



**Topic:**

Spokane Municipal Code (SMC) Section 10.57 – Regulation of Residential Rental Housing ordinance – business license, property registration and inspections – exemptions.

**Effective Date:**

Immediately

**Background:**

On February 27, 2023, the City Council for the City of Spokane passed the Regulation of Residential Rental Housing ordinance (SMC 10.57) following years of community meetings aimed at improving landlord/tenant relationships and conditions at rental properties. Generally speaking, the law and procedures therein apply to all residential properties that are in use as traditional rental properties, properties that would fall under the scoping of RCW 59.18, the Residential Landlord-Tenant Act. This would include all building types within the corporate limits of the City of Spokane, including but not limited to, single family homes, ADUs, duplexes, triplexes, apartment buildings, condos, single room occupancies, group homes, etc.

**Analysis:**

In implementing the early stages of the business license and property registration processes, Code Enforcement staff has encountered enough questions on this topic that we felt some additional clarity would be beneficial.

The business license, property registration, and routine Code Enforcement inspection regulations detailed in SMC 10.57 **do not apply** to the following situations:

- Temporary lease back agreements as contingency of a real estate sale.
- Institutional residence, whether public or private, where residence is “merely incidental to detention or the provision of medical, religious, educational, recreational, or similar services including, but not limited to, correctional facilities, licensed nursing homes, monasteries and convents, and hospitals” and any other situation specifically exempted in RCW 59.18.040. This includes on-campus dorms, medical care facilities, etc.
- Short term rental operations, such as Airbnb and VRBO, as these situations are separately regulated under Spokane Municipal Code 17C.316.
- Owner occupied homes, where the owner is renting out an individual bedroom in the home.
- Homeless shelters and temporary transitional living facilities.
- Residence in a hotel, motel or other transient lodging.
- Non-housing rentals, such as commercial uses.

Note: This list may not be all inclusive of possible structures or uses exempt. Any questions of whether a structure or use is regulated by the provisions of SMC 10.57 will be determined by the Department Director.

**Conclusion:**

All residential rental properties not specifically exempted above, are subject to the regulations of SMC 10.57, and must obtain a business license from the Department of Revenue with a Spokane endorsement to operate. Further, the property must then register with the City of Spokane and must work with Code Enforcement staff when needed to facilitate inspection of the property as defined in the ordinance.