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TO: Detroit City Council

FROM: David Whitaker, Director  
Legislative Policy Division 

DATE: March 4, 2026

RE: Ordinance to Regulate Rental Application Fees

The Legislative Policy Division (LPD) has been requested by Council Member Mary Waters to draft a proposed ordinance regulating rental application fees in the city of Detroit. As requested, the attached proposed ordinance is modeled after a similar ordinance in the City of Ann Arbor, MI. The proposed ordinance is being submitted to City Council for referral to the Law Department for review and approval as to form.

If we can be of further assistance, please call upon us.

**S U M M A R Y**

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**AN ORDINANCE** to amend Chapter 22 of the 2019 Detroit City Code, *Housing*; Article VIII, *Fair Chance Access to Rental Housing* by adding Division I, *Returning Citizens* and Division II, *Rental Application Fees and Pre-Tenancy Fees* to Article VIII, *Fair Chance Access to Rental Housing*; and adding Section 22-8-31, *Purpose*; Section 22-8-32, *Definitions*; Section 22-8-33,; *Applicability*; Section 22-8-34, *Rental application fees*; Section 22-8-35, *Pre-tenancy fees, prohibited*; Section 22-8-36, *Non-waiver*; Section 22-8-37 *Construction*; Section 22-8-38, *Enforcement*, to provide for the health, safety and general welfare of the public.

1           **AN ORDINANCE** to amend Chapter 22 of the 2019 Detroit City Code, *Housing*; Article VIII, *Fair*  
2 *Chance Access to Rental Housing*; by adding Division I, *Returning Citizens* and Division II, Rental  
3 Application Fees and Pre-Tenancy Fees to Article VIII, *Fair Chance Access to Rental Housing*; and adding  
4 Section 22-8-31, *Purpose*; Section 22-8-32, *Definitions*; Section 22-8-33, *Applicability*; Section 22-8-34,  
5 *Rental application fees*; Section 22-8-35, Pre-tenancy fees, prohibited; Section 22-8-36, *Non-waiver*;  
6 Section 22-8-37 *Construction*; Section 22-8-38, Enforcement, to provide for the health, safety and general  
7 welfare of the public.

8

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

10                   Chapter 22 of the 2019 Detroit City Code, *Housing*; Article VIII, *Fair Chance Access to*  
11 *Rental Housing*; be amended by adding Division I, *Returning Citizens* and Division II Rental Application  
12 Fees and Pre-Tenancy Fees; and adding Section 22-8-31, *Purpose*; Section 22-8-32, *Definitions*; Section  
13 22-8-33, *Applicability*; Section 22-8-34, *Rental application fees*; Section 22-8-35, Pre-tenancy fees,  
14 prohibited; Section 22-8-36, *Non-waiver*; Section 22-8-37 *Construction*; Section 22-8-38, *Enforcement*, to  
15 read as follows:

16

17

**CHAPTER 22, HOUSING**

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**ARTICLE VIII,  
FAIR CHANCE ACCESS TO RENTAL HOUSING**

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**DIVISION I  
RETURNING CITIZENS**

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26

**Section 1.**

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Section 22-8-1 Purpose.

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The purpose of this ~~article~~ **division** is to enhance the health, safety and general welfare of

1 the public by ensuring citizens with arrest and conviction records have a fair opportunity to  
2 secure housing by regulating the use of criminal background checks as part of the tenant  
3 screening process, thereby facilitating re-integration into society, reducing recidivism and its  
4 associated criminal justice and societal costs. Barriers to opportunities for people with arrest or  
5 conviction records increase recidivism and jeopardize the safety of the public, disrupt the  
6 financial and overall stability of affected families and communities, and impede the City from  
7 achieving its maximum potential of economic growth.

8 Section 22-11-2, Scope.

9 (a) This article division does not intend, and shall not be construed, to require a  
10 housing provider to give preference to anyone or to rent to an unqualified tenant  
11 with an arrest or conviction record. Moreover, this article division shall not be  
12 construed to limit a housing provider's ability to choose the most qualified and  
13 appropriate candidate from applicants for housing.

