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TO: Detroit City Council

FROM: David Whitaker, Director
Legislative Policy Division

DATE: April 3, 2025

RE: Proposed Amendment to Detroit City Code, *Moving and Storage*

The Legislative Policy Division has been requested by Council Member Angela Whitfield-Calloway to provide a proposed amendment to the City Code Chapter 30, Article II, Public Storage, Division 1, to provide additional storage facility operator requirements. LPD submits this draft amendment to the Detroit City Council for referral to the Law Department for review and approval as to form.

Please call upon us if we can be of further assistance.

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S U M M A R Y

AN ORDINANCE to amend Chapter 30 of the 2019 Detroit City Code, *Moving and Storage*; by amending Article II, *Public Storage*, Division 1, *Generally*; by amending *Definitions*, comprised of Section 30-2-1, adding *Lien Enforcement for Residents in Transition*, comprised of Section 30-2-6, *Storage Facility Operator Requirements for Residents in Transition*, comprised of Section 30-2-7, *Notice Requirements for Residents in Transition*, comprised of Section 30-2-8, *Auction Data Reporting*, comprised of Section 30-2-9, and *Departmental Responsibilities and Compliance for Residents in Transition*, comprised of Section 30-2-10: to increase equity and transparency in the relationship between tenants and owners of public storage facilities.

1 **AN ORDINANCE** to amend Chapter 30 of the 2019 Detroit City Code, *Moving and*
2 *Storage*; by amending Article II, *Public Storage*, Division 1, *Generally*; by amending *Definitions*,
3 comprised of Section 30-2-1, adding *Lien Enforcement for Residents in Transition*, comprised of
4 Section 30-2-7, *Notice of Disposition*, comprised of Section 30-2-8, *Storage Facility Operator*
5 *Requirements for Residents in Transition*, comprised of Section 30-2-9, *Notice Requirements for*
6 *Residents in Transition*, comprised of Section 30-2-10, *Auction Data Reporting*, comprised of
7 Section 30-2-11, and *Departmental Responsibilities and Compliance for Residents in Transition*,
8 comprised of Section 30-2-12: to increase equity and transparency in the relationship between
9 tenants and owners of public storage facilities.

10 **IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT**
11 **THAT:**

12 Chapter 30 of the 2019 Detroit City Code, *Moving and Storage*; by amending Article II,
13 *Public Storage*, Division 1, *Generally*; by amending *Definitions*, comprised of Section 30-2-1,
14 adding *Lien Enforcement for Residents in Transition*, comprised of Section 30-2-7, *Notice of*
15 *Disposition*, comprised of Section 30-2-8, *Storage Facility Operator Requirements for Residents*
16 *in Transition*, comprised of Section 30-2-9, *Notice Requirements for Residents in Transition*,
17 comprised of Section 30-2-10, *Auction Data Reporting*, comprised of Section 30-2-11, and

1 *Departmental Responsibilities and Compliance for Residents in Transition*, comprised of Section
2 30-2-12: to increase equity and transparency in the relationship between tenants and owners of
3 public storage facilities, to read as follows:

4 **CHAPTER 30, MOVING AND STORAGE**

5 **ARTICLE II, PUBLIC STORAGE,**

6 **DIVISION 1, GENERALLY**

7 **Section 1.**

8 **Sec. 30-2-1. Definitions.**

9 For the purposes of this article, the following words and phrases shall have the
10 meanings respectively ascribed to them by this section:

11 *Household goods and furniture, office furniture and fixtures, and store furniture and*
12 *fixtures* means personal effects and property used or to be used in a dwelling when a
13 part of the equipment or supply of such dwelling, and furniture, fixtures and equipment
14 of stores, offices, museums, institutions, hospitals or other establishments, when a part
15 of the equipment of such sorts, offices, museums, institutions, hospitals or other
16 establishments but does not mean any furniture or property owned or possessed as
17 articles of merchandise for sale by any merchant regularly engaged in the sale of such

1 merchandise when storage of the same is incident to the conducting or carrying on of
2 such business.

3 **Housing Crisis Form means an official document provided by the Housing and**
4 **Revitalization Department (HRD) identifying individuals experiencing housing**
5 **instability or imminent displacement.**

6 **Initial Storage Notice refers to the notice of demand for payment delivered no**
7 **later than two (2) weeks prior to issuance of the Statutory Notice, informing an**
8 **occupant of forthcoming enforcement actions for nonpayment and including the**
9 **storage unit number, prominently displayed on the first page for immediate**
10 **identification of the affected unit.**

11 ***Public storage*** means any facility used to store or held out to members of the public as
12 a place to store household goods and furniture, office furniture and fixtures or store
13 furniture and fixtures for hire but does not mean the storage or warehousing of any
14 other goods, wares, merchandise or other personal property not used in the furnishing
15 of a dwelling or office or the fixtures of a store, or the storage or warehousing of any
16 goods which are part of an interstate shipment on a through bill of lading.

