

ORDINANCE NO. 2019-02

An ordinance amending Chapter 14 of the City of Jackson, Michigan Code of Ordinances, to provide safe replacement housing for tenants displaced from their homes as a result of the dwelling being declared unfit for human habitation by the Chief Building Official pursuant to Section 14-47 of the Code.

THE PEOPLE OF THE CITY OF JACKSON ORDAIN:

Section 1. Purpose.

The City Council adopts this Ordinance to create a provision establishing property owner obligations with respect to tenants displaced from dwellings that have been vacated by Chief Building Official due to violations of Chapter 14 of the Jackson Code of Ordinances.

Section 2. That Chapter 14 be amended to add an article providing for relocation assistance for displaced tenants as follows:

**Article VII – RELOCATION ASSISTANCE FOR DISPLACED TENANTS**

**Sec. 14-500 – Title.**

This article shall be known as the “Relocation Assistance for Displaced Tenants Ordinance.”

**Sec. 14-501 – Findings and Purpose.**

The city council finds that tenants who are required to vacate structures rented for residential purposes due to a Notice to Vacate issued pursuant to Chapter 14, Article II, Division 2, often encounter difficulty in finding suitable or affordable, temporary or replacement housing due to the short notice necessitated by the Notice to Vacate. Such difficulties create a financial hardship for said tenants and may result in homelessness. The city council also finds that those property owners who do not properly maintain non-owner occupied residential properties and who allow said dwellings to become unsafe or hazardous should bear responsibility for the hardships their actions create for their tenants. Additionally, the city will often spend time and resources assisting tenants displaced by a Notice to Vacate. These costs and expenses are not reimbursed by the property owner. Therefore, the city council finds and declares it necessary to enact this chapter to protect the public health, safety and welfare and to permit the city to seek reimbursement for the costs and expenses incurred. Nothing herein shall limit or preclude other remedies available to tenants under Michigan law.

**Sec. 14-502 – Definitions.**

Unless the context indicates otherwise, the following words used in this article shall have these meanings:

*Landlord* means an owner, lessor or sublessor or any other person entitled to receive rent for the use and occupancy of any rental unit, or the agent, representative, predecessor or successor of any of the foregoing.

*Lease* means an agreement, whether oral or written, or implied, between a landlord and a tenant for use or occupancy of a rental unit and for housing services.

*Property* means all rental units on a parcel or lot or contiguous parcels or contiguous lots under common ownership.

*Relocation assistance* means a relocation payment and the right of first refusal to reoccupy a residential structure.

*Relocation payment* means:

- (1) The payment of one month's fair market value rent for a unit of comparable size, as established by the most current Federal Department of Housing and Urban Development schedule of fair market rents, or one month of the tenant's actual rent at the time of relocation, or total rent due for one month to the landlord under Section 8 of the Housing Act of 1937, whichever is greater, for a maximum of three months' rent payments, paid in monthly installments as is necessary, or other arrangements of equal benefit which are agreeable to the tenant as evidenced by a written agreement between the tenant and the property owner. Such agreement shall at a minimum contain each of the following components:
  - (a) The names of the current occupants of the rental unit being vacated, and an indication of who is considered the head of the household therein;
  - (b) The address and the number of the unit from which the tenant is being displaced;
  - (c) A statement indicating the amount of relocation payment to which the tenant is entitled, according to the most current Federal Department of Housing and Urban Development schedule of fair market rent for the size of the subject unit;
  - (d) A statement that the tenant has waived the right to such relocation payment, and describing what, if any, alternative arrangements of equal benefit the landlord has agreed to provide the tenant, which is acceptable to the tenant in lieu of relocation payment; and
  - (e) The address, if known, of the location to which the tenant plans to move.
- (2) A relocation payment shall be a separate requirement and obligation in addition to the refund of any security deposit pursuant to Michigan law.
- (3) The relocation payment must include the actual costs associated with the tenant's moving expenses, in an amount not to exceed \$1,000.00.
- (4) A relocation payment shall also include an additional amount consisting of any administrative costs incurred by the city including but not limited to, the hourly rate of any city employees that took any action in connection with assisting a tenant under this article, any inspection fees incurred pursuant to Sec. 14-43 for the property plus the costs incurred by the city related to the issuance of the notice to vacate of the rental unit.

*Rental unit* means any building, structure or part thereof, and land appurtenant thereto, or any other rental property rented or offered for rent for residential purposes together with

all housing services connected with use or occupancy of such property, such as common areas and recreational facilities held out for use by the tenant.

*Right of first refusal* means the right of a tenant to reoccupy a residential structure on the site formerly occupied by said tenant, once the residential structure is repaired and becomes habitable, or once housing is redeveloped on the site.

*Tenant* means a tenant, subtenant, lessee, sublessee or any other person entitled under the terms of a lease to the use or occupancy of any rental unit.

