.01 of the Tacoma Municipal Code (TMC) by repealing Section 2.01.100 thereof; and, amend Chapter 6.24 Section 6.24.020 thereof; and, Chapter 6.69 Section 6.69.020 relating to business licenses and the activity of rental of real estate.

6. BACKGROUND INFORMATION/GENERAL DISCUSSION:

On December 3, 2002, the City Council passed Resolution 35712 directing staff to form an advisory committee consisting of representatives of the City, community stakeholders from the commercial rental industry, neighborhood business districts, apartment owners, single-family dwelling rental owners and neighborhood councils to establish a proposal to reduce criminal activity and improve building conditions at rental properties.

By amending Section 6.69.020 of the TMC, a requirement for an annual business license for the activity of renting or leasing real property will be implemented. This activity is recognized by the City as a business activity. It has been statistically demonstrated that some rental facilities are responsible for a disproportionate share of police and emergency medical calls for service and blighted property conditions. Licensing is a tool to hold landlords accountable for conditions and activities on their properties. This license will apply to residential and commercial properties. By amending Section 6.24.020 of the TMC, the business of renting or leasing real property will be exempt from the requirement to obtain a home occupation license.

By repealing Section 2.01.100 of the TMC, the rental registration requirement in the Minimum Building and Structures Code will be eliminated.

In addition to focus groups comprised of property owners, input has been received from the Cross District Association of Tacoma and the Olympic Rental Association.

7. FINANCIAL IMPACT: (Future impact on the budget.)

It is anticipated that the fees from this ordinance will be utilized to cover additional resources necessary to implement the program, provide education, and to cover some enforcement costs. It is estimated that approximately \$250,000 will be generated annually.

8. LIST ALL MATERIAL AVAILABLE AS BACKUP INFORMATION FOR THE REQUEST AND INDICATE WHERE FILED:

Source Documents/Backup Material

Location of Document

Draft Ordinance and Proposed Amendments

City Clerk

9. FUNDING SOURCE:

Fund # & Name:	State \$	City \$	Other \$	Total Amount
If an expenditure, is it budgeted?	<input type="checkbox"/>	<input type="checkbox"/>	Where? Org #	Acct #

10. ATTORNEY CONTACT: Kari Sand, Assistant City Attorney, 591-5074.

 William L. Pugh, P.E., Public Works Director	Approved as to Availability of Funds Steve Marcotte, Finance Director	 James L. Walton, City Manager
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RECEIVED
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OCT 23 2003

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