



LAKWOOD CITY COUNCIL STUDY SESSION AGENDA

Monday, July 25, 2016

7:00 P.M.

City of Lakewood

City Council Chambers

6000 Main Street SW

Lakewood, WA 98499

Page No.

CALL TO ORDER

ITEMS FOR DISCUSSION:

- (3) 1. Emergency Preparedness Cascadia Rising Earthquake Exercise update.
- (27) 2. 2nd Quarter 2016 Police Report.
- (51) 3. Review of Lakewood Senior Center lease agreement extension. – (Memorandum)
- (66) 4. Review of an interlocal agreement with the Lakewood Water District relative to backflow testing. – (Memorandum)
- (72) 5. Review of a multi-family tax exemption for the Rainier Terrace Apartments at 4108 and 4110 108th Street SW. – (Memorandum)
- (80) 6. Review of the rental housing safety program. – (Memorandum)

REPORTS BY THE CITY MANAGER

ITEMS TENTATIVELY SCHEDULED FOR THE AUGUST 1, 2016 REGULAR CITY COUNCIL MEETING:

1. Appointing a member to the Public Safety Advisory Committee. – (Motion – Consent Agenda)
2. Authorizing the execution of an extension to the lease agreement with Pierce County relative to the Lakewood Senior Center. - (Motion – Consent Agenda)

The City Council Chambers is accessible to persons with disabilities. Equipment is available for the hearing impaired. Persons requesting special accommodations or language interpreters should contact the City Clerk's Office, 589-2489, as soon as possible in advance of the Council meeting so that an attempt to provide the special accommodations can be made.

<http://www.cityoflakewood.us>

The Council Chambers will be closed 15 minutes after adjournment of the meeting.

3. Adopting the rental housing safety program. – (Ordinance – Regular Agenda)
4. Approving a multi-family tax exemption conditional certificate for the Rainier Terrace Apartments at 4108 and 4110 108th Street SW. – (Resolution – Regular Agenda)
5. Authorizing the execution of an interlocal agreement with the Lakewood Water District relative to backflow testing. – (Motion – Regular Agenda)

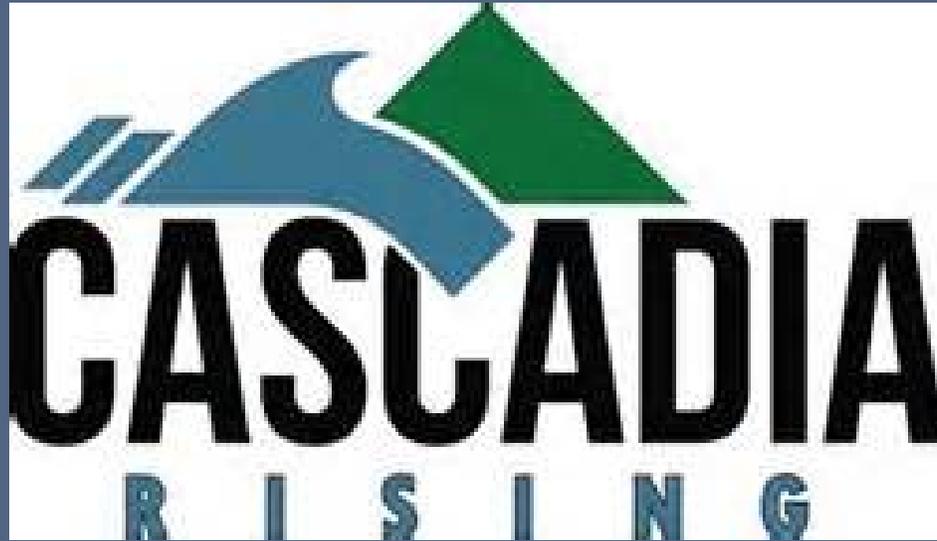
COUNCIL COMMENTS

ADJOURNMENT

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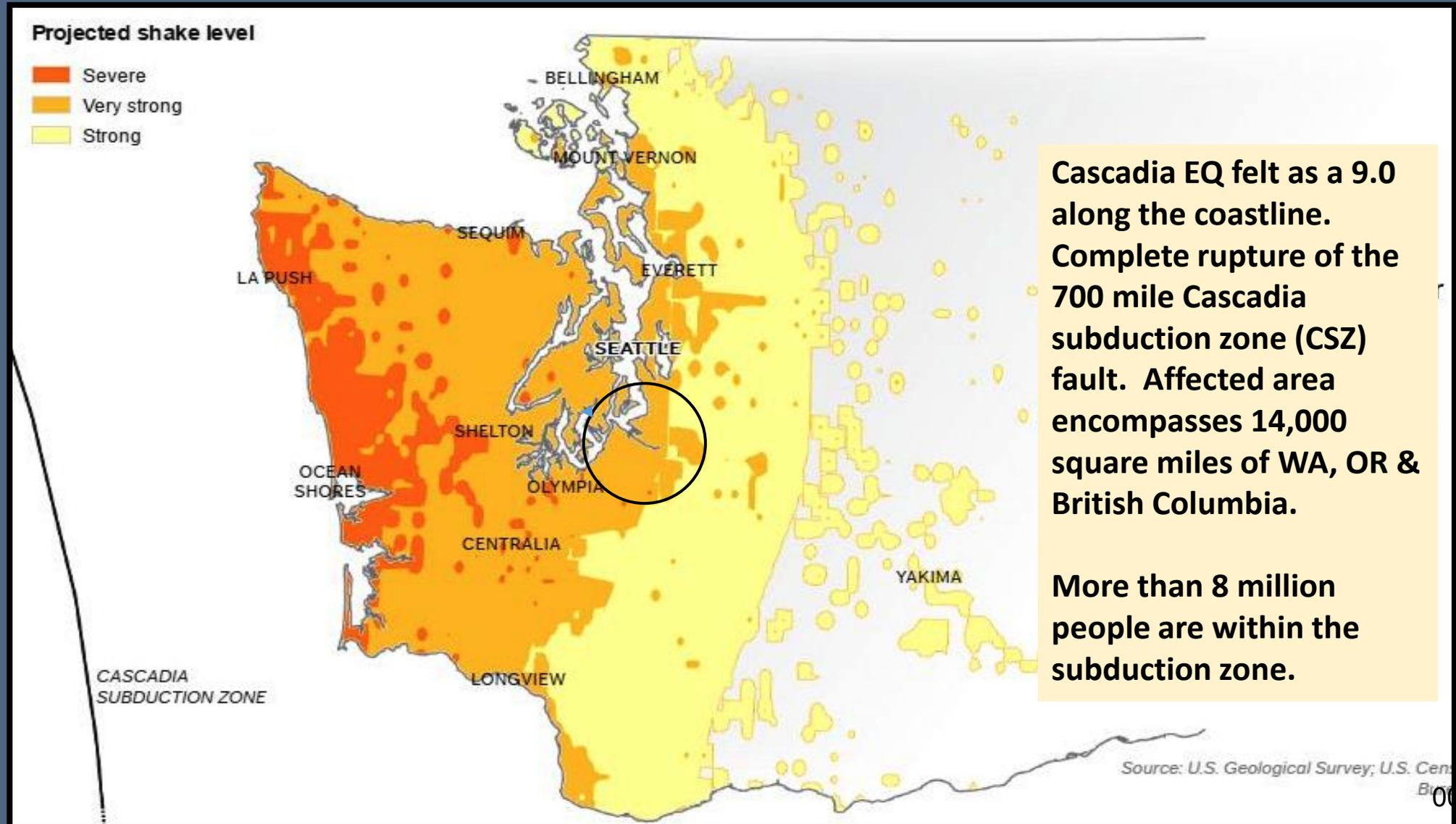
An EOC Exercise

Cascadia Rising 2016

Emergency Operations and Coordination Centers (EOC/ECCs) at all levels of government and the private sector will activate to conduct a simulated field response operation within their jurisdictions and with neighboring communities, state EOCs, FEMA, and major military commands.

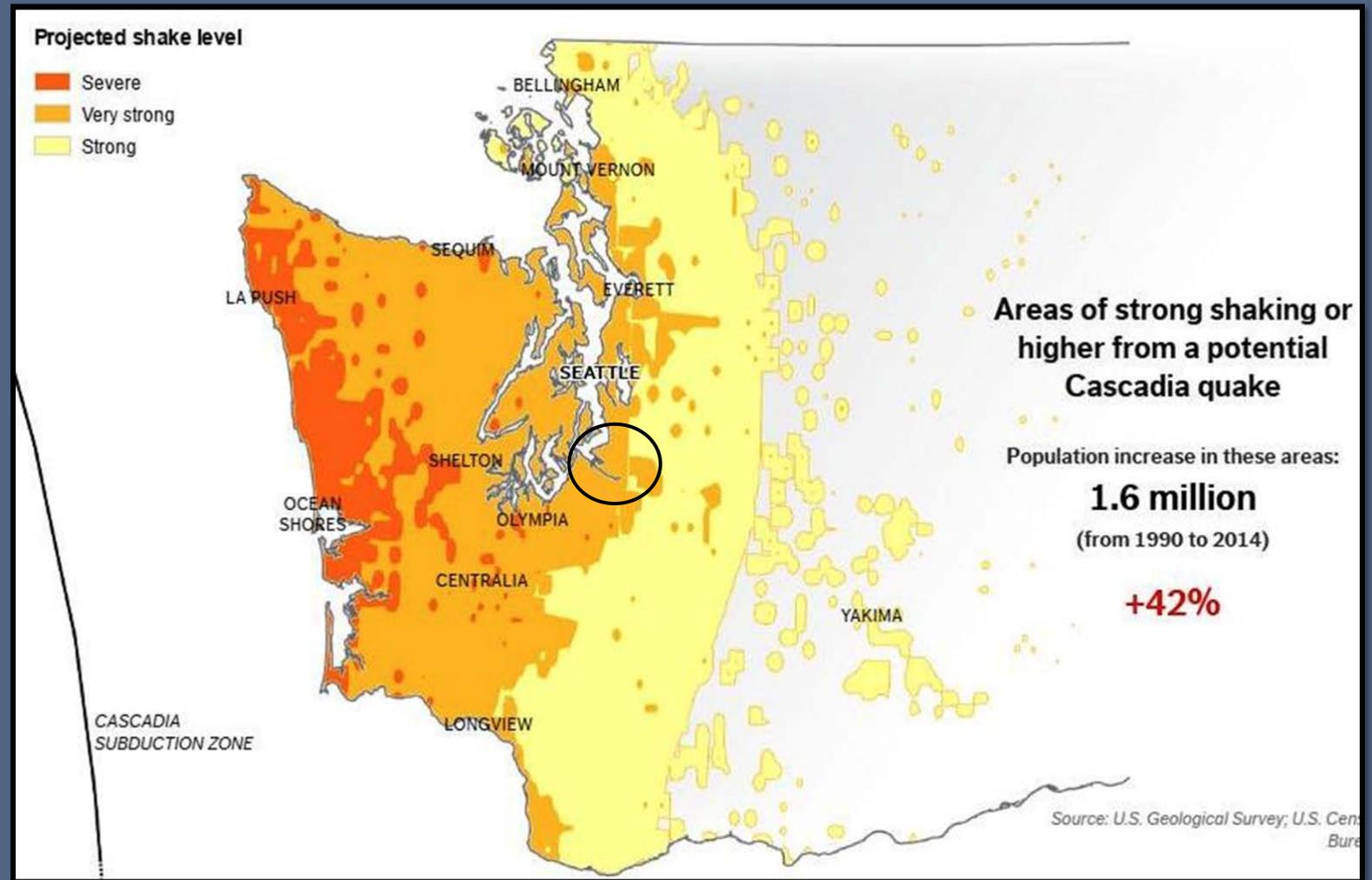
FEMA Real World Predictions based on a 9.0 Earthquake

SITUATION



SITUATION

Magnitude will feel like a 7.2 in Lakewood & University Place with 4.5 minutes of shaking.



SITUATION

Tsunami

- Parts of the coastline will drop during the earthquake creating a new sea level
- The first wave will reach the coast within 20-30 minutes
- Expect multiple waves over a period of hours
- WA coast towns including Hoquiam will be devastated



- *First tsunami waves reach the coast in 20-30 minutes.*
- *Along the CSZ coastline 20,000 people wont make it to high ground. 15,000 may be swept out to sea or crushed from debris . Even more during coastal tourist season*

SITUATION IN WA

*24 % of hospitals along
the I-5 corridor will
sustain high damage*



*12,000+
Injuries*



9,400+ Fatalities

SITUATION



20% - over 1,000 bridges may either completely collapse or be damaged enough to require replacement.

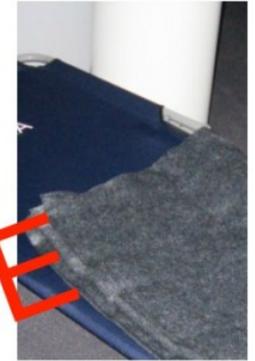
SITUATION



Initially 415,000 will need sheltering
1,100,000 will need feeding & hydration

Shelter
Life: How
to

SURVIVE



and



THRIVE in a

Red Cross
Shelter



theSurvivalMom.com

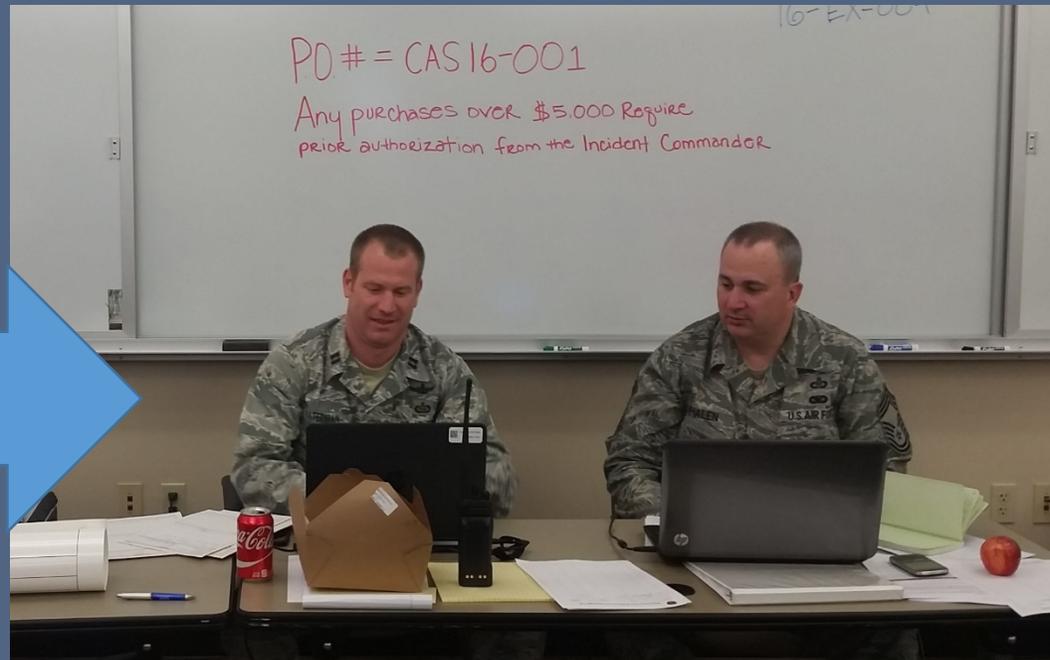
National Guard and Active Duty Military Response

National Guard/Military Response

- Massive, immediate response from WA National Guard (WANG) and Active Duty military from all branches (approximately 100,000 troops). This will happen immediately, without the state making the normal emergency request.
- National Guard units from surrounding states already pre-designated to respond (MT, ID, WY)
- Focus for first 24 hrs is search and rescue along coastal areas

National Guard/Military Response

- WANG has assigned each one of their units to a specific geographical area. The 194th Air NG Wing is assigned to Pierce County and is beginning to build long term relationships. Lakewood's assigned liaison is WANG Cpt. Waterman.



National Guard/Military Response

- Military missions:

- Air transport & evacuation (both helicopter and large fixed wing)
- McChord's runway is built on granite and thought to be able to survive. It will become a **MAJOR** regional hub for bringing in resources and flying out medical evacuees.
- Engineering- debris removal, road clearance, building bridges
- Medical
- Mass feeding
- Security
- Water purification
- Communications

Implications for Lakewood

- McChord will be heavily relied on to bring in supplies and remove injured = Lakewood may take on a role of being a staging area of sorts.
- The NG/Military is planning on roads being impassable so using airlift to move food and medical supplies = We need to pre-identify suitable drop/landing zones and create PODs for this.
- WA State EMD, post-Cascadia, is now recommending citizens be self sufficient for 2 weeks = How do we build this resiliency in some of our struggling populations?

The Exercise

- Surprise! Used alternate EOC
- Working outside of “comfort zone”
- Realistic stressful/chaotic environment
- Uncomfortable roles

DECLARATION OF A STATE OF EMERGENCY

WHEREAS, the following emergency has occurred in the City of Lakewood an earthquake (9.9.5)

WHEREAS, the aforesaid situation, its effects continue to impact the life and health of the residents of the City of Lakewood, as well as the property and transportation infrastructure of the City of Lakewood, all of which affect life, health, property, or the public peace, and constitute a public emergency demanding immediate action.

NOW THEREFORE, I, Tho Kraus, of the City of Lakewood, as a result of the above-noted situation and pursuant to the provisions set forth in Chapter 8.08 of the Lakewood Municipal Code, do hereby proclaim as follows:

Section 1: Pursuant to Lakewood Municipal Code 8.80.070(A), an emergency exists in the City of Lakewood, State of Washington. I direct that the plans and procedures in the Emergency Management Plan for the City of Lakewood be implemented. City departments are directed to utilize city resources and to do everything reasonably possible to assist in an effort to respond to and recover from the event.

Section 2: In accordance with RCW 39.04.280(1)(c) and (1)(e) and Lakewood Municipal Code 08.80.060, the undersigned has determined that this emergency situation requires the waiver of competitive bidding requirements and the award of necessary contracts to repair City infrastructure to remedy threats associated with the emergency and to protect the health, safety and welfare of the public. The Public Works Department and other affected City Departments are authorized to execute appropriate contracts for, and without limitation, the removal of debris and the repair of City streets, storm drainage system and outfall structure, without the necessity of competitive bidding.

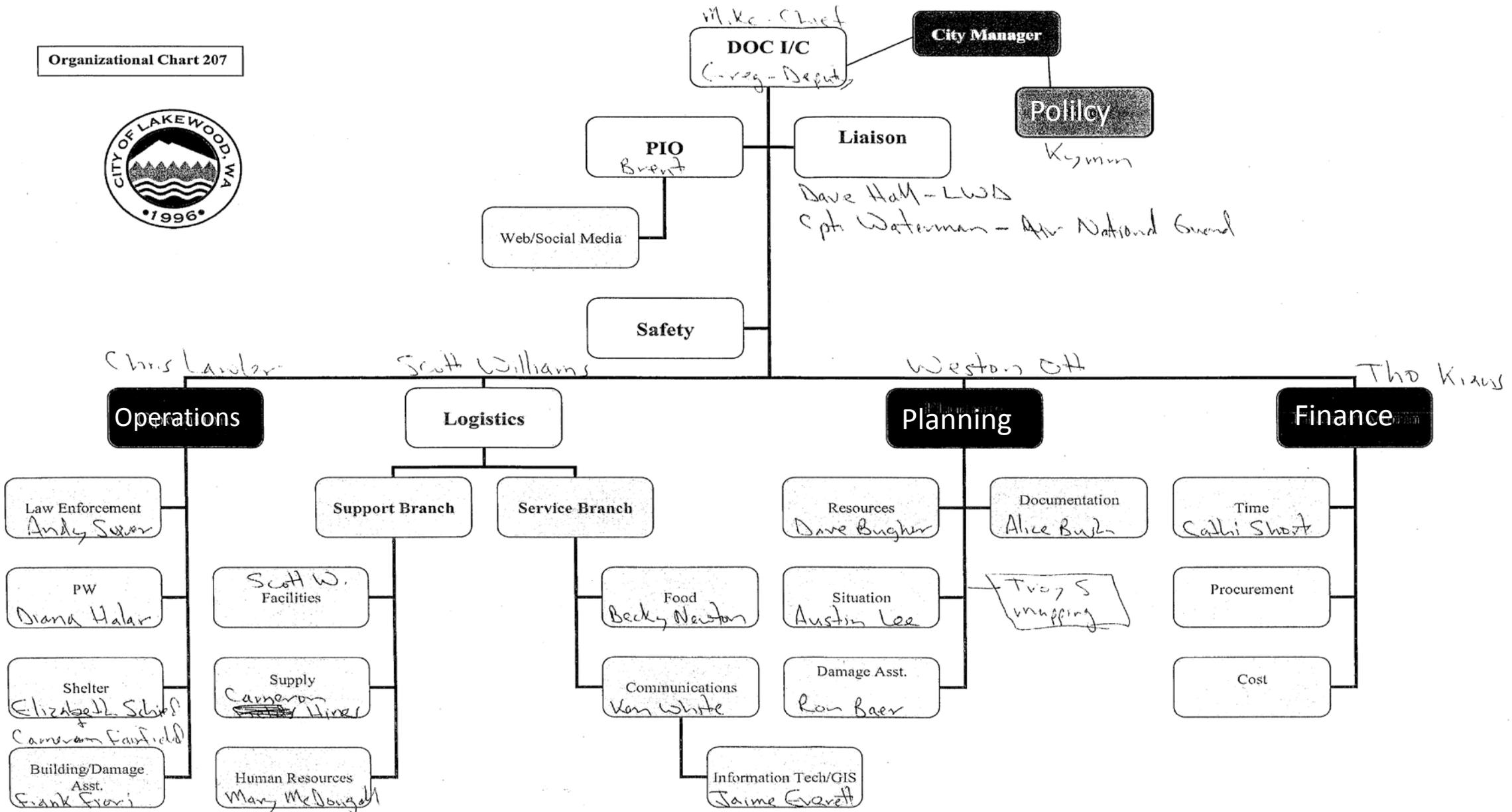
Section 3: To the extent practical, a copy of this Proclamation shall be made available to all media outlets within Pierce County and to the general public. In order to give the widest dissemination of this Proclamation to the public, as many other practical means available shall be used, including but not limited to posting on public facilities, and posting on the City's internet site, <www.cityoflakewood.us>.

