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An ordinance relating to the disclosure of information to tenants and prospective purchasers of rental units which are being converted to condominiums; requiring that notice be given to tenants prior to conversion; establishing a first right of purchase on behalf of tenants; requiring a building code evaluation prior to the sale of condominiums; providing for the enforcement and administration of this ordinance; and adding a new chapter to the Longview Municipal Code to be known as Chapter 16.56.

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The City Council of the City of Longview do ordain as follows:

Section 1. That there is hereby added to the Longview Municipal Code a new chapter, to be known as Chapter 16.56, which said chapter reads as follows, to-wit:

CHAPTER 16.56

CONDOMINIUM CONVERSIONS

Sec. 16.56.010. Background

There has been a recent substantial increase in the number and percentage of rental units converted to condominium units nationwide, and a similar pattern is anticipated within the City of Longview in anticipation of rising costs of new construction. The conversion of rental units to condominium apartments reduces the number of rental units available on the open market and may cause severe hardships for tenants who must secure new housing on short notice. Rental units may be converted with inadequate notice provided to tenants, further compounding the hardship suffered by those who must seek new housing as a result of such conversions, and substandard rental units may be converted with inadequate disclosure and no correction of existing defects to prospective purchasers, including former tenants, and such failure can cause severe hardships for the purchasers of such units. The purpose of this chapter is to provide protections with regard to the foregoing.

Sec. 16.56.020. Title

This ordinance shall be known and shall be cited as the "Condominium Conversion Ordinance".

Sec. 16.56.030. Purpose

The purpose of this ordinance is to prevent the aforementioned hardships on citizens of Longview, Washington, by providing for fair disclosure of conversions, protection of potential purchasers of condominium units by requiring a building code evaluation prior to sale of a converted apartment.

Sec. 16.56.040. Definitions

The following words and phrases used in this ordinance shall have the meanings set forth below:

- (1) Acceptance of Offer of Sale: A written commitment for the purchase of a condominium unit at a specific price and on specific terms.

- (2) Agent: Any person, firm, partnership, association, joint venture, corporation or any other entity or combination of entities who represents or acts for or on behalf of a developer or owner in selling or offering to sell any condominiums.
- (3) Building: Any existing structure containing one or more dwelling units and any grouping of such structures which, as rental units, were operated under a single name and, as converted buildings, are the subject of a single declaration or simultaneous declarations filed pursuant to the Horizontal Property Regimes Act (RCW Chapter 64.32).
- (4) Condominium: Any existing structure containing one or more dwelling units: (a) which is the subject of a declaration filed pursuant to the Horizontal Property Regimes Act (RCW Chapter 64.32); or (b) in which there is private ownership of individual units and common ownership of common areas.
- (5) Condominium Unit: Any dwelling unit in a condominium.
- (6) Conversion of Condominiums: The filing of a declaration pursuant to the Horizontal Property Regimes Act for the sale by a developer or owner of condominium units that were previously rental units.
- (7) Converted Building: Any condominium which formerly contained rental dwelling units.
- (8) Developers: Any person, firm, partnership, association, joint venture or corporation or any other entity or combination of entities or successors thereto who undertake to convert, sell or offer for sale condominium units. The term "developer" shall include the developer's agent and any other person acting on behalf of the developer.
- (9) Eviction: Any effort by a developer or landlord to remove a tenant from the premises or terminate a tenancy by lawful or unlawful means.
- (10) Offer of Sale to Tenant: A written offer to sell a condominium to the tenant in possession of that unit at a specific price and on specific terms.
- (11) Offer for Sale to Public: Any advertisement, inducement, solicitation, or attempt by a developer or owner to encourage any person other than a tenant to purchase a condominium unit.
- (12) Owners' Association: The association formed by owners of units in a condominium for the purpose of managing the condominium and its common areas.
- (13) Person: Any individual, corporation, partnership, association, trustee or other legal entity.
- (14) Rental Unit: Any dwelling unit, other than a single family dwelling, which is occupied pursuant to a lawful rental agreement, oral or written, express or implied, which was not owned as a condominium unit on the effective date of this Ordinance. A dwelling unit in a converted building for which there has been no acceptance of sale on the effectiveness date of this ordinance shall be considered a rental unit.
- (15) Tenant: Any person who occupies or has a leasehold interest in a rental unit under a lawful rental agreement whether oral or written, express or implied.

