

City of Detroit

CITY COUNCIL


LEGISLATIVE POLICY DIVISION
208 Coleman A. Young Municipal Center
Detroit, Michigan 48226
Phone: (313) 224-4946 Fax: (313) 224-4336

David Whitaker, Esq.
Director
Irvin Corley, Jr.
Executive Policy Manager
Marcell R. Todd, Jr.
Director, City Planning Commission
Janese Chapman
Director, Historic Designation Advisory Board

John Alexander
Roland Amarteifio
Megha Bamola
LaKisha Barclift, Esq.
Paige Blessman
M. Rory Bolger, Ph.D., FAICP
Eric Fazzini, AICP
Willene Green
Christopher Gulock, AICP

Derrick Headd
Marcel Hurt, Esq.
Kimani Jeffrey
Phillip Keller, Esq.
Edward King
Kelsey Maas
Jamie Murphy
Analine Powers, Ph.D.
W. Akilah Redmond
Laurie Anne Sabatini
Rebecca Savage
Sabrina Shockley
Renee Short
Floyd Stanley
Thomas Stephens, Esq.
Timarie Szwed
Theresa Thomas
Ashley A. Wilson

TO: Detroit City Council

FROM: David Whitaker, Director 
Legislative Policy Division

DATE: April 17, 2023

RE: **Proposed amendment to Rental Requirements Ordinance / Just Cause Evictions**

The Legislative Policy Division (LPD) received a request from Council Member Coleman A. Young II, to draft an amendment to the City of Detroit's rental requirements for "Just Cause Evictions" for rental property owner/landlord. The proposed provisions of the ordinance were drafted based upon similar ordinances in Seattle, WA; San Francisco, CA; and Los Angeles, CA.

LPD submits the attached draft ordinance amendment which may be referred to the Law Department for review and approval as to form.

If we can be of further assistance, feel free to call upon us.

S U M M A R Y

AN ORDINANCE to amend Chapter 8 of the 2019 Detroit City Code, Building Construction and Property Maintenance; by amending Article XV, Property Maintenance Code, Division 3, Requirements for Rental Property; Subdivision A. In General, by adding Section 8-15-88, Just Cause Eviction; to provide for the health, safety and general welfare of the public.

1 **BY COUNCIL MEMBER COLEMAN A. YOUNG, II:**

2 **AN ORDINANCE** to amend Chapter 8 of the 2019 Detroit City Code, Building
3 Construction and Property Maintenance; by amending Article XV, Property Maintenance Code,
4 Division 3, Requirements for Rental Property; Subdivision A. In General, by adding Section 8-15-
5 88, Just Cause Eviction; to provide for the health, safety and general welfare of the public.

6 **IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT**

7 **THAT:**

8 **Section 1.** Amend Chapter 8 of the 2019 Detroit City Code, Building Construction
9 and Property Maintenance; by amending Article XV, Property Maintenance Code, Division 3,
10 Requirements for Rental Property; Subdivision A. In General, by adding Section 8-15-88, Just
11 Cause Eviction, to read as follows:

12 **CHAPTER 8, BUILDING CONSTRUCTION AND PROPERTY MAINTENANCE**
13 **ARTICLE XV, PROPERTY MAINTENANCE CODE**
14 **DIVISION 3, REQUIRMENTS FOR RENTAL PROPERTY**
15 **SUBDIVISION A. IN GENERAL**

16 **Sec. 8-15-81. - Registration of rental property.**

17 (a) The owners or agents of rental property shall register all such dwellings with the
18 Buildings, Safety Engineering, and Environmental Department and obtain a Certificate of
19 Registration of Rental Property as provided for in this section. Application for the
20 Certificate of Registration of Rental Property shall be made on forms provided by the
21 Department and shall contain:

- 22 (1) The location and use of the rental property;
23 (2) The name, address, email address, telephone number, and, if an individual,

