

CITY OF HAZEL PARK
ORDINANCE NO. 07-20

AN EMERGENCY READING TO ESTABLISH AN EMERGENCY ORDINANCE TO ADD TO THE CITY OF HAZEL PARK CITY CODE CHAPTER 5.44 ENTITLED SHORT-TERM RENTAL TO ESTABLISH A SHORT-TERM RENTAL LICENSING PROGRAM, TO PROVIDE PENALTIES FOR VIOLATION, AND TO REPEAL ALL ORDINANCES IN CONFLICT HEREWITH

The City of Hazel Park ORDAINS:

The City Council hereby finds and determines the following:

- (a) Short-term rentals, that is, those generally lasting less than 28 days, of single- and multi-family structures in the City are becoming increasingly popular and widespread following the rise of online short-term rental marketplaces and provide the benefit of expanding lodging options.
- (b) Residential structures in the City may be increasingly purchased solely for short-term rental purposes, and not for occupancy by the owner.
- (c) The City wishes to preserve and retain the residential community character of the Hazel Park and to have short term rental activity resemble traditional residential uses.
- (d) Commercial and recreational activities associated with short-term rentals are frequently incompatible with residential uses and often constitute a public nuisance.
- (e) The City receives complaints involving excessive noise, disorderly conduct, overcrowding, traffic congestion and parking, etc., at short term rental properties.
- (f) The transitory nature of occupants of short-term rentals makes effective and/or continued enforcement of the occupants difficult.
- (g) The purchase of available housing units by investors to operate short-term rentals may further diminish the availability of affordable housing for the residents.
- (h) Vacant housing units used for short term rentals may attract vandals and other criminal activity to the neighborhood to the detriment of the public health, safety, and welfare of the residents in close proximity.
- (i) Short term rentals are being frequently used for social gathering and party spots, impacting the quiet enjoyment of the neighborhood.
- (j) This is an immediate problem that is currently affecting residents of Hazel Park on a daily basis.
- (k) Accordingly, and based on the foregoing findings, the Hazel Park City Council determines that it is reasonable to adopt a short-term rental licensing program designed to eliminate or reduce the impacts short-term rentals may have on the supply of affordable housing, the peace and security of residential neighborhoods, and the nuisance activities frequently associated with short-term rentals. Specifically, City Council believes that these goals can be reasonably attained by adopting the regulations set forth in this Chapter and any subsequent amendments.

Section 1. City Code Amendment.

The Hazel Park City Code is hereby amended by the addition of the following Chapter 5.44, which shall read in its entirety as follows:

Chapter 5.44 - SHORT TERM RENTAL PROPERTIES

5.44.010 - Purpose and Legislative Findings.

The purpose of this Chapter is to secure the public health, safety and general welfare of City residents and property owners, as well as visitors to the City, by regulating short-term rental properties to prevent nuisances and safety hazards that interfere with City residents' or property owners' rights to conduct normal, daily activities without unreasonable interference and to provide safe and healthy living arrangements for visitors who rent property on a short-term basis.

5.44.020 - Definitions.

As used in this Chapter, the following words and phrases shall have the meanings herein ascribed to them:

- (a) *Accessory Building* means a building that is subordinate or incidental to the principal building on the same zoning lot on which the accessory building is located, or as otherwise defined by the City zoning ordinance.
- (b) *Bedroom* means a room in a dwelling which is intended, arranged, or designed to be occupied by one or more persons primarily for sleeping purposes.
- (c) *City* means the City of Hazel Park.
- (d) *City Block* means the smallest area of land in the City bounded on all sides by public streets or highways. A city block may contain public or private alleys, which, for purposes of this Chapter are not considered to be a public street.
- (e) *Dwelling* means any house, room, boarding house/rooming house or apartment, which is wholly or partly used or intended to be used for living, sleeping, cooking, and eating. Hotels, motels, bed and breakfasts, resorts, recreational equipment (including but not limited to travel trailers, pickup campers, motorized homes, folding tent trailers, private buses, boats and boat trailers and utility trailers), tents and accessory buildings shall not be defined as a dwelling for purpose of this chapter.
- (f) *Driveway* means the route of access for vehicles from a public or private street or alley across a premises to a parking or loading area, garage, dwelling or other structure or area on the same premises, and that is located and constructed in accordance with the requirements of the City Code.
- (g) *License* means a short-term rental license issued by the City to the owner of a premises authorized to be used as a short-term rental. No licensee shall acquire by virtue of having been granted a license, a right of automatic renewal, nor shall any licensee have or acquire a property or liberty interest in or expectation of an initial or renewed license.

