

SUBSTITUTE NO. 1 TO ORD. 26-008

**AN ORDINANCE TO AMEND CHAPTERS 5 AND 34 OF THE CITY CODE TO
CREATE AN ONLINE RENTAL PROPERTY REGISTRY**

Rev. 1

#0173

Sponsor:

**Council
Member
Darby**

WHEREAS, the purpose of this legislation is to promote the safe and healthy housing for City residents who rent, and to engage and assist landlords in complying with the City Code; and

WHEREAS, the registration of all rental dwelling units is the foundation for providing oversight of rental housing and enforcement of applicable provisions of the City Code; and

WHEREAS, currently, the Department of Finance issues rental business licenses to prospective business owners; and

WHEREAS, the Department of Licenses and Inspections inspects rental properties for habitability and code compliance; and

WHEREAS, tenants seeking rental housing in the City should be informed of the inspection history of their proposed rental; and

WHEREAS, City Council believes that creating an online rental property registry will reduce administrative burdens on the Department of Licenses and Inspections while increasing public confidence in rental housing oversight; and

WHEREAS, City Council does not wish to take away the Department of Finance's authority to issue business licenses; and

WHEREAS, City Council deems it necessary and appropriate to amend Chapters 5 and 34 of the City Code to effectuate the aforementioned changes.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Chapter 5 of the City Code is hereby amended by deleting the stricken language and adding the underlined language to read as follows:

Sec. 5-92. – Rental Dwelling Units

(f) Every applicant for a rental business license shall, at the time of application, register on his application all rental dwelling unit(s) owned, controlled, operated, or managed by the applicant. By registering a rental dwelling unit on the business license application, an applicant, owner, or operator is certifying that said unit(s) may be properly let or rented to another under all applicable laws. All owners, operators, or lessors shall register their rental dwellings through the city's online rental property registry, which shall be made available on the city's official website. Failure to register all rental dwelling unit(s) on the business license application, or registering a rental dwelling unit which may not be properly let or rented to another, shall constitute grounds for denial of a business license or revocation of a business license such that the licensee may no longer conduct such business in the in the city.

SECTION 2. Chapter 34 of the City Code is hereby amended by creating a new Section 34-67 by adding the underlined language to read as follows:

Sec. 34-67. – Online Rental Property Registry.

(a) The department of licenses and inspections shall create and maintain a publicly available Online Rental Property Registry, taken from data

shared by the department of finance, containing the following information:

- i. Property address;
- ii. Name of licensed owner, operator, lessor, and/or registered agent;
- iii. License status (active, suspended, expired);
- iv. Record of violations (if any) within the last twenty-four (24) months; and
- v. Date of last inspection (if applicable) landlord education and resource awareness program.

(b) The department of licenses and inspections is responsible for the Registry's administration and oversight, including maintenance of unit-level registry data, inspection status updates, violation tracking, compliance monitoring, and public access to registry information.

(c) Owners, Operators, and Lessors of residential rental dwellings shall be required to update ownership and contact information with the department of finance annually or within thirty (30) days of a change.

(d) Failure to update registry information within the required timeframe shall subject owners, operators, and lessors to civil penalties as outlined in section 34-86.

(e) The department of licenses and inspections, the department of finance, and the department of information technology shall coordinate to ensure

integration between applicable City databases to avoid duplication of records and ensure data accuracy.

(f) The department of finance shall continue to administer rental business license applications and collect associated fees pursuant to Chapter 5 of the City Code.

Secs. 34-678–34-85. Reserved.

SECTION 3. The Department of Licenses and Inspections shall develop a phased rollout plan, including system development, integration, staff training, public education, and data security safeguards. The Department shall provide updates to Council every ninety (90) days until the Registry is operational.

SECTION 4. This Ordinance shall become effective twelve (12) months after its passage by City Council and approval by the Mayor.

First Reading.....February 5, 2026
Second Reading...February 5, 2026
Third Reading.....June 4, 2026

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved as to form this 3rd day
of June 2026


Acting City Solicitor

Approved this _____ day of _____, 2026

Mayor

SYNOPSIS: This Ordinance requires the Department of Licenses and Inspections to create an online rental property registry. It also requires owners, operators, or lessors who obtain rental dwelling business licenses to register their rental dwellings on the City's online rental property registry.

FISCAL IMPACT STATEMENT: The Office of Management & Budget has reviewed and analyzed Substitute No. 1 to Ordinance 26-008, an ordinance amending Chapters 5 and 34 of the City Code to create an online rental property registry. The ordinance would require the Department of Licenses and Inspections (L&I) to create and maintain a publicly available registry using data shared by the Department of Finance; administer and oversee the registry, including unit-level data, inspection updates, violation tracking, compliance monitoring, and public access; coordinate with the Departments of Finance and Information Technology to integrate applicable City databases; and develop a phased rollout plan addressing system development, integration, staff training, public education, and data security safeguards.

The Department of Information Technologies has advised that implementation and administration of the registry would require utilization of Tyler's Enterprise, Permitting, and Licensing solution (EnerGov). Tyler quoted the Director of Information Technologies a one-time implementation cost of \$595,000, covering system configuration, data conversion, project management, and deployment services. In addition, there would be an annual recurring cost of \$221,000 for Software-as-a-Service (SaaS), which includes system licensing, hosting, maintenance, and support. The total first-year cost is \$816,000. This investment establishes a modern, cloud-based platform for permitting, licensing, and community development services, but requires sustained annual funding and internal resource commitment to support ongoing operations and system optimization. Over a five-year period, the total cost is projected to be \$1.7 million, exclusive of any optional services, scope changes, or additional integrations.

The Commissioner of L&I has indicated that the Department has already implemented an internal staff reorganization for operational purposes, which also enables it to administer the registry without the need for additional personnel or resources.

In summary, Substitute No. 1 to Ordinance 26-008 would have a fiscal impact on the City consisting primarily of technology costs, specifically \$595,000 in one-time implementation costs and \$221,000 in annual recurring maintenance costs, with no additional staffing costs presently anticipated for L&I.