Sec. 16.56.050. Application of Ordinance

- (1) Application to Conversion of Condominiums: This ordinance shall apply only to the conversion and sale of rental units that have not yet been converted to condominium units on the effective date of this ordinance.
- (2) Application to Tenants: This ordinance shall apply only to those tenants and subtenants who occupy rental units in a building at the time the notices, offers and disclosures provided by this ordinance are required to be delivered. This ordinance shall not apply to tenants who take possession of a unit vacated by a tenant who has received the notices and other benefits provided by this ordinance; provided, that developers or owners shall disclose in writing to all tenants who take possession after service of the notice required by Sec. 16.56.060(2) of this Ordinance, that the unit has been sold or will be offered for sale as a condominium. This disclosure shall be made prior to the execution of any written rental agreement or prior to the tenants taking possession, whichever occurs earlier. A developer's or owner's failure to disclose, within the time specified above, that the unit has been sold, or offered for sale shall entitle the tenant to all the protections and benefits of this ordinance.

Sec. 16.56.060. Tenant Protections

- (1) Notice to Tenants of Filing of Conversion Declaration: Within ten (10) days of the filing of a condominium conversion declaration as provided by the Horizontal Property Regimes Act, RCW Chapter 64.32, the developer or owner shall mail, properly addressed and postage prepaid, to each tenant in the building to be converted, a written notice of the filing of such declaration and of the developer's or owner's intent to convert the rental unit to a condominium unit. A tenant's refusal to accept delivery shall be deemed adequate service.
- (2) Notice to All Tenants Prior to Offering any Unit for Sale to the Public as a Condominium Unit: At least ninety (90) days prior to offering any rental unit or units for sale (except as provided for in Subsection (7) of this Section 16.56.060) to the public as a condominium unit, the developer shall deliver to each tenant in the building written notice of his intention to sell the unit or units. This notice shall be in addition to and not in lieu of the notices required for eviction by RCW 59.12 and 58.18, and shall be delivered as provided in Subsection (1) of this Section 16.56.060. With such notice, the developer shall also deliver to the tenant a copy of this ordinance with amendments then in effect.
- (3) Purchase Rights of Tenants in Possession: In addition to the notice provided in Subsection (2) of this Section 16.56.060), the developer shall deliver to each tenant whose unit is to be offered for sale, a firm offer of sale of that unit at the price for which it is going to be offered to the public. In the event that more than one tenant occupies a single unit, the developer shall deliver the offer to all tenants jointly or separately. For sixty (60) days from the date of delivery of the offer, the tenant shall have the exclusive right to effect acceptance of the offer of sale.
- (4) Evictions only for Good Cause During Notice Period: A developer or owner shall not evict tenants or force tenants to vacate their rental units for the purpose of avoiding application of this ordinance. For ninety (90) days prior to offering a rental unit for sale to the public,

the tenant of that rental unit shall be evicted only for good cause. For the purposes of this ordinance good cause shall mean:

- (a) Failure to pay rent after service of a three day notice to pay rent or vacate as provided in RCW 59.12.030(3);
  - (b) Failure to comply with a term or terms of tenancy after service of a ten day notice to comply or vacate as provided in RCW 59.12.030(4);
  - (c) The commission or permission of a waste or the maintenance of a nuisance on the premises and failure to vacate after service of a three day notice as provided in RCW 59.12.030(5).
- (5) No Rent Raises Allowed During Notice Period: During the ninety day period after notification as provided by Subsection (2) of this Section 16.56.060, rents for each unit may not be raised.
- (6) Relocation Assistance: Any tenant who moves into a unit within sixty days prior to notice being given to other tenants pursuant to Subsection (2) of this Section 16.56.060, and is not notified in writing of such conversion prior to actual physical occupancy, shall be paid relocation assistance in the amount of one months' rent of the rental unit occupied by such tenant. Such relocation assistance shall be paid at the time such tenant voluntarily or involuntarily moves after being notified that his or her unit will be offered for sale to the public.
- (7) Tenant's Right to Vacate: Tenants who receive 90 day notices of sale may terminate their tenancies at any time in the manner provided by RCW 59.18.200 and RCW 59.18.220, or pursuant to their rental agreement. Such termination shall forfeit the tenant's right to purchase hereunder and permit the developer to offer said unit for sale.