- All licenses terminate upon transfer of ownership, and may not be assigned, transferred, or hypothecated, in whole or in part.
- (h) *Licensee* means the owner(s) or lessor holding a license and in addition means a person authorized to exercise any aspect of the management of the premises, and/or engaged in the business of renting a condominium unit, any loft associated with a mixed use building or live/work unit or any part thereof, apartment unit, attached single family residential, single family detached residential, multiple dwellings, rooming house, dwelling or dwellings to another for the purpose of a short-term rental.
 - (i) *Limited short-term rental* means the rental of any premises for not more than two rental periods of up to 14 days, not to exceed 14 days total, in any calendar year.
 - (j) *Maximum occupancy* means the maximum number of allowable occupants for the premises.
 - (k) *Nuisance* means an offensive, annoying, unpleasant, or obnoxious thing or practice, a cause or source of annoyance, especially a continuing or repeated invasion of any physical characteristics of activity or use across a property line which can be perceived by or affects an individual, or the generation of an excessive or concentrated effects from movement of people or things including but not limited to: noise; dust; smoke; odor; glare; fumes; flashes; vibration; objectionable effluent; noise from a congregation of people, particularly at night; passing traffic; or invasion of street frontage by traffic generated from an adjacent premises which lacks sufficient parking and vehicle circulation facilities.
 - (l) *Occupant* means a non-owner individual living in, sleeping in, or otherwise having possession of a premises.
 - (m) *Owner* means a person holding legal or equitable title to the premises. An owner may designate an agent to perform duties or receive notice under this Chapter.
 - (n) *Person* means any individual, company, partnership, corporation, limited liability company, trust or other entity having the legal capacity to own or lease real property or any of their agents
 - (o) *Premises* means real property, and all fixtures and improvements, including the dwelling, located on it.
 - (p) *Rent* or *rental* means to permit, provide for, or offer possession or occupancy of a dwelling on a premises on which the owner does not reside for a period of time to a person who is not the owner, pursuant to a written or unwritten agreement.
 - (q) *Short-term rental* means the rental or subletting of any dwelling on a premise for a term of 28 days or less.
 - (r) *Transfer of Ownership* has the meaning ascribed to it by MCL 211.27a or any subsequent sections or statutes of the same import.

5.44.030 – Applicability and Transfer of Property by Land Contract.

- (a) All requirements, regulations, and standards imposed by this ordinances are intended to apply in addition to any other applicable requirements, regulations, and standards imposed elsewhere in other ordinances of the City, including the Hazel Park City Code, Zoning Ordinances, and International Property and Maintenance Code (IPMC), not inconsistent with this Chapter, including Chapter 5.42 (Landlords and Tenants). Further, this ordinance does not affect additional requirements placed on use of

property (or a portion thereof) imposed by deeds, restrictive covenants, associations rules, regulations or bylaws or rental agreements.

- b. An owner of property may not avoid the provisions and requirements of this chapter by an alleged transfer of property by land contract, unless the land contract has been recorded with Oakland County deeds and records and a transfer affidavit has been filed with the city assessing department.

5.44.040 - License Required.

- (a) *General Regulations:* It shall be unlawful for any person to offer any premises as a short-term rental or conduct or operate a short-term rental on any premises within the City without a valid short-term rental license issued by the City.
- (b) *Specific Regulations:* Persons seeking to operate a short-term rental must be registered with and licensed by the City prior to the commencement of any short-term rental activity. All short-term rental operations shall comply at all times with the requirements of this Chapter.

5.44.050 - Exceptions.

