

## City of Detroit Detroit City Council

FROM THE DESK OF
Mary Waters, Member At-Large
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## Memorandum

**TO**: David Whitaker, Legislative Policy Division **THROUGH:** Mary Sheffield, City Council President **FROM:** Mary Waters, Councilmember At-Large

**DATE:** 2/20/2023

**RE:** Request for Resolution on Detroit Landlord Rental License

Our office would like to draft an ordinance to achieve the following:

- Amend Chapter 9 of the Detroit City Code to establish the 'Detroit Landlord Rental License'
- Require that any organization that collects residential rent in the City of Detroit have one of these licenses for each rentable unit for which they collect rent
- Mandate that the collection of residential rent is illegal in the City of Detroit unless the rented unit has a valid Rental License
  - Establish that tenants who occupy a dwelling that is not licensed by the City of Detroit are empowered to keep all rent payments in escrow until the landlord secures a valid license, at which point escrowed rent will be turned over to them
  - Should the landlord not obtain a license within 90 days, the rental agreement with the tenant will be abrogated, and the tenant will have all escrowed rent returned to them
- Align this license with the Certificate of Compliance program ran by BSEED
- Establish an easy-to-use form for landlords to complete, including:
  - o Address of rental unit and parcel number
  - What type of property it is (single-family, multi-family, etc)
  - o Transparent fee costs for each license, including any fees that may be assessed
  - Costs and process for obtaining property inspection
  - o Full name, address, Driver's License/State ID number, Corporate Tax ID number, phone(s) and email addresses for both property owner and manager (if different)

- o Detailed list of landlord requirements, including a rubric for the exact criteria that will be evaluated in the unit inspection
- The document must be signed and certified by a licensed Notary Public of the State of Michigan
- Mandate that, in order to receive a license for a given unit, that unit must be managed by an organization with an office location within 25 miles of Detroit and inside the State of Michigan
- Establish reasonable fees for the license, comparable to those of neighboring communities, to cover processing and enforcement costs