City of Detroit New Rental Ordinance Rental Housing Safety Program



Opportunity Rising

A Fair and Balanced Plan to Ensure Safe Rental Housing

Problem:

- All rental homes are required by law to be inspected for safety
- But only 10% of homes are in compliance
- The City has written 100,000 tickets in the last five years for violations
- Old requirements were complicated, expensive, and ineffective

Solution: The One Inspection, One Fee Plan

A NEW PLAN will make sure more rental homes are safe and in good condition:



Get more homes inspected by the City for the most common and serious safety issues



Make it easy for good landlords to comply



Make sure bad landlords get real penalties



Help tenants respond when their home has issues and get them fixed



Get More Homes Inspected by Making Process Easy and Effective

New Process:

- Faster & simpler
- Much less expensive
- Clear expectations
- Covers all major safety issues

Old Rental Compliance Process	New Rental Compliance Process
Two separate inspections lasting 4 - 8 hours	One inspection done in 1 - 2 hours, covers most common & serious safety issues
Over \$1,000 in fees	\$195 for 1-unit inspection and \$225 for duplexes*
Complex & overlapping list of 37 inspection components	Clear & standardized 15 points inspection checklist



15 Point Inspection Checklist

Goals:

- Consistent application of standards in all inspections
- Clear, well-defined standards, provided in advance
- Safety-focused on most common & serious issues

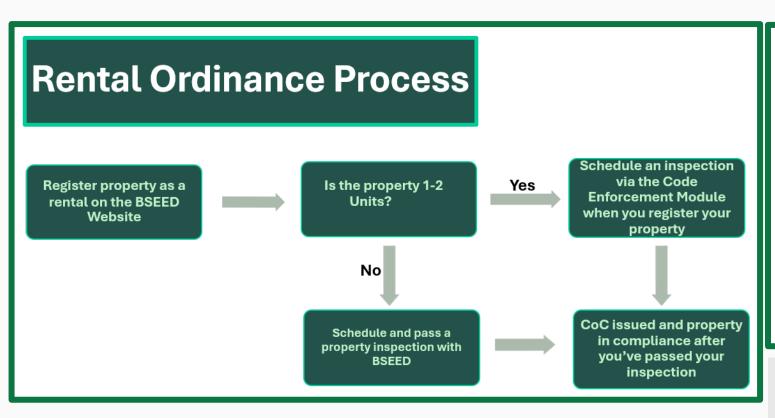
	Exterior and Interior
1	Walls and floors, including on stairs, porches, or attached decks, are free of major structural defects (e.g., holes, rotten materials, leaning, or collapsing)
2	Handrails installed for all stairs with four or more risers and guardrails installed on porches.
	Exterior
3	Roof, exterior walls, and gutter /downspout system do not allow entry of rain or snow.
	Interior
4	Gas and electric utilities are on and properly functioning.
5	Heating system is operable and can provide a minimum of 68 degrees.
6	Electrical system is in proper working order, with no exposed wires and cover plates on all switches/plugs.
7	Smoke and carbon monoxide detectors are installed and working.
8	Water supply is operable, provides hot and cold water, and hot water has minimum temperature of 110F and max of 140F.
9	Plumbing fixtures (i.e., sinks, toilet, tub/shower and water heater) are working properly, drain, and do not leak.
10	All rooms have proper egress, including attics or basement used for habitation.
11	All windows that are designed to open are in working condition and have locks.
12	All entry doors into individual dwelling units have a working lock.
13	Buildings and structures are free from infestation by rodents or insects.
14	Floor, walls, and ceilings are in sanitary condition, with no evidence of fungus-like substance or sewage.
15	No deteriorated paint or bare soil

NEW Inspection Process: Single-Family Home





Scheduling Your Rental Inspection



Steps to Obtain a Rental Certificate of Compliance

Step 1. Register property as a rental.

 Register each property via the Code Enforcement Module in www.detroitmi.gov/rental. Be sure to upload all required forms while registering the property.

Step 2. Pass a property condition inspection

- 1-2 Unit properties: Schedule with any of the approved inspection companies listed at detroitmi.gov/rental
- **3+ Unit properties:** Schedule an inspection with BSEED by calling **313-628-2451**.

Step 3. BSEED will issue a Certificate of Compliance.

BSEED Rental Ordinance Landlord Rental Requirements and step by step instructions

@: detroitmi.gov/rental



Other Key Provisions in New System

- Inspections by other federal, state, or local agencies can satisfy City requirement
 - If property passed inspection for HUD / Sec. 8,
 MSHDA, HRD, must only submit to BSEED
- Standardizes length of COC:
 - First COC is 3 years
 - Second is 5 years (if renewed before expiration)
- If a child in a rental is lead poisoned, City will require a lead inspection / risk assessment at owners' expense





Real Penalties For Landlords Who Choose Not to Comply

Right now, only 20% of rental tickets are paid, meaning little penalty for non-compliance. Under the new plan, the City will:

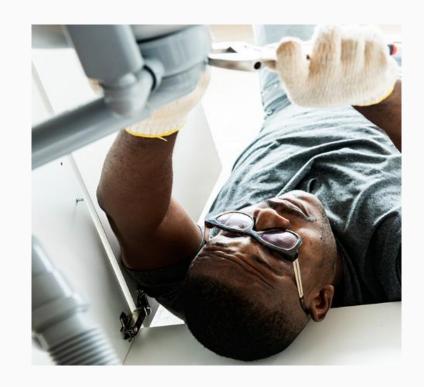
- Increase violation tickets by \$150 each
 - But if property comes into compliance, DAH hearing officers can reduce ticket amount by up to 50%
 - Tickets can be written to management companies too
- Convert unpaid tickets into a lien on the property
 - Lien enforced through property tax bill
 - Landlords will still have many opportunities to work with the City to address tickets first
- Require more frequent inspections for properties with repeat violations





New Escrow Program for Tenants to Get Home Issues Fixed

- Tenants already have a right to pay their rent into "escrow" when their home violates City rental requirements
 - If home comes into compliance, funds paid to landlord
 - If not, funds returned to tenant
- The City's old escrow program was very narrow
 - Only 20 people per year used it
 - 90% of applicants were ineligible
- City is revamping escrow program to make it much easier for tenants to use, giving them a tool to get issues fixed
- Expecting to publish draft escrow rules in early summer & launch new program by late summer





What Can You Do to Help?

<u>Detroiters can help improve the safety</u> <u>of rental housing by:</u>

- If you're a landlord, get inspected & in compliance!
- If you know a landlord, tell them about the new, easier inspection process!



Information and questions: pm@detroitmi.gov