This Chapter shall not apply to the following:

- (a) *Family occupancy.* A member of the owner's family, as well as that family member's guests, may occupy a premise as long as a member of that family retains ownership of the premises. The family occupancy exemption also exempts family occupancy of guest houses or similarly separate dwellings lawfully located on the same premises, when occupied by family guests, exchange students, visitors, medical caregivers, and child caregivers, without compensation to the owner.
- (b) *House sitting.* During the temporary absence of the owner and the owner's family, the owner may permit non-owner occupancy without remuneration to the owner.
- (c) *Dwelling sales.* Occupancy following closing by a prior owner after the sale of a premises for the length of time agreed to by the parties to the dwelling sale agreement.
- (d) *Estate representative.* Occupancy by a personal representative, trustee, or guardian (including family members) of the estate of the owner, with or without compensation. The estate shall notify the City of the owner's name, date of death or incapacity, and name of the person occupying the premises.
- (e) *Bed and Breakfasts.* Occupancy of a structure originally constructed for residential purposes and used as temporary lodging and meals for travelers or guests where bedrooms are rented on a nightly basis and managed by an on-site owner, subject to the limitations outlined in this Chapter and pursuant to a valid land use or special use permit issued by the City under the City zoning ordinance. Meals may or may not be included in the price of the room.
- (f) *Commercial/Non-Profit Facilities.* Transitional housing operated by a non-profit entity, group homes such as nursing homes and adult foster care homes, hospitals, or

housing provided by a substance-abuse rehabilitation clinics, mental-health facilities, or other health-care related clinics.

- (g) *Limited short-term rentals.* The rental of any premises for not more than one total rental period of up to 7 days, in any calendar year.

5.44.060 - Licensing Procedure and Criteria

(a) Application:

Applicants for a short-term rental license shall file an application to conduct a short-term rental operation with the City for that purpose. In addition to the application required for landlord license, the application shall include:

- (1) The name, mailing address, and phone number of the owner(s) of the premises to be licensed.
- (2) The name, mailing address, and phone number of the applicant if different than the owner.
- (3) A notarized letter of authorization from the owner to the applicant if the applicant is not the owner of the premises sought to be licensed.
- (4) A description and address of the premises proposed to be used for short term rentals, including but not limited to:
 - a. Number of bedrooms
 - b. Number of bathrooms
 - c. Maximum occupancy (2 adults per bedroom)
 - d. Number of off-street parking spaces available for the premises
 - e. Tax parcel ID number and legal description
 - f. Proof of payment of current taxes and water bills with the City
- (5) A non-refundable application fee in an amount set from time to time by resolution of the City Council or its designee.
- (6) Written confirmation that the premises owner does not have an ownership interest in more than one premises for which a short-term rental license has been issued or is being sought in the City of Hazel Park.
- (7) A statement whether the applicant has ever been cited for a violation of this Ordinance or had a short-term rental license revoked.
- (8) A statement whether the applicant has ever been cited for a violation of any building or code ordinance in the City of Hazel Park.
- (9) A copy of the proposed rental contract that shall be used with the property and that includes all required provisions under this chapter.
- (10) A copy of good neighbor guidelines that will be provided to each renter by the licensee and all applicable local ordinances.
- (11) The name and contact information of the property management company/cleaning company that will be used for the property.
- (12) Any other relevant information requested by the City.

All applicants selected to receive a license shall also file with the City prior to issuance of the license, the following:

- (1) A licensing fee in an amount set from time to time by City Council or its designee.
- (2) A certificate of general liability insurance coverage issued by an insurance company licensed to do business in the State of Michigan covering the premises and insuring the licensee against risks arising from commercial rental activities on the premises.

(b) Inspection

Upon the selection of a completed license application from the applicant pool, the licensee shall schedule and have an inspection of the short-term rental premises with the City Building Inspector and pay any associated costs. Inspections shall be scheduled by the licensee with the City Building Inspector every 6 months (2 times per year) thereafter. The Building Inspector will visit the premises and assess its fitness and safety for short-term rental operations using the standards contained in this Chapter. The owner(s) of the premises described in the application shall be the only permitted short term rental licensee, but may designate in writing to the City a local agent for purposes of receiving notices under this Chapter and shall do so if required within this chapter. The applicant/licensee is responsible for scheduling these inspections every six (6) months. Failure by the applicant/licensee to schedule an inspection may result in denial of the application or the revocation of the license.

