

POLICY STATEMENT



Property Maintenance Program Policy

Effective Date: 2-27-13
Last Revised: 06-24-20

Office of Origin: Property Maintenance
Authorized By: City Commission

Applicable Departments:
Policy Keywords: *searchable keywords associated with policy;*

Definitions

New Rental Unit: Any structure, property, or part of a structure or property meeting the definition of a rental unit and being registered with the City that has not been registered with the City of Sturgis as a rental unit within the last twelve (12) months.

Multi-Unit Rental Buildings: Any rental property structure which contains three (3) or more rental units and which:

- 1) Does not share a common wall with another rental property structure, or
- 2) Shares a common wall with another rental property structure owned by a different entity.

Registration of Rental Units

No property owner shall lease, rent or otherwise allow a rental unit to be occupied unless the rental unit has been registered with the City.

Registration Term

Property owners shall register any and all rental units within the city limits. Said registration shall be effective for one year and it shall be the responsibility of the property owner or responsible local agent to re-register said rental unit on the first day of the month immediately preceding the expiration of the registration.

Registration Form

An application for registration of a rental unit shall be made in such form and in accordance with such instructions as may be provided by the City and shall include at least the following information:

- 1) The address of the rental units;
- 2) The names and addresses of all owners of the rental units;
- 3) The names, addresses, and telephone numbers of the persons authorized to collect rent from the individuals occupying the rental units;
- 4) The name, local address, and telephone number of the responsible local agent;
- 5) The number of rental units in each building;
- 6) The authorization appointing a responsible local agent signed by both the owner and the responsible local agent; and

- 7) The name, business address and phone number of the person or entity that holds a lien on the rental unit or the real property on which the rental unit is located, if applicable.

If there is any change to the registration information, the property owner of the rental unit shall update their registration within 30 days. If the owner of a rental unit changes and registration information is not updated in 30 days the unit will be considered an unregistered rental under this policy and cited as a rental without compliance.

Owners or responsible local agents who willfully provide inaccurate or incomplete information in regards to the registration of a rental unit or fail to report changes to a registration form (such as change of ownership) may incur penalties as provided for in the City's property maintenance code.

In those cases in which the owner is a corporation or other organization, responsibility for providing the owner information shall be that of the chief executive officer of the organization or his or her designee. Where more than one person has an ownership interest, the required information shall be provided by each such owner.

Payment

Payment for registration is required with the completed registration form. If the payment is not received by the next scheduled inspection or the due date for registration, a late payment fee will be assessed and the property will not be eligible for Premier status. If the payment has not been made within 60 days of the due date for registration, the property will be considered an unregistered rental under this policy and cited as a rental without compliance.

Certificate of Compliance

No person shall operate, lease, rent, or occupy a rental unit unless there is a valid Certificate of Compliance issued by the City in the name of the operator and issued for a rental property. The certificate shall be issued for each rental unit, or in the case of a multi-unit rental building, for the building.

The City may not issue a Certificate of Compliance unless a current rental unit registration is in effect, any fees for registration or any penalties are paid in full, and an inspection has determined that compliance has been secured with the minimum standards and other provisions of the property maintenance code adopted by the City.

The Certificate of Compliance along with the name, address, and telephone number of the responsible local agent shall be on site in each rental unit or building at all times. This information will be made available to property maintenance inspectors, renters, potential renters, or other City of Sturgis officials upon request.

The Certificate of Compliance shall be issued after registration of the rental unit with the City and after inspection by a person from the City, and shall state that inspection has demonstrated compliance with the provisions of the property maintenance code adopted by the City at the time of inspection.

Compliance Cycle

All rental properties are divided into two cycles based upon their location in the City of Sturgis. The City is divided into four wards. Rental units located in Wards 1 and 3 are scheduled for re-certification in odd years, with rental units in Wards 2 and 4 scheduled for recertification in even years.

Certificate of Compliance Terms

A Certificate of Compliance is valid for a period of two years from its date of issuance, unless the rental property is placed on Monitored Status under the terms of this policy or a new rental unit is registered and there is more than six months between registration and the property's regular compliance cycle. The Certificate of Compliance for properties on Monitored Status is valid for one year. New rental units as described in this section and properties exiting Monitored Status will be issued a Certificate of Compliance valid until the next regular certification cycle. For new rental units falling under these conditions, the fee for the initial (non-cycle) inspection will be waived.