14 (b) This article division does not intend, and shall not be construed, to create or  
15 impose a duty, or to create a private cause of action against the City, its elected  
16 officials, appointees, officers, agents, or employees.

17  
18 Section 22-8-3 Definitions.

19 For the purposes of this article division, the following words and phrases shall have the  
20 meaning respectively ascribed to them by this section:

21 Administering agency means the Department of Civil Rights, Inclusion and Opportunity.

22 Adverse action means to evict an individual, fail or refuse to rent or lease real property to  
23 an individual, fail or refuse to continue to rent or lease real property to an individual, fail or  
24 refuse to add a household member to an existing lease, or to reduce any tenant subsidy. The  
25 adverse action must relate to real property located in the City of Detroit.

26 Applicant means an individual applying to rent or lease eligible housing. It also includes

1 an individual applying to be added to an existing lease for eligible housing.

2 Arrest means a record from any jurisdiction that does not result in a conviction and  
3 includes information indicating that a person has been questioned, apprehended, taken into  
4 custody or detained, or held for investigation by a law enforcement, police or a prosecutorial  
5 agency, or charged with, indicted, or tried and acquitted for any felony, misdemeanor, or other  
6 criminal offense. Arrest is a term that is separate and distinct from, and that does not include,  
7 unresolved arrest as defined in this section.

8 Background check report means any criminal history report accessible through the  
9 Michigan State Police Internet Criminal History Access Tool (I-CHAT), courts, or by any  
10 consumer reporting, or tenant screening, agency or business.

11 Conviction means a record from any jurisdiction, which includes information indicating  
12 that a person has been convicted of a felony or misdemeanor, provided, that the conviction is one  
13 for which the person has been placed on probation, fined, imprisoned or paroled. Those matters  
14 identified in Section 22-8-5 of this Code, which a housing provider may not make an inquiry and  
15 which they may not base an adverse action, are not considered convictions for purposes of this  
16 **article division.**

17 Conviction history means information regarding one or more convictions or unresolved  
18 arrests, transmitted orally or in writing or by any other means, and obtained from any source,  
19 including, but not limited to, the individual to whom the information pertains or a background  
20 check report.

21 Directly-related conviction means that the conduct for which the person was convicted or  
22 that is the subject of an unresolved arrest that has a direct and specific negative bearing on the  
23 health, safety, or right to peaceful enjoyment of the premises by persons and includes one or more  
24 of the offenses listed in Section 22-8-6(b) of this Code. In determining whether the conviction or  
25 unresolved arrest is directly related to the housing, the housing provider shall consider whether  
26 the housing offers the opportunity for the same or similar offense to occur, whether circumstances

1 leading to the conduct for which the person was convicted will recur in the housing, and whether  
2 supportive services that might reduce the likelihood of a recurrence of such conduct are available  
3 on-site. Those matters identified in Section 22-8-5(2) of this Code, which a housing provider may  
4 not make an inquiry and which they may not base an adverse action, may not qualify as a  
5 directly-related convictions.

6 Dwelling or dwelling unit means a single unit providing complete, independent living  
7 facilities occupied, or intended to be occupied, in whole or in part by one or more persons,  
8 including permanent space and provisions for living, cooking, eating, sanitation, and sleeping.

9 Eligible housing means any rental property in the City of Detroit available for rent or  
10 lease where a single structure contains more than four dwelling units or more than four rental  
11 properties are owned by the same person.

12 Enforcing agency means the Police Department.

13 Evidence of rehabilitation or other mitigating factors means, but shall not be limited to, a  
14 person's satisfactory compliance with all terms and conditions of parole or probation, except  
15 inability to pay fines, fees, and restitution due to indigence shall not be considered  
16 noncompliance with terms and conditions of parole or probation or both; employer  
17 recommendations, especially concerning a person's post-conviction employment; educational  
18 attainment or vocational or professional training since the conviction, including training received  
19 while incarcerated; completion or active participation in rehabilitative treatment, for example,  
20 alcohol or drug treatment; letters of recommendation from community organizations, counselors  
21 or case managers, teachers, community leaders or probation or parole officers who have observed  
22 the applicant since his or her conviction(s); and the age of the person at the time of the  
23 conviction. Successful completion of parole, probation, mandatory supervision, or post-release  
24 community supervision shall create a presumption of rehabilitation. Examples of mitigating  
25 factors that are offered voluntarily by the person may include, but are not limited to, explanation  
26 of the precedent coercive conditions, intimate physical or emotional abuse, or untreated substance

1 abuse or mental illness that contributed to the conviction.

