

Informational Meeting

Rental Safety Verification
Program (RSVP)

Oronoko Charter Township

April 30, 2019



Welcome and Introductions

- Introduction of Board and Committee Members
- Format of the Meeting
 - Brief Presentation
 - Q & A
 - Dialogue
- Opportunity for Board to get Feedback
- Opportunity for Community to hear Concerns
- Listen and Learn

Back to the Future

- What started this conversation? When?
- July 24, 2017—Town Hall Meeting
- Purpose was to identify issues and receive feedback
- The following slides are THE PRESENTATION from that night...

Town Hall Meeting

Rental Issues in
Oronoko Charter Township

July 24, 2017



Welcome and Introductions

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From July 24, 2017

Township Board Responsibilities

- “Promote the public health, safety, and general welfare...” of Township and its residents.
- Implement goals and objectives of Township
- Provide oversight and guidance of resources
- Communicate with residents
- Address problems and concerns
- Plan for the future

From July 24, 2017

From July 24th 2017

Background

- There have been previous attempts made to address rental issues that created hard feelings in the community.
 - We are hoping to avoid that by taking a different approach.
 - There is no proposal or solution on the table or in draft form at this time.
- We are hopeful that this Board has earned the community's respect by providing cost-effective (yet necessary) solutions like the water and sewer extension to the interchange, Kephart drain cleaning, and Kephart Lane walkability.
 - We will use the same approach in discussing this issue.
 - Find a workable (level-headed) solution.

Background

- The rental business is an important part of the community and plays a valuable role.
- There are obvious housing needs being supplied by the landlords and property owners.
- No pictures are being utilized in tonight's presentation so that no property or person is singled out or used as an example.

From July 24, 2017

From July 24, 2017

Issue #1—Renter Safety

- “Health, safety, and general welfare”
- Many instances where lack of egress is an issue.
 - Past vs. present building codes
 - May present landlord liability issues
- Remodeling has added living quarters
 - Single family homes into multi-family
 - Duplexes into tri-plexes or quad-plexes
 - One instance where a duplex had been updated to include 8 bedrooms on one side and 9 bedrooms on the other.
- General living conditions
 - Smoke detectors; Overuse of septic systems; Lack of running water; Mold.

TOORONOKO CHARTER TOWNSHIP

Supervisor

March, 26 2016

I want you to be aware that are some residents of Oronoko , close to the University, they are renting there basement with out scape window or door. And beside that they are charging almost 400,00 per person. Sometimes they have three students leaving there. To me is to dangerous and also they don't pay taxes over that. But the worse if they have a fire, the people downstairs can't get out.; Is a fill houses like that. Sometimes the owner rent all the rooms inside the house and make a lot of money. I think that is not legal

I hope you take care of that.

I am a student that had been in some of those places.

Thanks

RECEIVED
APR 07 2016
Oronoko Twp

2017

Issue #2—Firefighter/First Responder Safety

- Fire Chief Stover—“Make sure everyone makes it home safely.”
- Township Board—Oversight
- If no egress, first responders will go in to save people
- Lack of egress increases risk to renter and first responder
- Some rentals are known; others are not.
 - Knowledge of who is where in a house is helpful to first responders.
 - Smoke detectors and reflective address signs are helpful tools.

From July 24, 2017

From July 24, 2017

Issue #3—Cosmetics/Curb Appeal

- Parking
 - Cars on lawn, cars on street....disorder.
- Upkeep
 - Tall grass, unkempt bushes/landscaping
 - Out-of-town landlords
- Trash
 - Trash bins out 24/7
 - Leftover belongings left behind

From July 24th 2017

Issue #4—Neighborhood housing values

- Mix of housing choices is good for community—low, middle, high.
- Mixed research on density of rentals and its effect on housing values.
- Clear link between housing upkeep and housing values.
 - The lower end of values hurts the higher end.
- Township Board has responsibility to help preserve the value of people's most prized asset—their home.

