



RENTAL HOME REGISTRATION AND PERMIT PROGRAM

FREQUENTLY ASKED QUESTIONS



1. Who is required to register with the City?

It is the responsibility of the owner(s) to register their detached one-family homes with the Community Development Department before the home is rented or offered for rent. An owner must register the rental home and shall comply with Ordinance No. 18-901 to be entitled to collect rent from tenants and occupants residing or located in the rental home.

A rental home is defined per Ordinance 18-901 as “a detached one-family home that is not occupied by an owner and that is rented or available to be rented; provided, however, rental home shall exclude any structure or building the principal use of which is licensed and inspected by the State of Michigan and is preempted from regulation by the city pursuant to state or federal law. Except as otherwise expressly provided in this article, occupancy of any home by any person other than the owner of record (with his or her family, as defined in the Zoning Ordinance) shall be considered renting and shall require registration and self-inspection of the home pursuant to this article. A homestead declaration filed on the property reflecting less than one hundred (100) percent shall be prima facie evidence (i.e., evidence adequate to establish a fact or raise a presumption of fact unless refuted) that the owner does not occupy the home.”

2. Why do I have to register my rental home with the City?

The City Council recognizes a compelling interest in establishing standards for the maintenance of sanitary and safe rental homes in the City as an important factor for the general health, safety, and welfare of all of its citizens. The ordinance was designed to promote the continued maintenance of quality and safe rental homes and to enhance and maintain property values within City neighborhoods. For the long-term planning and growth of the community, it is fundamental that the City have accurate information regarding the number and location of rental homes within the City. It is also essential for the City to have accurate contact information for rental home owners, or their local representatives if an emergency situation or an unresolved code violation were to arise.

3. I received a letter from the City requesting registration, but my home is not being rented

You might receive a letter requesting that you register even if you are not renting your home. A home may be presumed as a possible rental property by the City because it is classified as non-homestead or because the property was previously classified as a rental home. Since these conditions are not perfect indicators of a rental property, some properties may be contacted by the City even if the property is not being rented.

If you receive a letter but are not renting your property, you will not need to register, and there will be no fee. However, you will need to complete a *Statement of Exemption / Non-Rental Home* and return it to the Community Development Department so that we can update our records.

4. What if I am currently operating a rental home in the City?

All existing rental homes shall be registered and obtain a permit to occupy from the Community Development Department and pay the required fees by December 31st for the upcoming year (Ordinance 18-901).

5. When will I need to register my rental home with the City?

Registration of all rental homes is required by December 31st annually.

- a. **Existing Rental Home:** All existing rental homes are required initially to register and obtain a permit to occupy by December 31st for the upcoming year, and then will be required to register annually by December 31st thereafter.
- b. **Conversion to Rental Home:** An existing non-rental home which is converted to a rental home must register and obtain a permit to occupy before the date which the property is occupied for rental purposes and then will be required to register annually by December 31st thereafter.
- c. **Newly Constructed Rental Home:** A newly constructed rental home is required to register and obtain a permit to occupy before any use of occupancy and then will be required to register annually by December 31st thereafter.
- d. **Changeover in Tenant at an Existing Rental Home.** An owner shall update the registration form for their existing rental home prior to a new tenant occupying the home, along with the required self-inspection certification form in order to obtain a new permit to occupy. See Question No. 10.
- e. **Change of Ownership of an Existing Rental Home:** A new owner of an existing rental home, which is sold, transferred, or conveyed to the new owner, shall obtain a new registration and new permit to occupy for the rental home within thirty (30) days after the date of the sale.

6. How do I register my rental home with the City?

You may register your rental home by mail or in person at the Community Development Department. A \$200 fee for registration and \$50 fee for the permit to occupy is required for each rental home.

Upon initial registration of the rental home, a \$250 fee will be assessed annually (registration and permit to occupy) around November 30th for payment by December 31st to renew. The cost for an owner-requested City interior inspection of the rental home is \$155. The first offense penalty fee for failing to register and obtain a permit to occupy a rental home (and renew annually) is \$100. Failure to register and obtain a permit to occupy a rental home (and renew annually) may also result in additional fees, civil infraction tickets, fines, and a formal hearing before a judge at the 52-3 District Court.

Overview of Rental Home Registration, Permit, Inspection, and Penalty Fees

Note: Fees are subject to change per City Council resolution

Type of Fees	Due Frequency	Fee Amount
Registration	Due December 31 st <u>annually</u> for all registered rental homes. In addition, registration is also required and due upon: <ol style="list-style-type: none"> 1. Initial registration of a rental home 2. Changeover in tenant at an existing rental home 3. When an existing rental home is sold, transferred, or conveyed to a new owner 	\$200
Permit to Occupy	Due December 31 st <u>annually</u> for all registered rental homes that have permits to occupy and have filed self-certification inspections with the City. In addition, a new permit to occupy a rental home, with the accompanied self-certification inspection, is required upon: <ol style="list-style-type: none"> 1. Initial registration of a rental home 2. Changeover in tenant at an existing rental home 3. When an existing rental home is sold, transferred, or conveyed to a new owner 	\$50
City Inspection	<u>Optional</u> – only when requested by the owner for City staff to conduct the internal inspection of the rental home, in lieu of a self-certification inspection by the owner	\$155
Penalty	Failure to register a rental home or renew registration	\$100