Section 4: This Proclamation shall, within forty eight (48) hours, or as soon as practical, shall be filed with the City Clerk for presentation to the City Council, for ratification and confirmation, or modification or rejection, and if rejected, this Proclamation shall be void. If the City Council rejects this Proclamation, such rejection shall not affect the City's responsibility for actions undertaken prior to such rejection, including the City's responsibilities including the actual costs incurred by those who were ordered by or entered into contracts with the City.

DONE at Lakewood, Washington this 05 day of June, 2016 at Lakewood, WA
a.m./p.m.

Tho Kraus
Tho Kraus - ASST-City
018

Organizational Chart 207



Taco Bell 15223 Union

RAPID DAMAGE ASSESSMENT

1 APPARATUS REPORTING ZONE/GRID *5-29*

2 TRAVEL ROUTE (i.e. North on Bridgeport, west on Cirque) START TIME *9:09:32*

3 STREET ACCESS ISSUES (list streets affected)

4 **Critical Infrastructure / Key Resources**

LEVEL OF DAMAGE (if known)	Minor	Moderate	Severe	Notes
<i>Smoke / possible fire</i>		✓		

5 **Commercial / High Life-Hazard Damages**

STRUCTURAL DAMAGE (list address or name of structure or business)	Moderate	Severe	Injury / Fatalities #s				Notes (trapped/need for SAR, hazardous materials spills, etc.)
			G	Y	R	DOA	
<i>Smoke</i>	✓						

6 **Residential Damages**

ADDRESS (only list those with moderate to severe damage)	Moderate	Severe	Injury / Fatalities #s				Notes
			G	Y	R	DOA	

7 REPORT COMPLETED BY: *[Signature]* TIME: *940* REPORTED TO: *City of Lakewood*

Report findings by calling them to Operations 253-273-8598 or 253-273-3574
 Email them to ECCdamages@cityoflakewood.us or faxing them to 253-588-2317 or 253-588-8256

M&O and Parks

Disaster Rally Areas

- Conducted damage assessments of Lakewood
 - Stopped by schools
 - Looked for signs around town
 - Opened envelopes as they drove by businesses to learn of the damage sustained – and documented on the sheets
 - Sheets were then sent or brought in to the EOC

Situational Awareness

Focused on:

- Employee Accountability
- Prioritization of response
- Utilization of city resources
- Utilization of local business resources
- Public/Private partnerships
- Communication with surrounding municipalities and County agencies

 City of Lakewood Situation Report		
Report #:	1	Date: 6/8/2016
Operational Period:	08:00 - 20:00 6/8/2016	As of Time: 11:05
Incident Name/Incident Type:	CASCADIA RISING - MAJOR EQ	FEMA # N/A
		Mission # N/A
EMERGENCY OPERATIONS CENTER STATUS		
EOC Activation Status:	Level # OPEN	Location: 4300 STEELMOON BLVD WEST PUEBLO AREA
Hours of Operations:	24 HRS - 2 - 12 hr SHIFTS 08:00 - 20:00 - 20:00 - 08:00	
CURRENT OBJECTIVES		
<ul style="list-style-type: none"> • Establish and staff the EOC to effectively meet the initial and long term challenges required to mitigation the incident • Employee safety - PROVIDE FOR RESPONDERS SAFETY, HEALTH PLAN, ETC. • Prioritization of service • MAINTAIN CIVIL ORDER • PROVIDE FOR SAR • CONDUCT DAMAGE ASSESSMENT • WATER - POTABLE 		
GENERAL SITUATION		
Incident Overview: CASCADIA EQ - MAJOR EVENT AND TSUNAMI W/ SOME WAVES		
Significant Events: ERRATA QUARANTINE - 9.0 ALONG THE COASTLINE		
<div style="border: 2px solid black; padding: 10px;"> <h3 style="text-align: center;">SITUATION</h3> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> <p>Projected shake level</p> <ul style="list-style-type: none"> ■ Severe ■ Very strong ■ Strong </div> <div style="width: 40%; text-align: center;">  </div> <div style="width: 25%;"> <p>Cascadia EQ felt as a 9.0 along the coastline. Complete rupture of the 700 mile Cascadia subduction zone (CSZ) fault. Affected area encompasses 14,000</p> </div> </div> </div>		

Lessons learned

What went well?

- Networking with Liaison
- Information exchange
- Easier Situation Report form
- Damage assessments
- Utilization of the Incident Command System
- Good energy & involvement
- The International USGS visit

What can we improve or need?

- The use of and filling out forms
- More computers in the EOC
- Take a few minutes to sit with those in the Section to understand roles and flow of information prior to starting work
- Name tags so Liaisons know who they are talking to
- Continued training & exercise opportunities
- Need mini-plans (e.g. tent shelter, evacuation, feeding etc.)



Cascadia Rising

Recovery Phase Table Top Exercise

Recovery topics

- Planning
- Public Information and Warning
- Operational Coordination
- Economic Recovery
- Health and Social Services
- Housing
- Infrastructure Systems
- Natural and Cultural Resources



What's next?

- Training during our monthly meetings
- Continued relationship building for whole-community planning and preparedness
- Table-top exercise on an Extreme Weather event before a possible La Niña winter
 - La Niña winters: cooler and wetter than average conditions and a healthy mountain snowpack.

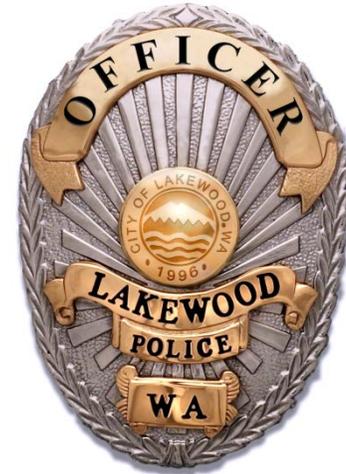


Questions?

Lakewood Police Department Monthly Crime Report



- NIBRS Monthly Report
(Group A Offenses)
- 2015-2016 Comparison Charts
- Gang Arrests
- 2015-2016 Traffic Stops
- 2015-2016 Traffic Accidents



2nd Quarter 2016



Lakewood Police Department

2nd Quarter 2016 Calls For Service: 15,712

Lakewood PD Arrests (Felony): 185

Lakewood PD Arrests (Gross Misdemeanor): 4

Lakewood PD Arrests (Misdemeanor): 246

Warrant Arrests: 160

2nd Quarter 2016



Lakewood Apartment Report 2016

Top Ten Large Apts* 2nd Qtr 2016 Calls for Service	CFS	No. of Units	CFS/Units
MORNING TREE PARK APTS	103	400	0.26
VILLAGE AT SEELEY LAKE APTS	100	520	0.19
THE CROSSINGS APTS (LAUREL GARDENS)	86	230	0.37
PACIFIC WALK TOWN HOMES	71	196	0.36
WISTERIA WALK APTS	67	120	0.56
MERRILL CREEK APTS	58	149	0.39
LEGACY PARK (Sage Terrace)	51	107	0.48
CANTERBROOK VILLAGE APTS	49	134	0.37
OAKRIDGE APTS	46	134	0.34
THE HARRISON (STEEPLE CHASE APTS)	45	135	0.33
Top Ten Medium Apts* 2nd Qtr 2016 Calls for Service	CFS	No. of Units	CFS/Units
MCCHORD TUDOR HAUS APTS	77	27	2.85
CROWN POINTE APTS	57	76	0.75
MEADOWBROOK APTS	45	48	0.9
GARDEN PARK APTS	44	49	0.9
LAKEWOOD ESTATES	38	32	1.19
VILLAGE COURT APTS	36	36	1
EVERGREEN COURT APTS	34	40	0.85
BRIDGEWOOD APTS	25	49	0.51
WHISPERING FIRS APTS	25	20	1.25
EASTWOOD APTS	24	56	0.43
EAGLES LAIR APTS	23	54	0.43
Top Ten Small Apts* 2nd Qtr 2016 Calls for Service	CFS	No. of Units	CFS/Units
KELLY PLACE APTS	32	5	6.4
LAKESIDE APTS	25	12	2.1
MANRESA APTS	21	20	1.05
JUNIPER COURT APT HOMES	20	20	1
RAINIER VISTA APTS	19	12	1.58
CREEKSIDE APTS	16	19	0.84
TYEE APTS	14	8	1.75
KENMAR APTS	13	10	1.3
PARADISE APTS	13	9	1.44
SHERWOOD FOREST APTS	13	16	0.81

Top 20 Apts 2nd Qtr 2016 Serious Calls For Service	SCFS	No. of Units	CFS/Unit
MORNING TREE PARK APTS	12	400	0.03
SUNDANCE APTS	9	104	0.09
VILLAGE AT SEELEY LAKE APTS	9	520	0.02
GARDEN PARK APTS	8	49	0.16
PACIFIC WALK TOWN HOMES	8	196	0.04
EASTWOOD APTS	7	56	0.13
THE CROSSINGS APTS (LAUREL GARDENS)	7	230	0.03
LEGACY PARK (Sage Terrace)	6	107	0.06
MCCHORD TUDOR HAUS APTS	5	27	0.19
MERRILL CREEK APTS	5	149	0.03
WHISPERING FIRS APTS	5	20	0.25
CANTERBROOK VILLAGE APTS	4	134	0.03
LAKEWOOD ESTATES	4	32	0.13
MEADOWBROOK APTS	4	48	0.08
STONEGATE APTS	4	120	0.03
VENTURA II APTS	4	15	0.27
VILLAGE AT OAK MEADOWS	4	98	0.04
BEAUMONT GRAND APTS	3	267	0.01
CARLYLE COURT APTS	3	28	0.11
COUNTRY ESTATES APTS	3	57	0.05

Mobile Home Report

Total Calls For

Top Mobile Home Parks 2nd Qtr 2016			
Calls For Service	CFS	No of Units	Avg/Units
RANCHO VILLA MHP	64	55	1.16
VILLAGE GREEN MHP	46	167	0.28
KARWAN VILLAGE MHP	44	38	1.16
WOODBROOK MHP	33	38	0.87
CANTERBURY ESTATES MHP	19	96	0.20
JAMESTOWN ESTATES MHP	16	44	0.36
NORTHWEST MOBILE HOME P	16	52	0.31
MEADOW PARK TRAILER COU	16	22	0.73
FRANCIS COURT MHP	15	49	0.31
ALPINE ESTATES MHP	14	46	0.30
FAIRFIELD ESTATES MHP	14	60	0.23
GLEN MAR MHP	14	48	0.29
WINDSOR COURT MHP(MOBI	14	112	0.13
F & T TRAILER COURT	12	12	1.00
MT TACOMA MHP	12	65	0.18

Serious Calls For

Top Mobile Home Parks 2nd Qtr 2016			
Serious Calls For Service	SCFS	No of Units	Avg/Units
GLEN MAR MHP	5	48	0.10
F & T TRAILER COURT	3	12	0.25
FRANCIS COURT MHP	2	49	0.04
JAMESTOWN ESTATES MHP	2	44	0.05
KARWAN VILLAGE MHP	2	38	0.05
TERRACE TRAILERS MHP	2	15	0.13
VILLAGE GREEN MHP	2	167	0.01
WOODBROOK MHP	2	38	0.05
ALPINE PLACE MHP	1	11	0.09
CANTERBURY ESTATES MHP	1	96	0.01

Motel Report 2016

Motel	1st Qtr 2016 CFS	2nd Qtr 2016 CFS	2016 Total CFS	Motel	1st Qtr 2016 SCFS	2nd Qtr 2016 SCFS
Western	53	69	122	Biltmore	6	3
Biltmore	22	22	44	Lakewood Inn	2	3
Fort Lewis	27	20	47	Western	5	3
Lakewood Inn	27	16	43	Candlewood Suites	1	2
La Casa	7	16	23	La Casa	1	2
Best Value	11	14	25	Best Western	0	1
Madigan	19	14	33	Fort Lewis	1	1
Holiday Inn Express	15	13	28	Golden Lion	3	1
Golden Lion	21	10	31			
Candlewood Suites	7	6	13			
Best Western	5	3	8			

Bar Report 2016

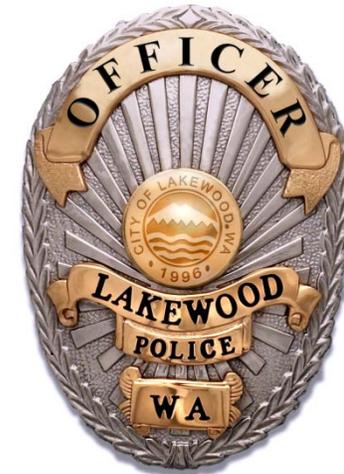
Bar	1st Qtr 2016 CFS	2nd Qtr 2016 CFS	2016 Total CFS	Bar	1st Qtr 2016 SCFS	2nd Qtr 2016 SCFS	2016 Total SCFS
Dennys	10	21	31	Dennys	3	3	6
Chips-Palace	9	19	28	Schooner	1	3	4
Boks	2	13	15	Cheers	1	2	3
Schooner	14	13	27	Chips-Palace	3	2	5
Oaktree	31	11	42	Oaktree	0	2	2
Applebees Grill and Bar	7	10	17	Palace Casino	3	2	5
Great American Casino	11	10	21	Black Angus	0	1	1
Gerties	0	9	9	Burs	0	1	1
Ram	4	8	12	Cafe Happys	0	1	1
Champions	6	7	13	Gerties	0	1	1
Macau Casino	7	7	14	Great American Cas	1	1	2
Burs	2	6	8	Hammer Time	0	1	1
Cheers	7	6	13				
Fan Club	6	6	12				
MoMo Hof	0	6	6				
Dung Gi	0	5	5				
Hammer Time	5	5	10				
Tacoma CC	0	4	4				
Black Angus	2	2	4				
Cafe Happys	0	2	2				



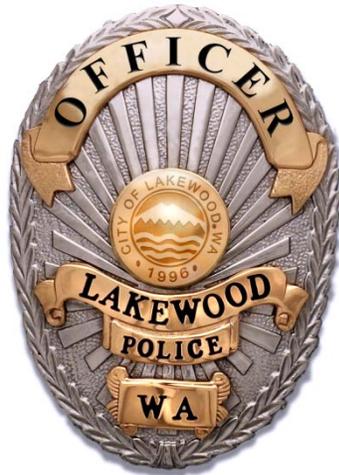
Lakewood Police Department 2015-2016

Quarterly Crime Comparison Charts

January - December 2015-2016

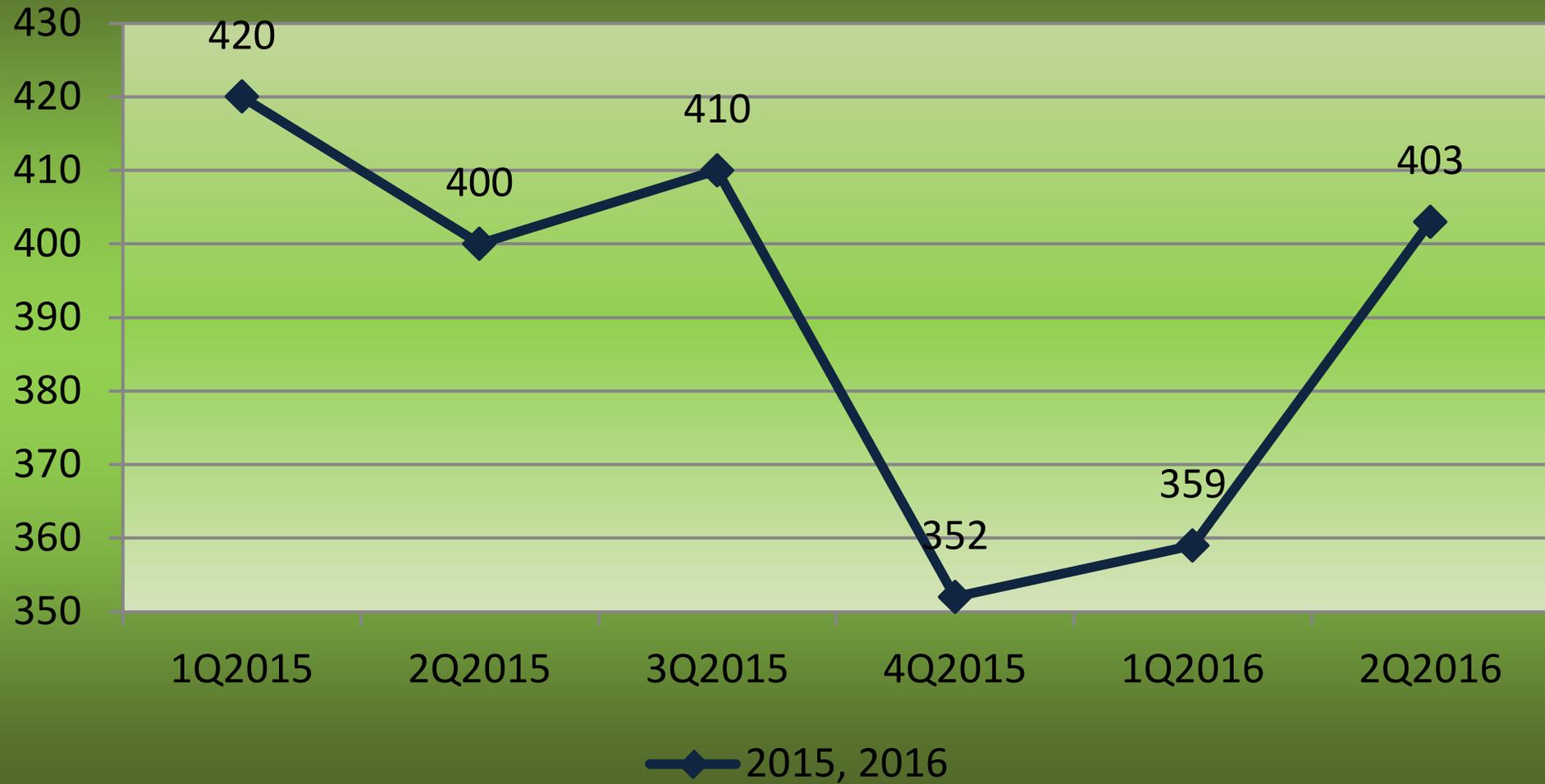


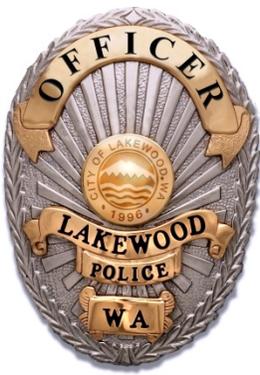
NIBRS Report 2Q2016



	Crime and Incident Report 2nd Quarter 2016		
	Quarter Total Prior Year	Quarter Total Report Year	Percent of Change
Person Crimes			
Aggravated Assault	69	92	33.33%
Simple Assault	278	269	-3.24%
Homicide	1	0	-100.00%
Kidnapping	5	5	0.00%
Sex (Forcible)	19	13	-31.58%
Sex (NonForcible)	28	24	-14.29%
Totals and Averages	400	403	0.75%
Property Crimes			
Arson	2	7	250%
Bribery	0	0	0%
Burglary	116	136	17%
Counterfeiting	46	19	-59%
Vandalism	225	204	-9%
Embezzlement	0	0	0%
Extortion	4	0	-100%
Fraud	94	46	-51%
Larceny	515	451	-12%
Motor Vehicle Theft	64	60	-6%
Robbery	17	25	47%
Stolen Property	0	0	0%
Totals and Averages	1083	948	-12%
Society Crimes			
Drug	157	137	-12.74%
Pornography	2	0	-100.00%
Prostitution	20	16	-20.00%
Weapon Law Violations	24	37	54.17%
Totals and Averages	203	190	-6.40%
Grand Totals and Average	1686	1541	-8.60%