1 the driver's license number or state identification number of
2 the rental property owner applicant, and, if a corporation or other legal
3 entity, the name, address, email address, and telephone number of
4 the property manager and the resident agent;

5 (3) Information listed in Subsection (a)(2) of this section for each partner,
6 corporate officer, or any other person having any interest in
7 the rental property;

8 (4) The names, addresses, email addresses, and telephone numbers of any
9 persons or firms, other than the owner or owners, who are responsible
10 for property maintenance, or a person who is a caretaker of
11 the rental property pursuant to [Section 8-15-86](#) of this Code, and a 24-hour
12 emergency number to contact a responsible person or caretaker of
13 the rental property; and

14 (5) Whether the rental property is listed on the lead safe housing registry
15 established under Section 5474b of the Michigan Lead Abatement Act, Part
16 54A of the Michigan Health Code, being MCL 333.5474b.

17 (b) It shall be unlawful for any person to provide false information on an application
18 for a Certificate of Registration of Rental Property required by this section.

19 (c) Certificates of Registration of Rental Property, once received, shall be valid until
20 there is a change in ownership, or a change of use, of the rental property.

21 (d) The Buildings, Safety Engineering, and Environmental Department shall maintain
22 a registry of owners and rental property governed by this section. The Department may
23 combine this registry with the registry required by [Section 8-15-82\(c\)](#) of this Code.

1 (e) Where rental property required to be registered under this section is sold or
2 otherwise transferred to a new owner, the Certificate of Registration
3 of Rental Property issued the previous owner shall expire on the date of the sale or transfer
4 and, within 90 days after the sale or transfer of the rental property, the new owner shall
5 apply for a Certificate of Registration in the manner prescribed in this section.

6 **Sec. 8-15-82. - Inspection of registered rental property; Certificate of Compliance**
7 **required; registry of Certificates of Compliance for rental properties; violations;**
8 **occupancy.**

9 (a) In order to secure a Certificate of Compliance for rental property, the Building
10 Official shall cause an inspection to be made of all rental property required to have a
11 Certificate of Registration of Rental Property under [Section 8-15-81](#) of this Code
12 according to the schedule for registration renewal in Subsection (c) of the section. Each
13 inspection shall strictly conform to [Section 8-15-34\(b\)](#) of this Code.

14 (b) The Buildings, Safety Engineering, and Environmental Department shall issue a
15 Certificate of Compliance for a rental property where the Department determines that the
16 owner and the rental property, its units, accessory structures and the premises, including
17 exterior areas, comply with the standards and requirements of this article, and

18 (c) The Buildings, Safety Engineering, and Environmental Department shall maintain
19 a registry of all rental properties for which a Certificate of Compliance has been issued,
20 and shall make the registry available on the City's website. The Department may combine
21 this registry with the registry required by [Section 8-15-81\(d\)](#) of the City Code.

22 (d) Notwithstanding [Section 8-15-35\(d\)](#) of this Code, and subject to Subsections (e)
23 and (f) of this section, it shall be unlawful for an owner to allow any

1 unoccupied rental property to be occupied, or to collect rent from a tenant for occupancy
2 of a rental property, during or for any time in which there is not a valid Certificate of
3 Compliance for the rental property. Tenants of an occupied rental property that lacks a
4 Certificate of Compliance shall pay the rent that would otherwise have been due into an
5 escrow account, which is established by the Buildings, Safety Engineering, and
6 Environmental Department with a third-party financial institution. If the owner of
7 the rental property obtains a Certificate of Compliance within the first 90 days in which
8 payments are made into the escrow account, the rent in the escrow account shall be paid to
9 the owner, less the actual administrative fee charged by the third-party financial institution.
10 If the owner fails to obtain a Certificate of Compliance within those first 90 days, the rent
11 in the escrow account shall be paid, at the end of those 90 days, to the tenant, less the actual
12 administrative fee charged by the third-party financial institution. Thereafter, the tenant
13 shall continue paying rent into the escrow account until the owner obtains a Certificate of
14 Compliance. At the end of every 60 days in which the owner fails to obtain a Certificate of
15 Compliance, the rent in the escrow account shall be paid to the tenant, less the actual
16 administrative fee charged by the third-party financial institution. If the owner of
17 the rental property obtains a Certificate of Compliance, all rent accrued in the escrow
18 account shall be paid to the owner, less the actual administrative fee charged by the third-
19 party financial institution. Nothing in this article shall be construed to permit eviction of
20 an existing tenant from a rental property or to deprive existing tenants of their rights to
21 possession of a rental property under the laws of this state and this Code, and such existing
22 tenants shall have a right under this Code to retain possession of
23 a rental property notwithstanding an owner's inability to collect rent from such tenants