**Sec. 14-503 – Relocation Assistance Requirements.**

- (1) Relocation Payment Due. A landlord of a rental unit rented pursuant to a lease shall provide to the tenant a relocation payment as defined in Sec. 14-502 as follows unless one of the exceptions described in Sec. 15-504 applies: within one week of the notice to vacate or prior to the time the tenant vacates the unit, whichever occurs first, for any order requiring a tenant to vacate any rental unit due to unsafe or hazardous living conditions or due to illegal use of the structure as a residence.
- (2) Proof of Compliance. In order to provide proof of compliance by the landlord with the relocation payment requirements of this code, the landlord shall make the payment to the city, at the Department of Neighborhood and Economic Operations; or a copy of the written agreement executed by the landlord and the tenant providing for and describing alternative arrangements shall be provided to the Chief Building Official and the director of the Department of Neighborhood and Economic Operations within five days of the date that the unit is vacated by the tenant. The landlord may make the rental payment directly to the owner of the alternative rental unit but must provide proof of such payment to the director of the Department of Neighborhood and Economic Operations.
- (3) Action by the City. The city will make reasonable efforts to locate suitable alternative rental unit of the same or similar type, size, and location as to the vacated rental unit whether or not the landlord has provided the relocation payment, and which is acceptable to the tenant. The alternative rental unit shall be in a condition acceptable to the Chief Building Official and satisfy the minimum room requirements contained in Section R304 of the Michigan Residential Code. Upon the request of the city, the landlord is required to provide the following information: the address of each rental unit being displaced, the number of bedrooms and bathrooms of each unit, the names of the tenant(s) and the other members occupying the rental unit and the amount of the monthly payments due under the lease and the length of the rental term. The city will locate temporary housing and pay the first five days' worth of rental for a suitable alternative rental unit and such payment shall be reimbursed by the landlord within ten days after issuance of an invoice by the city to the landlord. After the first five days after the vacating of the unit, the landlord shall be responsible for locating a suitable alternative rental unit of the same or similar type, size and location as the vacated unit.
- (4) Right of First Refusal. Any tenant evicted or required to vacate any rental unit pursuant to the provisions of this chapter shall be given the right of first refusal to reoccupy a rental unit on the site once said property becomes habitable, or once housing is redeveloped on the site.

- (a) The landlord shall, at the time the tenant vacates, provide written notice advising the tenant of the right of first refusal. Said notice shall include a current address and telephone number which can be used by the tenant to contact the owner.
- (b) It shall be the tenant's responsibility to provide the landlord with contact information consisting of the tenant's current address and/or telephone number to be used for future notification, and to provide updated contact information to the owner upon change of said information.
- (c) Thereafter, when the rental unit, or a redeveloped structure on the property, becomes habitable, the landlord shall give written notice to the tenant advising said tenant that the structure is ready for occupancy. Said written notice shall be made by certified mail, return receipt requested. Proof of compliance under this subsection must be provided by the landlord to the Director of Neighborhood and Economics Operations.
- (d) If the landlord cannot locate a previous tenant after two attempts over a period of two weeks, the landlord shall be deemed to have complied with the right of first refusal provision of this chapter, and the tenant's right of first refusal shall thereafter be forfeited. The landlord must provide notice to the Neighborhood and Economics Operations in the event that it is the landlord's determination that the tenant's right of first refusal has been forfeited.

**Sec. 14-504 – Exceptions.**

- (1) Any tenant evicted or required to vacate as a result of unsafe or hazardous living conditions or illegal use, who refused to vacate after the provision of the relocation payment is made, or who the Chief Building Official has determined has caused or substantially contributed to the condition(s) giving rise to the abatement or whose guest or invitee has caused or substantially contributed to the condition(s) giving rise to the abatement, shall not be entitled to receive relocation assistance from the landlord.
- (2) Landlords are not required to provide relocation assistance to any tenant evicted or required to vacate a rental unit that becomes unsafe or hazardous as a result of a natural disaster, fire, flood, or civil disturbance.
- (3) The Chief Building Official or his or her designee may make a determination as to whether any of the exceptions provided in subsections (1) or (2) are applicable and the Director of Neighborhood and Economic Operations may waive the landlord's obligations as to the specific tenant only for good cause shown.
- (4) If the landlord has already provided a suitable alternative rental unit of the same or similar type, size, and location as to the vacated rental unit to the tenant, and such replacement unit was accepted by the tenant as evidenced by a written agreement described in this article, and the landlord has agreed to pay the actual costs associated with the tenant's moving expenses, in an amount not to exceed \$1,000.00, the relocation payment shall no longer be required.
- (5) Landlords are not required to provide relocation assistance to any tenant who has been served with an order of eviction requiring the tenant to move from the rental unit.

- (6) Landlords are not required to provide relocation assistance to a tenant if the tenant and the landlord have entered into a consent judgment filed with the Court requiring the tenant to move from the rental unit.

**Sec. 14-505 – No Waiver Permitted.**

No landlord shall attempt to secure from a tenant any waiver of any provision of this Article. Any agreement, whether written or oral, whereby any provision of this Article is waived, is against public policy and is void. No person shall intentionally secure a waiver of any of the provisions, rights or benefits of this ordinance from a tenant by false pretenses or fraud. A violation of this section shall be punishable against the landlord as a misdemeanor.

**Sec. 14-506 – Violation and Penalty.**

Any violation of this Article, other than Sec. 14-505, is subject to the remedies and penalties provided in Chapter 2.5 of this Code and an administrative civil penalty of up to \$1,000.00 per day may be assessed for each day during which a landlord fails to provide relocation assistance required by Sec. 14-503 following issuance of a written order or notice of violation by the city, in addition to the hourly rate of any city employees that took any action in connection with the property under this article, plus the city's reasonable attorney's fees and court costs. Nothing herein shall limit the right of a tenant to enforce the obligations provided herein by civil action or by any other legal remedy which may be available to said tenant.

**Sec. 14-507 – Severability.**

If any provision of this article is determined to be unenforceable by a court, the remainder of this article shall be deemed severable and is to remain in full force and effect.

Section 3. This Ordinance takes effect thirty (30) days from the date of adoption.