1 ~~*Public storage person* means any person who operates, manages, or maintains a~~
2 ~~public storage, or who holds out to store household goods and furniture, office~~
3 ~~furniture and fixtures or to store furniture and fixtures for hire.~~

4 *Resident in Transition* means any individual participating in a City of Detroit
5 emergency housing program that is experiencing a disruption in stable housing
6 resulting from, but not limited to, eviction, foreclosure, domestic violence, fire,
7 flood, or other emergency circumstances necessitating temporary storage of
8 personal property at a licensed storage facility.

9 *Statutory Notice* refers to the notice of demand for payment required under
10 Michigan Compiled Laws (MCL) 570.525.

11 *Storage Facility Operator* means any person or entity operating a self-service
12 storage facility as defined under MCL 570.522.

13 Sec. 30-2-2. Misdemeanor violation; continuing violation; penalties for conviction
14 thereof.

15 (a) It shall be unlawful for any storage facility operator or person acting as agent
16 for such to violate any provision of this article.

1 (b) Any storage facility operator or person acting as agent for such who violates
2 this article may be issued a misdemeanor violation for each day that the violation
3 continues.

4 (c) Any storage facility operator or person acting as agent for such who is found
5 guilty of violating any provision of this article shall be convicted of a
6 misdemeanor for each violation that is issued and, in the discretion of the court,
7 may be fined up to \$500.00 and sentenced up to 90 days in jail, or both, for each
8 misdemeanor violation that is issued.

9 **Sec. 30-2-3. Exemptions from article.**

10 This article shall not apply to the storing of household goods and furniture, office furniture
11 and fixtures or store furniture and fixtures when such products, materials or goods have been
12 designated as in transit to a destination out of state, pursuant to the public published tariffs of any
13 railroad or common carrier by the filing of the freight bill covering such products, material or
14 goods with the agency designated by such tariffs.

15 **Sec. 30-2-4 Receipts for goods stored**

16 Every ~~public storage person~~ storage facility operator or any person acting as agent for
17 such ~~public storage person~~ storage facility operator, upon receipt of household goods and

1 furniture, office furniture and fixtures and store furniture and fixtures for storage, shall issue a
2 receipt therefor, which receipt shall contain a list of the articles received with proper notation
3 indicating the condition thereof when received, the address at which such goods are stored, and
4 the name of the ~~public storage person~~ **storage facility operator** receiving such goods, a
5 specific description of where such goods may be inspected in such public storage, and such other
6 information as may be required by the Michigan Uniform Warehouse Receipt Act, being MCL
7 443.50 et seq. Every ~~public storage person~~ **storage facility operator** or any person acting as
8 agent for such shall, at the time of issuance of such receipt or bill of lading, issue a complete
9 itemized statement of the charges for such storage to the person ordering the storage of such
10 household good and furniture, office furniture and fixtures and store furniture and fixtures for
11 hire, including, but not limited to, the charges for moving the same to storage, wrapping and
12 preparation for storage and the monthly storage rate, as well as any charges in addition thereto,
13 and any and all terms and conditions of storage therefor.

14 **Sec. 30-2-5 Prohibited advertising**

15 Except as otherwise provided in this article, any person who is not a licensed ~~public~~
16 ~~storage person~~ **storage facility operator** and holds out as being in the business of storing
17 household goods and furniture, office furniture and fixtures, or store furniture and fixtures for
18 hire, as evidence by the literature, cards, advertising matter, telephone listing, internet listing, or

1 firm or trade name, or any person who knowingly aids or abets in such holding out, shall be
2 deemed to have violated the provisions of this article.

3 **Sec. 30-2-6 Giving fictitious name to public storage person storage facility operator**
4 **prohibited**

5 It shall be unlawful for any person storing any goods in any public storage facility
6 covered by this article to give the public storage person storage facility operator or such
7 storage person's agent operating such facility, a fictitious name or to refuse to give the correct
8 name of the owner of the property, or in any way to willfully deceive the public storage person
9 storage facility operator or such storage person's agent as to the same.