2 Housing provider means any entity that owns, master leases, manages, or rents eligible  
3 housing in the City of Detroit. Any agent, such as a property management company, which makes  
4 tenancy decisions on behalf of the aforementioned entities, shall also be considered a housing  
5 provider.

6 Inquire means any direct or indirect conduct intended to gather information from or about  
7 an applicant, or a potential applicant or candidate, using any mode of communication, including,  
8 but not limited to, application forms, interviews, and background check reports.

9 Person means any individual, partnership, firm, company, corporation, association, sole  
10 proprietorship, limited-liability company, joint venture, estate, trust, or any other legal entity.

11 Rental property means a non-owner occupied dwelling unit or units that:

12 (1) Is or are let, or occupied, by persons, including a family member of the owner,

13 pursuant to an oral or written rental contract, or lease, or other oral or written

14 agreement or understanding for occupation, with or without, monetary compensation;

15 or

16 (2) Will be offered for occupancy under an oral or written rental contract or lease, or other

17 oral or written agreement or understanding for occupation, with or without, monetary

18 compensation to any person; or

19 (3) Is or are contained within a building with two or more dwelling units that are not

20 occupied by the owner; or

21 (4) Has or have been advertised to the public or previously registered with the City as

22 rental property.

23 Unresolved arrest means an arrest that is undergoing an active pending criminal  
24 investigation or trial that has not yet been resolved. An arrest has been resolved if the arrestee was  
25 released and no accusatory pleading was filed charging him or her with an offense, or if the

1 charges have been dismissed or discharged by the prosecuting attorney or the court.

2  
3 Section 22-8-4, Applicability; eligible housing.

4 This **article division** shall apply to all housing providers with eligible housing as defined  
5 in this **article division** available for rent or lease located in the City of Detroit.

6 Section 22-8-5, Prohibition on housing provider inquiring into criminal  
7 convictions of applicants and their household members until being interviewed or  
8 qualified; basis for adverse action.

9 (a) Except as provided in [Section 22-8-6](#) of this Code, housing providers shall  
10 not:

11 (1) Inquire about or require applicants to disclose conviction history as  
12 part of tenant screening process until the housing provider:

- 13 a. Has determined the applicant is qualified to rent the housing  
14 unit under all of the housing provider's criteria not related to  
15 potential past criminal convictions or an unresolved arrest;  
16 and  
17 b. Has provided to the applicant a conditional lease agreement  
18 that commits the unit to the applicant as long as the  
19 applicant passes the conviction history review.

20 (2) Base an adverse action in whole or in part:

- 21 a. On an unresolved arrest or an arrest not leading to a  
22 conviction;  
23 b. On participation in or completion of a diversion or a  
24 deferral of judgment program;  
25 c. On a conviction that has been judicially dismissed,  
26 expunged, voided, invalidated or otherwise rendered

1 inoperative by a court of law or by executive pardon.

2 d. On a conviction or any other determination or adjudication  
3 in the juvenile justice system, or information regarding a  
4 matter considered in or processed through the juvenile  
5 justice system;

6 e. On a misdemeanor conviction that is more than five years  
7 old, calculated from the date of sentencing; or

8 f. On information pertaining to an offense or violation other  
9 than a felony or misdemeanor, such as a civil infraction.

10 (3) A housing provider shall not include questions regarding or require  
11 applicants to disclose on any housing application the facts or details of any  
12 conviction history or any matter identified in Subsection (2) of this section.

13 (b) It is the responsibility of a housing provider to ensure that its employees  
14 and agents comply with this **article division**.