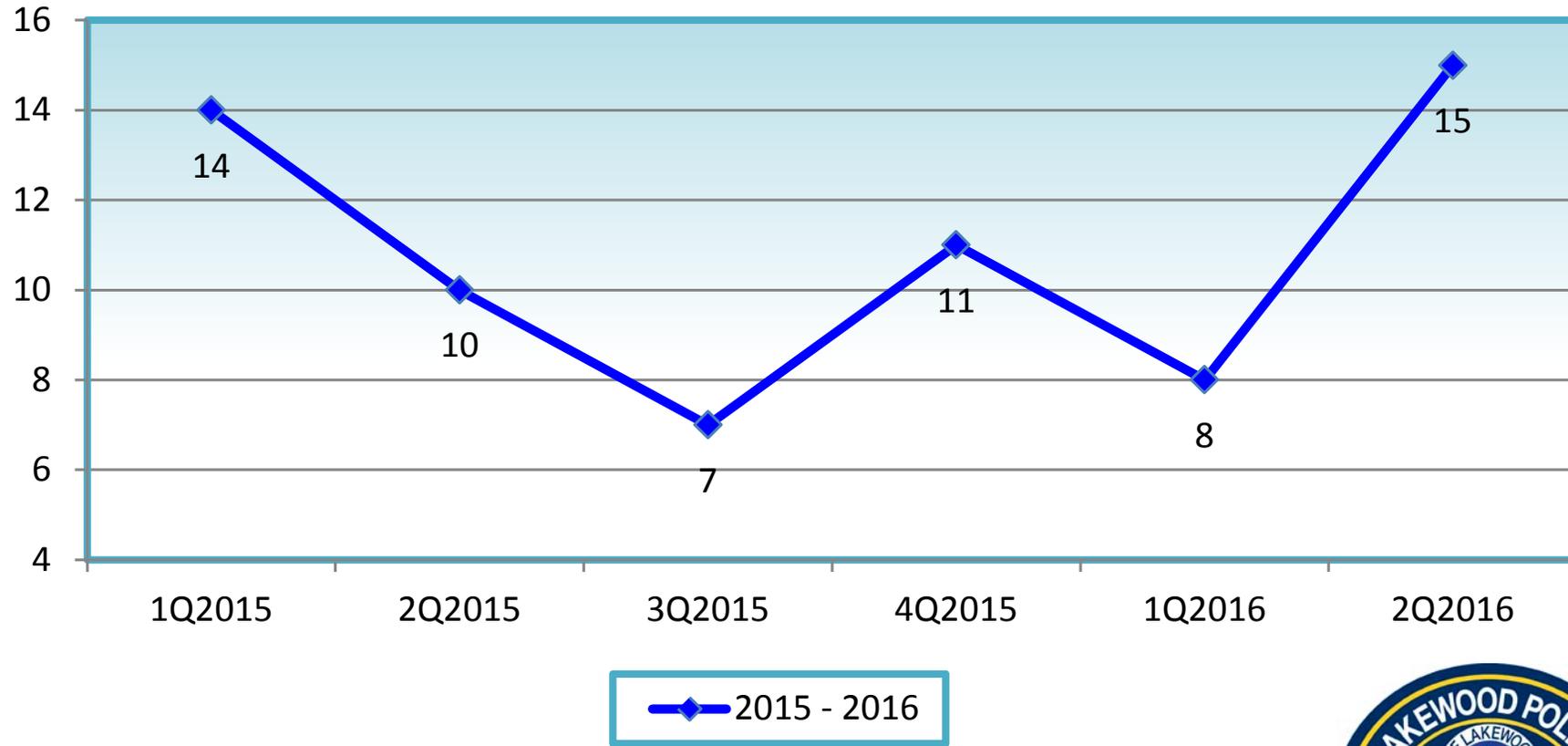
NIBRS Person Crimes By Quarter 2015-2016





Lakewood PD Quarterly Gang Related Arrests 2015- 2016YTD

Gang Arrests 2015 Thru 2016 By Quarter

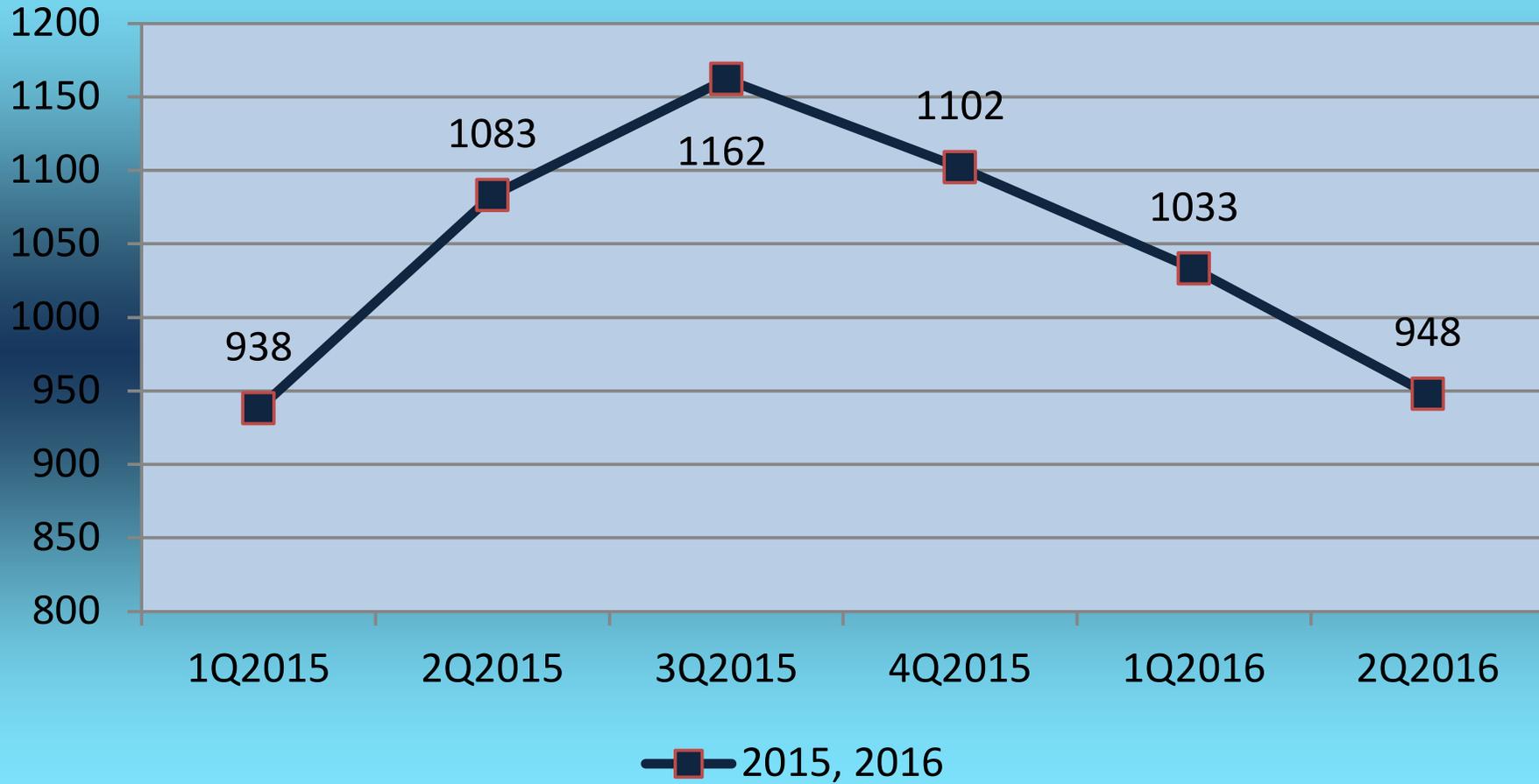


These numbers are Warehouse derived and accurate as of 12 July 2016

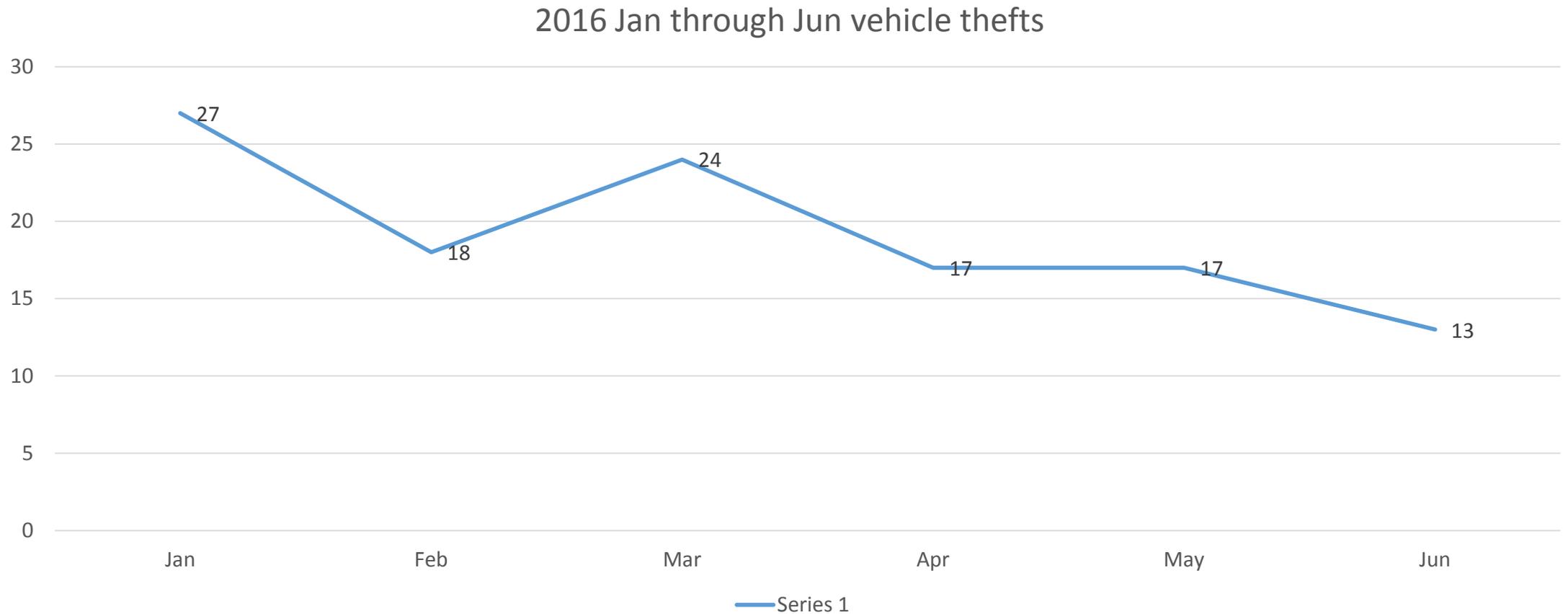
Crimes Against Person Analysis

- Include drive-by shootings with no injuries
- Increase in gun crimes, gun possession, gun presence
- About 30% of persons crimes are DV related
- Several assaults related to drugs.
- Spike in gang arrests correlates with spike in persons crimes.

NIBRS Property Crimes By Quarter 2015-2016



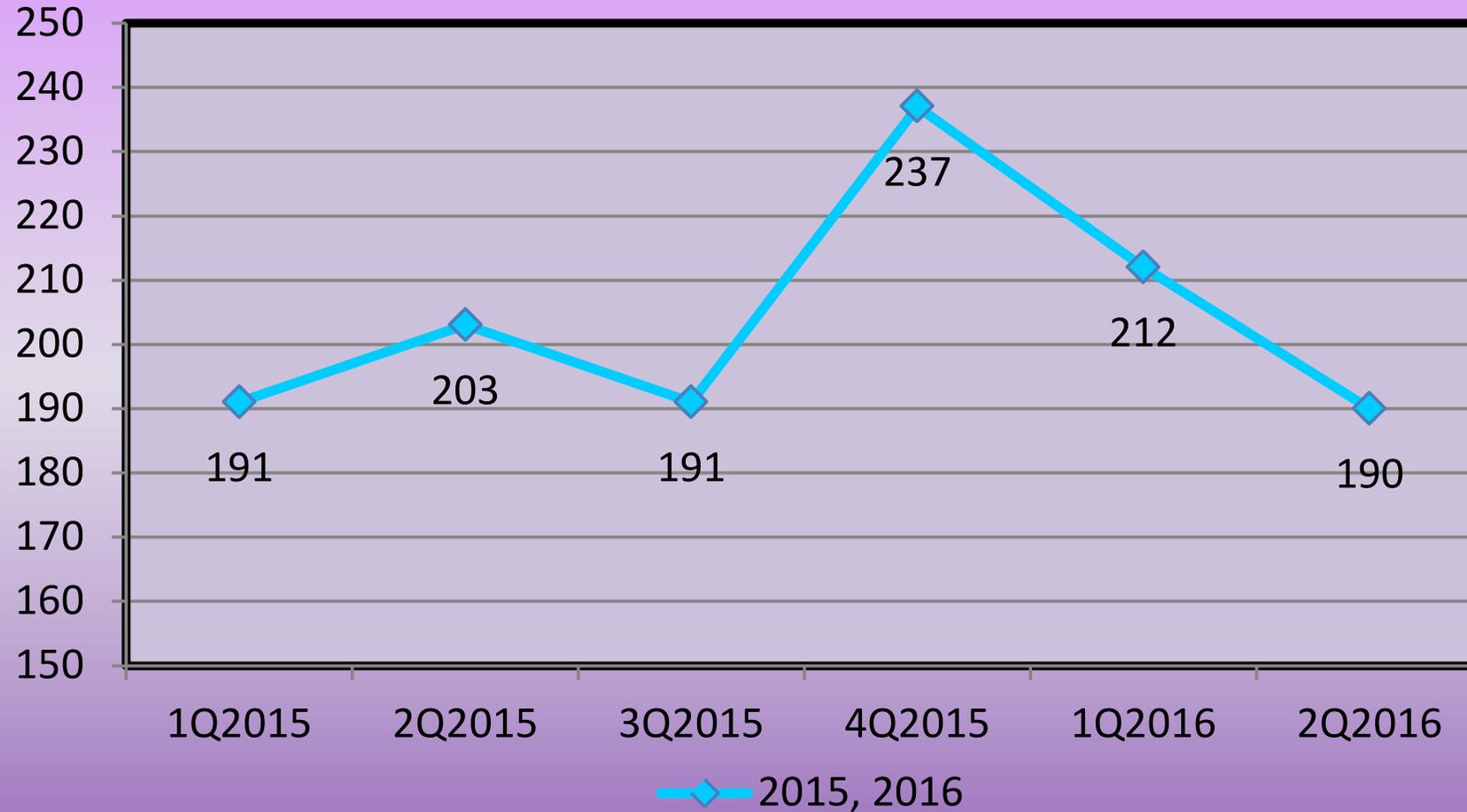
Lakewood Vehicle Theft



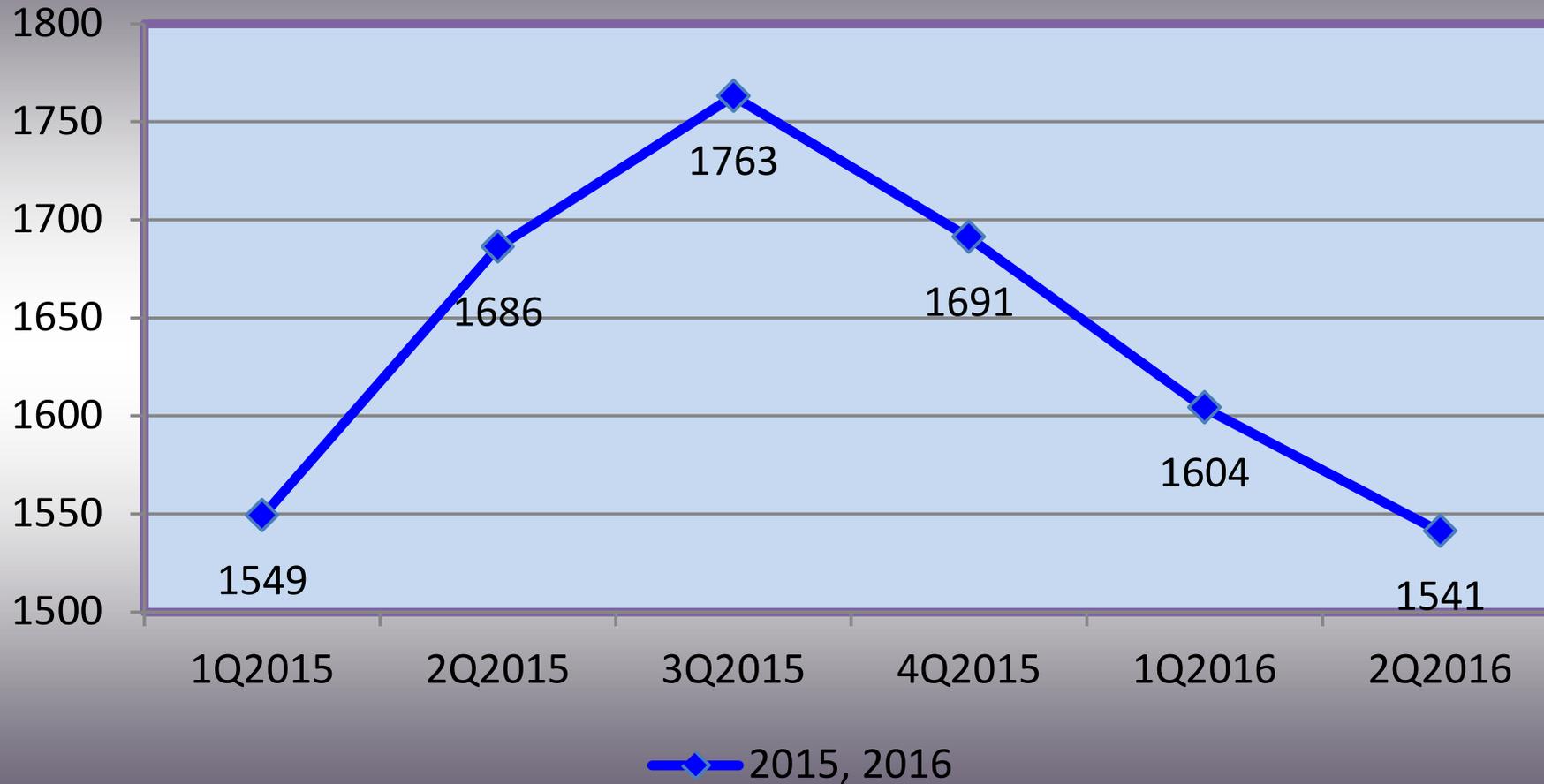
2016 Jan-Jun Auto Theft per 1000 population comparison

	Vehicle Thefts	population	Thefts per 1000
Gig Harbor	5	8,375	.6
Orting	9	7,266	1.25
Lakewood	116	59,610	1.95
Puyallup	122	39,105	3.12
Tacoma	1027	205,159	5.01
Auburn	386	76,347	5.06
Sumner	50	9,677	5.17
Federal Way	487	93,425	5.21
Fife	78	9,550	8.17