Certificate of Compliance Renewal

At least 30 days prior to the expiration of a Certificate of Compliance, the City shall notify the registered owner of a rental unit to apply for renewal of the Certificate of Compliance and to arrange for a compliance inspection. The property owner or responsible local agent is responsible for applying for the renewal prior to the expiration of the existing Certificate.

The compliance inspection will be scheduled at the time of application, and compliance with the provisions of the property maintenance code must be achieved before a new Certificate of Compliance is issued. When a Certificate of Compliance is reissued in accordance with this policy, it shall have an expiration date with the same month as shown on the previous Certificate, regardless of the date that the new Certificate is actually issued.

Temporary Certificates

Temporary Certificates of Compliance shall be issued without prior inspection in cases where:

- 1) A new rental property is registered within six months of its regular cycle for re-certification;
- 2) Prior to the expiration of the Certificate of Compliance, the City and property owner of an existing, occupied rental mutually schedule the certification inspection for a time after the expiration of the Certificate of Compliance;
- 3) At the discretion of the City, an existing, occupied rental is being brought into compliance and an issue of immediate health and safety is not a concern.

At such time as an inspection is made by the building official or his/her designee and a determination is made that compliance with the provisions of this chapter has been secured, the Temporary Certificate shall expire and a Certificate of Compliance shall be issued.

Expiration of Certificate of Compliance

A Certificate of Compliance shall expire on the date stated on the Certificate or on the repair date stated on any notice to repair issued to the property owner or responsible local agent. Thirty (30) days after such expiration date, it shall be unlawful for any rental unit to be occupied unless a new Certificate of Compliance has been issued. A rental unit which has not been previously certified shall be deemed to have an expiration date on the date the owner or responsible local agent is notified to register the rental unit.

Revocation of Certificate of Compliance

If the City ascertains the failure of any property owner to comply with a notice of violation issued pursuant to the property maintenance code, the Certificate of Compliance shall be revoked. Display or use of a revoked Certificate of Compliance to rent a property is illegal and punishable with fines and criminal actions as described in the property maintenance code.

Upon revocation of a Certificate of Compliance or where a determination has been made that a rental unit is unfit for human habitation, it shall be immediately vacated and no person shall thereafter occupy it for sleeping or living purposes until it has been re-inspected and issued a Certificate of Compliance.

Certificate of Compliance Not Required

A Certificate of Compliance shall not be required for living or sleeping accommodations in jails, hospitals, nursing homes, school dormitories, convalescent homes, foster homes or temporary group shelters provided by legal not-for-profit agencies which are inspected, certified, and/or licensed by the State of Michigan.

Inspections

The City of Sturgis will conduct property maintenance inspections to obtain and maintain compliances with the standards of the property maintenance code based upon any one of the following reasons:

- 1) A complaint received by the City indicating that there is a violation of the standards of the property maintenance code;
- 2) An observation by the City of a violation of the standards of the property maintenance code;
- 3) A report or observation of a dwelling that is unoccupied, unsecured, or a dwelling that is fire damaged;
- 4) The certification of a rental unit as required by this policy;
- 5) The need to determine compliance with a notice or an order issued by the City;
- 6) An emergency observed or reason to believe an emergency exists;
- 7) A request for an inspection by the property owner;
- 8) Requirements of law where a dwelling is to be demolished by the City or where ownership is to be transferred to the City; or
- 9) A property has been posted as Unfit for Human Occupancy or an Unsafe Structure.

All facilities, areas and units governed by this policy and the property maintenance code shall be made open and accessible for inspection by the property owner or responsible local agent under any of the above conditions.

General Inspection Procedures

In all of the above cases, unless expressly noticed elsewhere in this policy or the property maintenance code, the following general procedures for inspection will be utilized.

- 1) Except with respect to inspections involving an unreasonable threat to the health, safety or welfare of an occupant of the property, the code official shall provide written notice of intent to inspect a rental unit under one of the above provisions by first class mail at least nine (9) days prior to an inspection of the property.
- 2) The material information leading to the inspection must be detailed on a form developed by the code official.

