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05/20/93

Condominium
Conversion

ORDINANCE NO. 1744

AN ORDINANCE OF THE CITY OF REDMOND,
WASHINGTON, ADDING SECTIONS TO AND AMENDING
CHAPTER 16.04, REGARDING CONDOMINIUM
CONVERSIONS, AND SETTING AN EFFECTIVE DATE.

WHEREAS, the State Legislature has recently made some changes to the Condominium Act, and

WHEREAS, the state statute authorizes a city to adopt additional regulations with respect to conversion condominiums, but prohibits a city from adopting more restrictive standards or regulations for condominiums than for any other type of housing, and

WHEREAS, the City staff is recommending that the City code become more consistent with the state law and its recent changes, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY ORDAINS AS FOLLOWS:

Section 1. Definitions. Subsection 16.04.020(4) of the Redmond Municipal Code is hereby amended to read as follows:

16.04.020(4). "Condominium" means real property, containing 3 or more units as defined in the Building Code (Chapter 15.04*), portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of those portions. Real property is not a condominium unless the undivided interests in the common elements are vested in the unit owners, and unless a declaration and

a survey map and plans have been recorded pursuant to the state statute.

Section 2. Definitions. The following subsections are hereby created and added to section 16.04.020 of the Redmond Municipal Code entitled "Definitions", and shall read as follows:

(21) "Conversion condominium" means a condominium (a) that at any time before creation of the condominium was lawfully occupied wholly or partially by a tenant or subtenant for residential purposes pursuant to a rental agreement, oral or written, expressed or implied, for which the tenant or subtenant had not received the notice described in (b) of this section; or (b) that at any time within 12 months before the conveyance of or acceptance of an agreement to convey any unit therein other than to a declarant or any affiliate of a declarant was lawfully occupied wholly or partially by a residential tenant of a declarant or an affiliate of a declarant and such tenant was not notified in writing prior to lawfully occupying a unit or executing a rental agreement, whichever event occurs first, that the unit was part of a condominium and subject to sale. "Conversion condominium" shall not include a condominium in which before July 1, 1990, any unit therein had been conveyed or been made subject to an agreement to convey to any transferee other than a declarant or an affiliate of a declarant.

(22) "Conveyance" means any transfer of the ownership of a unit, including a transfer by deed or by real estate contract and, with respect to a unit in a leasehold condominium, a transfer by lease or assignment thereof, but shall not include a transfer solely for security.

(23) "Declarant" means any person or group of persons acting in concert who (a) executes as declarant a declaration as defined herein, or (b) reserves or succeeds to any special declarant right under the declaration. The word "declarant" and "developer" may be interchanged in this chapter.

(24) "Declaration" means the document, however denominated, that creates a condominium by setting forth the information required by RCW 64.34.216 and RCW Chapter 64.32 and any requirements to those documents.

(25) "Real property" means any fee leasehold or other estate or interest in over or under land, including structures, fixtures and other improvements thereon and easement rights and interests pertinent thereto which by custom, usage or law pass with a conveyance of land although not described in the contract of sale or instrument of conveyance. "Real property" includes parcels with or without upper or lower boundaries and spaces that may be filled with air or water.

(26) "Residential purposes" means use for dwelling or recreational purposes or both.

Section 3. Notice to Tenants of Filing of Conversion

Declaration. Section 16.04.050 of the Redmond Municipal Code is hereby amended to read as follows:

16.04.050 Notice to Tenants of Filing of Conversion Declaration. Within seven days of the filing of a condominium conversion declaration as provided by the Horizontal Property Regime Act, RCW Chapter 64.32 and the Condominium Act, RCW Chapter 64.34, but no later than ninety days from the date the tenants or subtenants must vacate, the declarant shall:

(1) Send written notice by registered or certified mail to each residential tenant or subtenant in possession of a portion of a conversion condominium in the converted building, of the conversion and a copy of the Public Offering Statement as defined and outlined in RCW 64.34.405-.418, and 64.34.440 describing the rights of tenants and subtenants. The tenants' refusal to accept delivery shall be deemed adequate service.

(2) File notice of the filing of such declaration with the City Clerk and a copy with the designated building official, giving

the date of filing, file or recording number, office where filed, location and address of the structure and number of dwelling units contained within the structure and the name, address and phone numbers of the owners, managers and persons responsible for the management of the structure.

Section 4. Notice to All Tenants Prior to Offering any Unit for Sale to the Public as a Condominium or Cooperative Unit.

Section 16.04.060 of the Redmond Municipal Code is hereby amended to read as follows:

16.04.060 Notice to All Tenants Prior to Offering any Unit for Sale to the Public as a Condominium or Cooperative Unit. At least 90 to 120 days prior to offering any rental unit or units for sale to the public as a condominium unit or cooperative unit, the declarant shall deliver to each tenant in the building written notice of its intention to sell the unit or units. The notice shall specify the individual units to be sold and the sale price of each unit. This notice shall be in addition to and not in lieu of the notices required for eviction by RCW Chapter 59.12 and 59.18, and shall be delivered as provided herein. With the notice the declarant shall also deliver to the tenant a statement in a format to be provided by the City Building Official of the tenant's rights under this chapter. No tenant or subtenant may be required to vacate upon less than 90 days notice except by reason of non-payment of rent, waste, conduct that disturbs other tenants' peaceful enjoyment of the premises, or act of unlawful detainer as defined in RCW 59.12.030 and the terms of the tenancy may not be altered during that period.