The Washington Post

If you have too many rental properties in a neighborhood of single-family homes, it can cause property prices to stagnate or even drop. That's because tenants don't always maintain homes to the level that owners who actually live in the property do. When homes get rundown, the whole neighborhood suffers.

But unless the rental properties in your development are in horrible shape, with exteriors that are breaking down and gardens that are unkempt, you shouldn't see much, if any, of a decline in home values if only 14 percent of the community is rented.

"Generally speaking, there's always going to be a slightly negative impact on value the more an area is non owner-occupied. It's not significant," Lepre said. "But it might show up in the appraisal report, if the rental properties sell for much lower prices than other homes in the neighborhood. Or if the appraiser notices that the neighborhood rental properties are in awful shape."

Should the level of rentals rise, and homes stop looking well-cared for, that would be a bigger issue.

From J

2017

From July 24, 2017

Issue #5—Other Issues

- Short-term rentals



- Unlicensed “adult foster care” homes
 - Licensed AFCs are governed by the State of Michigan
 - Unlicensed, sub-leased homes could be governed by local rental rules
- Village of Berrien Springs has rental regulations

From July 24th 2017

Q & A

Discussion and Feedback

Ideas for Next Steps

From July 24, 2017

Possible next steps

- Research other municipalities' regulations
- Draft regulations
- Registration
- Compliance
 - Phased-in requirements?

Feedback received

- Regulations should include short-term rentals
- Regulations should address trash containers
- Regulations should address cars, parking, grass/lawns
- Should be limited in scope--# of bedrooms, # of occupants
- Have the Village's rental regulations helped?
- Consider a complaint-driven ordinance

Since July 2017...

- Committee formed—Don Damron, Chair; Suzanne Renton; Rich Albers; Fire Chief Bruce Stover; Building Official Rich Kubsch
- Discussed and debated issues and solutions
- Reviewed regulations from other communities
- Drafted, re-drafted, edited, reviewed, amended, corrected, revised...
- Presented to Township Board
- A few minor adjustments
- Tonight

The Rental Safety Verification Program (RSVP)

- Section 1—Purpose and Scope
 - “Health, safety, and general welfare for those occupying such (rental) units”
- Section 2—Definitions
 - Dwelling—a building containing two or less rental dwelling units
 - Complex—a single building with more than two rental dwelling units
 - Short-term rental—the rental of any rental unit for a term of less than 30 consecutive days
 - Personal short-term rental—primary residences where owner or lessee occupies residence for a minimum of 9 months a year (rental of a room or portion of house)
 - Business short-term rental—non-primary residence, non owner-occupied, rented for more than 30 days per year

The Rental Safety Verification Program (RSVP)

- Section 3—Registration
 - Owner must register within 10 days of acquiring ownership
 - For current structures, the board is considering a September 2019 deadline
 - Application forms in handout (Single Dwelling/Duplex or Complex)
 - Registration and inspection fee
 - Fee schedule included in handout
 - \$100 per building PLUS \$20 per additional unit
 - Owner must update changes on registration form within 30 days (short-term rentals have 10 days)
 - A provisional rental dwelling permit will be issued upon registration and payment (you are then temporarily “legal” and await inspection.)

Registration and Inspection Fee (every two years)



Single Family Dwelling = \$100

$\$100 \div 24 \text{ months} = \4.17 per month

Owner-occupied Duplex = \$100 + \$20 for add unit =
\$120

$\$120 \div 24 \text{ months} \div 1 \text{ unit} = \5 per month



Duplex (two rental units) = \$100 + \$20 + \$20 = \$140

$\$140 \div 24 \text{ months} \div 2 \text{ units} = \2.91 per month

Registration and Inspection Fee (every two years)



4-unit Complex = \$100 + \$20 + \$20 + \$20 + \$20 = \$180
 $\$180 \div 24 \text{ months} \div 4 \text{ units} = \1.88 per month

8-unit Complex = \$100 + \$20 + \$20 + \$20 + \$20 + \$20
+ \$20 + \$20 + \$20 = \$260
 $\$260 \div 24 \text{ months} \div 8 \text{ units} = \1.35 per month