(c) Limits on Issuance of Licenses

The City may issue up to thirty (30) short term rental licenses, under the following conditions:

1. A license may only be issued for a premise with two or fewer dwelling units. For the purposes of this subsection, "dwelling unit" means a dwelling encompassing areas for living, sleeping, cooking, and eating that is a self-contained unit separated from other dwellings on the premises, if any exist.
2. No more than one (1) licenses may be issued in any City block.
3. Regardless of the number of applicants, no person may hold more than one license at the same time.
4. Licenses are valid for a period one (1) year, unless revoked, commencing at 12:01 a.m., on the first day of January of the first year following adoption of this Chapter, and ending at midnight of the 31st day of December of the first year following adoption of this Chapter. Licenses may be issued at any time, but licenses issued after the first day of the first year of the one-year licensing period will be valid only until the expiration of that licensing period, such that all short-term rental licenses issued by the City will expire at the same time, on December 31.

5. Licenses which terminate due to revocation by the City, death of the owner, a transfer of ownership of the premises, or any other reason will become available for re-issuance the next succeeding November, but will expire at the end of the then one-year licensing period.
6. Licenses will be issued on the basis of first come, first-served availability to qualified applicants.
7. Licenses are non-transferrable, non-assignable and remain the sole property of the City. Death of licensee who is a natural person, or a transfer of interest of more than fifty percent (50%) or a lesser but controlling interest in a partnership, corporation, limited liability company, trust, or other legal entity that owns the licensed premises, terminates a license immediately.
8. Notwithstanding any other provision of this Chapter, all licenses expire at the end of the one-year licensing period. If the City chooses to continue issuing short-term rental licenses pursuant to this Chapter, any person desiring to continue operating a short-term rental must renew their license. Any person desiring to commence operating a short-term rental must apply for a license in should the City choose to continue its short-term rental program in order to have the opportunity to obtain a short-term rental license.

5.44.070 -Short-Term Rental Regulations.

Premises licensed for short-term rentals under this Chapter shall comply at all times with all of the following requirements, in addition to any other applicable requirements, regulations, and standards imposed elsewhere in other ordinances of the City, including the Hazel Park City Code, Chapter 5.24 of the City Code for Landlords and tenants, Building and Zoning Ordinances (including International Property and Maintenance Code -IPMC), not inconsistent with this chapter.

- (a) Licensees must be available to receive notices and respond to complaints from neighbors or the City, 24 hours per day, 7 days per week. Licensees who do not reside permanently in Oakland County, Michigan or who do not maintain a permanent business location in Oakland County, Michigan shall designate in writing to the City, as part of its application, the name, physical address, phone number(s), fax number (if available) and email address of a local agent. The local agent must be within a 45-minute distance. Notwithstanding the local agent's actual authority, the local agent shall be deemed to be the licensee's authorized agent for purposes of serving notice under this Chapter, including service of a citation. The licensee or local agent's name and 24-hour contact information and phone number must be displayed and visible from outside of the main entrance when the premise is rented in a minimum of 16-point type/font.
- (b) The address of the premises must be prominently displayed inside the main area of the dwelling so that occupants will have it available in case of an emergency.
- (c) The licensee's name, address, phone number(s) and email address must be displayed prominently in the main part of the dwelling, along with the name, address, phone number(s), fax number and email address of a designated local agent, and supplied in writing to all persons who rent the premises and provided via US mail to all

addresses/neighbors within 500 feet of the unit, including a 24 hour telephone contact number for a local agent.