15 Section 22-8-6, Exceptions to prohibition

16 (a) This **article division** does not limit the right of a housing provider to take  
17 any of the following actions:

18 (1) Conduct conviction history or obtain background check reports on  
19 applicants where there is a statutory duty to do so; or

20 (2) Notify applicants that applicable laws, including those set forth in  
21 Subsection (b) of this section will disqualify an individual with a  
22 particular conviction history from eligibility for tenancy.

23 (b) Regarding applicants and their household members, a housing provider may base an  
24 adverse action in whole or in part on directly-related convictions that includes one or  
25 more of the following:

26 (1) Any conviction where state or federal law prohibits the applicant

1 from being eligible for public housing; or

- 2 (2) Any conviction that leads to the applicant becoming a lifetime  
3 registered sex offender; or
- 4 (3) Any conviction for violent or drug-related felonies; or
- 5 (4) Conviction for felonies committed within the last ten years or  
6 imprisonment for felonies within the last five years; or
- 7 (5) Any conviction for crimes against housing providers, management  
8 agents, their employees or agents, or other tenants or real property;  
9 or
- 10 (6) Any conviction or plea to any crime involving arson; or
- 11 (7) Any conviction or plea to any crime involving metal theft,  
12 vandalizing, or otherwise damaging real property.

13 Section 22-8-7, Procedures for use of evidence of rehabilitation or other mitigating  
14 factors in housing decisions; requirement for individualized assessment.

- 15 (a) Consistent with the procedures in this section and subject to state and  
16 federal law, a housing provider shall offer the applicant a reasonable  
17 opportunity to present evidence of rehabilitation or other mitigating factors  
18 related to convictions within the previous five years.
- 19 (b) In reviewing an applicant's criminal history and making a decision related  
20 to eligible housing based on such history, a housing provider shall conduct  
21 an individualized assessment, considering only:
- 22 (1) Convictions that warrant denial based on local, state, or federal law;  
23 and
- 24 (2) Time that has elapsed since the conviction; and
- 25 (3) Whether it is a directly-related conviction, as defined in [Section 22-](#)  
26 [8-3](#) of this Code, that has direct and specific negative bearing on

1 the safety of persons or real property; and

2 (4) Any evidence of inaccuracy or evidence of rehabilitation or other  
3 mitigating factors presented by the applicant.

4 (c) If a housing provider intends to base an adverse action related to eligible  
5 housing on an item or items in the applicant's conviction history, prior to  
6 taking any adverse action the housing provider shall provide the applicant  
7 with a copy of the background check report, and shall notify the applicant  
8 of the prospective adverse action and the items forming the basis for the  
9 prospective adverse action.

10 (d) If, within 14 calendar days of the date that the notice described in  
11 Subsection (c) of this section is provided by the housing provider to the  
12 applicant, the applicant gives the housing provider notice in writing of  
13 evidence of the inaccuracy of the item or items of conviction history or  
14 evidence of rehabilitation or other mitigating factors set forth in this  
15 section, the housing provider shall delay any adverse action for a  
16 reasonable period of not less than five calendar days after receipt of the  
17 information. During that time the housing provider shall reconsider the  
18 prospective adverse action in light of the information provided by the  
19 applicant or potential applicant.

20 (e) The housing provider shall promptly notify the applicant of any final  
21 adverse action based upon their conviction history or contents of the  
22 criminal background check.

23 (f) It shall be unlawful for any housing provider to engage in  
24 any communication, including the production or dissemination of  
25 advertisements, related to eligible housing, which expresses, directly or  
26 indirectly, that any person with an arrest or conviction record will not be

1 considered for the rental or lease of real property or that may not apply for  
2 the rental or lease of real property, except as required by local, state, or  
3 federal law. For purposes of this subsection, engaging in  
4 a communication includes, but is not limited to, making a verbal statement  
5 or producing or disseminating any solicitation, advertisement, or signage.

