



CITY COUNCIL MEETING

STAFF REPORT

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| Meeting Date: January 22, 2026 | | Subject: Council Goal - Rental Housing Inspection Program Staff Member: Dan Carlson, Building Official Department: Community Development / Building |
| Action Required | | Advisory Board/Commission Recommendation |
| <input type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda | | <input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable |
| | | Comments: N/A |
| Staff Recommendation: N/A | | |
| Recommended Language for Motion: N/A | | |
| Project / Issue Relates To: | | |
| <input checked="" type="checkbox"/> Council Goals/Priorities: 2025-27 Council Goal No. 2 Public Safety; Strategies 2.7 and 2.8 | <input type="checkbox"/> Adopted Master Plan(s): | <input type="checkbox"/> Not Applicable |

ISSUE BEFORE COUNCIL:

Council briefing on a comparative analysis of other cities' rental housing inspection programs and overview of a framework for potentially developing a formalized local program.

EXECUTIVE SUMMARY:

As part of its 2025-27 Council Goals, the City Council adopted Goal 2: Public Safety. The third outcome identified in Goal 2 is to “evaluate rental inspection program,” with two strategies:

- 2.7 Undertake comparative analysis of other cities’ rental inspection programs
- 2.8 Investigate developing a local Rental Inspection Program and related funding for program support

This report will provide an overview of rental housing inspection issues in Wilsonville by answering a few key questions below, followed by an analysis of comparators, then offering key considerations should council choose to continue developing a local rental housing inspection program.

BACKGROUND:

In staff’s collective experience, the number of livability concerns reported to the city, between tenants and landlords, are few.

Concerns that are reported are generally able to be addressed by current regulations, through educational resources, or by referral to other governing authorities with existing resources such as Clackamas County. In addition, staff observe that effectively facilitating communications between parties often resolves the issue, or in some cases, issues are unfounded as parties attempt to leverage the city via complaints in order to break a contractual lease obligation. This dynamic and other complexities of rental housing inspections, along with the lack of complaints, and need for funding, bring to question the necessity of creating a new program.

Aside from this question, what follows are several basic questions to help frame the discussion.

Part 1 - Questions

1) How many rental housing units are in Wilsonville?

- a. Approximately 50% to 53% of housing units in Wilsonville are rentals according to recent US Census data and the Wilsonville 2024 Housing Report. This equates to roughly 6,000 rental housing units. While difficult to accurately pinpoint the quantity of various rental housing types, **Attachment 1** provides a summary.

2) What are the quantity and type of complaints that staff currently receive?

- a. While the Building Division primarily regulates construction activity for new projects, it also investigates and resolves complaints of dangerous or insanitary conditions through locally adopted code. In 2025 the Building Division received two complaints of mold in the interior. While not a code violation, these complaints were resolved by educating the tenant about mold prevention/remediation (currently provided on the Building Division webpage) and a courtesy follow-up with the landlord. No other residential landlord-tenant related complaints about dangerous or insanitary conditions were received.

- b. Many of the multi-family rental units in Wilsonville are professionally managed. Staff experience is that issues are generally quickly addressed when brought to the attention of landlord facilities staff. In addition, several professionally managed complexes proactively undertake regular maintenance initiatives on decks, roofs, windows, bathrooms and other features. In a recent example, this fall, a complex under new ownership with over 200 units proactively completed replacements of aged bath exhaust fans, plumbing systems, and a number of other improvements.
- c. The Code Compliance Program is administered by the Code Compliance Coordinator. Generally, the types of complaints received pertain to a variety of community nuisances or offenses such as trash disposal, noise, signs, tall grass, vehicle and recreational vehicle (RV) parking, camping, sidewalk repairs, tree issues, graffiti, and others which are currently regulated in Wilsonville Code. Very few of these complaints are specific to rental housing issues.

3) How are residential landlord/tenant complaints currently handled in Wilsonville?

- a. Complaints come to the city in a variety of ways but generally through the “Ask the City” link on the city’s website, or via phone call or direct email.
- b. Most landlord/tenant complaints are triaged at the initial contact and referred either to the Building Division or to Code Compliance. Unless easily resolved by staff through facilitating communication channels, rental housing complaints are referred to the Building Division if perceived to be a dangerous or insanitary building code issue, or to Code Compliance if the issue involves a general nuisance.
- c. In either case, staff will respond to the complainant in a timely and customer-friendly manner and attempt to offer assistance if possible.
- d. If the issue is outside the scope of Wilsonville Code authority, and regulated by ORS 90 – Landlord/Tenant Law, a referral is made to Clackamas County Housing Authority for assistance which can include mediation or other services.
- e. Clackamas County has numerous housing related resources and regular educational offerings such as Rent Well (<https://rentwell.org/>) for tenants and landlords.

4) What is a formal Rental Housing Inspection Program (RHIP)?

- a. Rental housing inspection programs provide a legal codified mechanism to assist with addressing and resolving livability issues between landlords and tenants at a more local level.
- b. Formal RHIP’s usually take two forms – proactive and reactive.

- i. A **proactive** program most often includes required periodic inspections of the interior and exterior of a rental unit. Proactive programs also include reactive mechanisms to respond to complaints.
- ii. A **reactive** program is complaint based, relying on tenants or landlords to report concerns which are then investigated by staff, and either dismissed or ordered to be corrected.
- c. Informal programs tend to respond similarly to Wilsonville and rely on existing codes and referrals to other regulatory authorities as described in item 3 above. Most of Wilsonville's comparators have informal programs or no program.