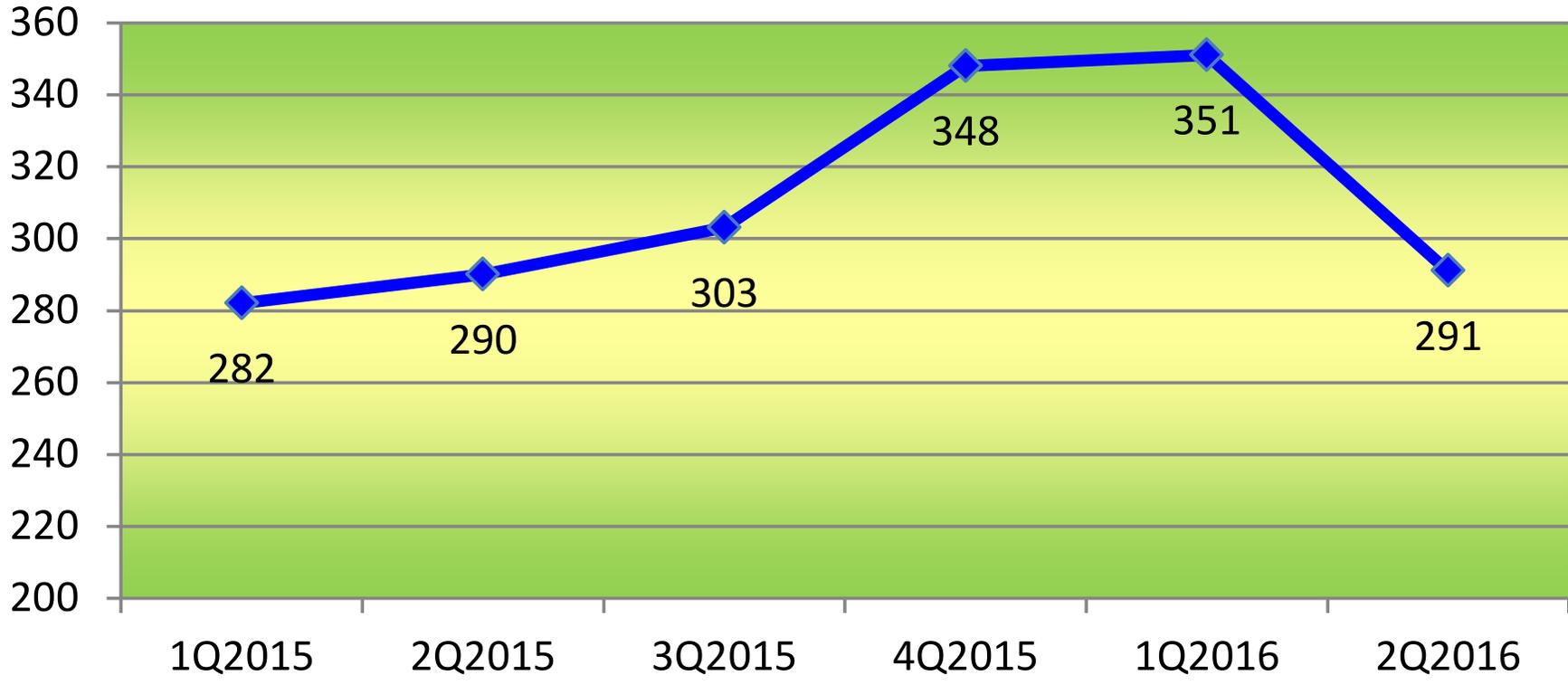
NIBRS Society Crimes By Quarter 2015-2016

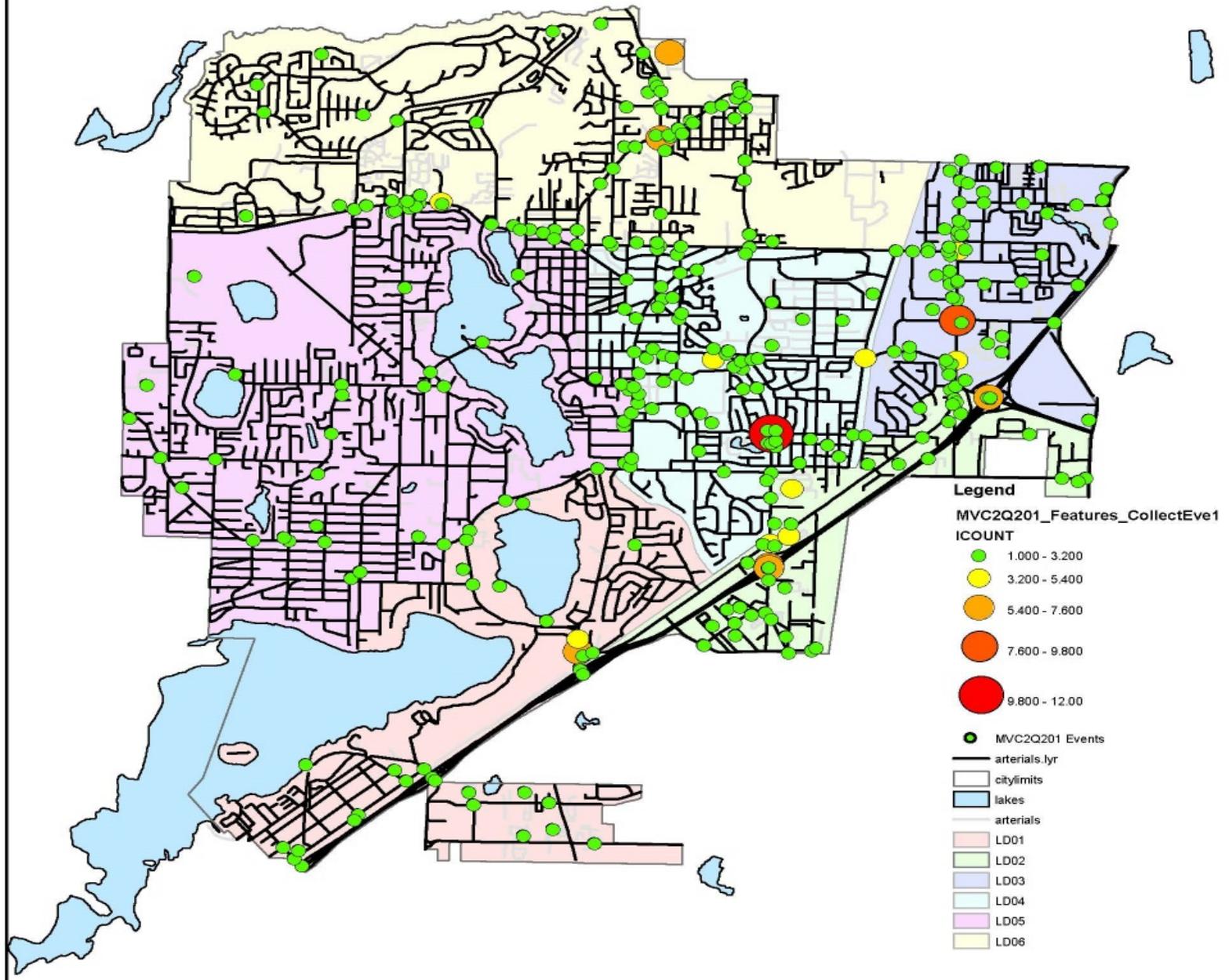


NIBRS Total Group A Crime By Quarter 2015-2016



Total Accidents By Quarter (Calls) 2015 and 2016

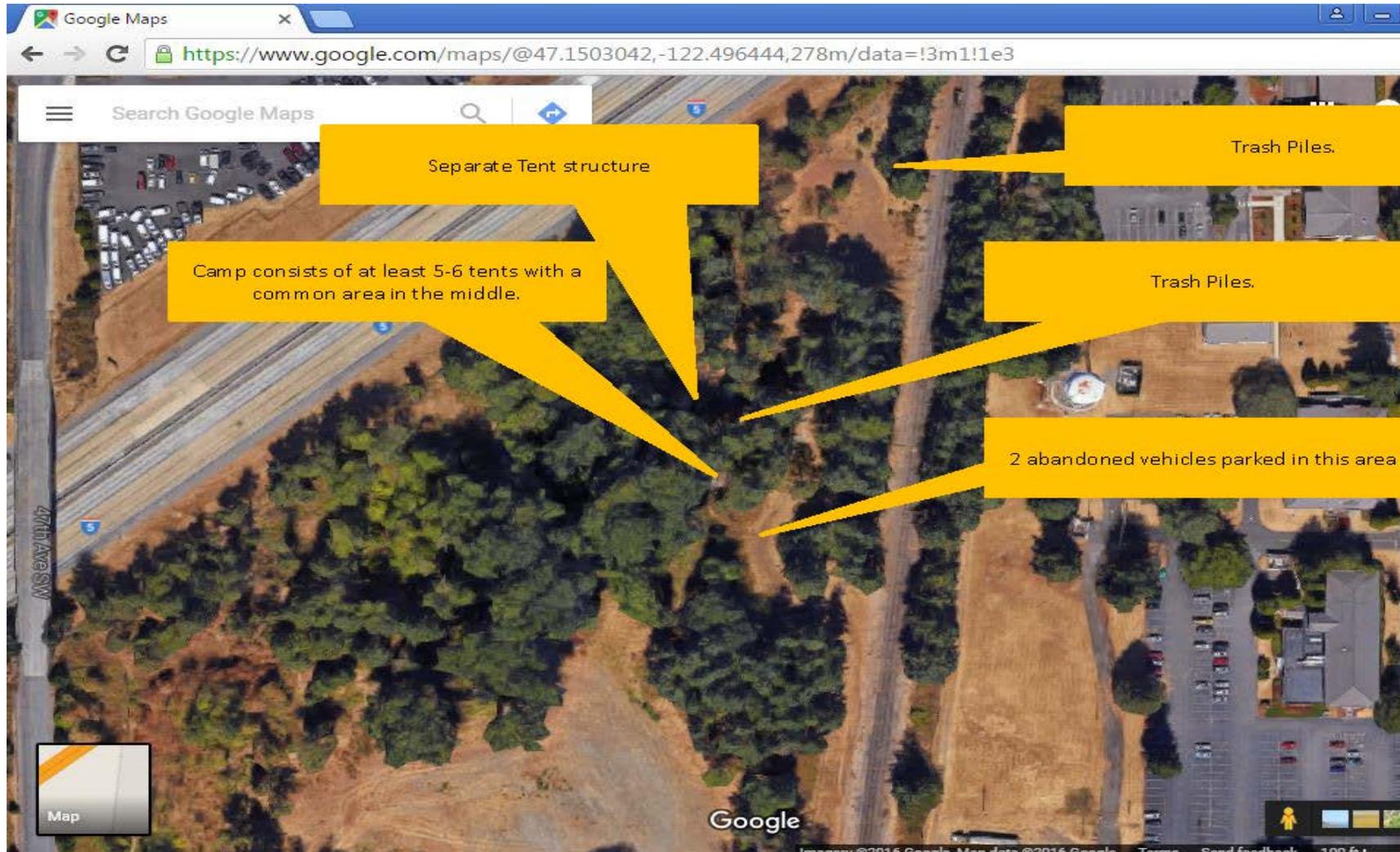




Collision Review

- Locations of frequent collisions (in order of frequency)
 - Intersection of 112th and Bridgeport
 - Intersection 96th and S. Tacoma Way
 - Intersections at freeway on and offramps at SR512, Bridgeport, and Gravelly
- Will explore possible road improvements with Public Works to address collisions in these locations.

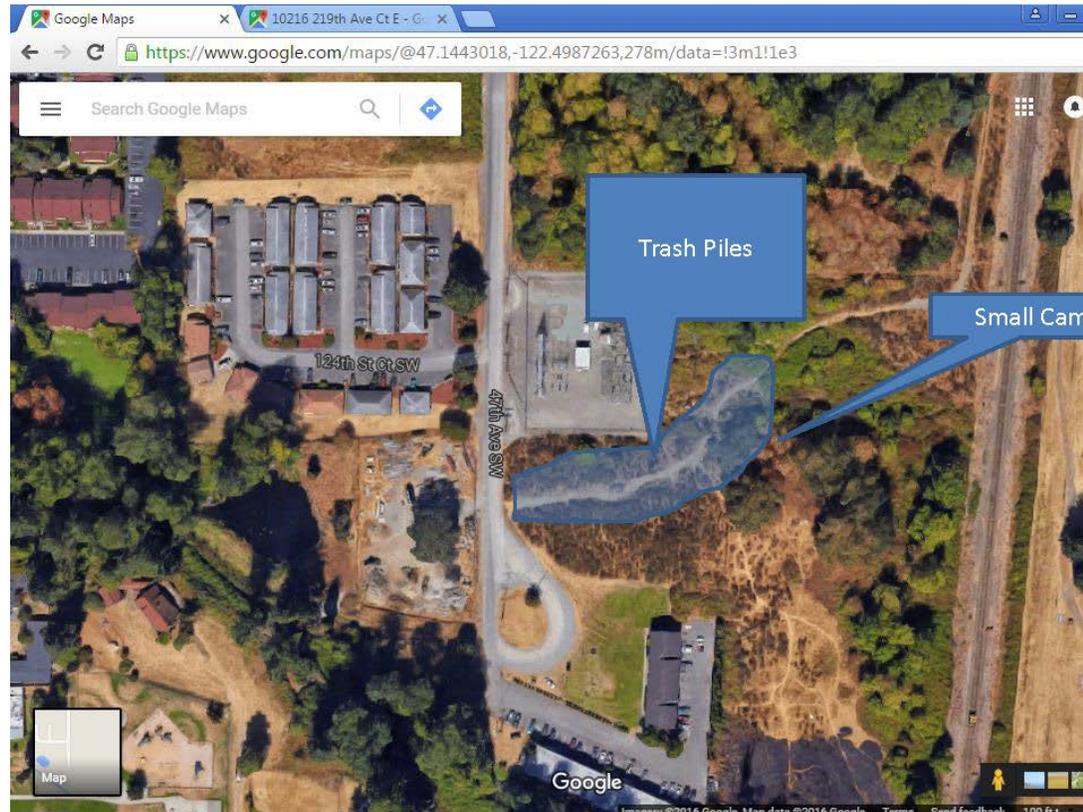
CSRT Homeless Camps and Illegal Dumping



Homeless Camps and Illegal Dumping Cont'd.



Homeless Camps and Illegal Dumping Cont'd.



Blighted Property Cleanup



Behavioral Health Contact Team

- 10 high service users reviewed
- Average calls for service per year *per person* was 35.7 dating back to January 2014
- Within an average of 5.8 months of initial contact by the BHCT they were reduced to 0 calls for service.
- The longest amount of time it took to get to 0 calls was 12 months and the shortest being immediately after 1st contact



To: Mayor and City Councilmembers

From: Elizabeth Scheid, Lakewood Senior Activity Center

Through: John J. Caulfield, City Manager *John J. Caulfield*

Date: July 25, 2016

Subject: Lakewood Senior Activity Center Lease

Attachments: Lakewood Senior Activity Center Lease Agreement

The City of Lakewood has been operating a Senior Activity Center at the Lakewood Community Center since March, 2006. The City currently leases almost 5,000 square feet. Our current annual lease fee is \$4,940 per month plus additional fees for phone lines. Our current lease expires December 31, 2016.

As part of the City's 2015 work program, staff worked with an ad hoc committee of experts and participants to research alternative senior center locations to see if we could find better space(s) to serve older adults and insure the City is being fiscally responsible. Different types of facilities were considered including locations that might require tenant improvements. No local facilities meeting our current and future needs were found.

In preparation of the 2015 study, Pierce County extended the current lease through the end of 2016 with no increase in rental fees. The terms of the new lease includes a three year lease with the ability to renew for two additional years. The County agreed to keep the current lease rate for the first year (2017), a 4% rate increase the 2nd year (2018) and a 2% increase each year after.

Staff will attend the July 25 study session to answer any questions regarding senior activity center operations or the proposed lease extension.

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into as of the Effective Date (defined in Section 40 below) by and between PIERCE COUNTY, a municipal corporation and political subdivision of the state of Washington ("Landlord") and the City of Lakewood, an optional Code City organized under RCW 35A and a municipal corporation (hereinafter "Tenant"). Landlord and Tenant may hereinafter be referred to collectively as "Parties" or individually as a "Party."

RECITALS

WHEREAS Landlord is sole owner in fee simple of the real property in Pierce County, Washington, consisting of land, buildings and other improvements, facilities and amenities collectively and commonly known as "Lakewood Community Center," 9112 Lakewood Dr SW, Lakewood, Washington 98499, and legally described in attached **Exhibit A** ("Lakewood Community Center");

WHEREAS Landlord desires to lease to Tenants, and Tenants desire to lease from Landlord, approximately 4,940 square feet of rentable space on the first floor of the Lakewood Community Center **Exhibit B** ("Premises"); and

NOW, THEREFORE, for and in consideration of the terms, covenants and conditions set forth below, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows.

AGREEMENT

1. Incorporation of Recitals. The above recitals are true and correct and are incorporated herein by this reference as if fully set forth.

2. Lease of Premises. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, the Premises, upon the terms, covenants and conditions set forth in this Lease.

3. Lease Term; Renewal Options.

3.1 Lease Term. The term of this Lease ("Term") shall be THREE YEARS, commencing 12:01 a.m. on January 1, 2017 ("Commencement Date") and ending at 12:00 midnight on December 31, 2020 ("Expiration Date"), unless earlier terminated pursuant to the terms of this Lease.

3.2 Renewal Options. This lease may be renewed for two (2) additional 1-year terms, beginning January 1 and ending December 31, with written request.

4. Monthly Rent. Beginning January 1, 2017 and continuing on the FIRST (1st) day of each and every month of the Term thereafter, Tenant shall pay to Landlord, at Landlord's address in Section 26 below, or at any such other place as Landlord may from time to time designate in writing, monthly rent in the following amounts ("Rent"), payable in advance without deduction,

offset, prior notice or demand:

<u>Rental Period</u>	<u>Monthly Rent</u>	
01/01/2017 – 12/31/2017	\$4,940.00	(\$12.00/sq. ft.)
01/01/2018 – 12/31/2018	\$5,145.84	(\$12.50/sq. ft.)
01/01/2019 – 12/31/2019	\$5,248.75	(\$12.75/ sq. ft.)
*01/01/2020 – 12/31/2020	\$5,351.67	(\$13.00/sq. ft.)
*01/01/2021 – 12/31/2021	\$5,454.59	(\$13.25/ sq. ft.)

*years requiring extension

5. Late Charge; Interest.

5.1 Late Charge. Unpaid rent due under this Lease if not paid 10 days after requested in writing, shall bear interest from the date originally due until paid at the rate of ten (10) percent per annum.

5.2 Interest. If rent due under this Lease is not paid within the month that they are due, Landlord may at its option impose a late charge of one percent of the balance due for every full month after the original due date that the balance remains unpaid and owing.

6. Sublease of Premises by Tenant to Other Entities.

6.1 It is agreed and understood that the meeting room portions of the Premises are suitable for small, private events such as weddings and that Lakewood may offer such use for an hourly rental fee so long as such use does not interfere with the County’s use of the Community Center. The County may rent such space on the same basis.

6.2 Lakewood will be responsible for all room set-ups and clean ups in their leased space.

6.3 Lakewood is responsible for scheduling staff to supervise room rentals.

6.4 Lakewood may hire part-time staff from County to supervise room rentals which are scheduled outside regular operating hours. Lakewood may hire part-time staff from County to setup rooms and clean public restrooms in the building for rental activities which are scheduled outside regular office hours. Lakewood must provide a minimum of fourteen days notice of a request for part-time staff to the County.

6.5 Lakewood will provide the County a monthly calendar of subleases of the Premises including recreation programs offered by the City of Lakewood Parks, Recreation and Community Services Department fourteen days prior to the applicable month.

6.6 Lakewood Community Center may be opened and closed only by County staff and Lakewood staff assigned to Lakewood Community Center after completing training by

County.

7. Short Term Rental of Other County Rooms and Gymnasium. Tenant may rent rooms not included in the Premises and the gymnasium from Landlord for Lakewood Senior Center programs on a space availability basis and under such terms offered to the general public.

8. Utilities and Services.

8.1 Landlord shall cause electricity, heat, water, sewer, surface water, solid waste, internet and telephone services to be available for Tenant's use in and about the Premises (hereinafter collectively "Utilities"). All Utility connection accounts shall be in the name of Landlord, except internet service, which shall be in the name of Tenant. Except for internet and telephone services, Landlord shall be solely liable for any and all charges and fees for Utilities and shall pay the same to the provider promptly as they become due. Tenant shall be solely liable for any and all charges for internet service and shall pay the same to the provider promptly as they become due. In addition, Tenant shall reimburse Landlord on a monthly basis for the following telephone services furnished to the Premises by Landlord:

<u>Telephone Service</u>	<u>Monthly Reimbursement Amount</u>
Two single-line phone sets w/incoming caller ID	\$50.00
One voice mailbox	\$ 5.00
One incoming number added to central answering phone	\$ 6.25
<u>Two 798-xxxx DID numbers</u>	<u>\$.50</u>
Total Monthly Telephone Reimbursement:	\$61.75

8.2 Insofar as applicable to the Premises, Tenant shall follow the guidelines set forth in the approval letter for Sewer Permit Application No. SWPR 405091, dated September 29, 2005, regarding the remodel of the Lakewood Community Center.