- 3) An inspection of the property shall be conducted by the code official or his/her designee.
- 4) If the inspection of the property reveals a violation of the property maintenance code, a notice of the violation shall be sent to the owner, the responsible local agent designated by the owner, or occupant of the property, as the case may be.
- 5) The notice shall set forth the work which must be completed in order to comply with the property maintenance code and the time period within which the aforementioned work must be completed. Generally, the time period shall be as follows:
 - a. All work of an emergency nature shall be completed immediately.
 - b. All work which may be done by the owner or occupant shall be completed within thirty (30) days.
- 6) Upon termination of the time period for completion of the required work as set forth in the notice, a code official shall inspect the property in order to determine if the property conforms to the provisions of the property maintenance code.
- 7) If sufficient progress has been achieved by the owner in attempting to conform the property to the property maintenance code, the owner may apply for a thirty (30) day extension within which the required work is to be completed. An initial determination on this request will be made by the building official. If the owner is not satisfied with this determination, they may make use of the appeals process as provided for in the property maintenance code.
- 8) The owner or occupant may appeal the determination of a violation or the order for correction as per the appeals process provided for in the property maintenance code.
- 9) If an owner or occupant fails to properly and timely complete the work which is required in order to comply with the property maintenance code, the code official shall issue an appropriate citation to the owner or occupant. If necessary, the matter shall be referred to the city attorney for appropriate action.

Inspections for Certification of a Rental Property

Following the application for a Certificate of Compliance for a rental property, the City of Sturgis will schedule an inspection of the property with the owner or responsible local agent. All facilities, areas and units inspected shall comply with the standards of the Code prior to a Certificate of Compliance being issued. See the "Certificate of Compliance" section of this policy for more information.

Complaint Initiated Inspections

If there is a complaint indicating there is a violation of the property maintenance code, it must be made in writing with:

- 1) The signature and method to contact the person filing complaint; and
- 2) In cases where a tenant is complaining against their landlord, verification that the owner or the responsible local agent for the property has been notified of the alleged violation (except in emergency situations involving the health, safety, or welfare of an occupant of the property).

Upon receiving this information an inspection will be scheduled. If an inspection is initiated by a complaint and no violation is found to exist, no inspection fees will be assessed against the owner of the inspected rental unit, but an inspection fee may be assessed against the complainant if the complaint is found to be frivolous or malicious.

Re-Inspection

Where a re-inspection must be made to ensure conformity with the property maintenance code, or before a Certificate of Compliance is issued for those rental units that have been issued violation notices, there will be charged a separate fee for every re-inspection when the violation has not been abated or corrected.

Transfer of Ownership Inspection

- 1) If there is a transfer of ownership concerning any rental unit, and a current Certificate of Compliance exists, a compliance inspection by the City shall be waived. At the option of the purchaser, a special transfer inspection can be completed. Results of the special transfer inspection will be the responsibility of the purchaser. See “Property Transfers” under the Performance-Based Property Maintenance Program section of this policy for more information.
- 2) If there is a transfer of ownership concerning any rental unit, and a current Certificate of Compliance does not exist, there shall be a compliance inspection by the City. If violations of this code are found then a notice of violations shall be issued to both the current owner and the prospective buyer.
- 3) In the event ownership of any rental unit is transferred contrary to the above, the Certificate of Compliance and rental unit registration shall be deemed to expire within sixty (60) days of the transfer unless appropriate steps are taken to obtain a rental unit registration and Certificate of Compliance.
- 4) In the event of a transfer of ownership where violations are found during the compliance inspection, the new owner shall update the registration within ten (10) days of the date of transfer of any rental unit(s) and will be accountable for bringing the unit into compliance within the time allotted by the City.

Any residents of a rental unit which undergoes a transfer of ownership while the individuals are residing in that unit, shall be notified of any transfer of ownership.

Performance-Based Property Maintenance Program

In an effort to better direct resources within property maintenance and allocate fees based on resources used by property owners, the City has developed a performance-based property maintenance program which creates three status levels for rental properties:

- 1) Premier Status
- 2) Compliant Status
- 3) Monitored Status

To determine a property’s status, all code violations have been placed into one of four categories based on their impact to the life, health, and safety of occupants of the property. During a property maintenance inspection, the point values of all recorded violations will be totaled, creating an overall inspection score. Based on this inspection score, the property will be placed into one of the three status levels.

Property owners may appeal an inspection score to first the building official, and then, if not satisfied, as per the appeals process in the property maintenance code.

