



# 2012 ANNUAL RENTAL LICENSE

The Tacoma City Council recently adopted legislation that creates a Provisional Rental Property License that goes into effect January 1, 2012. The provisional license is **not** required for all rental property owners; however, 6B.165.040 requires all rental property owners to submit a Certificate of Compliance when renewing the Annual License. Because of the new section 6B.165.040, you will notice a change on the renewal notice this year that includes a Certificate of Compliance with a signature required and included is a Guide to Residential Rental Property Inspection. This provides guidance to you when inspecting your rental properties to ensure that the property does not present conditions that endanger or impair the health or safety of the tenants per the State Landlord Tenant Act, Title 59, Section 59.18.060. The provisional license **only** applies to rental housing units that have been identified, after an exterior inspection, to be in substandard condition. Please review the Frequently Asked Questions for more information. If you have additional questions, please contact Tax & License at 253-591-5252.

## What is the Provisional Rental Property License?

The provisional license is a regulatory license that the City can require property owners to obtain. One of the requirements of the provisional license is a Certificate of Inspection that will demonstrate that their property does not endanger the health or safety of tenants. The provisional license is based on State Legislation adopted in 2010 and consistent with the Landlord-Tenant Act.

## How is it different from a rental business license?

The standard requirement for every rental property in the City of Tacoma is to have a regular business license. The provisional license is a regulatory license that can be required in addition to a business license.

## Do I have to apply for a Provisional Property License?

**No**, 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. The City will notify rental property owners if a provisional license is required.

## Then how does it work?

Once a complaint is received, an initial building condition inspection occurs. If the outside of the building exceeds a minimum threshold for health/safety concerns, then the City can require the property owner to obtain a provisional license. The provisional license then requires the owner to make necessary repairs and demonstrate that the building meets the required threshold by providing a Certificate of Inspection to the City. The Certificate of Inspection can be completed by a City inspector or a qualified third party inspector.

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## Is the City going to inspect every rental property in the City?

**No**, inspections will only occur as a result of complaints from tenants or the community. If City officials access a rental property for another purpose and question building condition, they may also report a complaint.

## When would I have to get a provisional license?

Property owners are only required to get a provisional license 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. The City will notify rental property owners if a provisional license is required.

## What is the purpose of the Provisional Rental Property License?

To ensure all rental property in the City of Tacoma is operated and maintained in compliance with Tacoma Municipal Code, providing a safe and healthy environment for all citizens.

## Why does the City feel like there is a need for the provisional license?

The majority of rental properties in the City of Tacoma are a valuable housing asset. However, there are a small minority of rental properties that fall or remain in substandard conditions because property owners are either unaware of best practices in property management or they maintain a business model that perpetuates substandard housing. At the request of community members, the City developed a regulatory tool that would address the specific causes mentioned above without burdening other rental property owners.