1 pursuant to this subsection.

2 (e) A tenant who retains possession of a rental property under Subsection (d) of this
3 section, notwithstanding an owner's inability to collect rent, may nevertheless be evicted if
4 an owner establishes that the tenant is subject to eviction for reasons other than nonpayment
5 of rent.

6 (f) [Section 8-15-35](#)(d) of this Code shall not be construed to penalize the tenant or
7 occupant of a rental property for occupancy of a rental property that does not have a valid
8 Certificate of Compliance except as set forth in this subsection. Notwithstanding
9 Subsection (d) of this section, where an inspection of a rental property or a notice of
10 suspension or denial of a Certificate of Compliance states that there is an immediate danger
11 due to a violation or violations of this article or other applicable laws, codes or regulations,
12 the dwelling may be ordered immediately vacated by the Building Official, or his or her
13 designee, and any occupancy shall thereafter be unlawful.

14 (g) It shall be unlawful for the owner of a rental property on which the original
15 construction was completed prior to January 1, 1978 and required to be registered pursuant
16 to [Section 8-15-81](#) of this Code to allow the rental property to be occupied without a lead-
17 clearance report being obtained and provided to the Buildings, Safety Engineering, and
18 Environmental Department in accordance with Subdivision B of this division.

19 (h) Nothing in this section shall be interpreted as limiting or controlling the amount of
20 rent an owner may charge to a tenant pursuant to a lawful agreement with the tenant.

21 (i) Subsection (d) of this section shall take effect by ZIP Code according to a schedule
22 promulgated by the Director of the Buildings, Safety Engineering, and Environmental
23 Department and posted on the City's website. Such schedule shall be promulgated no later

1 than 60 days following the effective date of this subsection, which was November 24, 2017,
2 and may thereafter be amended periodically at the discretion of the Director of the
3 Buildings, Safety Engineering, and Environmental Department.

4 (j) In each of the five years following the effective date of this subsection, which was
5 November 24, 2017, the Buildings, Safety Engineering, and Environmental Department
6 shall provide the City Council with a report outlining the state of rental housing in the City.
7 The report shall include, by ZIP Code, the number and percentage of
8 registered rental properties that are currently occupied, the percentage of residents who are
9 renters, the average monthly income and average household size of renters, and the number
10 and percentage of registered rental properties that lack a Certificate of Compliance. In
11 addition, the report shall include, by ZIP Code, the median income
12 of rental property owners who are individuals, the average percentage of individual rental-
13 property owner's income that is attributable to the owner's rental-property portfolio, the
14 average number of rental properties in each owner's rental-property portfolio, and the
15 average yearly profit on rental properties that are one-family dwellings, two family
16 dwellings, and multi-family dwellings. Further, the report shall include the average costs
17 during the preceding year that rental-property owners expended to bring
18 their properties into compliance with this article. Where practicable, the report shall break
19 down such repair costs according to the type of repair made, and according to the type
20 of rental property: one-family, two-family, and multi-family. Any report issued pursuant
21 to this subsection shall include United States Census data regarding the demographics of
22 each ZIP Code subject to the report. When preparing reports pursuant to this subsection,
23 the Buildings, Safety Engineering, and Environmental Department may use any data

1 source, including, but not limited to, surveys of property owners and tenants, The first
2 report under this subsection shall be made no later than one year following the effective
3 date of this subsection, which was November 24, 2017.