6 Section 22-8-8, Notice and posting requirements for housing providers.

7 (a) A housing provider shall state in all solicitations or advertisements for the  
8 rental or lease of eligible housing, or made on their behalf, that the housing  
9 provider shall consider qualified applicants consistent with this ~~article~~  
10 **division**. This language shall include, at minimum, the following  
11 statement:

12 "The rental or lease of this property must comply with Chapter 22, Article  
13 VIII, of the 2019 Detroit City Code regulating the use of criminal  
14 background checks as part of the tenant screening process to provide  
15 citizens with criminal backgrounds a fair opportunity. For additional  
16 information, please contact the City of Detroit Office of Civil Rights,  
17 Inclusion and Opportunity."

18 (b) The administering agency shall publish and make available to housing  
19 providers, in all languages spoken by more than five percent of the City's  
20 population, a notice suitable for posting that informs applicants for eligible  
21 housing of their rights under this ~~article~~ **division**. This notice shall be  
22 updated on or before December 1st of any year when there is a change in  
23 the languages spoken by more than five percent of the City's population.

24 (c) In addition to the requirements for solicitations or advertisements in  
25 Subsection (a) of this section, housing providers shall post a notice

1 prominently on their website and at any location under their control that is  
2 frequently visited by applicants or potential applicants for the rental or  
3 lease of eligible housing in the City. In addition, this notice shall be  
4 available to applicants in hard copy and provided with an application. The  
5 notice requirements in this section shall contain the following additional  
6 information, which may be summarized by the housing provider or  
7 available from the administering agency pursuant to [Section 22-8-14\(a\)\(1\)](#)  
8 of this Code:

9 (1) A description of those matters identified in [Section 22-8-5](#) of this  
10 Code that may not be considered by the housing provider;

11 (2) A description of the restrictions and requirements that [Section 22-  
12 8-5](#) of this Code imposes on housing providers when inquiring about  
13 conviction history in connection with an application for the rental or lease  
14 of eligible housing in the City;

15 (3) The circumstances and timeline under which the applicant or  
16 potential applicant has a right to provide evidence of rehabilitation and  
17 other mitigating factors as provided in [Section 22-8-7](#) of this Code; and

18 (4) The telephone number, email address, and mailing address of the  
19 administering agency that the applicant or potential applicant may use to  
20 make a report where he or she believes the housing provider has violated  
21 this ~~article~~ **division** in their interactions with the applicant or potential  
22 applicant.

23 Section 22-8-9 Housing provider records.

24 (a) Unless prohibited by federal or state law, a housing provider shall maintain  
25 and retain records of tenant application forms, and other pertinent data and  
26 records required under this ~~article~~ **division**, for a minimum of one year

1 from the date of application, and shall allow the administering or enforcing  
2 agencies access to such records, with appropriate notice and at a mutually  
3 agreeable time, to monitor or verify compliance with the requirements of  
4 this article division.

5 (b) At no time shall the administering or enforcing agencies require a housing  
6 provider to provide the disclosure of any information or documents, which  
7 would violate state or federal law, or this Code.

8 (c) Where a housing provider does not maintain or provide adequate records  
9 documenting compliance with this article division or does not allow  
10 reasonable access to such records, the Office of the Chief Financial Officer  
11 or other City department or agency shall have the authority to provide all  
12 non-financial information necessary to fulfill the administering or  
13 enforcing agencies responsibilities under this article division subject to  
14 confidentiality provisions of this article division and all applicable laws.

15 Section 22-8-10 Exercise of protected rights; retaliation prohibited.

16 (a) It shall be unlawful for a housing provider or any other person to interfere  
17 with, restrain, or deny the exercise of, or the attempt to exercise, any right  
18 provided under this article division .

19 (b) It shall be unlawful for a housing provider to interrupt, terminate, or fail or  
20 refuse to initiate or conduct a transaction involving the rental or lease of  
21 eligible housing, including falsely representing that such property is not  
22 available for rental or lease, or otherwise take adverse action against a  
23 person in retaliation for exercising rights protected under this article  
24 division. Such rights include but are not limited to:

25 (1) The right to file a complaint or inform any person about a housing  
26 provider's alleged violation of this article division;

- 1 (2) The right to inform the administering agency about a housing  
2 provider's alleged violation of this ~~article~~ **division**;
- 3 (3) The right to cooperate with the administering or enforcing agencies  
4 or other persons in the investigation or prosecution of any alleged  
5 violation of this ~~article~~ **division**; or
- 6 (4) The right to inform any person of his or her rights under this ~~article~~  
7 **division**.