7. What information must I supply to the City when registering my rental home?

- a. **Registration Form:** Registration shall be on a form provided by the Community Development Department. The required information shall include the name, address (no post office box will be accepted), e-mail, and telephone number of the owner and any managing agent. For each individual owner and agent, a driver's license number or State of Michigan identification number must be provided. The Community Development Department may require any additional information as may be relevant and necessary to the proper implementation and enforcement of the Ordinance. The form must be signed by all owners and agents. Please review the registration form for full information requirements.
- b. **Self-Certification Inspection Checklist:** The owner of a rental home, owner's representative, or a certified home inspector shall conduct an initial self-certification inspection of the existing rental home by December 31st. For any property that becomes a rental home after the adoption of Ordinance 18-901, the initial self-certification inspection shall be completed and submitted with the registration, and a permit to occupy obtained before such property is rented or occupied for such purposes. The City will not issue a permit to occupy if a completed self-certification checklist form is not included with the application. Please review the self-certification inspection checklist form and associated guide for requirements.

8. What is the purpose of the self-certification inspection checklist?

The City will **NOT** perform an interior inspection of a rental home unless requested by the owner or tenant or authorized by the 52-3 District Court via an administrative warrant. Thus, the self-certification inspection checklist will certify that health and safety, building code, fire code, and zoning ordinance violations do not exist on the rental home. As part of the self-inspection, the owner shall sign the self-certification inspection checklist form certifying that owner, owner's representative, or certified home inspector has inspected the items on the form, has truthfully reported the condition or status of each item, and has brought each deficiency or code violation up to proper codes and standards.

9. What if I do not feel capable of performing a self-certification inspection of my rental home?

In the event that the owner of a rental home, or owner's representative, does not believe they are capable of performing the self-certification inspection, said person may request the City code official to perform the

inspection provided that the owner, or owner's representative, pays the Community Development Department the required \$155 inspection fee.

10. How often am I required to perform a self-certification inspection of my rental home?

The owner of a rental home, or owner's representative, shall only be required by the City to conduct and file a follow-up self-certification inspection of the rental home upon each tenant change over before occupation of the rental home by a new tenant. *Note: a new permit to occupy and fee, along with self-certification inspection, is required when an existing rental home is sold, transferred, or conveyed to a new owner.*

11. When will City inspections of my rental home occur?

The City code official shall conduct an exterior audit of ALL the registered rental homes within the City annually. The City code official shall inspect the registered rental home from the road right-of-way to determine compliance with applicable City and State codes relating to zoning, building, health, safety, and property maintenance. The inspection will generally occur after the registration and permit to occupy is issued unless recent code violations are noted in the City's database. Routine exterior inspections will be scheduled on a rolling basis. Complaint based inspections or inspections due to immediate health or safety concerns or code violations related to rental home will be scheduled immediately.

12. I own and live in a home and rent a room or rooms to other persons, must I register this property with the City as a rental home?

Yes. If you are collecting rent from someone to live in your home with you, then the home is considered a rental home and must be registered and permitted. There are Zoning Ordinance exceptions to this provision such as: functional families, State-licensed group homes, life partners, and co-owners (both persons on the deed/title to the house).

13. A relative lives in a home that I own, but I do not reside in the home, must I register this property with the City as a rental home?

Yes. An absentee property owner must register their rental home and comply with Ordinance 18-901 if he/she is allowing tenants and occupants to reside in the home (whether collecting rent or not) regardless of family relation. The ordinance states, *"except as otherwise expressly provided in this article, occupancy of any home by any person other than the owner of record (with his or her family, as defined in the Zoning Ordinance) shall be considered renting and shall require registration and self-inspection of the home pursuant to this article."*

14. Are detached rental homes that are located within a condominium development required to register with the City?

Yes. Detached one-family homes within condominium developments that are rented or offered for rent are subject to terms of Ordinance 18-901. Please be aware that condominium association by-laws may also apply to the owner's use of the property.

15. Can my permit to occupy the rental home be suspended by the City?

Yes. The permit to occupy may be suspended by the City code official if the rental home is not maintained in compliance with all applicable codes and/or the owner is in violation of Ordinance 18-901. Before suspending the permit to occupy, the City code official will serve upon the owner a notice of imminent permit suspension which will inform the owner of the item(s) that must be corrected to avoid permit suspension. The owner has the right to appeal the City code official's decision if the permit to occupy is ultimately suspended. Life safety violations affecting the health, safety, and welfare of the public, including tenants, are not subject to the notification requirements and compliance shall be immediate.

16. What are the consequences of not registering my rental home, obtaining a permit to occupy, and/or paying fees?

If the owner of a rental home does not comply with Ordinance 18-901, he/she may be fined for a municipal civil infraction and may be subject to the penalty fee described in the answer to Question No. 6 and may be subject to the penalties, fees, and a formal hearing before a judge at the 52-3 District Court. The home may also be deemed unlawful to occupy for rental purposes, and the ability to rent the home may be suspended by the City code official.

If you should have further questions, please feel free to contact us:

City of Auburn Hills
Community Development
Department

1827 N. Squirrel Road
Auburn Hills, Michigan 48326
www.auburnhills.org

Department Business Hours: Monday
thru Friday
8:00 a.m. to 5:00 p.m.
Phone: 248-364-6900