

# HOUSE BILL No. 6199

September 9, 2004, Introduced by Reps. Tobocman, Murphy and Gleason and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1978 PA 59, entitled  
"Condominium act,"  
by amending sections 104a, 122b, and 141 (MCL 559.204a, 559.222b,  
and 559.241), section 104a as amended by 1982 PA 538, section  
122b as added by 1984 PA 356, and section 141 as amended by 1980  
PA 513.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 104a. The tenancy of a person who meets all of the  
2 following criteria on the date a master deed is filed for the  
3 conversion of a building to a condominium ~~—~~ shall not be  
4 terminated without cause within 1 year after receipt of notice  
5 required under section 104(2):

6       (a) The person is ~~—65—~~ 62 years of age or older or  
7 paraplegic, quadriplegic, hemiplegic, or blind as that term is  
8 defined in section 504 of the state income tax act of 1967, ~~—Act~~

1 ~~No. 281 of the Public Acts of 1967, as amended, being section~~  
2 ~~206.504 of the Michigan Compiled Laws~~ **1967 PA 281, MCL 206.504.**

3 (b) The person is a resident of the building.

4 (c) The person does not qualify for an extended lease  
5 arrangement under section 104b.

6 Sec. 122b. (1) A developer shall notify each existing  
7 qualified senior citizen, at the same time notice is given under  
8 section 122a, of the right to elect an extended lease arrangement  
9 for the lot on which the senior citizen's mobile home is located,  
10 and the terms and conditions of an extended lease arrangement. A  
11 qualified senior citizen shall, within 60 days after receipt of  
12 notice under this subsection, communicate the election of an  
13 extended lease arrangement to the developer.

14 (2) An extended lease arrangement shall be in writing and  
15 shall provide for all of the following:

16 (a) A written lease for the lot on which the senior citizen's  
17 mobile home is located, renewable from year to year for the  
18 number of years specified in subsection (3).

19 (b) That the number of years for which a lease subject to an  
20 extended lease arrangement may be renewed shall be measured from  
21 the date on which the election of an extended lease arrangement  
22 is communicated to the developer.

23 (c) That any increase in the rent during the time the mobile  
24 home lot is a restricted mobile home lot will not be an  
25 unreasonable increase beyond the fair market rent for a  
26 comparable mobile home lot.

27 (d) That upon request of the lessee of a restricted mobile

1 home lot, the lessor shall disclose all information used in  
 2 determining a reasonable rent increase based upon the standard in  
 3 subdivision (c).

4 (3) The number of years for which a qualified senior citizen  
 5 may renew a lease subject to an extended lease arrangement shall  
 6 be determined by his or her age on the date of receipt of the  
 7 notice required under subsection (1), as follows:

8 (a) A person who is not less than ~~65~~ 62 years of age and  
 9 not more than 69 years of age may renew year to year for 4  
 10 years.

11 (b) A person who is not less than 70 years of age and not  
 12 more than 74 years of age may renew year to year for 6 years.

13 (c) A person who is not less than 75 years of age and not  
 14 more than 79 years of age may renew year to year for 7 years.

15 (d) A person who is 80 years of age or more may renew year to  
 16 year for 10 years.

17 (4) A developer who enters into an extended lease arrangement  
 18 or the developer's successor shall notify both of the following  
 19 of each extended lease arrangement:

20 (a) The Michigan state housing development authority of each  
 21 qualified senior citizen who elects an extended lease arrangement  
 22 as soon as practicable after the election is communicated to the  
 23 developer.

24 (b) The office of services to the aging created in section 5  
 25 of the older Michiganians act, ~~Act No. 180 of the Public Acts of~~  
 26 ~~1981, being section 400.585 of the Michigan Compiled Laws 1981~~  
 27 **PA 180, MCL 400.585**, 18 months before the expiration of the

1 extended lease arrangement for a qualified senior citizen who is  
2 in the age categories described in subsection (3)(c) and (d).

3 (5) A lease subject to an extended lease arrangement shall  
4 not be assigned, devised, subleased, or transferred by the  
5 qualified senior citizen.

6 (6) A lease subject to an extended lease arrangement shall  
7 terminate automatically upon the death of the qualified senior  
8 citizen. However, a surviving spouse of a qualified senior  
9 citizen who is ~~65~~ 62 years of age or older at the time the  
10 qualified senior citizen dies shall have the right to execute a  
11 lease under an extended lease arrangement subject to the right of  
12 renewal, and other conditions, that applied to the deceased. A  
13 surviving spouse who does not qualify for an extended lease shall  
14 have 6 months in which to vacate the mobile home lot, during  
15 which time the conditions of the deceased spouse's extended lease  
16 shall apply, except for the right of renewal.

17 (7) A lessor who violates the rental restrictions of  
18 subsection (2)(c) shall be liable to the qualified senior citizen  
19 in an amount equal to 3 times the amount by which the rental  
20 payments exceed the fair market rent, to be recovered in a civil  
21 action.

22 (8) The lessor in an extended lease arrangement may recover  
23 possession of a restricted mobile home lot for nonpayment of rent  
24 or other grounds for recovery of possession under chapter 57 of  
25 the revised judicature act of 1961, ~~Act No. 236 of the Public~~  
26 ~~Acts of 1961, being sections 600.5701 to 600.5759 of the Michigan~~  
27 ~~Compiled Laws~~ 1961 PA 236, MCL 600.5701 to 600.5785.

1       (9) A restricted mobile home lot may be transferred to any  
2 person by the lessor in an extended lease arrangement, subject to  
3 the extended lease arrangement.

4       (10) As used in this section:

5       (a) "Qualified senior citizen" means an individual who is all  
6 of the following:

7       (i) On the date that notice is given under subsection (1),  
8 the owner and resident of a mobile home in a mobile home  
9 conversion condominium project containing 6 or more mobile  
10 homes.

11       (ii) A party to an oral or written agreement providing for  
12 the rental of the lot on which a mobile home described in  
13 subparagraph (i) is located.

14       (iii) ~~Sixty-five~~ **Sixty-two** years of age or older on the  
15 date that notice is given under subsection (1).

16       (b) "Rent" means the total monthly amount payable to the  
17 lessor for the mobile home lot and utilities.

18       (c) "Resident" means an individual who uses his or her mobile  
19 home as a primary residence to which he or she intends to return  
20 whenever absent.

21       (d) "Restricted mobile home lot" means a mobile home lot that  
22 is subject to an extended lease arrangement as provided in  
23 subsection (2).

24       (11) This section does not apply to a developer of a mobile  
25 home conversion condominium project if the developer was issued a  
26 permit to sell before the effective date of this section.

27       Sec. 141. (1) A condominium project shall comply with

1 applicable local law, ordinances, and regulations. Except as  
2 provided in subsection (2), a proposed or existing condominium  
3 project shall not be prohibited nor treated differently by any  
4 law, regulation, or ordinance of any local unit of government,  
5 which would apply to that project or development under a  
6 different form of ownership.

7 (2) Except as to a city having a population of more than ~~1~~  
8 ~~million~~ **750,000** persons, a local unit of government is preempted  
9 by the provisions of this act from enacting a law, regulation,  
10 ordinance, or other provision, which imposes a moratorium on  
11 conversion condominiums, or which provides rights for tenants of  
12 conversion condominiums or apartment buildings proposed as  
13 conversion condominiums, other than those provided in this act.