4 **Sec. 8-15-83. - Lead inspection/risk assessment, lead clearance; length of Certificate**
5 **of Compliance.**

6 (a) *Initial lead inspection/risk assessment required upon rental registration.* An owner
7 shall have a lead inspection/risk assessment performed on any property built prior to 1978
8 in accordance with Subdivision B of this division the first time such property is registered
9 as a rental property in accordance with [Section 8-15-81](#) of this Code. If the lead
10 inspection/risk assessment reveals a lead-based paint hazard, such hazard shall be
11 addressed by interim control, abatement, or a combination of the two as identified in
12 Subsections (b), (c), and (d) of this section. If neither lead paint nor lead hazards are
13 identified in the lead inspection/risk assessment, no further compliance action shall be
14 required.

15 (b) *Risk assessment after interim controls.* Where interim controls were used to reduce
16 lead-based paint hazards in a rental property as prescribed in Subdivision B of this division,
17 or where a lead inspection reveals the presence of lead paint on the rental property, the
18 owner shall have a risk assessment performed on the rental property and obtain a lead-
19 clearance report in accordance with this section. An owner shall have a risk assessment
20 performed on such property within three years, plus or minus 60 days.

21 (c) *Risk assessment after abatement by encapsulation.* Where abatement was used to
22 remove all identified lead paint hazards, as prescribed in Subdivision B of this division, by
23 permanent encapsulation of lead-based paint and permanent covering of soil lead hazards,

1 as indicated in the post-remedy clearance report, the owner shall have a risk assessment
2 performed on the rental property every four years, and the lead clearance report shall be
3 valid for four years. If, as a result of such risk assessment, it is determined that the lead-
4 based paint hazard is no longer fully encapsulated, the owner must immediately take
5 necessary action to remedy the lead-based hazard pursuant to [Section 8-15-93](#) of this Code,
6 provided, that, if an owner at any time becomes aware that the integrity of a permanent
7 encapsulation or permanent covering of soil lead hazards may have been damaged, the
8 owner must immediately take necessary action to remedy the lead-based paint hazard
9 pursuant to [Section 8-15-93](#) of this Code.

10 (d) *Risk assessment after abatement by enclosure.* Where abatement was used to
11 remove all identified lead-based paint hazards, as prescribed in Subdivision B of this
12 division, by permanent enclosure of lead-based paint, as indicated in the post-remedy
13 clearance report, an owner shall have a risk assessment performed on
14 the rental property every four years and the lead clearance report shall be valid for four
15 years. If, as a result of such risk assessment, it is determined that the lead-based paint
16 hazard is no longer fully enclosed, the owner must immediately take necessary action to
17 remedy the lead-based paint hazard pursuant to [Section 8-15-93](#) of this Code, provided,
18 that, if an owner at any time becomes aware that the integrity of a permanent enclosure
19 may have been damaged, the owner must immediately schedule an inspection by a certified
20 risk assessor and take necessary action to remedy the lead-based paint hazard pursuant
21 to [Section 8-15-93](#) of this Code.

22 (e) *Risk assessment after abatement by removal or elimination.* Where all lead-based
23 paint has been fully abated by removal or other permanent elimination from

1 a rental property in accordance with the Michigan Lead Abatement Act, Part 54A of the
2 Michigan Public Health Code, being MCL 333.5451 through 333.5479, as certified by a
3 certified lead inspector or risk assessor, or where a certified lead inspector or risk assessor
4 certified that no lead-based paint exists on a rental property, no further lead inspection, risk
5 assessment, or lead clearance shall be required in order to obtain a Certificate of
6 Compliance, or a Certificate of Registration of Rental Property, for the property.

