

COUNCIL ACTION FORM

SUBJECT: REQUEST TO INCLUDE 611 LYNN IN THE PERCENTAGE CAP EXCEPTION

BACKGROUND:

At the July 31, 2018 Council meeting, the Council adopted Ordinance No. 4365 pertaining to exceptions and hardships to the Rental Concentration Cap. This ordinance required those registering under the cap to have their registration filed before September 1, 2018. On August 6, 2018, the public was made aware that the Mayor had vetoed the ordinance and that it would be revisited at the August 14th meeting. The ordinance was approved at the August 28, 2018 Council Meeting giving property owners 30 days to file their registration.

The Inspection Division received a handful of applications between the time that the ordinance was passed at the meeting on July 31st and the time that the ordinance was vetoed by the Mayor on the 6th of August. **These applicants were told that they were unable to register at that time due to the ordinance being vetoed. Staff recommended that they attend (or tune into) the next Council meeting to keep up-to-date on the most recent decisions or call in after the meeting for an update.**

Inspections staff maintained a list of the applicants to have some idea of how many wanted to apply. When the ordinance finally passed at the end of August, Inspections staff contacted the applicants to let them know that the exception had passed and the deadline for application was October 1, 2018. Unfortunately, the property at 611 Lynn was not on the list so they did not receive the benefit of a reminder call.

A rental application for the property at 611 Lynn was erroneously (clerical staff was not yet aware of the veto and thought it was okay to enter new rentals under the exemption) entered into the system on August 5, 2018 and an inspection confirmation email was sent out on August 7th with an inspection date of August 13, 2018. The property owner responded to the confirmation email with the following:

“In light of the recent veto by the Mayor, I am assuming I may have to wait now for this inspection? I was intending to apply for an LOC that was agreed upon with the Rental Ordinance Exceptions and Hardships passed last week. If we need to wait now, I would request that my application be held until we know how to proceed.”

The inspection was subsequently cancelled, and was unintentionally left off of

the applicant list that staff was maintaining. Since the property was omitted from the list, they did not receive the benefit of the exception update phone call that other pre-veto applicants received. On October 17, 2018, the owner sent an email to Inspections stating:

“I am just following up with this, since I asked my application be held until everything was finalized. Are we able to schedule for inspection now?”

It’s clear the property owner thought that they were not required to submit a new application since they had already been scheduled for inspection. As a result, Inspections did not receive an updated registration from the owner during the exception timeframe. Staff is now seeking Council’s direction in determining if, due to miscommunication, they are willing to allow the property at 611 Lynn to be eligible for the Property Cap Exception even though the deadline has passed.

ALTERNATIVES:

- 1.) Approve the rental registration for 611 Lynn allowing the property to be eligible as a rental property under the Property Cap Exception.
- 2.) Deny the rental registration for 611 Lynn prohibiting the property from being eligible under the Property Cap Exception.

CITY MANAGER’S RECOMMENDATION:

Due to miscommunication between staff and the applicant, it is the recommendation of the City Manager that the City Council support Alternative #1 and thereby approve the rental registration for 611 Lynn Avenue making the property eligible for the Rental Cap Exception.