Code Violation Categories

- **Category I Violations:** are those where there is an immediate threat to life, health, or safety; these violations will result in the unit being classified as unfit for habitation and the unit being placed immediately on Monitored Status.

Other categories are given points per violation:

- **Category II (30 Points per Violation):** Those violations where there is a serious threat to life, health, or safety that requires immediate correction but does not render the unit unfit for habitation.
- **Category III (15 Points per Violation):** Those violations where the infraction is serious enough to require correction on an accelerated timeframe, but does not threaten life, health or safety to the extent of a Category II violation.
- **Category IV (5 Points per Violation):** Those violations that are the least severe and include standard repairs and corrections. Violations in this category that are fixed on site by the owner will be noted on the inspector's form but will not be assessed points.

Premier Status

Properties whose certification inspection scores are less than twenty (20) points will be considered to hold Premier Status and will have their inspection fee waived for that inspection. This status does not impact the fees of future certification inspections or any other future inspection(s). If a property is awarded Premier Status but does not complete identified repair items within the time allotted by the code official, the inspection fee will be collected and the status of the property will be changed to Compliant.

Compliant Status

Properties that do not qualify for Premier or Monitored Status will be considered to be in Compliant Status. They will receive a Certificate of Compliance valid for two years and all normal fees will be applicable.

Monitored Status

Rental units with fifty (50) or more total points at their certification inspection will be placed on Monitored Status.

Rental units on Monitored Status will receive a Certificate of Compliance that expires annually, requiring yearly application for re-certification and annual certification inspections along with annual registration. Each Monitored Status certification inspection will be charged the standard inspection fee.

A rental unit will be removed from Monitored Status when it passes two (2) consecutive Monitored Status certification inspections, each with an inspection score of less than fifty (50) points.

Upon removal from Monitored Status, a Certificate of Compliance will be issued for the rental unit valid until the property's next regularly scheduled re-certification in the compliance cycle.

A Rental Unit will not qualify for Premier Status for the Certificate following being a Monitored Status property.

Complaint Inspections

Rental units with a valid complaint initiated or other inspection that results in a nuisance fee being assessed to the property owner for a property maintenance issue will be assessed twenty-five (25) points in addition to any points for violations from said inspection. These points will be added to the most recent inspection.

Complaints regarding code enforcement issues on rental properties where owners fail a re-check inspection will be awarded points for violations from the issue.

Pest Infestations

Rental units shall be sanitary and free of infestations. If a unit is infested, the owner must notify the Community Development Department prior to any inspections being conducted on the property. The owner must contact a third party pest control company to verify the elimination of the infestation. If the owner provides this information prior to the scheduled inspection, no penalty will be assessed against the owner. Once the infestation has been eliminated, the owner shall provide a notice from the third party pest control company confirming clearance of the unit. After the unit has been cleared, an inspection will be scheduled.

If the Community Development Department is not notified prior to the scheduled inspection and an infestation is discovered, the building will be immediately placed in Monitored status. The inspection will be halted and a third party pest control company must eliminate the infestation. The owner shall provide notice from the third party pest control company confirming clearance of the unit. After the unit has been cleared, an inspection will be scheduled with an additional inspection fee collected for every unit not originally inspected due to the unreported infestation.

Intentional Violations

If a violation is caused by an intentional act of vandalism by someone other than the landlord, the landlord may appeal the violation through the appeals process outlined in the property maintenance code. If there is sufficient proof for the appeals board to determine that it was an intentional act of vandalism, the violation will be noted on the inspection sheet and not assessed points as part of the performance-based property maintenance program. Fines or penalties resulting from these violations will be charged to the responsible party and not the property owner.

Multi-Unit Rental Buildings

Any multi-unit rental building (as defined by this policy) will have one (1) certificate of compliance issued for the entire building. Inspection scores for the performance-based property maintenance program will be calculated by taking the total points generated by the building and dividing by the number of units inspected at the initial inspection in the building. Units unable to be inspected will automatically be given 50 points and must be inspected at the re-inspection date; additional inspection fees for each unit re-scheduled will be charged. Following these re-inspections, the inspection scores for the performance-based property maintenance program will be recalculated, with any new violations counting toward the calculation.