- 8 (c) Protections of this section shall apply to any person who mistakenly, but in  
9 good faith, alleges violations of this ~~article~~ **division**.
- 10 (d) Taking adverse action against a person within 90 calendar days of the  
11 exercise of one or more of the rights described in this section shall create a  
12 rebuttable presumption in the administering agency's investigation that  
13 such adverse action was taken in retaliation for the exercise of those rights.

14 Section 22-8-11. - Community Outreach

- 15 (a) The administering agency may establish, in consultation with the Mayor's  
16 Office, a community-based outreach program to conduct education and  
17 outreach to applicants and potential applicants for housing regarding rights  
18 and procedures under this ~~article~~ **division**. The program may be targeted at  
19 individuals or communities where, in the judgment of the administering  
20 agency, the need for education and outreach is greatest.
- 21 (b) In establishing an outreach program pursuant to Subsection (a) of this  
22 section, the administering agency may partner with community-based  
23 organizations. Nothing in this section shall preclude the administering  
24 agency, by contract or grant, and consistent with other provisions of local  
25 laws, from engaging the services of such organizations in establishing  
26 such community-based outreach programs, participating in such programs,

1 or developing materials for such programs. Nothing in this section shall  
2 preclude the administering agency from combining the outreach programs  
3 required by Subsection (a) of this section with other  
4 related community outreach programs.

5 Section 22-8-12 Confidentiality.

6 The City shall keep confidential, to the extent permitted by applicable laws, any identifying  
7 information or other data pertaining to an applicant's criminal history.

8 Section 22-8-13 Implementation and enforcement; penalties.

9 (a) The administering agency shall investigate complaints regarding a housing  
10 provider's alleged violation of this **article division**. The administrative  
11 agency may engage third-party assistance to conduct its investigation.

12 (1) Where the Director of the administering agency determines that a  
13 violation has not occurred, he or she shall issue a determination that  
14 a housing provider is not in violation of this **article division**. This  
15 determination shall be provided to the housing provider and the  
16 complainant.

17 (2) Where the Director of the administering agency determines that a  
18 violation has occurred, he or she shall issue a determination that a  
19 housing provider is in violation of this **article division**, provided,  
20 however, for a first violation, or for any violation during the first 12  
21 months following the effective date of this **article division**, which  
22 was September 1, 2019, the Director must issue warnings and  
23 notices to correct, and offer the housing provider technical  
24 assistance on how to comply with the requirements of this **article**  
25 **division**. For a second violation, the administering agency shall  
26 refer its determination for each applicant to whom the violation

1 occurred, or is continuing, to the enforcing agency for action, to the  
2 housing provider, and to the complainant.

3 (3) Where the Director of the administering agency determines that a  
4 violation has occurred, he or she shall forward a copy of the  
5 determination to the Michigan Department of Civil Rights for  
6 consideration.

7 (b) The administering agency is authorized, in consultation with the Mayor's  
8 Office, to take appropriate steps to assist in the enforcement of this ~~article~~  
9 **division**, including the investigation of any possible violations of this  
10 ~~article~~ **division**. The administering or enforcing agencies shall not find a  
11 violation based on a housing provider's decision that an applicant's conduct  
12 is a directly-related conviction, as defined in [Section 22-8-3](#) of this Code,  
13 unless the housing provider failed to conduct the individualized assessment  
14 as required under [Section 22-8-7](#) of this Code.

15 (c) If multiple applicants are impacted by the same violation at the same time,  
16 for example, all applicants for a certain housing unit are asked for their  
17 conviction history on the initial application, each violation shall be treated  
18 as a separate violation.

19 (d) In accordance with Section 4i(k) of the Michigan Home Rule Cities Act,  
20 being MCL 117.4i(k), the penalty upon conviction for violation of this  
21 ~~article~~ **division** shall be imprisonment for not more than 90 days or a fine  
22 of not more than \$500.00, or both, for each such violation, in the discretion  
23 of the court.