8.3 Tenant acknowledges that the Premises are designed for standard office electrical, lighting and heating fixtures and Tenant shall not use any equipment or devices that utilize excessive electrical energy or that may, in Landlord's reasonable opinion, overload the wiring or interfere with the proper functioning of the existing electrical system. Landlord shall not be liable for any loss, injury or damage to persons or property resulting from any variation, interruption, or failure of Utilities due to any cause whatsoever absent Landlord's negligence or willful misconduct, and then only to the extent of Landlord's proportionate share of liability. Variation, interruption or failure of Utilities shall not be construed as an eviction of Tenant, nor give rise to an abatement of Monthly Rent, or relieve Tenant from fulfillment of any covenant or agreement contained in this Lease.

8.4 Prior to preparing, handling or serving food or meals upon the Premises, Tenant shall: (a) complete a Pretreatment Form for submission to and approval by Tenant's Sewer Utility; and (b) obtain all permits and approvals required by the Pierce County Health Department pertaining to food preparation, handling and service upon the Premises.

9. Keys. Landlord shall provide keys to Tenant employees as requested. Keys are not to be duplicated.

10. Signage. The Lakewood Senior Center signage shall be included in signage for the Lakewood Community Center provided by Landlord in the regular course of business.

11. Hours of Operation. Lakewood Community Center's established hours of operation are listed below are subject to change at Landlord's sole discretion, including changes due to usage and staff availability. It is required that Tenant reimburse Landlord for staffing for any and all use that the Center would otherwise be closed.

Monday – Friday	7:30 am – 8:00 pm or as scheduled
Saturday	8:30 am – 5:00 pm or as scheduled
Sunday	Noon – 5:00 pm or as scheduled

Holiday Hours

New Year's	Closed
Easter	Closed
Memorial Day	Closed
Independence Day	Closed
Labor Day	Closed
Thanksgiving Day	Closed
Christmas Eve	Closed at 5:00pm
Christmas	Closed
New Year's Eve	Closed at 5:00pm

12. Security. Lakewood Community Center is protected by an alarm system. Tenant staff will be provided with the alarm code. Landlord makes no warranty and gives no assurances to the effectiveness of said alarm system.

13. Tenant Improvements and Alterations. Tenant shall not make any improvements or alterations to the Premises without the prior written consent of Landlord, which consent may be granted, withheld, conditioned or delayed by Landlord in its sole and absolute judgment and discretion. After obtaining Landlord's prior written consent, Tenant may, at its sole cost and expense, make approved improvements or alterations to the Premises; provided, that any repairs, improvements or alterations by Tenant may only be done at times and in conformity with plans and specifications approved in advance in writing by Landlord. Tenant shall make all such improvements and alterations in accordance with all Applicable Laws. Tenant shall complete, at its

sole cost and expense, any alterations to the Premises required because of Tenant's improvements and alterations, including any alterations required under the Americans with Disabilities Act ("ADA"). Tenant shall reimburse Landlord for any documented cost incurred by Landlord in the event Landlord is required to assist in obtaining any approvals. If requested by Landlord, Tenant shall post a bond or other security reasonably satisfactory to Landlord to protect Landlord against liens arising from work performed by or for Tenant. All work performed must be done in a workmanlike manner and with material (when not specifically described in the plans and specifications approved by Landlord) of the quality and appearance customary in the trade for first-class construction of buildings of the type located on the Premises and shall be the sole property of Landlord upon the expiration or earlier termination of this Lease, unless Landlord requires Tenant to remove any such improvements or alterations. If Landlord elects to require Tenant to remove such improvements or alterations, Tenant shall restore the Premises to the condition it was in on the date the improvement or alternation was made.

14. Termination. Either party is able to terminate the lease with ninety (90) days written notice.

15. Fixtures. All fixtures attached to the premises solely by the Tenant shall be removed by the Tenant provided (a) that the Tenant shall restore the premises to their condition prior to the installation; and (b) the Tenant shall not be in default; and (c) the removal shall be made on or before the expiration of the term or any extension of that term.

16. Acceptance of Premises; Possession. Tenant acknowledges and agrees that by virtue of its full and comprehensive inspection of the Premises it has determined to its complete satisfaction the same are in good and tenantable condition and can be used for the purposes described in Section 7.1 above.

17. Indemnity and Hold Harmless. Landlord and Tenant mutually agree that any and all causes of action and/or claims, or third party claims, arising under the terms, activities, use and/or operations of the Lease, including the leased premises, each party shall be responsible to the other only to the extent of each other's comparative fault in causing alleged damages or injuries. Notwithstanding the provisions of Paragraph 24 (Waiver of Subrogation), each party agrees to indemnify the other to the extent of the indemnitor and indemnee's proportional share.

As to any and all causes of actions and/or claims, or third-party claims, arising under the sole fault of a party to this Lease, said party shall have a duty to defend, save, and hold the other party harmless, and upon failure to do so, said party shall pay reasonable attorney's fees, costs and expenses incurred by the other party to this Lease in defense of said claims and/or actions.

18. Accidents and Indemnity. All personal property on the said leased premises or within the common area shall be at the risk of Tenant. Landlord shall not be liable to Tenant for any damage to persons or property resulting from the carelessness, negligence or improper conduct on the part of a co-tenant or anyone other than Landlord, nor will Landlord be liable for any damage, theft or injury to persons or property sustained by Tenant or others in and about the leased

premises whether or not resulting from any conditions of the premises or the buildings and/or common area of which the premises are a part or other causes, including but not limited to, damage by water, fire, or explosion not resulting from the negligence of Landlord. Tenant shall give Landlord prompt notice of any defects in the premises to be remedied by Landlord and Tenant agrees to defend and hold harmless Landlord from any claim, action and/or judgment for injury or damage to persons or property arising from Tenant's use of the premises, or the conduct of Tenant's business or from any activity, work or things done, permitted or suffered by the Tenant in or about the premises, unless caused solely by Landlord's negligence.

19. Insurance. Coverage and Limits. The Tenant shall at its expense and not less than fifteen (15) days prior to the effective date of the Lease obtain and file with the County a Certificate of Insurance showing Commercial General Liability Insurance coverage which must be approved by the Risk Management Director as to form and coverage, and which coverage must fully protect the Landlord from any and all claims and risks in connection with Tenant's activity upon or use or occupation of the premises, as well as any and all claims and risks in connection with any activity performed by Tenant by virtue of the rights granted pursuant to the Lease. Such policy must specifically name the Landlord as an additional named insured party there under and provide the following minimum coverage:

19.1 Insurance Coverage. Commercial general liability to include: Bodily injury, property damage, personal injury, contractual liability, products and completed operation, liquor liability; and any injury, death, damage, and/or loss of any sort sustained by any person, organization, or corporation (including Tenant's and any of Tenant's employees and/or agents) in connection with any activity upon or use or occupation of the described premises, and for any activity performed by Tenant by virtue of the rights granted pursuant to this Lease; provided that the Landlord may raise said minimum limits declaring such increase necessary to protect the Landlord.

19.2 Minimum Limits. Two Million Dollars (\$2,000,000) Combined Single Limit Commercial General Liability. One Million Dollars (\$1,000,000) Automobile Liability each occurrence or combined single limit of Two Million Dollars (\$2,000,000), with not greater than a One Thousand Dollars (\$1,000.00) deductible.

Said insurance policies must be maintained in full force and effect at the Tenant's sole expense throughout the entire term of this Lease and such policies or endorsements thereto must contain the following provisions:

The Landlord is an additional named insured for all coverage provided by this policy of insurance and shall be fully and completely protected by this policy and for all risks and for any and every injury, death, damage and loss of any sort sustained by any person, organization or corporation in connection with Tenant's activity performed by Tenant by virtue of the rights granted pursuant to that Lease Agreement between Landlord and Tenant.

The coverage provided by this policy to the Landlord or any other named insured shall not be terminated, reduced or otherwise changed in any respect without providing at least sixty (60) days written notice to the Landlord.

Said liability insurance is to be reviewed annually by the Landlord to determine the adequacy of liability limits which may be increased upon demand.

Notwithstanding any other provisions of this Lease, the failure of Tenant to comply with the above provisions of the section shall subject this Lease Agreement to immediate termination without notice to any party in order to protect the public interest.

20. Industrial Insurance. With respect to the performance of this agreement and as to claims against the County, its officers, agents and employees, the Tenant expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees and agrees that the obligations to indemnify, defend and hold harmless provided in this agreement extend to any claim brought by or on behalf of any employee of the Tenant. This waiver is mutually negotiated by the parties to this agreement.

21. Arbitration. Landlord and Tenant agree that should any dispute arise concerning this Lease both parties shall submit to binding arbitration. The City Attorney and the Prosecuting Attorney or their designees shall mutually agree upon an arbitrator with expertise in the area of law in which the dispute arises. Should such agreement not be possible, the parties shall submit to binding arbitration under the applicable rules of the American Arbitration Association (AAA). Cost of arbitration shall be shared equally.

22. Destruction of Premises. If the Premises are destroyed or injured by fire or earthquake or other casualty, to the extent that they are tenantable in whole or in part, then Landlord may, in its sole and absolute judgment and discretion, elect to either terminate this Lease without further liability to Tenant or proceed with reasonable diligence to rebuild and restore said Premises or such part thereof, provided that as soon as practicable but not later than SIXTY (60) calendar days after such destruction or injury, Landlord shall notify Tenants in writing of Landlord's election. During the period from destruction or damage to restoration, Monthly Rent shall be abated in the same ratio as that portion of the Premises which Landlord determines is unfit for occupancy bears to the whole Premises.

23. Landlord's Right of Entry. Landlord and Landlord's employees, agents or contractors may enter any portion of the Premises during Tenant's Hours of Operation (and at any time during a bona fide emergency or abandonment) to inspect the same, make necessary or agreed repairs, alterations or improvements, supply necessary or agreed services, or exhibit the Premises to prospective or actual tenants, workers or contractors. Tenant acknowledges and agrees that because of the dual-use nature of the Premises, Landlord shall at all times have and retain keys with which to unlock all the doors and gates in and about the Premises (excluding Tenants' vaults, safes and files) and Landlord shall have the right to use any and all means which Landlord may deem proper to open said doors and gates in an emergency, in order to obtain entry to the Premises without liability to Tenant except for any failure to exercise due care for Tenant's property. Any entry to the Premises obtained by Landlord by any of said means or otherwise shall not, under any circumstances, be construed or deemed to be forceful or unlawful entry into, or a unlawful detainer of the Premises, or an eviction of Tenant from the Premises or any portion thereof, provided said entry relates to emergency purposes as aforesaid.

24. Waiver of Subrogation. Landlord and Tenant agree that they shall not make a claim against or seek recovery from the other for any loss or damage to their property, or the property of others, resulting from fire or other hazards covered by fire and extended coverage insurance and each hereby releases the other from any such claim or liability regardless of the cause of such loss or damage so covered by insurance. In the event of any increased cost or impairment of ability to obtain such insurance, the party suffering such increased cost or impairment may terminate such waiver and release upon written notice to the other party hereto. Such waiver is conditioned upon the parties having had their respective insurance companies issue a policy or endorsement providing that the waiver or release of subrogation rights shall not adversely affect or impair such policies or recovery by the insured there under.

25. Surrender of Premises. At the end of the term of this Lease or any extension thereof or other sooner termination of the Lease, Tenant will peaceably deliver up to Landlord possession of the premises in the same condition as received, except for ordinary wear and tear and damage by fire, earthquake, act of God or the elements alone, and Tenant will deliver all keys to the premises to the Landlord. In addition, Tenant at Tenant's expense will remove Tenant's goods and effects and trade fixtures, and those of all persons claiming under Tenant, and Tenant will repair any damage resulting from such removal.

26. Notices. Wherever in this Lease notice is desired or required to be given, such notice shall be addressed and sent by either: (a) United States certified mail, return receipt requested; (b) recognized overnight express or legal messenger service; or (c) facsimile to the address of such person as set forth in this Lease, or such address or addresses designated in writing from time to time. The notice shall be deemed delivered on the earlier of: (a) the date of receipt as shown by the return receipt; the delivery date as shown in the regular business records of the overnight courier or legal messenger service; or (c) the date of automatic confirmed receipt by the recipient's fax, as the case may be. Notices shall be sent to the Landlord or Tenant at the address or facsimile for that party as designated below:

Landlord: Pierce County Parks & Recreation Services
Attn: Tony Tipton, Director
9112 Lakewood Drive SW
Lakewood, WA 98499
Telephone: 253-798-4177
Facsimile: 253-582-7461

Copy to: Pierce County Prosecuting Attorney/Civil Division
Attn: David H. Prather, Prosecuting Attorney
955 Tacoma Avenue South, Suite 301
Tacoma, WA 98402-2160
Telephone: 253-798-4168
Facsimile: 253-798-6713

Tenant: City of Lakewood, Parks & Recreation Department
Attn: Mary Dodsworth, Director
6000 Main Street SW
Lakewood, WA 98499
Telephone: 253-589-2489
Facsimile: 253-589-3774

Copy to: Lakewood City Attorney
Attn: _____
6000 Main Street SW
Lakewood, WA 98499
Telephone: 253-589-2489
Facsimile: 253-589-3774

Any party, by written notice to the other in the manner herein provided, may designate an address different from that set forth above. Any notices sent by a party's attorney on behalf of such party shall be deemed delivered by such party.

27. Negotiation and Construction. This Lease was negotiated by the Parties with the assistance of their own legal counsel and shall be construed according to its fair meaning and not strictly for or against either Party.

28. Time. Time is of the essence of this Lease and of every term and provision hereof. If the date or time for any performance under this Lease falls on a weekend or holiday, the date or time shall be extended to the next business day.

29. Prior Agreements. This Lease contains all of the agreements of the Parties with respect to any matter covered or mentioned herein and no prior agreement, letter of intent, negotiation or understanding pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to, except by an agreement in writing signed by the Parties or their respective successors in interest.

30. Attorney Fees and Costs. If either Party requires the services of an attorney in connection with enforcing this Lease, whether or not suit is brought, or in the event suit is brought for the recovery of any sums due hereunder or for the breach of any covenant or condition hereof, or for the restitution of the Premises to Landlord or eviction of Tenant during the Term, or after the expiration of either, the substantially prevailing Party shall be entitled to reasonable attorney fees and all costs incurred in connection therewith, including, without limitation, the fees of accountants, appraisers and other professionals, whether at trial, on appeal or without resort to suit.

31 Governing Law; Venue. This Lease shall be governed by and construed in accordance with the laws of the state of Washington. Landlord and Tenant agree that venue of any action between the parties relating to the Lease shall be in the Superior Court of Pierce County, Washington.

32. Americans with Disabilities Act. Within TEN (10) business days after receipt, Tenant shall advise Landlord in writing, and provide Landlord with copies of (as applicable): (a) any notices alleging violation of the ADA relating to any portion of the Premises; (b) any claims made or threatened in writing regarding noncompliance with the ADA and relating to any portion of the Premises; or (c) any governmental or regulatory actions or investigations instituted or threatened regarding noncompliance with the ADA and relating to any portion of the Premises.

33. Severability. Any provision of this Lease which proves to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision hereof, and such other provisions shall remain in full force and effect.

34. Recording. Tenant shall not record this Lease, nor any memorandum hereof, without the prior written consent of Landlord, which consent may be granted, withheld, conditioned or delayed by Landlord in its sole and absolute judgment and discretion.

35. Exhibits. The following exhibits are attached to this Lease and by this reference are incorporated herein as if fully set forth:

- Exhibit A** - Legal Description of Lakewood Community Center
- Exhibit B** - Graphic Depiction of Premises

36. Effective Date of Lease. The term "Effective Date" shall mean the date Landlord's County Executive (who shall be the last person to sign) shall have executed this Lease as indicated opposite her name below.

[SIGNATURES AND ACKNOWLEDGEMENTS APPEAR ON FOLLOWING PAGES]

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

THIS IS TO CERTIFY that on this __ day of _____, 2016, before me, the undersigned, a notary public in and for the state of Washington, duly commissioned and sworn, personally appeared Pat McCarthy, to me known to be the Executive of Pierce County, Washington, a municipal corporation and political subdivision of the state of Washington, described in and that executed the foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned and on oath stated that she was authorized to execute the said instrument on behalf of said municipal corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

PRINTED NAME _____
NOTARY PUBLIC IN AND FOR THE STATE OF WASHINGTON,
RESIDING AT _____
MY COMMISSION EXPIRES _____

TENANT'S ACKNOWLEDGMENT

STATE OF WASHINGTON)
) ss.
COUNTY OF PIERCE)

THIS IS TO CERTIFY that on this ____ day of _____, 2016, before me, the undersigned, a notary public in and for the state of Washington, duly commissioned and sworn, personally appeared _____, known to me to be the _____ of the City of Lakewood, an optional Code City organized under RCW 35A and a Washington municipal corporation, who executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he/she is authorized to execute the said instrument on behalf thereof.

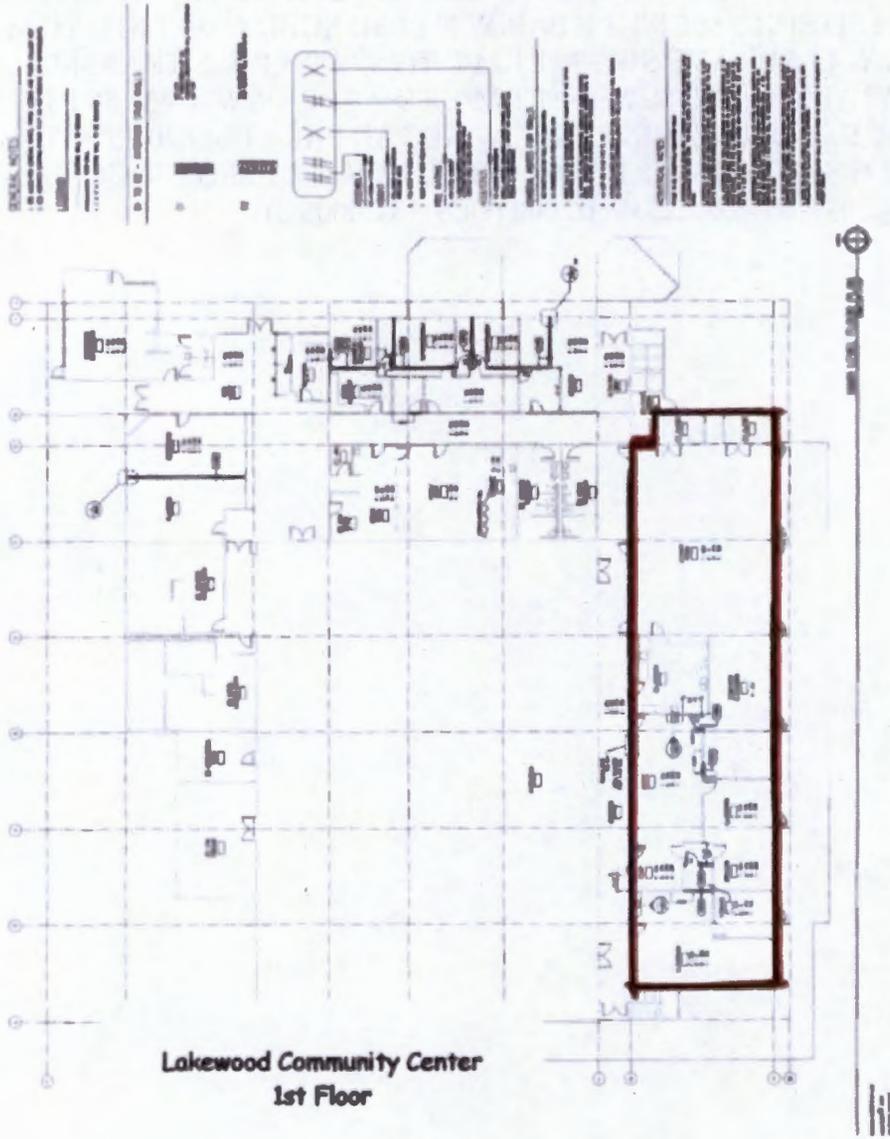
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

PRINTED NAME _____
NOTARY PUBLIC IN AND FOR THE STATE OF WASHINGTON,
RESIDING AT _____
MY COMMISSION EXPIRES _____

Exhibit A
(Legal Description of Lakewood Community Center)

Section 35 Township 20 Range 02 Quarter 41: BEG NW COR OF SE OF SE TH S 00 DEG 03 MIN 20 SEC W ALG W LI SD SUBD 80FT TH E PAR/W N LI SD SUBD 600 FT M/L TO W LI 54TH AVE SW TH N ALG W LI 54TH AVE SW 390 FT M/L TO S LI P S P & L TRANSMISSION LI R/W TH S 67 DEB 01 W ALG S LI SD R/W 160 FT M/L TO A LI PAR/W & 436.58 FT E OF W LI OF NEW OF SE THE S 00 DEG 11 MIN 20 SEC W ALG SD PAR LI 249.20 FT M/L TO N LI OF SE OF SE TH W ALG SD N LI 436.58 FT TO POB OUT OF 4-001 SEG N-0838 PL EMS EXEMPT AS PER DOR #02037-004 DATED 9/1/2000 (DC9-13-2000SG)

EXHIBIT B (Diagram of Premises)





To: Mayor and City Councilmembers

From: David Bugher, Assistant City Manager, Development Services

Through: John J. Caulfield, City Manager 

Date: July 25, 2016 (Study Session)

Subject: Cross Connection Control (Backflow Prevention) Interlocal Agreement between the City of Lakewood and the Lakewood Water District

What is backflow? Backflow is a loss of pressure in the public water system that can draw water on customer property (from within fire sprinkler systems, irrigation systems, hot tubs, etc.) back into the public water system. This water can contain contaminants that would put the public water supply at risk. Studies have shown links between waterborne disease outbreaks and the backflow of contaminants from private property. The installation and maintenance of backflow prevention devices protect public health.