- (d) A copy of Good Neighbor Guidelines and pertinent local ordinances must be provided to the occupants and with your application for license.
- (e) Fire extinguishers, smoke detectors and carbon monoxide detectors adequate for the dwelling, as determined by the City Building Inspector as part of the inspection of the premises, shall be provided, properly mounted and kept fully charged and in good working order at all times. Notwithstanding any inspection by the City Building Inspector, the Fire Chief may inspect any building pursuant to the City Code.
- (f) All exterior signage must have a valid use permit issued by the City pursuant to the City's zoning ordinance.
- (g) Dwellings may not be sublet by any tenant of the licensee.
- (h) Licensee shall provide secure trash receptacles and must make those receptacles accessible by weekly trash removal services for occupants' use. Receptacles must be designed to prevent intrusion by animals and to ensure proper trash removal from the premises. Commercial dumpsters are not allowed on any premises used for short term rentals. Applicable trash ordinances must be provided to the occupants by licensee.
- (i) Licensee must ensure that the premises complies with all applicable parking regulations under the City Code. Licensee shall provide occupants with a copy of all relevant city parking ordinances.
- (j) Open burning shall not be allowed for recreational fires such as outdoor fire pits. Licensee shall provide occupants with a copy of all relevant city open burning ordinances.
- (k) No fireworks shall be ignited, discharged, or used at a premise licensed for short-term rentals when occupied by anyone other than the actual owner of the property and then only in accordance with the City Code.
- (l) All short-term rentals shall be for purposes of renting as a temporary dwelling only and may not include any commercial activities such as yard sales, festivals, retreats, class reunions, house parties, home occupations, or similar uses.
- (m) Quiet Hours for short term rentals when occupied by renters are from the hours of 8:00 p.m. to 7:00 a.m. and must be included as a part of the rental contract.
- (n) Maximum occupancy of a premises used for short term rentals shall be not more than as established by the City or State fire/health codes and the maximum number of people as indicated on the license application and must be displayed and visible at the main entrance to the short term rental when occupied. Maximum occupancy shall also not exceed 2 adults per bedroom, plus 2 total additional guests and may not exceed 10 occupants in any circumstance. (Example: 1-bedroom home = 4 total person maximum occupancy, 2-bedroom home = 6 total person maximum occupancy, 3-bedroom home = 8 total person maximum occupancy, 4-bedroom home = 10 total person maximum occupancy)
- (o) Short term rental contracts must stipulate that the licensee or local agent reserve the right to immediately terminate the contract for violations of any City Ordinance or other applicable law.
- (p) A short-term rental may not be rented more than 90 days per calendar year.

5.44.080 - Licensee Responsibility.

The licensee and/or the licensee's local agent shall have the duty to remedy any violations of this Chapter, or any violation of State law or City Ordinance, City Zoning (including the International Property Maintenance Code- IPMC), including specifically, (disturbing the peace; disorderly conduct, garbage violations, parking violations, house party and nuisance violations) by the occupants of a short-term rental and/or the guests of such occupants. For any violation of the foregoing provisions of the City Code, City Zoning, the City may (in addition to other remedies) notify the licensee and/or local agent of such violation by telephone or return receipt email at the phone number and email address posted on the interior notice or supplied in the licensee's application. The licensee and/or local agent shall be considered to have received notice of the violation upon receiving the telephone call or when a return receipt email message is received by the City, whichever is soonest. Upon receiving notice of the violation, the licensee and/or local agent shall ensure that the violation is remedied within two (2) hours of receipt of such notice. Failure to remedy the violation within two (2) hours after receiving notice of the violation, without good cause, shall constitute a material violation of this Chapter and may subject the licensee to a municipal civil infraction citation and court enforcement proceedings and the penalties imposed by law. Nothing in this Section limits the City or its authorized designee's right or ability to enforce violations of the City Code against occupants.

5.44.090 - Violations and Penalties.

- (a) Violation. A violation of this Chapter is hereby declared to be a public nuisance and a nuisance per se and is declared to be offensive to the public health, safety, and welfare.

- (b) Penalties. Any person who violates any provision of this Chapter shall be responsible for a misdemeanor and shall be subject to the penalties or sanctions stated in this subsection, plus the costs and attorney fees of the City in the enforcement. Individuals, partnerships, corporations and/or their agents or managers may be cited for noncompliance with this chapter. In addition, this Chapter shall be specifically enforceable by order of the Court to prohibit or enjoin future activities on or about the premises in violation of this Chapter. Each day this Chapter is violated shall be considered as a separate violation. Individuals, partnerships, corporations and/or their agents or managers may be cited for non-compliance with this Chapter.
 - 1. First Violation: fine of no less than \$250.
 - 2. Second Violation: fine of no less than \$500 and at least double the previous fine
 - 3. Third Violation: fine of no less than \$500 and at least triple the previous fine and permanent revocation of license. A person whose license has been revoked is ineligible to apply for or receive a license in the future. Appeal

from revocation of a short-term rental license is allowed pursuant to the terms of this section.

