MINUTES CITY OF FARMINGTON HILLS FARMINGTON HILLS CITY COUNCIL CITY HALL - COMMUNITY ROOM OCTOBER 10, 2022 – 6:00PM

The study session meeting of the Farmington Hills City Council was called to order by Mayor Barnett at 6:02pm.

Council Members Present:	Barnett, Boleware, Bridges, Bruce, Knol, Massey and Newlin
Council Members Absent:	None
Others Present:	City Manager Mekjian, City Clerk Smith, Assistant City Manager Valentine, Director Kettler-Schmult and City Attorney Joppich

DISCUSSION ON RENTAL DWELLING UNIT REGISTRY AND INSPECTION FOLLOW-UP

City Manager Mekjian stated that when this issue was last discussed with Council in May, 2022, Council asked for staff to research expanding the inspection program to include multiple-family rentals dwellings and potential for interior inspections and to report back. He mentioned that the Mayor also has requested a quick status update on the single-family rental inspection program.

Charmaine Kettler-Schmult, Director of Planning and Community Development, provided an overview of the single-family rental inspection program that started in 2014 the initial steps taken to identify rental homes through notifying all non-homestead properties of the new ordinance and program. She explained that once registered, the certification is valid for a period of 3 years and so the program was initially phased in over that 3-year period and new registrations are typically brought in through code enforcement. Approximately 1500 non-homestead single-family homes were identified and approximately 700 homes have registered as rental homes in the community.

Attorney Joppich reviewed his memo with Council regarding questions on expanding the current program to include inspection of the interior of single-family homes. The existing program focuses on the exterior unless there is reasonable cause to believe there is a code violation or unsafe condition. He reviewed requirements for a rental inspection program per the Housing Law of Michigan Act and expanding the current program to include interior inspections and multiple-family rental units.

Scott Lenhart, Building Official, reviewed the items that are included in an initial inspection that include dryer venting, smoke alarms (detectors), GFCI wall outlets and furnace certification as the top four areas of concern as they are life safety issues. He added that property maintenance items identified are also noted and reported to owners. There are approximately 10,317 apartment dwelling units within the 60 apartment complexes in the city.

Discussion was held on other communities ordinances and inspection programs and inspecting all units versus a sampling or only on a complaint basis. It was noted that most communities inspect all rental units.

Some council members expressed concern that rents will increase due to required inspections by the city. Council inquired about the cost to the city and fees for the tenants. Building Official Lenhart responded that the city already has a contract with a third-party for as-needed inspections and they have indicated

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that they have staff to conduct rental inspections so there would be no additional costs to the city as program costs would be offset by the fees established, which are yet to be determined.

Discussion was held on the condition of the some of the complexes in the city, options for conducting inspections and the program HUD utilizes for inspection and how many HUD units are in the city.

Council requested information on the following:

- Fee structure for the rental inspection program once established
- HUD rental inspection standards and what units in the city are covered under HUD
- Conducting inspections using a sampling of units

Mayor Barnett invited the public present to speak at this time.

Phil Neumann, Legislative Co-Chair of the Detroit Metropolitan Apartment Association, stated that rents would increase because landlords would be passing any costs on to the tenants. He stated that he believes in a healthy housing stock and that apartments should be kept in good condition but that inspections should occur on a complaint basis rather than inspecting all units in the city and to focus efforts on landlords that are not keeping up their properties. He added that the statute allows for inspections based on a complaint basis or by inspecting a percentage of the units.

Council asked Mr. Neuman if he could research what communities do inspections based on a percentage of the units and what they use as a failure rate to warrant inspections of the entire complex.

It was also suggested by Council that the city could establish a baseline by doing inspections for 100% of the units and based on that failure rate. The need to include mobile home units at some point was also mentioned.

Pam Gerald, resident, agreed with inspecting older structures first and including mold and radon inspections.

The consensus was to hold one more study session on this topic for staff to get back to Council with some of the requested information and options for an inspection program.

ADJOURNMENT:

The study session meeting adjourned at 7:26pm

Respectfully submitted,

Pamela B. Smith, City Clerk