Water utility customers are also responsible to have their backflow assemblies tested annually either by the water purveyor or a State Certified Tester. Backflow devices are used for a variety of different equipment including boilers, heat exchanging equipment, power washing equipment, irrigation systems, fire sprinklers, pumps in water distribution systems, commercial refrigerators, carbonated drink dispensing equipment, etc. The water district has historically monitored backflow testing and maintenance for these “in premise devices” even though under state law, “in premise devices” are the responsibility of the City.

The water district has requested that the City either take over in premise testing or provide payment to the water district to continue this function in the amount of \$18,500 annually.

The community and economic development department has considered taking on backflow testing; however, it would cost the City more than \$18,500. Further, this is not the department’s area of expertise. Given the safety implications and the level of liability surrounding the public’s water supply, it would appear reasonable to let the water district continue this function. To that end, an interlocal agreement has been prepared, the terms of which are described herein:

City's obligations	District's obligations
The City's permitting and building division will notify applicants for development permits that the District has requirements for cross connection control. A questionnaire (developed by the District) will be provided to the applicant to complete and submit to the District to assist in evaluation of any potential hazards and needs for cross connection protection.	The District will assume responsibility for issuance of all permits for backflow prevention devices, including in-premises devices that would normally fall under the purview of the City via the plumbing code and WAC 246-290-490(1)(e).
The City will provide a monthly report to the District identifying all pertinent building permits issued in the prior month so the District may maintain a current database of such permits.	The District will perform all inspections of backflow prevention device installations.
The City will coordinate the issuance of any final approval and/or certificate of occupancy with the District to confirm that all cross connection control requirements have been satisfied.	The District will review new land use development project applications and determine if any backflow prevention is required for compliance with WAC 246-290-490.
The City will inform the District of any potential cross connections that are observed during the course of field inspections of existing or new land use development.	The District will maintain a database of all backflow prevention assemblies and annual inspection/testing results.

Payment would be prorated for the months remaining in 2016 from the date of the draft agreement.

Payment would begin within 30 days of the date the contract is executed; thereafter, the City would provide compensation to the water district the full amount on an annual basis by February 1 of each successive year.

The draft agreement would be for a period of six years (2016 through 2021).

INTERLOCAL AGREEMENT BETWEEN
THE CITY OF LAKEWOOD AND LAKEWOOD WATER DISTRICT
RELATED TO CROSS CONNECTION CONTROL

This agreement ("Agreement") is entered into pursuant to Chapter 39.34 RCW between the City of Lakewood, a Washington municipal corporation ("City") and Lakewood Water District, a Washington municipal corporation ("District") (individually a "Party" and collectively the "Parties") effective on the date of the signature of the last Party to sign this Agreement ("Effective Date").

WHEREAS, the District is a Title 57 water district owning and operating a public water distribution system located in the Lakewood area of Pierce County, Washington; and

WHEREAS, the District has responsibility under Washington Administrative Code ("WAC") 246-290-490 to protect the water distribution system by implementation of a cross connection control program; and,

WHEREAS, the City has the responsibility to protect on premise water under WAC 246-290-490 (1)(e) and Chapter 19.27 RCW; and,

WHEREAS, it is cost effective to avoid duplication of efforts by having the parties provide a single system for tracking, inspection and approval of cross connection control backflow prevention devices; and,

WHEREAS, the District has staff members with the proper cross connection control training, experience and certifications;

NOW THEREFORE, in consideration of the terms and provisions contained herein, the Parties agree as follows:

1. Purpose. The purpose of this Agreement is to document the responsibilities and expected actions for cross connection control efforts between the District and the City's Building Division.
2. District Cross Connection Control Program. Pursuant to WAC 246-290-490(1)(d), the District is responsible for the protection of its water distribution system through implementation and enforcement of a cross connection control program ("Program") in accordance with WAC 246-290-490 as promulgated by the Washington State Department of Health ("DOH"). As a part of this Agreement, the District will assume responsibility for cross connection control within the property lines (in premises) as required by WAC 246-290-490(1)(e) and the City's adopted plumbing code WAC chapters 51-56.
3. Duties and Obligations. To effectively ensure that the Program will provide the desired protection for the City's citizens and the District's customers, the Parties agree to the functions specified as follows:

- a. The City's permitting and building division will notify applicants for development permits that the District has requirements for cross connection control. A questionnaire (developed by the District) will be provided to the applicant to complete and submit to the District to assist in evaluation of any potential hazards and needs for cross connection protection.
- b. The District will assume responsibility for issuance of all permits for backflow prevention devices, including in-premises devices that would normally fall under the purview of the City via the plumbing code and WAC 246-290-490(1)(e).
- c. The District will perform all inspections of backflow prevention device installations.
- c. The City will provide a monthly report to the District identifying all pertinent building permits issued in the prior month so the District may maintain a current database of such permits.
- d. The City will coordinate the issuance of any final approval and/or certificate of occupancy with the District to confirm that all cross connection control requirements have been satisfied.
- e. The City will inform the District of any potential cross connections that are observed during the course of field inspections of existing or new land use development.
- f. The District will review new land use development project applications and determine if any backflow prevention is required for compliance with WAC 246-290-490.
- g. The District will maintain a database of all backflow prevention assemblies and annual inspection/testing results.

4. City Payment. The City shall pay the District to assume the City's responsibilities under WAC 246-290-490(1)(e) an annual amount of eighteen thousand five hundred dollars (\$18,500), which will be prorated for the months remaining in 2016 from the Effective Date of this Agreement. The City shall pay the prorated amount for 2016 to the District within thirty (30) days of the Effective Date of this Agreement, and thereafter shall pay the District the full amount on an annual basis by February 1 of each successive year.

5. Term. The term of this Agreement shall be from the date of execution of this Agreement through December 31, 2021. This Agreement shall automatically be renewed annually unless either Party provides at least ninety (90) days prior written notice to the other Party of its intent not to renew the Agreement. Notwithstanding the terms of this Agreement, either Party may terminate this Agreement upon at least ninety (90) days prior written notice to the other Party.

6. City Indemnity. The City hereby releases and agrees to indemnify and hold harmless the District, its successors and assigns, and the elected and appointed officers, employees and agents of each ("Indemnitees"), from and against any and all claims of third parties and losses, harm,

cost, liabilities, damages and expenses (including, but not limited to, reasonable attorneys' fees) arising from willful or negligent acts or omissions of the City; PROVIDED, however, that the City shall not be required to so indemnify any such Indemnitee against liability for damages caused by or resulting from the sole negligence of Indemnitees; PROVIDED FURTHER that if such damages are caused by or result from the concurrent negligence of Indemnitees and of the City or its officers, employees, or agents, then the City's indemnity hereunder shall be limited to the extent of the negligence of the City.

7. District Indemnity. The District hereby releases and agrees to indemnify and hold harmless the City, its successors and assigns, and the elected and appointed officers, employees and agents of each ("Indemnitees"), from and against any and all claims of third parties and losses, harm, cost, liabilities, damages and expenses (including, but not limited to, reasonable attorneys' fees) arising from willful or negligent acts or omissions of the District; PROVIDED, however, that the District shall not be required to so indemnify any such Indemnitee against liability for damages caused by or resulting from the sole negligence of Indemnitees; PROVIDED FURTHER that if such damages are caused by or result from the concurrent negligence of Indemnitees and of the District or its officers, employees, or agents, then the District's indemnity hereunder shall be limited to the extent of the negligence of the District.

8. Amendment or Modification. Any amendments or changes to this Agreement must be approved by the Lakewood City Council and the Lakewood Water District Board of Commissioners.

9. Notices. Any notices, requests or other communications required or permitted to be given hereunder shall be in writing and shall be delivered by overnight courier service or mailed by United States registered or certified mail, return receipt requested, postage prepaid, or by facsimile transmission, and addressed to each Party at its address as set forth below:

To the City: City Manager
6000 Main Street SW
Lakewood, WA 98499-5027
Tel. No. (253) 589-2489
Fax No. (253) 589-3774

To the District: General Manager
11900 Gravelly Lake Dr. SW
Lakewood, WA 98499
Tel. No.: (253) 588-4423
Fax No.: (253) 588-7150

Any such notice, request or other communication shall be considered given or delivered, as the case may be, on the date of personal delivery or upon deposit in the United States mail or with an overnight courier as provided above. In the case of facsimile transmission, the notice shall be deemed to be effective upon confirmation of receipt of facsimile transmission, provided such notice is also hand delivered or sent by overnight carrier through United States mail on the

date the facsimile notice is given. By giving at least five (5) days prior written notice thereof, either Party may from time to time at any time change its mailing address hereunder.

LAKESWOOD WATER DISTRICT

CITY OF LAKESWOOD

Randall M. Black
District Manager
Date: _____

John J. Caulfield
City Manager
Date: _____

Attest:

Attest:

Christie K. Butler
District Secretary

Alice M. Bush
City Clerk

Approved as to form:

Approved as to form:

District Attorney

Heidi Ann Wachter
City Attorney



TO: Mayor and City Councilmembers

FROM: Courtney Casady, Assistant to the City Manager and Becky Newton,
Economic Development Manager

THROUGH: John J. Caulfield, City Manager *John J. Caulfield*

DATE: July 25, 2016

SUBJECT: Multi Family Tax Exemption Conditional Certificate- Rainier Terrace
Apartments

Purpose: The purpose of this memo is to present a project proposal for a multi-family tax exemption project located in the City's Tax Incentive Urban Use Center.

Background: An application for an eight year tax exemption was filed with the City of Lakewood on May 2016. Staff has reviewed the application and made the following determinations pursuant to LMC 03.64.030 and RCW 84.14.050:

1. The target area is located within a designated Tax Incentive Urban Use Center;
2. The target area lacks sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would likely live in the Urban Use Center if desirable, attractive and livable places were available; and
3. The providing of additional housing opportunity, including affordable housing, in the target area will assist in achieving at least one the following purposes:
 - a. Encourage increased residential opportunities within the target area; or
 - b. Stimulate the construction of new multi-family housing and the rehabilitation of existing vacant and under-utilized buildings for multi-family housing.

Project Description:

The applicant, Michael Robinson, Rainier Terrace Apartments, LLC is proposing to construct a 11 unit multi-family residential development on approximately .2987 acres located at 4108 & 4110 108th St SW in the City of Lakewood, Washington Pierce County Assessor's Parcel (APN's) #0219014034 and #0219014024. The properties are located on the southeast of the intersection of Rainer Avenue SW and 108th St SW. The proposed development use type, Multi-Family Level 2, is a primary permitted use in the applicable Transit Oriented Commercial (TOC) zoning district. The applicant intends to apply for a boundary line adjustment in order to combine both the parcels prior to being issued a final

certificate. Staff has performed an initial review of the project and sees no obvious conflict between the proposed project and Lakewood's land use requirements. Following the approval of the conditional certificate, the applicant must apply for a City of Lakewood design review, SEPA analysis and building permits.

The project site currently has two single family residences and a garage. Prior to construction, all three structures located on the property will be removed. The new development will consist of two (2) structures containing eleven (11) townhome style, two (2) bedroom units intended for permanent residential occupancy. New building number one will have seven (7) units totaling approximately 12,600 square feet, including a 2-car tandem load garage for each unit. New building number two will have four (4) units totaling approximately 7,200 square feet, including a 2-car tandem load garage for each unit. The total new construction project cost is estimated to be \$2,123,000.

Fiscal Impact: The estimated value of the Rainer Terrace Apartment project is \$2,123,000. The estimated annual property tax for \$2,123,000 at \$15.07 per \$1,000 of value (2016 property tax rate) is \$32,013.69. Annual City tax assessment (\$1.34 per \$1,000 of value) is estimated at \$2,853.76. Attachment #2 illustrates the revenues the City can expect through the life of the project.

Next Steps: The project meets all of the requirements for an eight year tax exemption. The Lakewood Municipal Code requires a signed contract between the applicant and the City which is to be approved by resolution.

1. Staff recommends that the City Council review and provide comments regarding the project proposal and the "Agreement Regarding Tax Incentive Urban Use Center Development" (attached).
2. On August 1, 2016, staff will present a resolution to adopt a housing tax exemption contract for the proposed housing tax exemption between Michael Robinson, Rainier Terrace Apartments, LLC at 4108 & 4110 108th St SW and the City of Lakewood.

Attachments:

Agreement Regarding Tax Incentive Urban Use Center Development
Fiscal Impact
Project Exhibits

AGREEMENT REGARDING TAX INCENTIVE URBAN USE CENTER DEVELOPMENT

THIS STIPULATED AGREEMENT is entered into on the date signed below between Rainer Terrace Apartments LLC, hereinafter referred to as “Applicant,” and the City of Lakewood, Washington, a municipal corporation, hereinafter referred to as “City”.

PROJECT DESCRIPTION

The applicant is proposing to construct a 11 unit multi-family residential development on approximately .2987 acres located at 4108, 4110 & XXXX 108th St SW in the City of Lakewood, Washington Pierce County Assessor’s Parcel (APN’s) #0219014034 and #0219014024. The properties are located on the southeast of the intersection of Rainer Avenue SW and 108th St SW. The proposed development use type, Multi-Family Level 2, is a primary permitted use in the applicable Transit Oriented Commercial (TOC) zoning district. The applicant intends to apply for a boundary line adjustment in order to combine both the parcels prior to being issued a final certificate.

The project site currently has two single family residences and a garage. Prior to construction, all three structures located on the property will be removed. The new development will consist of two (2) structures containing eleven (11) townhome style, two (2) bedroom units intended for permanent residential occupancy. New building number one will have seven (7) units totaling approximately 12,600 square feet, including a 2-car tandem load garage for each unit. New building number two will have four (4) units totaling approximately 7,200 square feet, including a 2-car tandem load garage for each unit. The project is not proposing to fulfill any specific affordable housing mandates.

An application for tax exemption was filed with the City of Lakewood in May 2016. The application supports the following determinations:

- 1) The target area is located within a designated Tax Incentive Urban Use Center;
- 2) The target area lacks sufficient available, desirable, and convenient residential housing, including affordable housing, to meet the needs of the public who would likely live in the Urban Use Center if desirable, attractive and livable places were available; and
- 3) The providing of additional housing opportunity, including affordable housing, in the target area will assist in achieving at least one the following purposes:
 - (a) Encourage increased residential opportunities within the target area; or
 - (b) Stimulate the construction of new multi-family housing and the rehabilitation of existing vacant and under-utilized buildings for multi-family housing.

CONDITIONS OF TAX EXEMPTION APPROVAL

The applicant may, upon completion of the multifamily housing and upon issuance by the City of a temporary or permanent certificate of occupancy, request a Final Certificate of Tax Exemption.

The request shall be in writing directed to the City Manager and be accompanied by the following:

1. A statement of expenditures made with respect to each multi-family housing unit and the total expenditures made with respect to the entire property;
2. A description of completed work and a statement of qualification for the exemption; and
3. A statement that the work was completed within the required three-year period or any authorized extension.
4. In order to be issued building permits, the proposed development will require SEPA, design review and the buildings must comply with all local plans and regulations.
5. The City requires that building permits must be submitted for this project within 12 months of the date the conditional certificate is issued.
6. The applicant will apply for a boundary line adjustment to combine APN #0219014034 and #0219014024 prior to, or in conjunction with, the submission of any building plans. If the applicant chooses not to combine the two properties, they will notify City staff as soon as possible so the conditional agreement and project description can be amended.
7. The parties to this agreement acknowledge and agree that at the time of completion of this project, the project shall be constructed in conformity with all local plans and regulations that applied to this project at the time the application was approved.

TAX EXEMPTION

Pursuant to RCW 84.14.020, the value of the new residential construction for the project described above shall be exempt from ad valorem property taxation for a period of eight successive years beginning January 1 of the year immediately following the calendar year of issuance of the final certificate of tax exemption. The exemption does not include the value of land or non-housing-related improvements. This exemption does not apply to increases in assessed valuation made by the assessor on non-qualifying portions of building and value of land nor to increases made by lawful order of a county board of equalization, the department of revenue, or Pierce County to a class of property throughout the county or specific area of the county to achieve the uniformity of assessment or appraisal required by law. At the conclusion of the exemption period, the new or rehabilitated housing cost shall be considered as new construction for the purposes of chapter 84.55 RCW.

STATEMENT OF ADDITIONAL TAX, INTEREST, AND PENALTY DUE UPON CANCELLATION OF MULTI-FAMILY HOUSING EXEMPTION

If the exemption is canceled for noncompliance, an additional tax shall be imposed as follows:

- a. The difference between the tax actually paid and the tax which would have been due for the pro rata portion of the tax year following cancellation, and for each tax year thereafter, if the improvements had been valued without exemption, (not to exceed 3 years before discovery of the noncompliance); plus
- b. A penalty of 20 percent of the difference, plus

- c. Interest at the statutory rate provided for delinquent property taxes is due within the times provided by RCW 84.40.350-84.40.390.

The additional tax, penalty and interest constitute a lien by the City of Lakewood upon the land which attaches at the time the property is no longer eligible for exemption, and has priority to and must be fully paid and satisfied before a recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable.

AFFIRMATION

As owner(s) of the land described in this application, I hereby indicate by my signature that I am aware of the additional tax liability to which the property will be subject if the exemption authorized by Chapter 3.64 (LMC) is cancelled. I declare under penalty of perjury under the laws of the State of Washington that this application and any accompanying documents have been examined by me and that they are true, correct and complete to the best of my knowledge.

AGREEMENT REQUIRES APPROVAL OF CITY COUNCIL

In accordance with Lakewood Muni. Code 3.64.030(F), this agreement is subject to approval by the Lakewood City Council. If this agreement is approved, the City of Lakewood shall issue a Conditional Certificate of Acceptance of Tax Administration. If this agreement is rejected by the City Council, both parties shall be discharged of their obligations under this agreement.