7 (f) *Length of Certificate of Compliance.*

8 (1) With the exception of Subsection (f)(2) of this section, each Certificate of
9 Compliance issued pursuant to this division shall be for a term of three
10 years, and may be extended from three to five years when the Certificate of
11 Compliance is approved for two consecutive periods prior to expiration.

12 (2) Certificates of Compliance issued after lead abatement by complete
13 removal or elimination shall be for a term of seven years.

14 **Sec. 8-15-84. - Landlords and staff required to obtain HUD Visual Assessment**
15 **Certification; annual inspections.**

16 Every landlord shall procure the services of a person who has obtained a current HUD
17 Visual Assessment Certification. Such landlord shall have completed a visual inspection
18 annually, and, upon change of tenant, certify to the Buildings, Safety Engineering, and
19 Environmental Department that a visual assessment has been completed for all units
20 according to the HUD Visual Assessment Guidelines and that all noted hazards have been
21 abated. If the visual inspection reveals cracked or peeling paint, significant dust on a
22 windowsill, or bite marks on a windowsill, a risk assessment shall be performed for
23 the property within one month.

1 **Sec. 8-15-85. - Federal and other governmental agency inspections accepted.**

2 Pursuant to Section 126(3) of the Michigan Housing Law, being MCL 125.526(3), the
3 Buildings, Safety Engineering, and Environmental Department may accept inspections of
4 one- or two-family dwellings, multiple dwellings, and rooming houses conducted by the
5 United States Department of Housing and Urban Development under the Real Estate
6 Assessment Center inspection process, or by other governmental agencies, as long as that
7 inspection certifies that the properties inspected comply with the standards and
8 requirements of this article.

9 **Sec. 8-15-86. - Caretaker; responsible person; warning devices.**

10 (a) Where the owner of the rental property does not reside in the building, the owner
11 shall designate a responsible person who resides in each building with a common entrance
12 and eight or more dwelling units, seven or more sleeping rooms, or any combination
13 thereof. The unit occupied by the responsible person shall be identified and the information
14 posted in a visible place at the common entrance of the building, except
15 for rental property that has a business office with posted regular office hours on site. Where
16 there is no centralized business office and a number of buildings exist which are owned by
17 the same rental property owner, the responsible person may be located in a remote location,
18 provided, that the location of the responsible person is identified and posted in a
19 conspicuous location at the common entrance of each building.

20 (b) In addition, all Group R-1 multiple rental properties that neither are of fire-proof
21 construction nor are protected with an approved sprinkler system or an approved, self-
22 supervised and properly maintained automatic fire alarm system, that has sleeping
23 accommodations for over 50 persons above the first floor, shall have one employee, and

1 more if necessary, on duty at all times able to notify the tenants and the Fire Department
2 in case of a fire or other emergency. There shall be at least one employee on duty at all
3 times for this purpose for each 100 persons and for each next fraction of 100 persons in the
4 building.

5 **Sec. 8-15-87. - Window stops or guards required; exceptions.**

6 (a) The owner and/or management company of a rental property, which is two stories
7 or taller, shall provide, install, and maintain a window stop or window guard on each
8 exterior window of a type determined as acceptable by the Buildings, Safety Engineering,
9 and Environmental Department for the following:

10 (1) The windows of each dwelling unit more than 72-inches above finished
11 grade or other surface below on the exterior of the building where a child or
12 children under ten years of age reside;

13 (2) The windows of all common areas; and

14 (3) The windows of each dwelling unit more than 72 inches above finished
15 grade or other surface below on the exterior of the building where the tenant
16 requests installation of such stops or guards.

17 (b) Subsection (a) of this section does not apply to windows that provide access to a
18 fire escape or to windows that are a required means of egress from a dwelling unit.

