

**CITY OF WHITE CLOUD
NEWAYGO COUNTY, MI**

**ORDINANCE 2022-04
RENTAL UNIT REGULATION ORDINANCE**

AN ORDINANCE TO RESCIND THE RENTAL UNIT REGULATION OF RENTAL ORDINANCE 2015-24 AND ADOPT 2022-04; AN ORDINANCE TO REGULATE RENTAL UNITS IN THE CITY OF WHITE CLOUD, NEWAYGO COUNTY, MICHIGAN; TO REQUIRE REGISTRATION OF RENTAL UNITS; TO REQUIRE CERTIFICATES OF COMPLIANCE; TO REQUIRE INSPECTIONS; TO PRESCRIBE PENALTIES FOR THE VIOLATION OF THIS ORDINANCE; TO REPEAL CONFLICTING ORDINANCES; AND TO PROVIDE FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

THE CITY OF WHITE CLOUD, COUNTY OF NEWAYGO AND STATE OF MICHIGAN
ORDAINS:

Section 1. Purpose. The purpose of this Ordinance is to regulate rental units in City of White Cloud (the "City"). The reasons for this Ordinance include the following, without limitation.

- A. Rental units are generally, in whole or in part, not occupied by their owners.
- B. The occupants of rental units tend to change more often than the occupants of owner-occupied dwelling units.
- C. Because of subsection A and subsection B above, rental units in general tend to deteriorate more quickly and to remain in a deteriorated condition longer than owner-occupied dwelling units.
- D. Occupants of rental units generally do not have the right or the responsibility to maintain the condition of or to repair the rental unit.
- E. The City wishes to protect innocent third parties from renting substandard rental units.
- F. The City further wishes to protect innocent third parties who move into a rental unit which subsequently deteriorates due to lack of proper property maintenance.
- G. Protection of the health, safety and welfare of residents of rental properties and adjacent properties.

Section 2. Definitions.

The following words, terms, and phrases, when used in this Ordinance, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning.

- A. "Landlord" means any person who owns or controls and rents a rental unit, either personally or through a responsible local agent to any person.
- B. "Owner/property owner". The individual(s), company, corporation, or governmental or private agency listed on the recorded deed as the owner, or purchaser under a recorded land contract of a property containing residential rental dwelling unit(s).
- C. "Person" means a firm, association, partnership, joint venture, corporation, trust, an equivalent entity or a combination of these entities, or a natural person.
- D. "Rental Inspector" the individual, company, or agency designated by the City of White Cloud to perform inspections pursuant to this ordinance.
- E. "Residential rental dwelling unit" (rental unit) distinct individual living quarters within a building intended for occupancy by a person or persons other than the owner and the family of the owner, and for which a remuneration of any kind is paid. Single-family residences, mobile homes, duplexes, apartments, and rooming houses may all contain and be classified as residential rental dwelling units.
- F. *Responsible local agent.* An individual or company representing the owner having a place of residence or business within the county or within 20 miles of the city if residing outside the county. The local agent is responsible for the operation of the owner's residential rental dwelling unit(s) located within the city regarding compliance with the provisions of this ordinance, and the terms and conditions of all other codes and ordinances of the city. A local agent is required if:
 - 1.) The owner resides outside of the county more than 20 miles from the city.
 - 2.) The owner resides outside of the county more than 20 miles from the city for more than 90 days each calendar year.

Section 3. Fees. There shall be no fee for the registration, re-registration, or updating of registration information within the allotted time periods, however there shall be a late fee if there is a failure to register within allotted time frames. Fees will be required for all inspections, required for obtaining certificates of compliance and late fees and shall be as established in the Schedule of Fees adopted by resolution of the City Council.

Section 4. Penalties. Any person who shall violate a provision of this Ordinance or shall fail to comply with any of requirements shall be responsible for a municipal civil infraction subject to enforcement procedures as set forth in the Municipal Civil Infractions Ordinance 2022-03, Section 5 adopted by the City.

