

Resolution to Recommend Discussion of Right to Renew to City Council

Whereas, According to R-21-362, the Ann Arbor Renters Commission was created to “[p]ropose, evaluate, recommend, and respond to policies, practices, or laws that affect renters in the City, including, but not limited to: housing affordability, transportation access, land use, public health and safety, and economic development;” and,

Whereas, The Renters Commission should strive to represent “perspectives in the City, such as student, youth, low-income, LGBTQ, immigrant, persons with criminal records, persons receiving rental subsidies, cooperative or group housing, tenant advocacy groups, persons who have experienced homelessness, or historically underrepresented groups;” and,

Whereas, Evictions are currently rising¹ in the wake of the termination of the national eviction moratorium;² and,

Whereas, In the United States, 17% of LGBTQ+ people experience homelessness at some point in their lives. This is more than twice the rate found in the general populace. This number is significantly higher for transgender people. The;³ and,

Whereas, According to a 2020 paper by Hepburn et al., which accessed millions of recorded court eviction cases between 2012 and 2016 in 39 states, “[b]lack renters received a disproportionate share of eviction filings and experienced the highest rates of eviction filing and eviction judgment;”⁴ and,

Whereas, in the City of Ann Arbor, tenants are not guaranteed the opportunity to renew their current lease unless expressly stated in their leasing contract. The result of this is instability in the lives of many of our city’s tenants; and,

Whereas, A coalition of local organizations including the Graduate Employees’ Organization, The Lecturers’ Employee Organization, the House Officers Association of the University of Michigan, the Ann Arbor Tenants Union, the Washtenaw Housing Alliance, the Huron Valley Area Labor Federation AFL-CIO, Rackham Student Government, and the Huron Valley Democratic Socialists of America has endorsed the adoption of the language found in Appendix A (hereafter referred to as Right to Renew) as a city ordinance;⁵ and,

Whereas, The purpose of Right to Renew is to prevent unjust and unnecessary evictions and to increase the stability of tenants’ lives by providing an enumerated list of

¹ <https://www.npr.org/2022/05/04/1095559147/eviction-filings-are-up-sharply-as-pandemic-rental-aid-starts-to-run-out#:~:text=Emergency%20rental%20aid%20has%20helped,the%20%2446%20billion%20from%20Congress.>

² <https://www.nytimes.com/2021/08/26/us/eviction-moratorium-ends.html>

³ <https://williamsinstitute.law.ucla.edu/publications/lgbt-homelessness-us/>

⁴ https://sociologicalscience.com/download/vol-7/december/SocSci_v7_649to662.pdf

⁵ https://docs.google.com/document/d/1ayMiT6grHa1QLbq1DLJCTaUlhg_uTYKLpH3rcWQkd6o/edit

circumstances under which a tenancy may be ended by a landlord with good cause; and,

Whereas, As of Aug 10, 2022, the aforementioned coalition had collected over 700 petition signatures in support of Right to Renew;⁵

Whereas, The American Bar Association urges all local governments to implement Right to Renew laws and has provided the following explanation as its justification in doing so:

“Forcing a household to relocate imposes significant disruption and potential hardship on the tenant, and should not be allowed without a legitimate reason. Allowing eviction without cause invites abuse, enabling a discriminatory, retaliatory, or otherwise illegitimate motive for ending a tenancy to be easily concealed behind a ‘no cause’ eviction”⁶

RESOLVED, The Renters Commission recommends that City Council adopt Right to Renew as amended in Appendix B as soon as possible; and,

RESOLVED, The Renters Commission requests that if members of City Council draft alternative language to what is proposed in this resolution, that they do so in consultation with the Renters Commission and community advocates of the Right to Renew language.

⁶ <https://www.americanbar.org/content/dam/aba/directories/policy/midyear-2022/612-midyear-2022.pdf>

Appendix A:

Applicability.

This article shall apply to all housing accommodations except premises otherwise subject to regulation of rents or evictions pursuant to state or federal law, to the extent that such state or federal law requires “good cause” for termination or non-renewal of such tenancies. This article shall not apply to fraternity houses, sorority houses, or student cooperative housing.

Renewal of Lease

If a landlord does not make a good-faith offer to renew a written lease for each tenant at least 180 days before the end of the current lease period, the landlord shall pay relocation assistance as set forth below, unless the landlord has “good cause” to not offer renewal.