4. More than three violations of the City Ordinances, Codes, or other laws of the state occur in one calendar year by any person at the premises, may result in permanent revocation of the short-term rental license for the premises.

(c) Revocation Appeal Procedure. Upon a finding by the City Code Enforcement Officer or his or her Designee of a third violation, the City Code Enforcement Officer or his or her Designee shall prepare or cause to be prepared a written notice specifying the alleged violation and the factual basis for this belief and a statement that the City intends to revoke the license.

1. The written notice shall inform the licensee of a right to an appeal hearing to show cause as to why the license should not be revoked by filing with the city clerk a written notice of appeal within 14 days of service of the written notice by the City Code Enforcement Officer or his or her Designee.
2. If an appeal hearing is requested within 14 days of service of the written notice, the city clerk shall refer a copy of this notice and the request for appeal hearing to an appeals panel consisting of the City Manager or his or her designee, Chief of Police or his or her designee, and a representative of the building department or his or her designee. Upon receipt of the written notice and request for appeal, the city clerk shall confer with the appeals panel to schedule a hearing. The hearing shall be held as soon as practical, after the filing of the notice of appeal with the city clerk. The hearing provided for shall be conducted by the appeals panel.
3. At the hearing, the licensee shall be given an opportunity to present evidence and legal arguments. The licensee may also be represented by an attorney, and the appeals panel may request the assistance of the City Attorney. The appeals panel's decision shall specify the factual evidence upon which it is based and shall be a final decision.

(d) Fraudulent Complaints. Any person who knowingly files a fraudulent, false, or fictitious complaint about a short-term rental shall be deemed to be in violation of this Chapter and may be found responsible for a civil infraction and a fine of no less than \$250 for the first violation and a fine of no less than \$500 for subsequent violations and any other penalties applicable under the City Code.

5.44.100 - Enforcement.

- (a) The Code Enforcement Officer or his or her Designee, any police officer having jurisdiction in the City, and other persons as may be appointed from time to time

by the City Council are hereby designated as the authorized local officials to issue municipal citations for violation of this Chapter.

- (b) In addition to enforcing this Chapter through the use of a municipal proceedings, the City may initiate proceedings to abate or eliminate the nuisance per se or any other violation of this Chapter or other applicable Chapters.
- (c) The remedies provided in this Chapter are cumulative and the City's exercise of one remedy shall not bar the exercise of other remedies available to it.
- (d) Any provisions of the City Code, not inconsistent with this Chapter, including Zoning, the IPMC, and Chapter 5.42 (Landlords and Tenants) is enforceable and applicable under this Chapter.

5.44.110 - Review of short-term rental licensing program; sunset provision.

The City Council or its designee shall review the City of Hazel Park short-term rental program described in this Chapter by the end of the initial one-year licensing period on 31st day of October of the first year following adoption of this Chapter. If the City Council does not renew the short-term rental licensing program by that date, the provisions of this Chapter shall expire such that no existing license shall be renewed and no licenses shall be granted to applicants on the waiting list.

5.44.120 - Severability.

If any section, clause, or provision of this Chapter is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, such declaration shall not affect the remainder of the Chapter. The City Council hereby declares that it would have adopted this Chapter and each part, section, subsection, phrase, sentence, and clause irrespective of the fact that any one or more parts, sections, subsections, phrases, sentences, or clauses is declared invalid.

5.44.130 - Repeal.

All ordinances in conflict herewith are hereby repealed to the extent of the conflict.

5.44.140 - Effective Date.

This Ordinance shall become effective immediately.

Adopted on September 8, 2020.

Date of Publication: 9/23/2020

Effective Date: 9/23/2020

James Finkley, City Clerk