10 **Sec. 30-2-7. Lien Enforcement for Residents in Transition.**

11 **Upon presentation of a valid Housing Crisis Form issued by the Housing and**
12 **Revitalization Department (HRD), verifying that the tenant is in a state of housing**
13 **transition and is registered with the Detroit Housing Network or an emergency**
14 **housing provider, the tenant shall be entitled to protection under this ordinance until**
15 **the Housing Crisis Form expires. The Housing Crisis Form shall be valid for a**
16 **maximum of ninety (90) days. If the tenant remains in an emergency housing**
17 **program, a new Housing Crisis Form must be submitted to maintain protection**
18 **under this ordinance.**

1 **Sec. 30-2-8. Notice of Disposition.**

2 **Prior to the sale or other disposition of a public storage unit's content, an**
3 **advertisement of the sale or other disposition shall be published by the storage**
4 **facility operator once a week for two (2) consecutive weeks in a newspaper of general**
5 **circulation within Detroit and posted concurrently by Buildings, Safety Engineering**
6 **and Environmental Department (BSEED) on the City of Detroit website. A single**
7 **advertisement may cover multiple tenants' property disposition.**

8 **Sec. 30-2-9. Storage Facility Operator Requirements for Residents in Transition.**

- 9 a. **All storage facility operators within the City of Detroit must comply fully with**
10 **the provisions set forth under this section and the Self-Service Storage Facility**
11 **Act, Act 148 of 1985, MCL 570.521 et seq.**
- 12 b. **Storage facility operators shall retain a copy of the Housing Crisis Form**
13 **identifying the lessee as a Resident in Transition for a minimum of ninety (90)**
14 **days from the date of submission, unless extended pursuant to Sect. 30-2-7.**
- 15 c. **Storage facility operators shall submit auction information and detailed**
16 **monthly auction reports to the BSEED, which corresponds to the notice**
17 **requirements outlined in MCL 570.525.**

18 **Sec. 30-2-10. Notice Requirements for Residents in Transition.**

1 a. Residents in Transition shall receive two notices prior to property disposition:

2 1. Initial Storage Notice. Must be provided at least fourteen (14) days prior to
3 issuance of the Statutory Notice, clearly stating the lessee's violation of

4 contract terms and the risk of property loss due to nonpayment.

5 2. Statutory Notice. Shall conform precisely with MCL 570.525, stating demand
6 for payment, lien enforcement actions, and auction details.

7 b. Notices required under subsection (a) must be sent concurrently to all the
8 following:

9 1. The Lessee;

10 2. The Emergency Contact designated by the Lessee, if provided;

11 3. The Housing and Revitalization Department (HRD).

12 c. HRD, upon receiving each notice, must immediately notify affected Residents in
13 Transition regarding potential property loss and available assistance. HRD may
14 provide notice via an emergency housing provider.

15
16 Sec. 30-2-11. Auction Data Reporting.

17 a. Each storage facility operator must submit an auction data report containing the
18 following information to BSEED prior to scheduling an auction:

- 1 1. Date, time, and location of the auction;
- 2 2. Identification number(s) of the storage units subject to auction;
- 3 3. Brief and general description of stored goods as required under MCL
- 4 570.525;
- 5 4. Name of the lessee(s) and unit number.

6 b. Monthly Reporting. Operators must submit a monthly summary to BSEED,
7 containing:

- 8 1. Number of completed auctions;
- 9 2. Auction outcomes;
- 10 3. Number of units auctioned;
- 11 4. Resulting changes in unit occupancy;
- 12 5. Upcoming scheduled auctions;
- 13 6. Confirmation of tenant notifications.

14 Sec. 30-2-12. Departmental Responsibilities and Compliance for Residents in
15 Transition.

16 a. BSEED shall:

- 17 1. Maintain an active, publicly accessible webpage on the City of Detroit
18 website displaying upcoming storage auctions, including lessee unit

1 identification numbers and auction details provided by storage facility
2 operators;

3 2. Ensure timely distribution of reported auction information to HRD;

4 3. Monitor storage facility operators for compliance with this ordinance and
5 applicable state statutes.

6 b. HRD shall:

7 1. Immediately notify Residents in Transition upon receipt of auction
8 information from BSEED;

9 2. Provide affected residents with appropriate guidance and resources to
10 prevent property loss.

11 Secs. 30-2-13—30-2-20. Reserved.

12 **Section 2.** All ordinances or parts of ordinances in conflict with this ordinance are
13 repealed.

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

16 **Section 4.** If this ordinance is passed by a two-thirds (2/3) majority of City Council
17 members serving, it shall be given immediate effect and shall become effective upon

1 publication in accordance with Section 4-118 of the 2012 Detroit City Charter; if passed
2 by less than a two-thirds (2/3) majority of City Council members serving, it shall become
3 effective no later than thirty (30) days after publication in accordance with Section 4-118
4 of the 2012 Detroit City Charter; if this ordinance specifies a certain date to become
5 effective, it shall become effective in accordance with the date

6 Approved as to form:

7 _____

8 Conrad L. Mallett, Jr.

9 Corporation Counsel