The Rental Inspector, Zoning Administrator, any White Cloud Police Officer(s) as well as the City Manager, are hereby designated as the authorized City Officials to issue municipal civil infraction citations (directing alleged violators to appear in Court) or municipal civil infraction notices (directing alleged violators to appear at the City of White Cloud).

Section 5. Registration.

- A. **Required.** No owner shall lease, rent or otherwise allow a rental unit to be occupied unless the rental unit is registered with the City and a person (if required) is designated as a responsible local agent. The owner or responsible local agent shall be legally responsible for operating the registered rental unit in compliance with the ordinances adopted by the City; shall be responsible for providing access to the rental unit for any and all inspections necessary to ensure compliance with ordinances adopted by the City; and shall accept all legal notices or service or process with respect to the rental unit. The responsible local agent shall maintain a list of the names of occupants of each rental unit for which he or she is responsible.
- B. **Registration Term and Renewal of Existing Rental Units.** The registration of a rental unit shall be effective for three years, and it shall be the responsibility of the owner or responsible local agent to reregister the rental unit by the first of the month immediately preceding the expiration of the registration for the rental unit. Upon registration, a certificate of compliance shall be obtained pursuant to this Ordinance prior to permitting occupancy of any new rental unit.
- C. **Change in Registration Information.** The owner of a rental unit registered with The City shall re-register within ten (10) business days after any change occurs in registration information. A new owner of a registered rental unit shall re-register the rental unit as provided in this Ordinance.
- D. **Application for Registration.** An application for registration for a rental unit shall be made in such form and in accordance with such instructions as may be provided by the City Council or its designee and shall include at least the following information:
- 1.) The address of the rental unit;
 - 2.) The names and addresses of all owners of the rental unit;
 - 3.) The name, address, telephone number, and email address of the person authorized to collect rent from the individual(s) occupying the rental units;
 - 4.) The name, local address, telephone number, and email address of the responsible local agent;
 - 5.) The number of rental units in each building;
 - 6.) The authorization appointing a responsible local agent signed by both the owner and the responsible local agent; and
 - 7.) The name, business address and telephone number of any person who holds lien on the rental unit or the real property on which the rental unit is located.
- E. **Inaccurate or Incomplete Registration Information.** It shall be a violation of this Ordinance for an owner or a responsible local agent to provide inaccurate information for the registration of a rental unit or to fail to provide information required by the

City for the registration. In those cases in which the owner is not a natural person, the owner information shall be that of the president, general manager or other chief executive office of the organization. Where more than one natural person has an ownership interest, the required information shall be provided for each such owner.

Section 6. Certificate of Compliance.

- A. Required. No person shall own, operate, lease, rent or occupy a rental unit unless there is a valid certificate of compliance issued by the City Rental Inspector or its designee, which certificate of compliance shall be issued in the name of the owner and issued for the specific rental unit.

The certificate of compliance shall be issued for each building containing a rental unit. The certificate of compliance shall be always displayed in a conspicuous place in each rental unit. The certificate of compliance shall be issued only after both of the following are completed:

- 1.) Registration of the rental unit with the City; and
- 2.) Inspection by the City or its designee demonstrating compliance with ordinances adopted by the City and state law.

- B. Triennial Inspections. Subsequent to the registration of all rental units as required by this Ordinance, the City Rental Inspector or its designee shall commence inspection of all rental units. The City shall inspect approximately 1/3 of all residential rental units each year with all rental units to be inspected within a three-year period. Once the rental unit is deemed to be in compliance with all ordinances adopted by the City and state law, the inspection required for issuance of a certificate of compliance shall be satisfied. The inspection shall then be valid for a period of three years. The City Rental Inspector or its designee shall thereafter alternate inspection triennially. In cases where there is an owner of multiple rental units, the city should divide the inspection of their rental units equally over the three year period.
- C. Temporary Certificates of Compliance. Temporary certificates of compliance may be issued without prior inspection to owners of occupied rental units existing within 90 days after the re-adoption date of this Ordinance. Such certificates may be issued as of the effective date of the initial registration following that date, to allow owners to operate such rental units until such time as an inspection may be made by the City Rental Inspector or its designee. At such time inspection is made by City Rental Inspector or its designee and a determination has been made that compliance with the provisions of this Ordinance have been secured, the temporary certificate shall expire.
- D. Prerequisites for Issuance. The City Rental Inspector or its designee shall not issue a certificate of compliance unless a current rental unit registration is in effect, the responsible local agent is properly designated, and any late fees for registration plus any penalties are paid in full and inspection as required by this Ordinance has

determined that compliance has been secured with the minimum standards and other provisions of the ordinances adopted by the City.