Signed at _____, Washington, this _____ day of _____, 20____

Signature(s) of all Owner(s) and Contract Purchaser(s)

By: _____
Michael Robinson, Applicant
Rainer Terrace Apartment, LLC

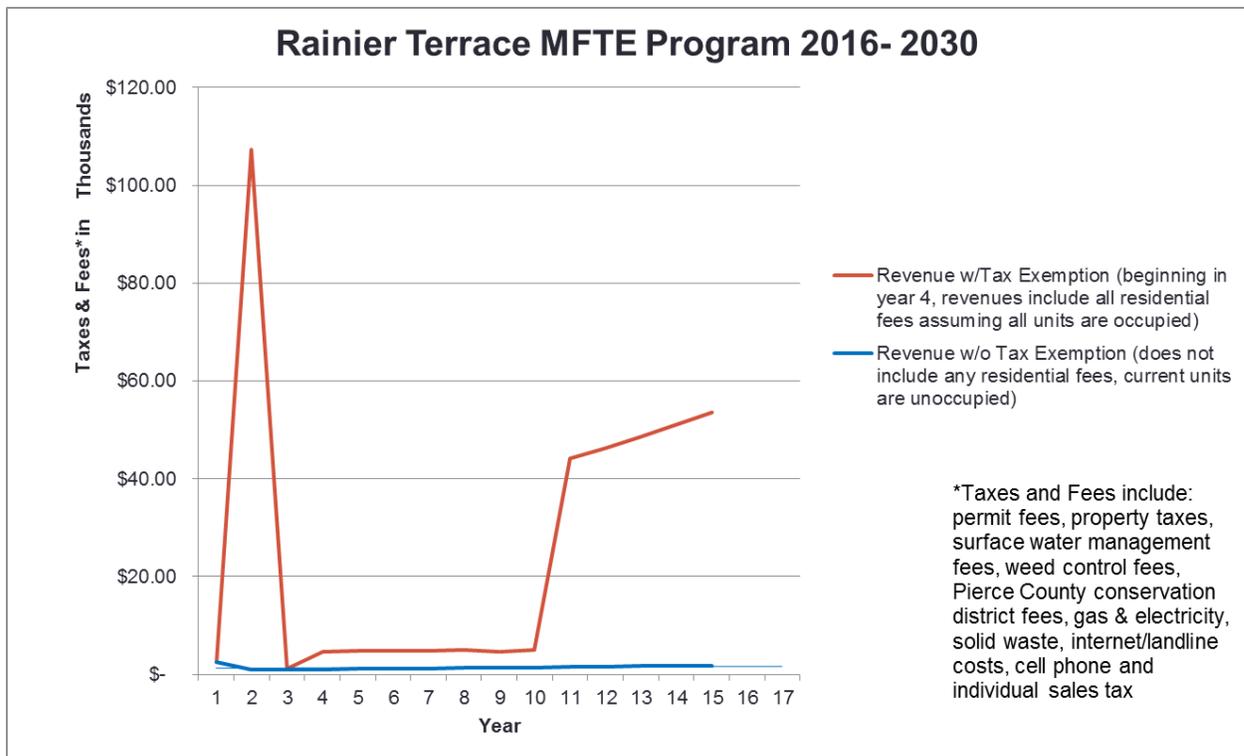
This conditional certificate of tax exemption is hereby **approved**.

John Caulfield, City Manager
City of Lakewood, Washington

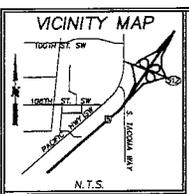
Attachment 2: Fiscal Impact- Rainier Terrace Apartments Tax Exemption

The graph and chart below estimate revenues with and without the proposed tax exemption, including permit fees, property taxes, surface water management fees, weed control fees, Pierce County conservation district fees, gas & electricity, solid waste, internet/landline costs, cell phone and individual sales tax. The rates are adjusted to reflect Washington's current housing price index (HIP) rates of 2.5%¹.

Year	Revenue w/Tax Exemption (beginning in year 4, revenues include all residential fees assuming all units are occupied)	Revenue w/o Tax Exemption (does not include any residential fees, current units are unoccupied)
2016	\$ 2,591.00	\$ 2,591.00
2017	\$ 107,233.00	\$ 989.91
2018	\$ 1,133.24	\$ 1,039.41
2019	\$ 4,741.75	\$ 1,091.38
2020	\$ 4,787.22	\$ 1,145.94
2021	\$ 4,834.95	\$ 1,203.24
2022	\$ 4,885.08	\$ 1,263.40
2023	\$ 4,992.97	\$ 1,326.57
2024	\$ 4,741.00	\$ 1,392.90
2025	\$ 5,051.00	\$ 1,462.55
2026	\$ 44,117.50	\$ 1,535.68
2027	\$ 46,323.37	\$ 1,612.46
2028	\$ 48,639.54	\$ 1,693.08
2029	\$ 51,071.52	\$ 1,777.74
2030	\$ 53,625.09	\$ 1,866.62



¹ <http://www.fhfa.gov/DataTools/Downloads>



TOWNHOMES AT RAINIER TERRACE LLC

SW 1/4, SE 1/4, SEC.00, TWN.00 N, RNG. 0 0, W.M.

PARCEL NUMBERS & AREAS

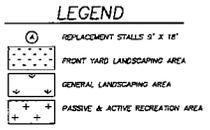
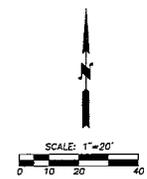
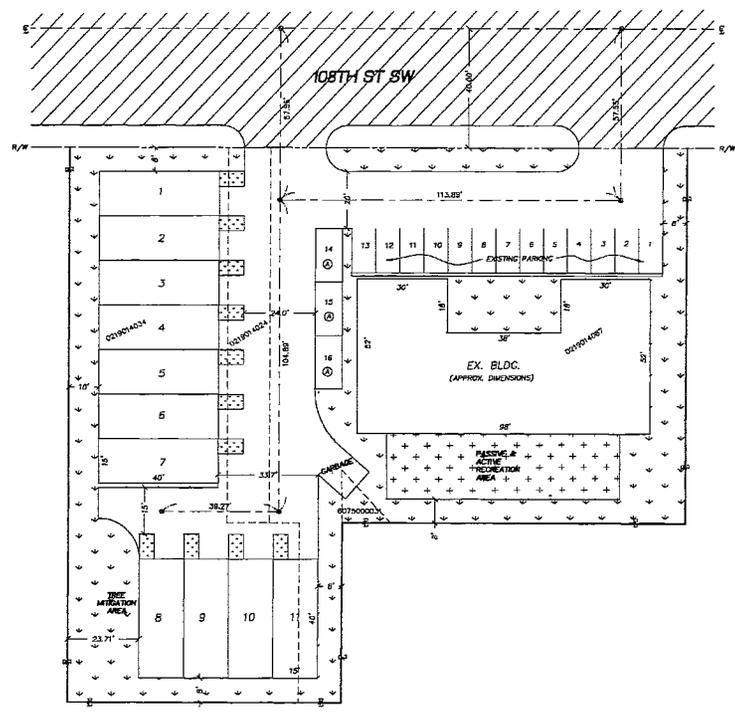
- 0219014087 = 18,262.73 SF
- 0219014024 = 1,790.37 SF
- 0219014034 = 11,371.85 SF
- 6075000031 = 142.24 SF

SITE ADDRESS

4102 108TH ST. SW

SITE INFORMATION

- ZONE = CITY OF TACOMA
- DENSITY = 34 DU/ACRE
- PARKING = 1.5/UNIT
- 10 EXISTING UNITS
- RECREATION AREAS = 300 FT/UNIT



UTILITY CONFLICT NOTE
CAUTION
 THE CONTRACTOR SHALL BE FULLY RESPONSIBLE FOR VERIFYING THE LOCATION AND DEPTH OF ALL EXISTING UTILITIES WHETHER SHOWN ON THESE PLANS OR NOT BY POT-HOLING THE UTILITIES AND SURVEYING THE HORIZONTAL AND VERTICAL LOCATION PRIOR TO CONSTRUCTION. THIS SHALL INCLUDE CALLING UTILITY LOCATES @ 811 AND THEN POT-HOLING ALL OF THE EXISTING UTILITIES AT LOCATIONS OF NEW UTILITY CROSSINGS TO PHYSICALLY VERIFY WHETHER OR NOT CONFLICTS EXIST. LOCATION OF SAID UTILITIES AS SHOWN ON THESE PLANS ARE BASED UPON THE (UNVERIFIED) PUBLIC INFORMATION AND ARE SUBJECT TO VARIATION. IF CONFLICTS SHOULD OCCUR, THE CONTRACTOR SHALL CONSULT THE PROJECT OWNER TO RESOLVE ALL PROBLEMS PRIOR TO PROCEEDING WITH CONSTRUCTION.

CALL BEFORE YOU DIG
 THE CONTRACTOR SHALL BE FULLY RESPONSIBLE FOR THE LOCATION AND PROTECTION OF ALL EXISTING UTILITIES. THE CONTRACTOR SHALL VERIFY ALL UTILITY LOCATIONS PRIOR TO CONSTRUCTION BY CALLING THE UNDERGROUND LOCATE LINE AT 811 A MINIMUM OF 48 HOURS PRIOR TO ANY EXCAVATION.

REVISION BLOCK			
NO.	DATE	DESCRIPTION	BY

DESIGNED BY:	SCALE:
DRAWN BY:	HOR: 1"=20'
CHECKED BY:	VERT: N/A

PROJECT NO.: 0001000-0000

PROPOSITOR:
 MICHAEL CORWEN
 4104 78TH AVE. CT. NW
 OIG HARBOR, WA 98335
 PH: (206) 885-0000

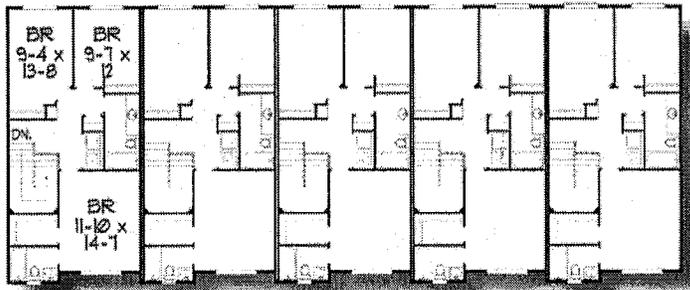
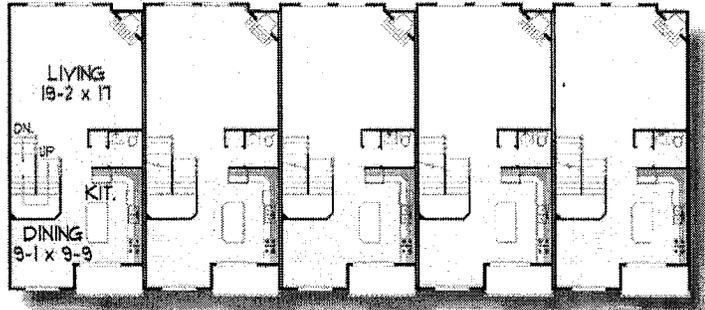
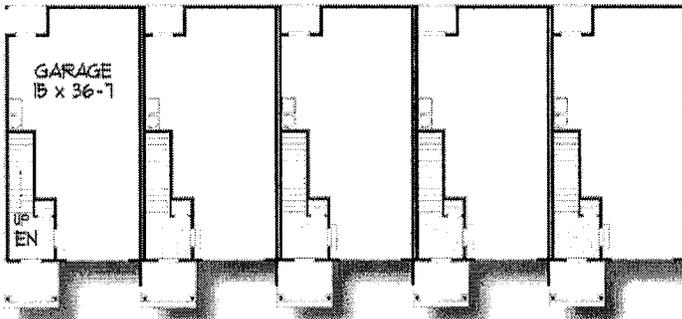
PREPARED BY:
LARSON and ASSOCIATES
Land Surveyors & Engineers, Inc.
 1401 So. 60th St. TACOMA, WA 98409 (253) 474-3400

SITE PLAN

DATE:	09/23/15
DRAWING NO.:	85138ASE
SHEET NO.:	1 OF 1

CVR

Townhomes at Rainier Terrace – Preliminary Floor Plans





TO: Mayor and City Councilmembers

FROM: David Bugher, Assistant City Manager, Development Services

THROUGH: John J. Caulfield, City Manager 

DATE: July 25, 2016 (Study Session)

SUBJECT: Proposed Rental Housing Safety Program

INTRODUCTION

On July 5, 2016, the City Council conducted a public hearing on a proposed rental housing safety program. The City Council received comments from a number of persons in addition to emails and correspondence. Most of the comments were not in favor of the proposal.

On July 11, 2016, under City Council Comments, Councilmembers discussed rental housing at length. Some of the comments made:

- Councilmembers Bocchi and Simpson, and Mayor Anderson wanted to move the proposed ordinance forward.
- Councilmember Barth was conflicted. She commented that some of the testimony was legitimate. She requested information on other cities rental safety programs.
- Councilmember Moss shared her concerns with governmental regulation, and that this program to some extent, was penalizing good operators.
- Mayor Anderson provided a comparison between the rental safety program and the Washington State Bar Association use of members' fees to review, investigate, and prosecute grievances concerning the unethical conduct of some members of the association. He discussed how the City cannot target properties.
- Councilmember Whalen requested more time. He wanted to ensure that if the City were to have a rental safety program, that the regulations would be the least restrictive as possible. Mr. Whalen wanted to review examples of other programs, and whether or not use public or private housing inspectors.

- Councilmember Simpson wanted the Council to speak as one body on this issue.

Following this discussion, the Council agreed to postpone action on the proposed ordinance until August 1, 2016.

This memorandum has been prepared to answer the questions/concerns as presented by City Councilmembers. This memorandum attempts to address issues by comparing the rental safety programs of five cities: Bellingham; Mountlake Terrace; Pasco; Tacoma; and Tukwila. Seattle does have a program although it was not considered in this report.

In addition to comparing programs, selected socio-economic and demographic data were collected on each of these cities. This exercise was done more on a whim, just to see if there were any comparisons. The results were surprising. There are specific reasons why these communities have rental housing safety programs. Each of these cities shares certain characteristics:

- Higher elements of poverty;
- Generally, lower owner occupancy rates (and, thus, more rental units);
- Persons who may not be able to speak English; and
- More apartments; and
- A significant number of older apartments.

The data show that Lakewood has many of the same attributes. Lakewood seems to fit “right in the middle” suggesting that this community is ripe for consideration of a rental housing program. Once the base data was collected, Lakewood was then compared to surrounding suburban cities, and Pierce County as a whole. Minus Tacoma, Lakewood is far different than the rest of the surrounding area.

The report concludes with a “Lesson’s Learned” section. In writing this report, Tukwila had prepared a PowerPoint in 2014. This document relies heavily on that information, in addition to interviews with Tukwila staff. Generally speaking, minus Tacoma, each of the cities which have rental housing programs had similar experiences. Each city had similar programs, but also had incorporated “local adjustments.” The only exception was Tacoma which relies on a complaint-driven system.

WHY HAVE RENTAL HOUSING SAFETY REGULATIONS?

To answer this question, the purpose sections of each community’s rental housing program ordinance were reviewed. The full text is found below. Common themes were: 1) protect the public health, safety, and welfare of tenants; 2) preventing conditions of deterioration and blight; and 3) rental housing is actively operated and maintained in compliance with RCW 59.18.060.

Bellingham: “The city of Bellingham finds that establishment of a rental registration and safety 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 Bellingham.” [Ord. 2015-03-005 § 1].

Mountlake Terrace: “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.” (Ord. 2539 § 1, 2010).

Pasco: No purpose section (1997).

Tacoma: “The Tacoma City Council finds that rental housing is a valuable community asset, providing homes for all income levels. The City recognizes that quality rental housing is a partnership between owners, tenants, and the City. The City finds that 3 to 5 percent of homes in Tacoma are below the minimum building standards and appear to violate RCW 59.18.060. As a result, to ensure the public health, safety, and welfare of its citizens and the maintenance of quality rental housing for Tacoma citizens, the City Council is establishing a residential provisional rental property license program to prevent and correct conditions in residential rental units that adversely affect or are likely to adversely affect the health, safety, and welfare of the public. It is the purpose of this section to assure that rental housing within the City is actively operated and maintained in compliance with RCW 59.18.060. Providing for a provisional rental property license is intended to address that small percentage of housing that endangers renters and bring that housing into compliance with state law.” (Substitute Ordinance No. 27967, 2012)

Tukwila: “The City Council finds that the establishment of a Residential Rental Business License and Inspection Program for rental units is necessary to protect the public health, safety and welfare by ensuring the proper maintenance of such 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 the City of Tukwila.” (Ord. 2281 §1 (part), 2010)

HOW RENTAL HOUSING PROGRAMS WORK IN OTHER COMMUNITIES -

Bellingham: Bellingham has considered a rental housing program for more than a decade. On October 27, 2014, the Council conducted a three-hour public hearing and took testimony from more than 50 people. The program was approved on March 16, 2015. Bellingham’s program applies to all residential housing units with the standard list of exceptions found in state law¹.

¹ Common exemptions: Owner-occupied rental units; units unavailable for rent; housing accommodations in hotels, motels, inns or tourist homes; housing accommodations in retirement or nursing homes; housing accommodations in any hospital, State-licensed community care facility, convent, monastery or other facility

The program is administered by the Planning & Community Development Department. The Director of that department is allowed to make administrative rules. All rental properties will be inspected once every three years. The Director is allowed to adopt the methodology as to which properties are selected for inspection in a given year. As of February 1, 2015, the Director established three geographic zones within Bellingham. On average, each of these zones has 6,046 rental units.

There are fees tied to the number of units. Ten dollars per unit is charged for rentals having 1 to 20 units; above 20 units, the fee is \$8. Bellingham is proposing to operate a self-sustaining program. Total program costs were originally estimated at \$200,000 annually.

Properties shall be inspected by a qualified rental housing inspector and will require a certificate of inspection. All certificates of inspection must state that all units inspected comply with the minimum requirements of the Building Code, Fire Code, and state law, and that there are no conditions presented in the units inspected that endanger or impair the health or safety of a tenant. 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 for another three years.

Any enforcement action begins first with a correction notice. The Director can deny, suspend, or revoke the registration of any rental property for cause. Penalties are in the form of civil infractions, except if a person knowingly submits a falsified certificate of inspection, or submits falsified information upon which a certificate of inspection is issued, is guilty of a gross misdemeanor.

Any appeals are filed with the Hearing Examiner. The decision of the Hearing Examiner is final unless appealed to superior court.

During the first two years of the program, the Director is required to report to the City Council annually on the status of the program.

The Director has additional duties as well, including:

- Providing and advertising a web site for owners, property managers and tenants regarding rental resources, laws and rights and responsibilities;
- Creating outreach and instructional classes for owners, property managers and tenants regarding requirements of this program; and
- Developing an incentive in the fee structure to benefit those rental properties that pass the initial inspection leading to a certificate of inspection.

Bellingham began inspecting rental housing units in June 2016. The department is anticipating that between 85 to 90 percent of rentals should pass their first inspection.

Bellingham offers a limited tenant-landlord information program.

occupied exclusively by members of a religious order or an extended medical care facility; housing accommodations that a government unit, agency or authority owns, operates or manages.

Mountlake Terrace: Discussion on a rental housing inspection program had occurred over several years with the focus on illegal rental housing units. This discussion culminated with Mountlake Terrace adopting a Rental Business License and Inspection Ordinance on June 7, 2010. 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.

The Community & Economic Development Department administers the program. The Director of that department is allowed to make administrative rules. Inspections are performed on a three-year rotation cycle.

Based on the 2010 Census, Mountlake Terrace has 3,386 rental units.

The program is designed to be self-sustaining. The annual base fee is \$40 with an additional fee of \$1.50 per rental housing unit. Mountlake Terrace has a detailed fee schedule that includes fees for the certificate of compliance, late fees, the initial safety inspection (free), subsequent reinspections, and initial and registration annual renewal fees.

Landlords must obtain residential rental business licenses and renew them each year. Inspections by approved inspectors are acceptable in lieu of the City's inspection. Landlords must arrange inspections with tenants at least two days ahead.

For buildings of up to ten units, no more than two rental units are required to be inspected (except more may be inspected if violations are found). For complexes of more than 10 units, a sample of up to 20% of the units (maximum of 30 units) may be inspected instead of all the units (except more may be inspected if violations are found).

If code violations are found, the landlord is notified and the unit is subject to reinspection.

The Director can deny, suspend, or revoke the registration of any rental property for cause. Any penalties are in the form of civil infractions.

Any appeals are filed with the Hearing Examiner. The decision of the Hearing Examiner is final unless appealed to superior court.

Mountlake Terrace does not appear to offer tenant-landlord services.

Pasco: Pasco's Residential Rental Program was adopted by Ordinance in 1997 to ensure that all rental housing in the city is maintained in compliance with minimum housing code standards.

The program is administered by the Finance Department and the Code Enforcement Office. The program is designed to be self-sustaining. Pasco staff indicated that they operate the program on a \$63,000 annual budget.

As part of the program, all rental property owners are required to obtain a Rental Dwelling License for each rental property they own in the city (including single family homes). Additionally, each rental property owner is required to submit a certificate of inspection every two years to demonstrate that each rental units meets the city's minimum housing code standards.

Inspections are on a two-year cycle with half of the units being inspected every other year. City is divided into eight inspection zones.

Penalties are in the form of civil infractions, except if a person knowingly submits a falsified certificate of inspection, or submits falsified information upon which a certificate of inspection is issued, is guilty of a gross misdemeanor.