19 **Sec. 8-15-88 Just Cause Eviction**

20 **The owner/landlord of a rental property that is in compliance with Section 8-15-81**
21 **through Section 8-15-88 shall have the authority to pursue eviction proceedings**
22 **against a tenant as provided by law for just cause. A just cause eviction is applicable**
23 **under this section if one or more of the following conditions occur:**

- 1 (1) The tenant has failed to pay rent that is lawfully due owner/landlord pursuant
2 to the terms of the rental agreement;
- 3 (2) The tenant has breached the rules agreed upon by the parties pursuant to the
4 rental agreement including but not limited to:
- 5 (i) The tenant's failure to cure a violation of the rental agreement;
6 (ii) The tenant using the rental unit for an illegal purpose;
7 (iii) The tenant has, after written notice to cease, refused the
8 owner/landlord access to the unit as required by law.
- 9
10
11 (3) The tenant has caused damage to the rental premises beyond that which would
12 be determined as normal wear and tear allowed under the rental agreement
13 and meets one of the following:
- 14 (i) The damage creates a condition upon which the premises are deemed
15 unsuitable for habitation;
- 16 (ii) Tenant has created a nuisance or substantial damage to the premises
17 (waste), or creating a substantial interference with the comfort, safety,
18 or enjoyment of the owner/landlord or other tenants in the building or
19 premises.
- 20 (iii) The premises have been damaged caused by the tenant's willful neglect
21 or wanton disregard for the rental property as determined by a
22 reasonable person standard.
- 23 (4) Tenant's unapproved subtenant (approval can be either stated or implied) is
24 the only person still remaining in the premises (subtenant holding over).

- 1 (5) Rental agreement has terminated and the tenant refuses to execute a written
2 extension.
- 3 (6) An owner/landlord intends to move-into the premises that is under leased for
4 not less than one (1) year, the owner/landlord must provide not less than
5 ninety (90) days written notice to the tenant. Where the rental agreement
6 lease expiration date is after the (90) day notice period, the tenant has a right
7 to relocation expenses.
- 8 (7) An owner/landlord intends to sale a single family home that is under lease for
9 not less than one (1) year, the owner/landlord must provide not les than
10 ninety (90) days written notice to the tenant prior to the sale. Where the
11 rental agreement lease expiration date is after the (90) day notice period, the
12 tenant has a right to relocation expenses.
- 13 (8) “Substantial rehabilitation” of a building that is essentially uninhabitable,
14 provided the landlord has secured permits necessary to substantially remodel
15 the residential real property from applicable government agencies, and
16 served a copy of the permits with a written termination notice stating the
17 reason for termination, the type and scope of the work to be performed, why
18 the work cannot be reasonably accomplished in a safe manner with the
19 tenant in place, and why the work requires the tenant to vacate the
20 residential real property for at least 30 days.
- 21 (i) The tenant has a right to relocation payments if the owner/landlord
22 intends to rehabilitate the premises prior to the expiration of the
23 rental lease agreement.

1 (ii) Substantial rehabilitation may vary in degree from gutting and
2 extensive reconstruction to extensive improvements that require the
3 premises to be vacated. Cosmetic improvements alone such as
4 painting, decorating and minor repairs, or other work which can be
5 performed safely without having the premises vacated do not qualify
6 as substantial rehabilitation.

7
8 **Section 2.** All ordinances or parts of ordinances in conflict with this ordinance are
9 repealed.

10 **Section 3.** This ordinance is declared necessary for the preservation of the public
11 peace, health, safety, and welfare of the people of the City of Detroit.

12 **Section 4.** If this ordinance is passed by a two-thirds (2/3) majority of City Council
13 members serving, it shall be given immediate effect and shall become effective upon
14 publication in accordance with Section 4-118 of the 2012 Detroit City Charter; if passed
15 by less than a two-thirds (2/3) majority of City Council members serving, it shall become
16 effective no later than thirty (30) days after publication in accordance with Section 4-118
17 of the 2012 Detroit City Charter; if this ordinance specifies a certain date to become
18 effective, it shall become effective in accordance with the date

19 Approved as to form:

20 _____
21 Conrad L. Mallett, Jr.
22 Corporation Counsel
23