- E. Inspections. All rental units and their premises governed by this Ordinance shall be inspected and comply with the standards of the ordinances adopted by the City. If an inspection is scheduled and the owner or responsible local agent fails to appear, a late inspection fee as specified in the city's schedule of fees shall be assessed against the owner and/or the responsible local agent; and no inspection shall be completed, nor certificate of compliance granted until the fee is paid in full.
- F. Posting. The following information shall be posted in a conspicuous place either within each rental unit or in a common area shared by all occupants of a building with rental units:
 - 1.) A copy of the current certificate of compliance; and
 - 2.) The name, address, telephone number and email address of the responsible local agent.
- G. Revocation of Certificate of Compliance. If the City Rental Inspector or its designee shall discover the failure of any owner to comply with a notice of violation issued pursuant to the provisions of the ordinances adopted by the City, the certificate of compliance may be revoked.
- H. Appeal of Denial of Registration or Revocation. Any owner whose rental unit registration has been denied or whose certificate of compliance has been revoked may file an appeal to the Property Maintenance/Construction Code Board of Appeals. The appeal must be filed in writing with the City Clerk within 20 calendar days of the denial or revocation.
- I. Revocation.
 - 1.) Upon revocation of a certificate of compliance and the completion of any appeal, if the rental unit is deemed unfit for human habitation, the rental unit shall immediately be vacated. No person shall thereafter occupy the rental unit for sleeping or living purposes until it complies with this Ordinance.
 - 2.) When a rental unit is found to be in violation of the provisions of the ordinances adopted by the city but determined to be habitable, a vacation order shall not be entered. However, the certificate of compliance shall be deemed expired, and the rental unit shall be in violation of the terms of this Ordinance.
- J. Expiration. A certificate of compliance shall expire on the date stated on the certificate of compliance or on the repair date stated on a notice to repair. Sixty days after such expiration date, it shall be unlawful for the rental unit to be occupied unless a new certificate of compliance has been issued. A rental unit which has not been previously certified shall be deemed to have an expiration date on the date the responsible local agent is notified to register the rental unit.

- K. **Notification of Expired Certificate.** Sixty days after expiration of a certificate of compliance, the City may issue a notice of expired certificate to the owner and to the occupant of the rental unit. A placard containing the required notice shall be posted on the rental unit and may not be removed until a new certificate of compliance is issued. The notice shall state that:
- 1.) The rental unit does not have a valid certificate of compliance;
 - 2.) It is unlawful for any vacant rental unit to be reoccupied or rented; and
 - 3.) Current tenants may be entitled to escrow rent moneys as provided for under state law.
- L. **Renewal.** At least 30 days prior to the expiration of a certificate of compliance, the City shall notify the owner to re-register the rental unit and to arrange for a compliance inspection. The owner shall be responsible for re-registering a rental unit and arranging a compliance inspection prior to the expiration date on the certificate. When a certificate of compliance is re-issued in accordance with this Ordinance, it shall have a three-year expiration date with the same month and day as shown on the previous certificate, regardless of the date that the new certificate is issued.
- M. **Certificate of Compliance Not Required.** A certificate of compliance shall not be required for living or sleeping accommodations in jails, hospitals, nursing homes, school dormitories, convalescent homes, retirement homes, foster homes or for temporary group shelters provided by legal not-for-profit agencies which are inspected, certified and/or licensed by other governmental agencies.

Section 7. Inspections.