Pasco offers a limited tenant-landlord information program.

Tacoma: Any person who rents or leases out real property within the city limits of Tacoma must obtain a rental business license. One business license will cover all properties owned by the same legal entity. If the properties are owned by separate legal entities, then a license is required for each entity.

There is a fee and it is based on gross rental income. Annual gross rental income of \$12,000 or greater the license fee is \$90 annually. Annual gross rental income less than \$12,000, an annual \$25 fee is required. Gross income is defined as total rent received, including rent from Section 8. Owners must provide a list of all of their City of Tacoma rental properties with application. License applications are filed through Tacoma's Tax & License Division.

Tacoma's licensing program is based on a provisional licensing system which became effective in 2012. The provisional license is not required for all rental property owners. The provisional license only applies to rental housing units after a complaint is received, and after an initial exterior building inspection demonstrates that the building condition does not meet the established threshold for tenant health and safety. Homeowners are contacted by City officials if their property needs a Provisional Rental Property License.

Provisional licenses are issued when the structure violates Tacoma's minimum buildings and structures code and the property has in excess "24 points;" and/or the structure violates the International Fire Code.

Properties that meet these conditions are issued a provisional license having higher business license fees. Fees vary from \$250 for the first violation, \$500 for the second notice of violation, to \$1,000 for third and subsequent notice of violation for the same property.

Tacoma maintains a list of exemptions from the provisional licensing requirement. The list is similar to other cities' lists of exemptions from rental housing inspection programs.

Inspections are performed by private firms. There are 12 firms that have been approved to perform inspections under Tacoma's program. Tacoma also requires a training class.

The inspection process mirrors the provisions under state law as it pertains to the number of inspections to be performed, and the notification process to tenants.

Appeals are filed with the Building Official. Thereafter, if the property owner/landlord is not satisfied, the owner can appeal to the City's Hearing Examiner.

Tacoma also offers a robust tenant-landlord program. The primary function of the program is to provide information and referrals to both landlords and tenants to resolve disputes that arise under the Washington State Residential Landlord-Tenant Act (RCW 59.18). This service is free and available to property owners, property managers, and tenants within the Tacoma City limits.

The landlord/tenant program offers services in the following areas:

- Information and Referral;
- Rent;
- Deposits;
- Repairs/maintenance issues;
- Building code violations;
- Landlord-tenant inspection; and
- Training/education.

Tukwila: In 2006, the City Council requested the City staff to develop a proactive approach for addressing complaints on rental properties.² Tukwila adopted Ordinance No. 2281 implementing the Residential Rental Licensing and Inspection program in 2010. Inspections began in 2011. The City of Tukwila has approximately 4,655 rental units.

Under Tukwila's program each property owner/landlord must obtain an annual license. The license fee is dependent on the number of units, properties with 1-4 units pay a \$60 annual fee, and properties with more than 5 units pay a \$175 annual fee. Licenses expire on December 31 each year. Issued Licenses are "provisional" until the unit passes inspections.

Inspections of each dwelling unit are required once every four years. In order to make this happen, the City is divided into four "inspection zones," geographically. Each zone has approximately 1,000 dwelling units and one zone is inspected each year.

Owners may choose to work with a City inspector, which will cost the landlord/property owner \$50 per/unit, or they may choose to hire a private inspector

² Tukwila's rental housing program began because of problems the City was experiencing along the Highway 99 Corridor with hotels/motels renting out rooms in excess of 30-days.

who meets the required credentials. All private inspectors must be pre-approved by the City.

All inspectors are provided with an inspection checklist based on the 2012 International Property Maintenance Code. Point values are assigned to each inspection item and in order to pass the units must have less than 25 points. A unit fails automatically for certain life-safety items including: lack of smoke or CO detectors; lack of water, heat, refrigerator, stove or electricity; lack of adequate emergency egress from bedrooms; Double-keyed deadbolt locks.

If a dwelling-unit fails inspections the landlord/property owner is given 30 days to make the repairs and schedule a re-inspection. The property owner must pay an additional inspection fee totaling \$50 for a City inspector. If a unit fails a second inspection, doesn't meet the 30 day deadline, or fails to meet the inspection zone deadline the unit is posted as unfit for occupancy. After a unit is posted as unfit for occupancy, the tenants are required to vacate the unit, tenants may be eligible for relocation assistance, the necessary repairs must be made and the unit must pass inspection before the unit can be occupied. Each failed unit also requires a hearing before an improvement officer.

Tukwila offers a limited tenant-landlord information program.

SUMMARY OF FEES & INSPECTION SERVICES –

Table 1 shows the bases rental fees for the five cities. Of the five, four operate self-sustaining programs.

Table 1 Base Rental Registration Fees				
Bellingham	Mountlake Terrace	Pasco	Tukwila	Tacoma
<ul style="list-style-type: none"> ▪ 1 to 20 units; \$10 per unit ▪ 21 or more units; \$8 per unit 	<ul style="list-style-type: none"> ▪ Annual rental housing business license; \$40 ▪ Additional RHBL fee per rental housing unit; \$1.50 	<ul style="list-style-type: none"> ▪ \$30 for the first unit + \$3 for each additional unit 	<ul style="list-style-type: none"> ▪ \$ 60 for properties with up to four units ▪ \$175 for properties with five or more units 	<ul style="list-style-type: none"> ▪ Annual gross rental income of \$12,000 or greater, the license fee is \$90 annually. ▪ Annual gross rental income less than \$12,000, the license fee is \$25 annually. <p>(Gross income is defined as total rent received, including rent from Section 8.)</p>

Fee information was acquired by a review of various cities' websites.

Regarding inspection services, Tukwila and Pasco provide City inspector free of charge. Tukwila, however, has had difficulty keeping up with inspections. They have recently modified their program so that City inspectors are used for rental properties of five units or less. Above five units, the property owner/landlord must employ private inspectors.

Mountlake Terrace contracts out for inspection services.

Bellingham requires property owners/landlords to employ private inspectors.

Tacoma’s program is different. They start out using City employees once a complaint is received. Thereafter, if a provisional license is issued, then property owners/landlords to employ private inspectors.

By way of information, Lakewood is investigating using a contract inspector. The department has requested a bid from a private plan review and inspections services firm. As of this writing, the information is not available.

SELECTED DEMOGRAPHIC DATA ON COMMUNITIES THAT HAVE RENTAL HOUSING PROGRAMS & COMPARISON WITH LAKEWOOD –

Tables 2 and 3 provide information on population, housing, and elements of poverty amongst the selected cities.

City	Population (2010)	Housing units (2010)	Owner-occupied housing (2010-2014; percentage)
Bellingham	80,885	36,760	45.7%
Lakewood	58,163	25,345	46.0%
Mountlake Terrace	19,909	8,602	61.0%
Pasco	61,083	18,782	66.3%
Tacoma	198,397	85,786	51.1%

Based on United States Census Bureau, 2010 Census; United States Census Bureau QuickFacts; and Office of Superintendent of Public Instruction, March 15, 2016

City	Persons in poverty (2010)	Language other than English spoken at home (2010-2014)	Foreign born persons (2010-2014; percent)	Percent of students in free/reduced lunch programs
Bellingham	23.2%	12.8%	10.2%	36.10%
Lakewood	19.6%	23.6%	15.9%	66.40%
Mountlake	9.5%	21.2%	17.2%	39.00%

Table 3 Elements of Poverty				
Terrace				
Pasco	20.5%	52.0%	25.7%	62.60%
Tacoma	17.9%	19.3%	13.4%	59.10%
Tukwila	24.3%	53.6%	39.7%	69.90%

Based on United States Census Bureau, 2010 Census; United States Census Bureau QuickFacts; and Office of Superintendent of Public Instruction, March 15, 2016

In reviewing Tables 2 and 3, Lakewood is:

- Number 4 in population;
- Number 3 in the number of housing units;
- Number 4 in owner-occupied housing;
- Number 4 in persons in poverty;
- Number 3 in language other than English;
- Number 4 in foreign born persons; and
- Number 2 in free/reduced lunch programs.

Next, this report compares these same demographics and social data with surrounding communities (minus Tacoma) and Pierce County. This information is found in Table 4 and 5, respectively.

Table 4 Population & Housing – Other Surrounding Communities & Pierce County			
City	Population (2010)	Housing units (2010)	Owner-occupied housing (2010-2014; percentage)
Puyallup	37,224	16,171	50.7%
Lacey	42,398	18,493	53.8%
Gig Harbor	7,126	3,560	55.0%
Fife	9,173	3,895	40.9%
Pierce County	795,229	325,375	61.2%

Based on United States Census Bureau, 2010 Census; United States Census Bureau QuickFacts; and Office of Superintendent of Public Instruction, March 15, 2016

Table 5 Elements of Poverty - Other Surrounding Communities & Pierce County				
City	Persons in poverty (2010)	Language other than English spoken at home (2010-2014)	Foreign born persons (2010-2014; percent)	Percent of students in free/reduced lunch programs
Puyallup	9.1%	10.3%	13.1%	31.90%
Lacey	10.3%	16.8%	11.6%	39.30%
Gig Harbor	9.7%	8.9%	8.3%	31.60%
Fife	13.8%	31.5%	24.3%	-

Table 5
Elements of Poverty - Other Surrounding Communities & Pierce County

Pierce County	13.1%	14.8%	9.8%	-
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Based on United States Census Bureau, 2010 Census; United States Census Bureau QuickFacts; and Office of Superintendent of Public Instruction, March 15, 2016

The data show that Lakewood is far different than surrounding communities and Pierce County. Lakewood has the highest poverty rate, and appears to have the highest percentage of free/reduced lunch programs. Lakewood also ranks second behind Fife in language other than English, and the number of foreign born persons. In relation to the rest of Pierce County, the differences in percentages are significant:

- Poverty rates are 6.5% higher;
- Language other than English is 8.8% higher; and
- The number of foreign born persons is 6.1% higher.

The next series of tables show the number and type of housing units, in addition to the percentage of housing units greater than 10. Lakewood comes out within the “middle” although for the selected cities, minus Pasco, the overall spread is very similar.

Table 6
Number & Type of Housing Units, Part 1

Units in structure	Bellingham		Lakewood		Mountlake Terrace	
Total housing units	36,224		27,115		8,636	
	Number	Percent	Number	Percent	Number	Percent
1-unit, detached	17,332	47.8%	12,961	47.8%	5,235	60.6%
1-unit, attached	1,247	3.4%	1,576	5.8%	356	4.1%
2 units	2,017	5.6%	1,121	4.1%	83	1.0%
3 or 4 units	2,332	6.4%	1,531	5.6%	388	4.5%
5 to 9 units	2,718	7.5%	2,487	9.2%	753	8.7%
10 to 19 units	3,558	9.8%	3,140	11.6%	648	7.5%
20 or more units	5,898	16.3%	2,753	10.2%	1,108	12.8%
Mobile home	1,122	3.1%	1,495	5.5%	65	0.8%
Boat, RV, Van, etc	0	0.0%	51	0.2%	0	0.0%

American Fact Finder, 2014 Estimates

Table 7
Number & Type of Housing Units, Part 2

Units in structure	Pasco		Tacoma		Tukwila	
Total housing units	19,927		86,375		7,748	
	Number	Percent	Number	Percent	Number	Percent
1-unit, detached	13,856	69.5%	54,156	62.7%	3,189	41.2%
1-unit, attached	381	1.9%	2,194	2.5%	130	1.7%
2 units	455	2.3%	2,596	3.0%	163	2.1%

Table 7 Number & Type of Housing Units, Part 2						
3 or 4 units	829	4.2%	4,394	5.1%	452	5.8%
5 to 9 units	662	3.3%	5,409	6.3%	510	6.6%
10 to 19 units	635	3.2%	6,061	7.0%	1,105	14.3%
20 or more units	1,426	7.2%	11,231	13.0%	1,961	25.3%
Mobile home	1,637	8.2%	300	0.3%	238	3.1%
Boat, RV, Van, etc	46	0.2%	34	0.0%	0	0.0%

American Fact Finder, 2014 Estimates

Table 8 Percentage of Units in Structures > 10 Units		
Municipality	Percentage	Ranking
Bellingham	26.1%	2
Lakewood	21.8%	3
Mountlake Terrace	20.3%	4
Pasco	10.4%	6
Tacoma	20.0%	5
Tukwila	39.6%	1

Tables 9 through 14 show owner versus renter occupied housing units based on age of structures. Table 15 consolidates information from Tables 9 through 14 which shows the percentage of renter-occupied housing units greater than 37 years of age. All of these communities have a fairly old rental housing stock. The highest are Mountlake Terrace, Tacoma and Tukwila, each at 65 percent. Lakewood is just below at 62 percent.

Table 9 Owner, Renter Occupancies by Age of Structures		
BELLINGHAM	Owner-occupied housing units	Renter-occupied housing units
	Estimate	Estimate
Year structure built		
2010 or later	0.9%	0.2%
2000 to 2009	16.4%	21.5%
1980 to 1999	27.1%	31.8%
1960 to 1979	21.0%	24.3%
1940 to 1959	9.7%	6.9%
1939 or earlier	24.8%	15.3%

American Fact Finder, 2014 Estimates

Table 10 Owner, Renter Occupancies by Age of Structures		
MOUNTLAKE TERRACE	Owner-occupied housing units	Renter-occupied housing units
	Estimate	Estimate
Year structure built		

Table 10		
Owner, Renter Occupancies by Age of Structures		
2010 or later	2.1%	0.0%
2000 to 2009	7.6%	4.3%
1980 to 1999	20.3%	30.5%
1960 to 1979	32.7%	50.1%
1940 to 1959	35.6%	14.7%
1939 or earlier	1.6%	0.3%

American Fact Finder, 2014 Estimates

Table 11		
Owner, Renter Occupancies by Age of Structures		
LAKESIDE	Owner-occupied housing units	Renter-occupied housing units
	Estimate	Estimate
Year structure built		
2010 or later	0.4%	1.4%
2000 to 2009	4.8%	8.9%
1980 to 1999	22.5%	27.7%
1960 to 1979	40.5%	44.5%
1940 to 1959	26.4%	15.3%
1939 or earlier	5.3%	2.2%

American Fact Finder, 2014 Estimates

Table 12		
Owner, Renter Occupancies by Age of Structures		
PASCO	Owner-occupied housing units	Renter-occupied housing units
	Estimate	Estimate
Year structure built		
2010 or later	3.9%	2.0%
2000 to 2009	44.6%	28.6%
1980 to 1999	15.6%	14.6%
1960 to 1979	21.6%	31.4%
1940 to 1959	11.3%	15.1%
1939 or earlier	2.9%	8.3%

American Fact Finder, 2014 Estimates

Table 13		
Owner, Renter Occupancies by Age of Structures		
TACOMA	Owner-occupied housing units	Renter-occupied housing units
	Estimate	Estimate
Year structure built		
2010 or later	0.4%	1.0%
2000 to 2009	7.5%	11.8%

Table 13 Owner, Renter Occupancies by Age of Structures		
1980 to 1999	18.1%	22.0%
1960 to 1979	21.7%	29.5%
1940 to 1959	21.8%	13.6%
1939 or earlier	30.5%	22.2%

American Fact Finder, 2014 Estimates

Table 14 Owner, Renter Occupancies by Age of Structures		
TUKWILA	Owner-occupied housing units	Renter-occupied housing units
	Estimate	Estimate
Year structure built		
2010 or later	1.5%	0.0%
2000 to 2009	11.2%	3.9%
1980 to 1999	23.5%	30.6%
1960 to 1979	21.3%	47.7%
1940 to 1959	29.9%	13.3%
1939 or earlier	12.6%	4.5%

American Fact Finder, 2014 Estimates

Table 15 Renter Occupied Housing Units 37 Years of Age & Older (2016 minus 1979)						
Age of Structure	Bellingham	Lakewood	Mountlake Terrace	Pasco	Tacoma	Tukwila
1960 to 1979	24.3%	44.5%	50.1%	31.4%	29.5%	47.7%
1940 to 1959	6.9%	15.3%	14.7%	15.1%	13.6%	13.3%
1939 or earlier	15.3%	2.2%	0.3%	8.3%	22.2%	4.5%
Totals	46.5%	62.0%	65.1%	54.8%	65.3%	65.5%

LESSONS LEARNED -

Bellingham: This program is in its early stages of development. One of the topics to watch is the ability of the City and landlords to inspect over 6,000 rental units a year.

Mountlake Terrace: About 10 percent of inspections found safety violations. Common violations were: no working smoke detectors; inadequate plumbing fixtures, and inadequate heating. It took about two years for property owners/landlords to settle in with the program.

Pasco: Provide significant lead-time on all notifications. Pasco staff recommended at least six months. Pasco also recommended “going easy” during the first year of

inspections - allow property owners/landlords flexibility in meeting minimum compliance standards.

Most common rental housing complaints under Pasco's program:

- Roaches and/or rodents;
- Accumulation of mold and/or mildew;
- Lack of hot water;
- Inoperable or defective electrical outlets;
- Lack of adequate heat/ventilation;
- Overcrowding homes and apartments with residents;
- Rental properties with poorly maintained yards/landscaping;
- Landlords not making required maintenance repairs; and
- Renters abusing the property/graffiti/gang activity.

Tacoma:

Most common violations are:

- Missing smoke detectors;
- Missing or poorly maintained handrails, guardrails and stairs;
- Missing address numbers;
- Sanitation issues;
- Landings missing where required by code; and
- General maintenance.

Since the inception of the program, Tacoma has inspected 230 rental units. Most of these have been single family rentals. About 89 percent of the rental units have failed. Tacoma is currently averaging 40 to 50 units per year.

Education and outreach play a substantial role in Tacoma's program. The Tacoma staff works with property owners and landlords to try to get ahead of a problem before the situation worsens. Tacoma's program, again, is complaint -driven. Tacoma staff indicated that a proactive housing program would be beneficial.

Tukwila:

Most common rental housing complaints under Tukwila's program:

- Roaches and/or rodents;
- Accumulation of mold and/or mildew;
- Lack of adequate heat/ventilation; and
- Plumbing related issues.

Results:

- Identified and corrected life-safety violations in about 500 units over the four years of the program (The 500 units represents 13 percent of the rental housing units);
- One 25-unit complex vacated all units in order to make the repairs necessary to pass the required inspection;

- Found rental units without heat, inadequate or non-existent emergency egress, failed plumbing, no appliances, illegal ADUs; and
- Difficulty keeping up with the inspection cycle. Tukwila has since modified its program. City inspector is used for rental properties of five units or less. Rental properties greater than five units, the landlord is required to hire an outside inspector.

Public Response:

- Initial resistance by landlords;
- No formal legal challenge to the program;
- Tenants have generally been positive and understand the benefit of the program;
- Apartment managers support the program;
- Some landlords have expressed appreciation for the level playing field that the program creates; and
- Inspection criteria is easily understood and perceived to be “fair.”

Tips & Strategies:

- A rental housing program requires significant research;
- Pushback from landlords is inevitable;
 - Held several public meetings starting six months prior to roll-out to inform landlords on the process and inspection criteria ;
 - Stressed “level playing field” that inspections create, everyone has to meet same criteria;
 - Mailed flyers, the inspection checklist and other collateral materials to landlords early;
 - Patience and a thick skin is required!
- Privacy concerns (both Landlords and Tenants);
 - Owner or owner’s representative must be present for inspections;
 - Owners are responsible for properly notifying their tenants of the inspection;
 - Washington State Landlord-Tenant law specifically allows landlords access to their units with written notice to tenants 48 hours in advance;
 - Tenants cannot unreasonably deny access to landlord;
 - Tenants may be present; and
 - Work closely with your city attorney on all privacy related concerns.
- City Council Support is crucial ;
 - Frequent project updates are key;
 - Emphasize proactive vs reactive approach to housing conditions – “everybody plays;”
 - Over time the program will improve rental housing conditions;
 - Provide regular updates after implementation;
- Consider incentives;
 - Updated current regulations to allow an extension on the inspections from 4 to 8 years if the property is a participant in good standing with the Tukwila’s crime-free multi-housing program.
- Benefits;
 - Ensures basic life-safety standards are met;

- Proactive approach: Tenants do not have to complain or understand landlord-tenant law;
- Owners must maintain property enough to pass inspection every four years;
- Identifies illegal dwelling units;
- Provides passive landlords an “excuse” to inspect their units once every four years;
- Informs both landlords and tenants on basic rights and responsibilities, and health-life-safety issues;
- Provides the City with up-to-date contact information for rental properties; and
- Code Enforcement complaints against rental properties are reduced and more easily and quickly resolved.