

CITY OF HANCOCK

COUNTY OF HOUGHTON, STATE OF MICHIGAN

RESIDENTIAL RENTAL PROPERTY ORDINANCE AMENDMENTS

An ordinance to amend Ordinance No. 306, the Residential Rental Property Ordinance, as adopted on October 21, 2020, to amend definitions and include additional definitions in Section 99.02; to amend the requirements for short-term rentals in Section 99.05; to amend and exemptions and include additional exemptions in Section 99.20; and, to provide an effective date.

ORDINANCE NO. 307

ADOPTED: TBD

EFFECTIVE: TBD

PURSUANT TO THE CITY OF HANCOCK CHARTER SECTION 5.3

THE CITY OF HANCOCK

HEREBY ORDAINS:

1. The amendment as follows of Sections 99.02 Definitions, 99.05 Short-Term Rentals, and 99.20 Exemptions of Title IX: General Regulations, Chapter 99: Residential Rental Property Code in the current Hancock City Code of Ordinances (City Code), with language to be omitted indicated by ~~strikeout type~~ and new language to be included indicated by italics (*italics*):

“RESIDENTIAL RENTAL PROPERTY CODE

SECTION 99.02: DEFINITIONS.

The following words, terms, and phrases, when used in this Residential Rental Property Code, shall, except where the context clearly indicates otherwise, have the following meanings:

"Campgrounds" shall mean a municipally-operated area designed for camping.

"Code Official" shall mean the Code Enforcement Officer, anyone fulfilling the duties of the Code Enforcement Officer on either a temporary or permanent basis, or any designee of the City Manager.

"Dormitory Housing" shall mean residence halls operated by a post-secondary educational institution.

"Dwelling Unit" shall mean one room, or a suite of two or more rooms, designed for or used for living and sleeping purposes either permanently or transiently.

"Family" means any of the following:

- (a) Any group of individuals living together as a single housekeeping unit or the functional equivalent of a family, where the residents are a close group with social, economic, and psychological commitments to each other and whose relationship is of a continuous, non-

transient, domestic character with a demonstrable and recognizable bond which constitutes the functional equivalent of the bonds which render the domestic family a cohesive unit;

(b) Not more than three (3) unrelated Persons living together as a single housekeeping unit;

(c) The "functional equivalent of a family" shall not include any organization such as a club, fraternity, sorority, lodge, monastery, or intentional community, nor any individuals whose association is seasonal or for limited durations defined by their occupation/jobs or educational pursuits, nor shall it include a group who share a Dwelling Unit explicitly for financial or philosophical reasons, or include any state-licensed facility except to the extent permitted by law.

"Hotel" shall mean a building or combination of buildings under common ownership, operation, or management that contains ten (10) or more rooms used in the business of providing Short-Term lodging, whether or not membership is required for the use of the rooms. Hotel does not include Dormitory Housing, a hospital, a nursing home, or a facility owned and operated by an organization qualified for an exemption from federal taxation under section 501(c) of the internal revenue code.

"Jail" shall mean a municipally-operated facility designed for the confinement of persons accused and/or convicted of a crime.

"Licensee" shall mean any Owner or Person licensed by the City under this Residential Rental Property Code to rent or let a Dwelling Unit, or portion thereof.

"Long-term" shall mean a period of time that is equal to or greater than *thirty* (30) days in length."

"Motel" shall mean Hotel. See above.

"Non-Owner Occupied" shall mean any Dwelling Unit in which the Owner resides less than 183 days per calendar year.

"Owner" shall mean the individual or individual(s), natural or corporate, in possession of lawful title to real property. As used in this Residential Rental Property Code, Owner may also include any authorized agent of the possessor of lawful title to real property. For the purposes of this Residential Rental Property Code, the term "Owner" may be used interchangeably with the terms "Person" and "Licensee."

"Owner Occupied" shall mean any Dwelling Unit in which the Owner qualifies under Michigan law for a ~~personal~~ *principal* residence exemption, and is allowing one or more persons to rent a portion of the dwelling unit for a period of time.

"Person" shall mean any natural Person, business association, or business entity, including but not limited to corporation, partnership, limited liability company, sole proprietorship, political subdivision of the State or other governmental entity, public or private agency, utility, or any other legal entity, or any successor or assign of any of the foregoing. Also, for the purposes of this Residential Rental Property Code, the term "Person" may be used interchangeably with the terms "Owner" and "Licensee."

"Premises" shall mean a Lot or contiguous Lots under common ownership, together with all buildings, structures, and appurtenances existing thereon. To the extent a lot or building is subdivided and contains a number of individually owned Dwelling Units, each Dwelling Unit and any buildings, structures, and appurtenances owned or used by each Dwelling Unit shall constitute a separate Premises.

"Property Maintenance Code" means Chapter 152 of the Hancock City Code of Ordinances, as may be amended from time to time.