Section 5. Mandatory Housing Code Inspection and Repair--Notice to Buyers and Tenants. Section 16.04.130 of the Redmond Municipal Code is hereby amended to read as follows:

16.04.130 Mandatory Housing Code Inspection and Repair--Notice to Buyers and Tenants.

(A) Prior to delivery of the 120 day notice described in Section 16.04.060, the declarant shall at its expense obtain an inspection of the entire building by an independent firm or individual inspector regularly engaged in the profession of building inspection and having current certification and/or membership granted by the International Conference of Building Officials, American Institute of Architects, any Washington state licensed structural engineer or FHA certified inspectors. The inspector shall provide within 14 days of the inspection, a written report as to compliance with the housing codes as adopted by Chapter 20E.40 of the Redmond Community Development Guide. The declarant shall install an approved fire detection system if required by Section 20E.80.080 of the Redmond Community Development Guide or other applicable provisions of the Uniform Fire Code as adopted by the City, and as supplemented or modified by other City ordinances. Such regulations shall be applied in the same manner as applied to construction undertaken at the time of the condominium conversion application. The installation of the fire detection system and all violations of the Housing Code revealed by the inspection must be completed and corrected at least seven days prior to the closing of the sale of the first unit.

(B) Such inspection may not be required with respect to any building for which a final certificate of occupancy has been issued by the city within the preceding twenty-four months.

Section 6. Inspector's Certification of Repairs.

Section 16.04.140 of the Redmond Municipal Code is hereby amended to read as follows:

16.04.140 Inspector's Certification of Repairs. Prior to any conveyance of a residential unit within a conversion condominium, other than a conveyance to a declarant or affiliate of a declarant, all violations disclosed in the inspection report

provided for above, and not otherwise waived by the city shall be repaired. The independent building inspector retained by the declarant pursuant to Section 16.04.130 shall conduct a reinspection and provide a certification attesting that all defective conditions identified in the initial and any follow up inspection reports have been corrected. Said certification shall be issued within seven days of the inspection. All costs of the reinspection and certificate, etc. shall be borne by the declarant. The declarant shall deliver a copy of the certificate to each purchaser within the time period specified by Section 16.04.130. A copy of the initial and all follow up inspection reports and certification of repairs shall be included in the Public Offering Statement and shall be provided by the declarant to each respective purchaser at least seven days before the signing of any earnest money agreement or other binding purchase commitment. Copies of all inspection reports shall be delivered to the city's designated building official and tenants in the converted building by the declarant with a notice of sale as provided in Section 16.04.060.

Any certification or report conducted by the declarant shall clearly state that the inspection and certification has been conducted by private entities, and that the city does not comment on or guarantee that any or all violations have been identified or corrected. No declarant shall indicate or imply to anyone, for the purpose of inducing a person to purchase a condominium unit, that the city has "approved" the premises or any unit for sale.

Section 7. Repair Fund. There is hereby created a new Section 16.04.155, entitled "Repair Fund" which shall read as follows:

16.04.155 Repair Fund. Prior to the conveyance of any residential unit within a conversion condominium, other than a conveyance to a declarant or affiliate of a declarant:

(1) the declarant shall establish and maintain, during the one year warranty period provided under Section 16.04.160, an account containing a sum equal to 10 percent of the actual cost of making the repairs required as a result of the inspection;

(2) during the one year warranty period, the funds in such account shall be used exclusively for paying the actual cost of making repairs required, or for otherwise satisfying claims made, under such warranty;

(3) following the expiration of the one year warranty period, any funds remaining in such account shall be immediately disbursed to the declarant; and

(4) the declarant shall notify in writing any condominium homeowner's association and the City as to the location of such account and any disbursements therefrom.

Section 8. Violations. A new section of the Redmond Municipal Code, 16.04.235, entitled "Violations" is hereby created to read as follows:

16.04.235 Violations. A. Any violations of this code shall not invalidate the creation of the condominium or the conveyance of any interest therein.

B. The provisions of this chapter are not intended to and shall not be deemed to create any duty on the part of the City to enforce the provisions of this chapter for any particular individual, but are enacted for the general welfare of all residents of the City.

Section 9. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or

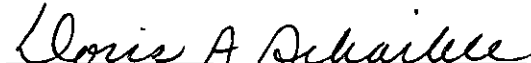
constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 10. Effective Date. This ordinance, being an exercise of a power specifically delegated to the City legislative body, is not subject to referendum, and shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

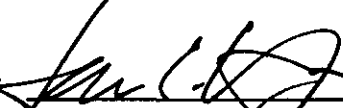
CITY OF REDMOND


MAYOR ROSEMARIE IVES

ATTEST/AUTHENTICATED:


CITY CLERK, DORIS SCHAIBLE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

By: 

FILED WITH THE CITY CLERK:	October 13, 1993
PASSED BY THE CITY COUNCIL:	November 1, 1993
SIGNED BY THE MAYOR:	November 3, 1993
PUBLISHED:	November 7, 1993
EFFECTIVE DATE:	November 12, 1993
ORDINANCE NO. <u>1744</u>	