24 (e) An applicant or potential applicant may report to the administering agency  
25 any suspected violation of this ~~article~~ **division** within 60 calendar days of  
26 the date the suspected violation occurred. The City shall encourage

1 reporting pursuant to this subsection by keeping confidential, to the  
2 maximum extent permitted by applicable law; the name and other  
3 identifying information of the applicant or potential applicant reporting the  
4 violation, provided, however, that with the authorization of such person,  
5 the City may disclose his or her name and identifying information as  
6 necessary to enforce this ~~article~~ **division** or for other appropriate purposes,  
7 which shall include enabling the housing provider to respond to the alleged  
8 violation as part of an investigation by the administering agency.

9 Section 22-8-14 Implementation and enforcement; administrative rules and annual  
10 reporting requirements.

11 (a) Within 120 calendar days after the effective date of this ~~article~~ **division**,  
12 which was September 1, 2019, the administering agency shall promulgate  
13 administrative rules pursuant to [Section 2-111](#) of the Charter. These rules  
14 shall include, at minimum, procedures for the following:

15 (1) Preparing standardized language for the notice in [Section 22-8-8\(c\)](#)  
16 of this Code that housing providers may use to satisfy the requirements of  
17 that subsection.

18 (2) Timeframe and process, including notification, for the following:

- 19 a. To housing providers that a complaint has been filed  
20 alleging violation of this ~~article~~ **division** and that an  
21 investigation will occur;
- 22 b. To provide the housing provider a right to respond to the  
23 allegations in the complaint;
- 24 c. To obtain verification from the Buildings, Safety  
25 Engineering, and Environmental Department that the  
26 eligible housing is in compliance with the registration of

1 residential rental properties in accordance with [Section 8-](#)  
2 [15-81](#) of this Code;

- 3 d. To obtain verification from the Buildings, Safety  
4 Engineering, and Environmental Department that the  
5 eligible housing has a valid Certificate of Compliance  
6 required by [Section 8-15-35](#) of this Code or by other  
7 provisions of this Code;
- 8 e. Receipt and consideration by the administering agency of  
9 any response and supporting information from a housing  
10 provider regarding the alleged violation; and
- 11 f. Dissemination of the administering agency's determination  
12 of whether an alleged violation in the complaint was  
13 substantiated to the housing provider and complainant. If a  
14 violation is substantiated, dissemination to the enforcing  
15 agency and Michigan Department of Civil Rights.

16 (b) The administering and enforcing agencies shall prepare and jointly submit  
17 an annual report to the Mayor and City Council that includes, at a  
18 minimum, the following information for the preceding year:

- 19 (1) The number and types of complaints received alleging violations of  
20 this ~~article~~ **division**;
- 21 (2) The number and types of violations of this ~~article~~ **division**  
22 represented by the number of determinations issued by the Director  
23 of the administering agency substantiating the alleged violations;
- 24 (3) The number and types of violations of this ~~article~~ **division**  
25 represented by the number of determinations issued by the Director  
26 of the administering agency where the allegations of violations of

1 this ~~article~~ division were unsubstantiated;

2 (4) The number and types of determinations forwarded to the Michigan  
3 Department of Civil Rights;

4 (5) The number and types of tickets by the enforcing agency;

5 (6) Data regarding the judicial disposition of tickets issued by the  
6 enforcing agency itemizing the number of dismissals, convictions  
7 or plea arrangements, including the penalties assessed; and

8 (7) The costs associated with the implementation and administration of  
9 this ~~article~~ division.