"Re-inspection" or "Re-inspected" shall mean any subsequent inspection conducted for the purpose of verifying that any violations reported during any inspection have been remediated.

"Rent" or "Rental" shall mean, for the purposes of this Residential Rental Property Code, to provide or to offer for possession or occupancy a Dwelling Unit, or any portion thereof to a Renter or guest for consideration, pursuant to a written, oral, or implied agreement.

"Rental Code Board of Appeals" a 5-member board consisting of a City of Hancock Councilmember, City of Hancock Fire Fighter, City of Hancock Licensee who is also a resident of Hancock, City of Hancock Renter, and a City of Hancock resident. Such members shall serve two-year terms upon approval of the City Council. The City Council may appoint alternate members at its discretion.

"Rental License" shall mean any license issued by the City under this Residential Rental Property Code for the Renting of Dwelling Units, or portions thereof, on Residential Rental Property within the City.

"Renter" shall mean any Person who occupies a Dwelling Unit, or portion thereof, other than the Owner, the Owner's immediate family (related by blood, marriage, or adoption), or any Person residing with the Owner on Residential Rental Property.

"Residential Rental Property" shall mean any Premises having one or more Dwelling Units, or portions thereof, that are available for Rent.

"Residential Rental Property Inspector" means the legally designated property inspection authority of the City.

"Short-term" shall mean a period of time that is less than thirty (30) days in length. Bed-and-breakfasts and boarding house establishments are considered to be short-term rentals.

SECTION 99.05: SHORT-TERM RENTALS.

Short-Term Residential Rental Property must be licensed under the Residential Rental Property Code. A Short-Term Residential Rental Property located in an R-1 zoning district *must be Owner Occupied and the Owner must be reside on the pPremises at time of rental for the duration of the Rental.* ~~A Short-Term Residential Rental Property located outside of an R-1 district is not required to be Owner-Occupied.~~

SECTION 99.20: EXEMPTIONS.

The provisions of this Residential Rental Property Code shall not apply to the following:

- 1) Any member of a family may occupy a dwelling as long as any other member of that family is the Owner of that dwelling.
- 2) *One (1) Family occupying a Dwelling Unit on a Long-Term basis during the temporary absence of the Owner from the Premises provided that: the Owner qualifies under Michigan law for a principal residence exemption for the Dwelling Unit; the Owner's absence is for a duration not exceeding two (2) years in any five (5) year period; the Owner has notified the Code Official of the anticipated duration of their absence, the identity of the Family occupying the Premises during the Owner's absence, and the Owner's temporary residential address during their absence; and, the Owner receives no consideration for the temporary occupancy of their Dwelling Unit excluding: the completion of routine household maintenance; the payment of direct utility costs, in full or part*

but not to exceed 100%, for the duration of the Family's temporary occupancy of the Dwelling Unit; and, in kind temporary lodging.

- 3) The sale of any one (1) or two (2) family dwelling intended for occupancy by the Owner or Owners of record which are to be occupied by the buyer or seller under a rental agreement for a period of less than ninety (90) days following the closing. The sale of any one (1) or two (2) family dwelling intended for occupancy under a lease with Option to Purchase Agreement, Life Estate Agreement, or any other form of conditional sale agreement, shall require a Rental Housing License if legal or equitable Ownership is not transferred in its entirety within ninety (90) days of execution of the conditional sales agreement.
- 4) Exchange student, visiting clergy, medical caregiver, child care: Additional occupancy by K-12 exchange students place through a recognized education exchange student program, one visiting clergy or clerical aide to a local church or congregation, or one person to provide child care or medically prescribed care.
- 5) Occupancy by a Personal representative, trustee, or guardian of the estate and their family where the dwelling was Owner-occupied for the last year prior to the Owner's death, and the occupancy does not exceed two (2) years from the date of death of the Owner by notifying the Code Enforcement Officer of the Owner's name, date of death, and name of the Person occupying the Premises.
- 6) Campgrounds, ~~d~~Dormitory ~~h~~Housing, ~~h~~Hotels, ~~j~~Jails, or ~~m~~Motels.

2. This ordinance shall take effect thirty (30) days after adoption pursuant to the City of Hancock Charter, Section 5.3(c).

PUBLICATION AND ADOPTION DATE

This Ordinance was introduced by the City Council of the City of Hancock, Houghton County, Michigan on the 16th day of December, 2020.

This Ordinance was adopted by the City Council of the City of Hancock, Houghton County, Michigan on the ____ day of _____, 2021.

Ashley Freeman, City Clerk

Paul LaBine, Mayor

CLERK'S CERTIFICATION

I, Ashley Freeman, Clerk of the City of Hancock, hereby certify that, pursuant to MCL 117.3(k), a summary of the above Ordinance was published in the Daily Mining Gazette, a newspaper having general circulation in the City of Hancock on the ____ day of ____.

Ashley Freeman, City Clerk

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