

ORDINANCE NO. ORD-22-15

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CHAPTER 105

(HOUSING: RIGHT TO RENEW AND RELOCATION ASSISTANCE)

AN ORDINANCE TO AMEND SECTION 8:530 AND TO ADD SECTION 8:531 OF CHAPTER 105 (HOUSING CODE) OF TITLE VIII (BUILDING REGULATIONS) OF THE CODE OF THE CITY OF ANN ARBOR

The City of Ann Arbor ordains:

Section 1. That Section 8:530 of Chapter 105 of Chapter VIII of the Code of the City of Ann Arbor be amended as follows:

**8:530. Lease agreements and entry to show residential premises.**

(1) *Notice to tenant regarding successive lease periods:*

- (a) A landlord of residential premises must, for leases that exceed 8 months, provide each tenant with the terms and conditions of a successive lease period no later than 180 days before the end of the current lease period;
- (b) Notice to each tenant must be sent via electronic communications, and either personal delivery or U.S. mail;
- (c) The notice must specify the date by which the tenant must notify the landlord of the tenant's acceptance of a successive lease, which date shall be no sooner than 150 days before the end of the current lease period;
- (d) A landlord must provide a second notice if it provides a first notice earlier than 240 days before the end of the current lease period;

(2) *Notice to landlord regarding acceptance of terms of successive lease periods:*

- (a) Notice to the landlord by each tenant must be provided in writing via personal delivery, U.S. mail, or electronic communication;
- (b) A tenant's acceptance of the terms and conditions for a successive lease period shall be in the form of a signed lease.

(3) *Entry and leasing of residential premises:*

- (a) A landlord shall not enter leased residential premises for the purpose of showing the premises to prospective tenants until 150 days before the end of the current lease period;

- (b) A landlord may not enter into an agreement to rent the leased premises to another tenant for a subsequent lease period until 150 days before the end of the current lease period.
- (4) *Rights and Duties of Tenants booklet:*
- (a) Except as otherwise provided in this section, at the time of entering into a written lease agreement a landlord shall provide to each tenant a copy of this entire Code section separate from the written lease agreement, until such time that this ordinance is incorporated into the "Rights and Duties of Tenants" booklet;
  - (b) If there is no written lease, the landlord shall provide a copy of this entire Code section, upon which is written the term of the current unwritten lease, until such time that this ordinance is incorporated into the "Rights and Duties of Tenants" booklet.
- (5) This section does not apply under any of the following conditions:
- (a) The entry is for the purpose of subletting;
  - (b) The current lease period is less than 8 months in its entirety;
  - (c) A summons and complaint to recover possession of the premises has been filed and served on the current tenant in accordance with all laws and rules applicable to summary proceedings to recover possession of the premises;
  - (d) The tenant, of his or her own will, has terminated his or her occupancy of the leased premises and his or her right under the lease to possession of the premises.
  - (e) The leased premises is subject to federal, state, county, or city government restrictions regarding income, age, or rent (or the practical application of any of these restrictions) that are in conflict with this Section.
- (6) *Enforcement.*
- (a) 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, plus costs and other remedies available by statute;
  - (b) A court may issue enforce any judgement, writ, or order necessary to enforce this section;
  - (c) To the extent allowed by law, a tenant who has been aggrieved by a violation of the section may bring a civil action for appropriate injunctive relief or damages, or both, against the person(s) who acted in violation of this section.

Section 2. That Section 8:531 be added to Chapter 105 of Chapter VIII of the Code of the City of Ann Arbor as follows:

## **8:531 Right to Renew and Relocation Assistance**

### **(1) Applicability**

This Section shall apply to all housing accommodations except:

- (a) 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.
- (b) Fraternity houses, sorority houses, student cooperative housing, subleases, or leases of less than 240 days duration.
- (c) Premises subject to federal, state, county, or city government restrictions regarding income, age, or rent (or the practical application of these restrictions) that are in conflict with this Section.

This Section shall only apply to leases entered into, renewed, or renegotiated after the effective date of this Section.

### **(2) Renewal of Lease**

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

(i) If the landlord offers to renew the lease, such offer must be in writing and include the parties, term, address of premises, and the rent. The landlord must present a written lease renewal to the tenants for signature within 30 days of acceptance of the offer.

(ii) If the landlord claims good cause not to renew, the landlord shall notify each tenant in writing of the grounds for the good cause.

(b) If a landlord does not make a good-faith offer to renew a written lease for each tenant before the time period specified in Ann Arbor City Ordinance 8:530 (1)(a) 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.

(c) 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.

### **(3) Relocation Assistance**

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

### **(4) Good Cause**

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

(a) The tenant has not accepted the renewal offer in writing within the time specified in Ann Arbor City Ordinance 8:530 (1)(c).

(b) The tenants who accepted the renewal offer, along with any replacement tenants acceptable to the landlord, have not returned a signed lease to the landlord within ten days of receipt.

(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 or parents of the owner's domestic partner or spouse.

(e) The owner will not rent the premises for the succeeding term.

#### (5) Remedies

(a) Civil Infractions. A violation of Subsection (2)(b) constitutes a civil infraction punishable by a fine of not less than \$500.00 for the first offense, not less than \$1,000.00 for each additional or subsequent offense, in addition to an order requiring the relocation assistance payment.

(b) Private Actions. To the extent allowed by law, a tenant who has been aggrieved by a violation of Subsection (2)(b) of this Section may bring a civil action for damages against the landlord. A court may order up to two times the relocation assistance payment for willful violations, and may order taxable costs and attorney fees in its discretion. Private actions and remedies under this Section shall be in addition to any actions for violations which the city may take.

(c) A court may issue enforce any judgement, writ, or order necessary to enforce this Section.

#### (6) Miscellaneous

(a) The provisions of this ordinance may not be waived by the parties to a rental agreement.

(b) Rights and Duties of Tenants booklet:

(i) Except as otherwise provided in this section, at the time of entering into a written lease agreement a landlord shall provide to each tenant a copy

of this entire Code section separate from the written lease agreement, until such time that this ordinance is incorporated into the “Rights and Duties of Tenants” booklet;

(ii) If there is no written lease, the landlord shall provide a copy of this entire Code section, upon which is written the term of the current unwritten lease, until such time that this ordinance is incorporated into the “Rights and Duties of Tenants” booklet.

Section 3. Effective Date. This ordinance shall take effect and be in force on and after ten days from publication thereof as provided for in the Charter of the City of Ann Arbor.

**As Amended and Approved at First Reading on September 19, 2022**