Relocation Assistance

The Relocation Assistance payment should be equal to two month’s rent calculated using average rental rates and adjusted for number of bedrooms on the lease:

Based on available data, the payments for 2022 are as follows:

Studio: \$2,198

1 Bedroom: \$2,388

2 Bedrooms: \$3,630

3 Bedrooms: \$5,300

4+ Bedrooms: \$7,000

The payments shall be adjusted annually for inflation, on January 1 of each year commencing 2023, using the national Consumer Price Index as a standard.

Good Cause

A landlord is exempted from paying relocation assistance in any of the following circumstances:

A. The tenant has not indicated unequivocal acceptance of the offer of renewal within 30 days.

B. The landlord can demonstrate a justification for not offering renewal that would permit a termination of tenancy under the Summary Proceedings Act, MCL 600.5714,.

C. The owner seeks possession so that the owner or a member of the owner's immediate family may occupy the unit as that person's principal residence and no substantially equivalent unit is vacant and available in the same building. "Immediate family" includes the owner's domestic partner or spouse, parents, grandparents, children, siblings, as well as the siblings of the owner's domestic partner or spouse.

D. The owner will not be seeking to rent the premises for the succeeding term.

Remedies

A violation of this section constitutes a civil infraction punishable by a fine of not less than \$500.00 for the first offense, not less than \$500.00 and up to \$1,000.00 for each additional or subsequent offense.

A court may issue any judgment, writ, or order necessary to enforce this section.

To the extent allowed by law, a tenant who has been aggrieved by a violation of the section may bring a civil action for damages, plus costs and reasonable attorney fees, against the landlord. Private actions and remedies under this section shall be in addition to any actions for violations which the city may take.

Appendix B:

Applicability

This article shall apply to all housing accommodations except premises otherwise subject to regulation of rents or evictions pursuant to state or federal law, to the extent that such state or federal law requires "good cause" for termination or non-renewal of such tenancies. This article shall not apply to fraternity houses, sorority houses, student cooperative housing, subleases, or leases of less than 210 days duration.

Renewal of Lease

Within the time periods specified in Ann Arbor City Ordinance 8:530 (1), a landlord must notify each tenant, in writing, whether the lease will be renewed, and must do one of the following:

- a. If the landlord offers renewal, the landlord must present a written lease renewal to the tenants for signature with the offer.
- b. If the landlord claims good cause, the landlord shall notify each tenant in writing of the grounds for the good cause.

If a landlord does not make a good-faith offer to renew a written lease for each tenant at least 180 days before the end of the current lease period, the landlord shall pay relocation assistance as set forth below, unless the landlord has "good cause" to not offer renewal.

Relocation Assistance

The Relocation Assistance payment shall be equal to two month's rent based upon the current lease.

Good Cause

A landlord is exempted from paying relocation assistance in any of the following circumstances:

A. The tenant has not returned a signed renewal to the landlord within the time specified in Ann Arbor City Ordinance 8:530 (2).

B. If fewer than all current tenants sign a renewal, named replacement tenants must be acceptable to the landlord in the landlord's usual screening process.

C. The landlord can demonstrate a justification for not offering renewal, that is in existence within the time renewal is to be offered, that would permit a termination of tenancy under the Summary Proceedings Act, MCL 600.5714.

D. The owner seeks possession so that the owner or a member of the owner's immediate family may occupy the unit as that person's principal residence and no substantially equivalent unit is vacant and available in the same building. "Immediate family" includes the owner's domestic partner or spouse, parents, grandparents, children, siblings, as well as the siblings of the owner's domestic partner or spouse.

E. The owner will not rent the premises for the succeeding term.

Remedies

A violation of this section constitutes a civil infraction punishable by a fine of not less than \$500.00 for the first offense, not less than \$500.00 and up to \$1,000.00 for each additional or subsequent offense, in addition to an order requiring relocation assistance.

A court may issue enforce any judgement, writ, or order necessary to enforce this section.

To the extent allowed by law, a tenant who has been aggrieved by a violation of the section may bring a civil action for damages, plus costs and reasonable attorney fees, against the landlord. A court shall order two times the withheld relocation assistance for willful violations. Private actions and remedies under this section shall be in addition to any actions for violations which the city may take.