Sec. 16.56.070. Consumer Protections

- (1) Mandatory Building Code Evaluation and Repair - Notice to Buyers and Tenants: Prior to delivery of the 90 day notice described in Subsection (2) of Section 16.56.060, developers shall, at their expense, request a Building Code Evaluation of the entire building by the Department of Urban Services and Permits. An evaluation shall consist of a visual inspection of electrical, plumbing, health, safety and structural components. The evaluation shall be completed within forty-five (45) days of a developer's request. The evaluation for compliance shall be completed within seven (7) days of a developer's request unless the developer fails to provide or refuses access to the department personnel. All deficiencies revealed by the evaluation must be corrected at least seven (7) days prior to the closing of the sale of the first unit or by the compliance date on the evaluation report, whichever is sooner. A copy of the Department's evaluation report and certification of corrections shall be provided by the developer to each prospective purchaser at least seven (7) days before the signing of any earnest money agreement or other binding purchase commitment. Copies of the evaluation report shall be delivered to tenants in the converted building by the developer, together with the notice of sale as provided in Subsection (2) of Section 16.56.060.

- (2) Urban Services and Permits Department Certification of Corrections: The certification shall state that only those defects discovered by the Building Code evaluation and listed on the evaluation report have been corrected and that the certification does not guarantee that all Building Code violations have been corrected. No developer or owner, however, shall use the Department's certification in any advertising or indicate to anyone, in any fashion, for the purpose of inducing a person to purchase a condominium unit, that the City of Longview or any of its departments has "approved" the building or any unit for sale because the City has certified the building or any unit to be in any particular condition.
- (3) Unlawful Representations: It shall be unlawful for any owner, agent or person to make or cause to be made in any disclosure or other document required by this Ordinance, any statement or representation that is knowingly false or misleading. It shall also be unlawful for any owner, developer, agent or other person to make, or cause to be made, to any prospective purchaser, including a tenant, any oral representation which differs from the statements made in the disclosures and other documents required to be provided tenants and purchasers by this Ordinance.

Sec. 16.56.080. Complaints, Penalties, Enforcement

- (1) Any person subjected to any unlawful practice as set forth in this Ordinance may file a complaint in writing with the Department of Urban Services and Permits. The Director of the Department is hereby authorized and directed to receive complaints and conduct such investigations as are deemed necessary. Whenever it is determined that there has been a violation of this Ordinance, the Director is authorized to refer the matter to the Corporation Counsel of the City for criminal prosecution.
- (2) Penalties: Any person who violates any provision of this Ordinance or who deliberately attempts to avoid the application of this Ordinance shall, upon conviction thereof, be fined a sum not to exceed \$500.00 for each such violation.

Sec. 16.56.090. Severability

If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and an independent provision and such decision shall not affect the validity of the remaining portions thereof.

Section 2. This Ordinance shall be in full force and effect from and after five (5) days from the date of its passage and publication.

Passed by the City Council this \_\_\_\_\_ day of \_\_\_\_\_, 1980.

Approved by the Mayor this \_\_\_\_\_ day of \_\_\_\_\_, 1980.

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M A Y O R

ATTEST:

\_\_\_\_\_  
City Clerk  
APPROVED AS TO FORM:  
*[Signature]*  
\_\_\_\_\_  
Corporation Counsel

Published: \_\_\_\_\_