5) **What laws govern the responsibilities between residential landlords and tenants?**

- a. With formal programs, rental housing issues are usually identified in a locally adopted housing maintenance code such as the International Property Maintenance Code (IPMC) (Gresham and McMinnville), a local homegrown livability code (Tigard, Tualatin and Corvallis), or in a state law such as ORS 90 – Landlord Tenant Law, which applies to all residential rentals in Oregon.
- b. In most cases, the standards mandate that landlords must provide listed amenities in a prescribed condition. In addition, tenants must maintain their space in a prescribed manner. Generally, these are described as being in a safe, sanitary, or maintained manner. For example: A landlord must provide smoke detectors with a battery backup in each sleeping area, and tenant must replace the batteries in said smoke detector(s) when supplied by the landlord.
- c. With informal programs, local jurisdictions generally either do not address ORS 90's lengthy list of tenant/landlord issues, or they refer tenants or landlords to existing countywide housing resources to assist in resolving concerns. Many Wilsonville comparators take this approach.

Part 2 – Comparative Analysis (Item 2.7)

Council goal 2.7 was to undertake a comparative analysis of other cities' rental inspection programs. **Attachment 2** highlights the seven (7) typical comparators for Wilsonville and a few others for good measure for a total of twelve (12) in this sampling.

This comparison provides the population and an Owner-Occupied Housing rate (OOH). The inverse of the OOH rate is a reasonable rate for the number of rental units within each community. For example, Lake Oswego has an OOH rate of 70.8%. The inverse of this places the number of rental units at roughly 30% of their overall housing. In Wilsonville, the OOH rate is approximately 50.1% so roughly half of the housing units are rental in nature across a variety of housing types.

The median rent column provides insights into costs of rent for tenants in various jurisdictions, and over a 5-year period from 2019-2023. This category does not specify the number of rooms, unit size, or age of units which are often distinguishing market factors. However, it does include the cost of utilities per notes in the census data. This information can be useful to inform housing cost burdens in rental housing, particularly if council were to consider adding a new per-unit fee for supporting a rental housing inspection program which is the funding source in Corvallis, Tualatin, and Gresham.

The RHIP column (Rental Housing Inspection Program) denotes whether a jurisdiction has a formal rental housing program or not, and/or if they refer rental housing complaints to their respective county. Counties generally have housing authorities with resources to address tenant/landlord disputes and, as is the case in Clackamas County, include mediation services to facilitate communication and resolution of issues under ORS 90 and the tenant/landlord rental contract.

The proactive/reactive column is simply whether the jurisdiction is proactive or reactive (complaint based). Proactive programs perform annual or regular inspections that must be coordinated with landlords, tenants, and inspectors in order to make observations of the interior conditions of the units to determine compliance with ORS 90, and the locally adopted rental housing codes. Those who have adopted a local code have those codes listed in the code/standard column.

Lastly, there is the funding source column:

- Formal proactive programs are funded by a per-unit fee. The only proactive program in this sampling was Gresham, which charges on a sliding scale ranging from \$79 per unit for 1-2 units, to \$44 per unit for 200+ units. Gresham is increasing this fee with an annual 5% cost of living adjustment (COLA) through 2029.
- Formal reactive (complaint based) programs have funding sources that are either a per-unit fee as with Tualatin at \$10, and Corvallis at \$17 annually, or are general funded as with Tigard and McMinnville.
- Informal programs are all general funded, or in the case of addressing dangerous building issues, are funded by building department funds. It should be noted that building department funds are highly regulated by ORS 455 and OAR 918 and must be dedicated toward building department operations. Outside of dangerous buildings, funding a rental housing inspection program through building permit fee revenues would not be appropriate.

Part 3 – Program Development (Item 2.8)

While staff has effectively managed the few landlord-tenant issues through the current policies and practices, **Attachment 3** provides an overview covering a wide variety of considerations in developing a rental housing inspection program. These insights are provided based on staff

assisting with program development for the City of Corvallis (where they were previously employed), and from recent phone interviews with staff of each of the comparators in Attachment 2.

CONCLUSION:

With this update, Council has completed two strategies (2.7 and 2.8) in Goal 2. Regardless of the direction Council takes with a rental housing inspection program, staff recommends that a resources web page be developed to more easily connect tenants and landlords with valuable information pertaining to county and state resources, general good maintenance practices for tenants and landlords (similar to the mold page on the Building webpage), and links to educational offerings.

EXPECTED RESULTS:

Council has completed two strategies (2.7 and 2.8) in Goal 2. Council can discuss and decide if additional action is needed.

TIMELINE:

N/A

CURRENT YEAR BUDGET IMPACTS:

N/A

COMMUNITY INVOLVEMENT PROCESS:

N/A

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

From staff perspective, the current state landlord/tenant laws, local codes, and partner resources through the County appear to address the most common issues identified by complainants. The number of actual livability types of complaints reported to staff each year is few. Should Council proceed with a directive to pursue development of a formal rental housing inspection program, the issues and impacts would need to be further studied as identified in Attachment 3, with particular attention paid to community stakeholder outreach, program funding sources, and adoption of local property maintenance codes.

ALTERNATIVES:

N/A

CITY MANAGER COMMENT:

ATTACHMENTS:

Attachment 1: Rental Housing Stats – Wilsonville 2024 Housing Report and US Census Data

Attachment 2: Comparison of Programs

Attachment 3: Memo - Considerations for Program Development