12-unit Complex = \$100 + \$20 + \$20 + \$20 + \$20 + \$20
+ \$20 + \$20 + \$20 + \$20 + \$20 + \$20 + \$20 = \$340
 $\$340 \div 24 \text{ months} \div 12 \text{ units} = \1.18 per month

Registration and Inspection Fee (annual)



A Business Short-term rental needs to register and be inspected annually—\$300

The Rental Safety Verification Program (RSVP)

- Section 4—Failure to comply
- Section 5—Inspection
 - After registration, Township will schedule an inspection
 - Inspection form is in handout
 - Deficiencies will be provided in writing, including a deadline for compliance.
 - Township will be reasonable with deadlines...“at the discretion of the Township.”
 - Inspections can also be scheduled due to complaints AFTER a permit has been issued.
 - Short-term rental owners need to complete self-inspections between rental contracts (form is in handout).

The Rental Safety Verification Program (RSVP)

- Section 6—Permit

- Permit is valid for 24 months upon successful inspection. (Business short-term rental permits are valid for 12 months)
- 60 days prior to expiration of the permit, the Township will send a re-certification notice to the owner
- 2 originals—one for Township; one for owner
- All property taxes and fees must be current
- Tenants have the ability to review the permit at the Township
- Permit may be transferred for the balance of the term if property is sold.
- Zoning, construction, building, and property maintenance codes will apply.

The Rental Safety Verification Program (RSVP)

- Section 7—Requirements and Regulations
 - Rentals MUST HAVE a permit or provisional permit
 - A copy of a blank lease (if utilized) shall be provided to the Township as a double-check of the application and the actual rental.
 - All rental units must have smoke detectors, a fire extinguisher, and a carbon monoxide detector as required by building and fire codes.
 - Trash containers and pickup must be provided by the owner. Containers cannot be placed for pickup earlier than 5 pm the day before pickup and must be retrieved prior to 7 pm the day of pickup.

The Rental Safety Verification Program (RSVP)

- Section 8—Short-term rentals
 - Must have land line for 911
 - Street address must be on house and reflective green marker at entrance
 - Owner or agent must be within 10 miles of unit
 - No more than two occupants 18 or over per bedroom
 - Contact info and maximum occupancy shall be posted facing externally.
 - Number and location of parking spaces will be on permit (prevents street and yard parking)
 - Advertising shall be correct and truthful
 - Fireworks will be used in compliance with state law
 - Personal injury insurance coverage will be maintained

The Rental Safety Verification Program (RSVP)

- Section 8—Short-term rentals (continued)
 - Agent must be onsite within an hour if there are law enforcement issues
 - A copy of the “Good Neighbor Guideline” will be provided and on-site (see handout)
 - Quiet hours 11 pm to 7 am
 - Trash containers and service are owner’s responsibility
 - Lessee shall be at least 25 years old and must be present for lease.
 - Q—Delineates between personal short-term and business short-term

The Rental Safety Verification Program (RSVP)

- Section 9—Penalties and Remedies
 - Property Maintenance Code applies, as do its penalties and remedies
 - Violations are misdemeanors (goal is compliance, not jail or fines)
 - Violations may result in revoking permit
 - Violations can be appealed to Zoning Board of Appeals (ZBA)
 - If permit is revoked, ZBA can establish an application embargo for up to 12 months
- Section 10—Conflict
 - If this ordinance conflicts with another, the more restrictive applies
 - If part of this ordinance fails in court, the remaining portions remain in effect

The Rental Safety Verification Program (RSVP)

- Additional handouts
 - FAQs
 - Fee schedule
 - Registration Forms (Single Dwelling/Duplex/Complex)
 - “Good Neighbor Guideline”
 - Short-term rental self-inspection log
 - Inspection forms

The Rental Safety Verification Program (RSVP)

Final thoughts....

Questions....

Dialogue....

Thank you for coming. Have a great evening!