- A. **Basis.** Inspections may be made to obtain and maintain compliance with the standards of this Ordinance based upon one of the following:
- 1.) A complaint received by the City indicating that there is a violation of the standards, or the provisions of the ordinances adopted by the City;
 - 2.) An observation by the City of a violation of the standards or the provisions of the ordinances adopted by the City;
 - 3.) A report or observation of a dwelling that is unoccupied and unsecured or a dwelling that is fire damaged;
 - 4.) The registration, re-registration and certification of a rental unit as required by this Ordinance;
 - 5.) The need to determine compliance with a notice or an order issued by the City;
 - 6.) An emergency observed or reasonably believed to exist;
 - 7.) A request for an inspection by the property owner; or

8.) Requirements of law where a dwelling is to be demolished by the city or where ownership is to be transferred to the City.

- B. **Complaint Initiated Inspections.** If an inspection is initiated by a complaint and no violation is found to exist, no inspection fees will be assessed against the owner of the inspected rental unit.
- C. **Re-inspection.** Where a re-inspection must be made to ensure conformity with this Ordinance, there will be charged a separate fee for every inspection when the violation has not been abated or corrected.
- D. **Transfer of Ownership Inspection.**
 - 1.) If there is a transfer of ownership concerning any rental unit, including an owner-occupied rental unit, and a current certificate of compliance exists, a final inspection by the City Rental Inspector or its designee shall be waived.
 - 2.) If there is a transfer of ownership concerning any rental unit, including an owner-occupied rental unit, and a current certificate of compliance does not exist, there shall be a final inspection by the City Rental Inspector or its designee. If violations of this Ordinance are found, a notice of violations shall be issued to both the current owner and the prospective buyer.
 - 3.) If ownership of any rental unit is transferred contrary to this Ordinance, the certificate of compliance and rental unit registration shall be deemed to expire within ten (10) business days of the transfer unless appropriate steps are taken to obtain a rental unit registration and certificate of compliance.
 - 4.) If a transfer of ownership occurs and violations are found during the final inspection, the rental unit registration shall become invalid. Any new owner shall register within ten (10) days of the date of transfer of any rental unit. Every person holding such registration shall notify the City Clerk or its designee in writing of the change in the ownership of such rental unit.
 - 5.) Any residents of a rental unit which undergoes a transfer of ownership while the individuals are residing in that unit, including an owner-occupied rental unit, shall be notified of any transfer of ownership.

Section 8. International Property Maintenance Code (2015, Ordinance 2022-02). The International Property Maintenance Code (2015) and any subsequent amendments is incorporated by reference as if fully set out within this document.

Section 9. Severability. This Ordinance and its various parts, sections, subsections, sentences, phrases and clauses are declared to be servable. If any part, section, subsection, sentence, phrase, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected. The captions included at the beginning of each Section are for convenience only and shall not be considered a part of this Ordinance.

Section 10. Administrative Liability. No City officer, agent, employee or member of the City Council shall be personally liable for any damage which may occur to any person or entity as a result of any act or decision performed in the discharge of duties and responsibilities pursuant to this Ordinance.


Section 11. Repeal. All ordinances, parts of ordinances or amendments thereto, any of which conflict with the provisions of this Ordinance, are repealed to the extent of such conflict.

Section 12. Effective Date. This Ordinance was approved and adopted by the City Council on November 1, 2022.

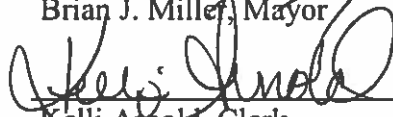
YEAS: Dault, Anuci, Shears, LaClair, Murchison, Becker, Miller

NAYS: None ABSENT/ABSTAIN: None

ORDINANCE DECLARED ADOPTED.



Brian J. Miller, Mayor



Kelli Arnold, Clerk

CERTIFICATION

It is hereby certified that the foregoing Ordinance was adopted by the City Council of White Cloud, Newaygo County, Michigan, at a meeting of the City Council duly called and held on November 1, 2022.

First Reading: October 4, 2022

Adopted: November 1, 2022

Published: November 9, 2022

Effective: November 9, 2022

By:



Kelli Arnold, Clerk