10  
11 **DIVISION II**  
12 **RENTAL APPLICATION FEES**  
13 **AND PRE-TENANCY FEES**  
14

15 **Section 22-8-31 Purpose**

16 **The purpose of this division is to regulate and protect the health, safety and general**  
17 **welfare by establishing a cap on rental application fees assessed to tenants and prospective**  
18 **tenants that are reasonable and transparent within the city of Detroit.**

19 **Section 22-8-32 Definitions.**

20 **The following definitions shall apply in the interpretation and enforcement of this division:**

21 ***Administering agency* means the Department of Civil Rights, Inclusion and Opportunity.**

22 ***Applicant* means any individual applying to rent or lease eligible housing. It also includes**  
23 **an individual applying to be added to an existing lease for eligible housing.**

24 ***Eligible housing* means any rental property in the City of Detroit available for rent or lease**  
25 **where a single structure contains more than four dwelling units, or more than four rental**  
26 **properties are owned by the same person.**

1 Housing provider means any entity that owns, master leases, manages, or rents eligible  
2 housing in the City of Detroit. Any agent, such as a property management company, which makes  
3 tenancy decisions on behalf of the aforementioned entities, shall also be considered a housing  
4 provider. It does not include a sublessor.

5 Pre-tenancy fee means any fee associated with an action or event that occurs before the  
6 start of a lease term for residential rental property. It includes, but is not limited to, wait list fees,  
7 holding fees, option fees, preparation fees, move-in fees or any other fee incurred prior to the  
8 start of a term of a lease for residential premises. It does not include rent, security deposits,  
9 or rental application fees.

10 Rental application fee means any payment of money charged by a housing provider to an  
11 applicant, the purpose of which is for screening the background of an applicant for the lease of a  
12 residential premises before signing the lease and before any contractual relationship is created.

13 Tenant means a lessee who is a party to a current lease agreement.

14 Section 22-8-33 Applicability.

15 This division applies to all housing accommodations except:

16 Premises subject to federal, state, county, or city government restrictions regarding  
17 income, age, or rent (or the practical application of these restrictions) that conflict with this  
18 division.

19 Section 22-8-34 Rental application fees.

20 (a) A housing provider may charge a rental application fee to cover the costs of  
21 obtaining information about and screening the applicant.

1 (b) The amount of the rental application fee must be disclosed on any advertisement or  
2 posting related to the residential premises and the housing provider shall not charge  
3 a fee that exceeds the amount disclosed.

4 (c) Before charging a rental application fee, a housing provider must disclose to the  
5 applicant, in writing, the criteria on which the application will be considered.

6 (d) A rental application fee shall not exceed \$50.00.

7 Section 22-8-35 Pre-tenancy fees.

8 As set forth in this division, a housing provider shall not charge a pre-tenancy fee in any  
9 application for eligible housing.

10 Section 22-8-36 Non-waiver

11 The requirements of this division may not be waived by the parties. This division is not  
12 intended to preempt any provisions or regulations that govern the collection of deposits and fees  
13 under federal or state housing assistance programs.

14 Section 22-8-37 Construction

15 Nothing in this division shall be construed to control either the amount of rent charged for  
16 leasing private residential property or the amount charged for a security deposit. This division shall  
17 only apply to leases entered, renewed, or renegotiated after the effective date of this division.

18 Section 22-8-38 Enforcement.

19 (a) Unless prohibited by federal or state law, a housing provider shall maintain and  
20 retain records of tenant application forms, and other pertinent data and records  
21 required under this division, for a minimum of one year from the date of application,  
22 and shall allow the administering agency access to such records, with appropriate  
23 notice and at a mutually agreeable time, to monitor or verify compliance with the  
24 requirements of this division.

1 **(b) At no time shall the administering or enforcing agencies require a housing provider**  
2 **to provide the disclosure of any information or documents, which would violate state**  
3 **or federal law, or this Code.**

4 **(c) A violation of this division constitutes a civil infraction punishable by a fine of not less**  
5 **than \$500.00 for the first offense, not less than \$500.00 and up to \$1,000.00 for each**  
6 **additional or subsequent offense, plus costs and other remedies available by statute.**

7 **(d) To the extent allowed by law, a tenant who has been aggrieved by a violation of the**  
8 **division may bring a civil action for appropriate injunctive relief or damages, or both,**  
9 **against the person(s) who acted in violation of this division.**

10  
11 **Section 2.** All ordinances or parts of ordinances in conflict with this ordinance are  
12 repealed.

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

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

22  
23 Approved as to form:

24 \_\_\_\_\_  
25 Conrad L. Mallett, Jr.  
26 Corporation Counsel  
27