In the event that any individual unit or units of a multi-unit rental building are issued a Category I violation the entire building will be placed on Monitored Status and will be subject to all conditions of that status.

New Rental Units

Rental Units which have not been registered or occupied as rentals in the last 3 years may request a pre-inspection. This pre-inspection will be at no cost to the owner and any violations discovered will not be counted for the performance-based property maintenance program. This pre-inspection does not replace the certification inspection for a property.

Property Transfers

When purchasing a rental property, the purchaser/new owner has the ability to call for a special transfer inspection. The owner has ten (10) days after closing on a property to schedule the special transfer inspection. The inspection must take place within thirty (30) days of scheduling unless the Community Development Department chooses to schedule the appointment later.

If the purchaser of a rental unit requests a special transfer inspection, the inspection will serve as a new starting point for the property in the program, with all previous points and status nullified. Any violations found at the property during the special transfer inspection and their associated points will be the responsibility of the purchaser/new owner.

A special transfer inspection is not required as part of the transfer of a property and is completed at the purchaser's discretion. If a special transfer inspection is not completed, the points and status of the property will carry over from the seller/previous owner to the purchaser/new owner.

As a special inspection, an inspection fee will be charged; if the property is rated Premier, the inspection fee WILL NOT be waived. If this inspection takes place within six months of the regular certification inspection, the regular certification inspection will be waived. The completion of a special inspection does not impact the timing for renewal of a Certificate of Occupancy; the certificate carries with the house and is not renewed when a special inspection is completed.

Unregistered Rentals

Units which are discovered by the City to be unregistered rental units and which have been occupied while being unregistered will be automatically placed on Monitored Status with their initial inspection counting towards the performance-based property maintenance system. Self-reporting of an unregistered rental by the property owner or responsible local agent will not result in the unit being placed on Monitored Status.

Revoked Certification Units and Condemned Properties

A rental unit being registered and seeking a Certificate of Compliance which has previously been classified as uninhabitable or condemned by the City of Sturgis building official, or which has had a Certificate of Compliance revoked since its last registration will be automatically placed on Monitored Status with its initial inspection counting towards the performance-based property maintenance program. An exception will be made to this provision if the property is unoccupied at the time of the re-certification inspection and remains unoccupied until the property has been issued a new Certificate of Compliance.

Responsible Local Agent

Each rental property registered in the City of Sturgis is required to have a designated responsible local agent. This responsible local agent shall:

- 1) Be obligated to assure operation of the registered rental unit in compliance with the Code of Ordinances adopted by the City;
- 2) Be responsible for providing access to the rental unit for the purpose of making any and all inspections necessary to ensure compliance with the Code of Ordinances adopted by the City;
- 3) Accept all legal notices or service of process with respect to the rental unit on behalf of the owner if the responsible local agent is a person other than the owner of the registered rental unit; and
- 4) Maintain a list of the names and number of occupants of each rental unit for which they are responsible.
- 5) Have their place of residence or business in an area from which the City of Sturgis is accessible by motor vehicle within a period of time not exceeding 30 minutes.

Appeals

Any property owner who disputes the application of this policy by the property maintenance department may file an appeal pursuant to the City's property maintenance code, as set forth in the City of Sturgis code of ordinances.

Fees

Fees for registration of rental units, inspections, re-inspections, Certificates of Compliance, and any other items shall be as established from time to time by resolution of the City Commission.

Signatures *(section to be completed by City Manager or City Clerk)*

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| <p>CITY MANAGER</p> <p>Reviewed <input checked="" type="checkbox"/> Approved <input type="checkbox"/></p> <p>Michael L. Hughes City Manager</p> | <p>CITY COMMISSION</p> <p>Approved <input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/></p> <p>City Commission Meeting Date: 2/27/13</p> <p>Motion: Commissioner Stephens</p> <p>Second: Commissioner Sisson</p> <p>Vote: 7 Yea ; 0 Nay</p> |
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Revision History

| Revision Date | Section(s) Revised | City Manager Reviewed / Approved | Commission Approved |
|---------------|-------------------------------------|----------------------------------|--|
| xx/xx/xx | <i>List headings with revisions</i> | <i>Include initials and date</i> | <i>Indicate either N/A or date of approval</i> |
| 9/28/16 | | | 9/28/16 |
| 06/24/20 | Multiple | | 06/24/20 |