

FREQUENTLY ASKED QUESTIONS

Why do we need to make these changes now?

The foreclosure crisis has caused a huge increase in the number of families rental single-family homes (3,200 in the last three years). Vacant properties have also increase and cause many taxpayers lower property values

Why are these changes needed?

Taxpayers are currently subsidizing single-family rental inspections (triggered by complaint) which Grand Rapids can no longer afford. These changes will ensure that the value of neighboring properties are protected and will ensure the health, safety, and quality of life for neighbors and tenants. Improving the quality of rental housing will make Grand Rapids a more attractive place for families of all incomes.

How will this protect tenants?

Tenants will have the assurance that their rental unit is up to code, reducing health and safety hazards such as: missing smoke alarms and other fire hazards, lead poisoning, asthma triggers, mold, accidental injury, and more.

Aren't single-family units different than multi-family rental properties?

No. In the City Charter, the City is charged with: "providing for the security of persons and property; promote the happiness and welfare of its people." The City's new Sustainability Plan also speaks to the need for increased code compliance. A property that does not meet code affects the security and welfare of tenants as well as the safety and financial interests of neighbors, regardless of whether it is a single-family or multi-family rental. The proposed policies will level the playing field by expecting all property owners to comply with the existing housing code.

Will rents go up because of this new ordinance?

No. Other cities that have instituted similar policies have not seen an increase in rents. Market forces (supply and demand) have a much stronger influence on rent. As national trends and research show, Grand Rapids did not experience a significant increase in rent prices when inspections were instituted on two and multi-family units.

Can't tenants already make a complaint?

Tenants can make a complaint regarding property conditions. However, due to intimidation and fear of increased rent or eviction, tenants often do not file a complaint. Also, current staffing levels have kept the Code Compliance Department from keeping up with complaints. This program systematically and proactively ensures that single-family rental units meet a minimum standard of quality.

A man's home is his castle. Isn't it against the law to require single-family inspections?

No. Both the Michigan Housing Act and constitutional case law affirm that local governments are allowed to inspect all rental units. Holland, Wyoming, Kentwood, Kalamazoo, and many other cities are inspecting single-family rentals.

Why should all landlords pay for the irresponsibility of a few?

All landlords are already required to comply with the housing code and it is the City's responsibility to ensure that they do. Those who maintain property up to code should easily pass inspection. Under the current system, taxpayers are carrying the burden of costs that should be borne by those seeking to gain financially from the ownership of rental property.

Will this cause more landlords to go out of business?

Other communities, like Kentwood and Wyoming, have similar policies and the rental market is strong. The market is the largest factor in whether a rental property is profitable. It is possible that some landlords will not be able to afford to bring their property up to code, but taxpayers can no longer afford to subsidize single-family rental landlords. Not necessarily. The current law already requires that properties be up to code. Those that will be impacted by this ordinance are already cheating the system by not maintaining their properties.

In tight budget times, how will this program be paid for?

The program is budget neutral with regard to the general operating fund and it is paid for through fees.

The Housing Inspections department is overwhelmed. Won't this add more work to an overwhelmed system?

No. In fact, the opposite is true. The recommendations call for hiring an adequate number of new inspectors to certify single-family rentals, allowing current staff to work on other important issues.

Doesn't the proposed code violate property rights?

No. The housing code already requires that all rental units be up to code. This proposed new ordinance simply adds an inspection and certifying process that eliminates the current exemption for single-family units to be certified. Although single-family rental units do not share a 'common wall' with neighbors, the hazards of substandard conditions including vermin, fire hazards and appearance affect neighboring homeowners and the value of their property. Instead of relying on a reactive, expensive, complaint-based system to determine which properties are not in compliance, property values will best be protected by a systematic, proactive, cheaper, and more efficient compliance program.