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# SHORT TERM RENTALS CITY OF FERNDALE

**DECEMBER 2, 2024**

**KYLE BRYCE – PLANNING MANAGER**

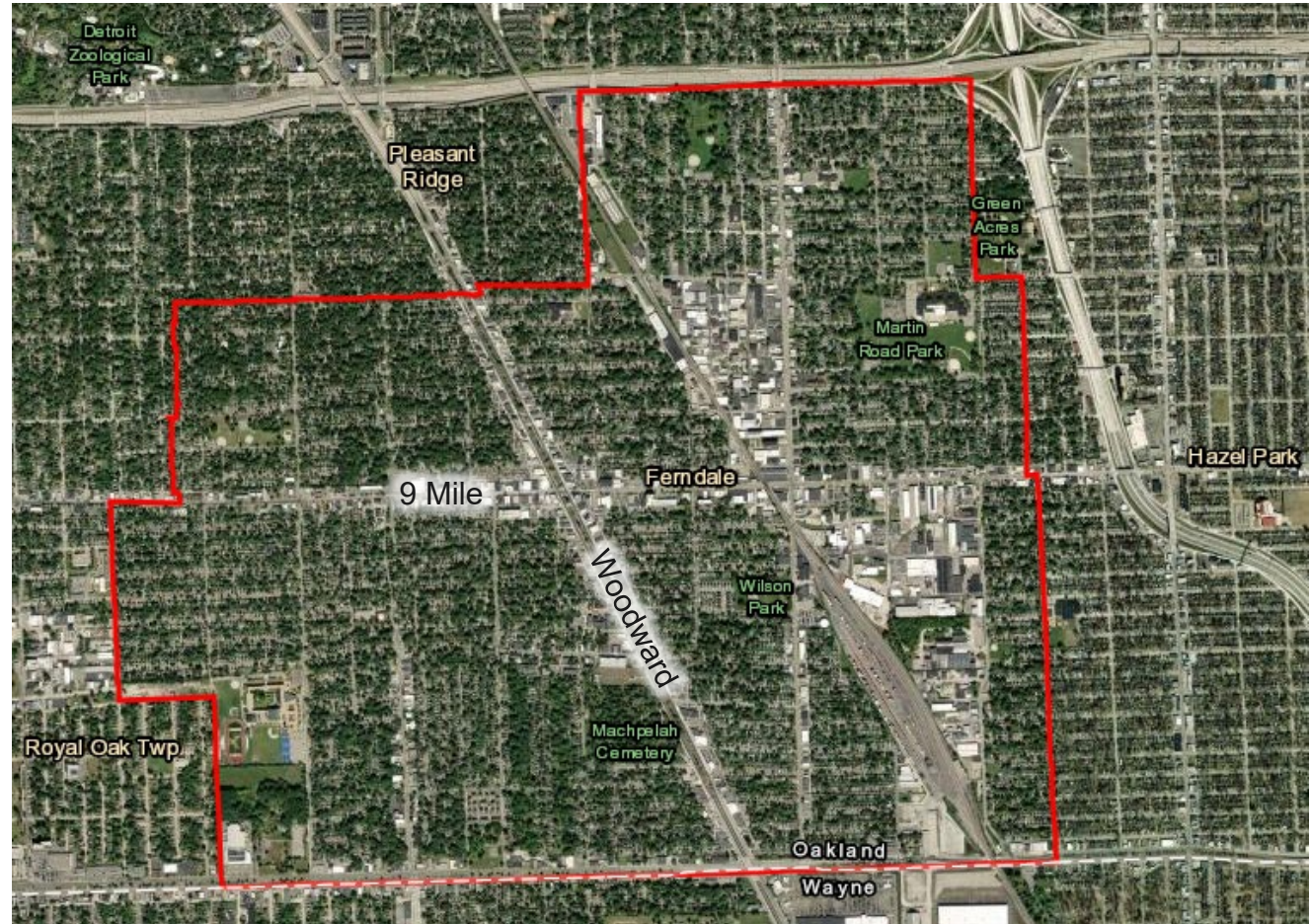


FERNDALE

# FERNDALE

## Background info:

- Pop. 19,190 (2020)
- 3.88 sq. miles
- 10,840 housing units
  - 79.6% single-family detached
  - 6.9% duplex
  - 10.7% 3-49 units
  - 0.9% 50+ units
  - 3,435 (31.6%) rental units



# BACKGROUND

- Concerns for Short Term Rentals (STRs)
  - Four focus group meetings
  - Loud parties
  - Poor sanitization
  - Parking issues
  - Noise
- Around 70 were operating in early 2021



# ORDINANCE

- Ord. 1258 – Adopted 3/22/2021
- Includes:
  - Definitions
  - When license is necessary
  - Application requirements
  - General requirements
  - Density limitations
  - Enforcement



## ORDINANCE, CONT.

- Definitions
  - Includes Residential vs Non-Residential STR
- When license is necessary
  - Always
- Application requirements
  - *Upcoming slide*
  - Principal Residence Exemption affidavit needed for Residential STR



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## ORDINANCE, CONT.

- General requirements
  - Waste/Noise/Parking
  - Occupancy
    - Eight (8) people
- Density limitations
  - *Upcoming slide*
- Enforcement
  - Three substantiated violations may result in revocation by City Manager
  - Civil infraction




# APPLICATION AND PROCESS

## Process:

- Applicant contacts the City
- City confirms proposed details
- **City reviews density cap**
- If the block is not capped, City processes application and \$250 fee
- City schedules inspections
- Upon completion of inspections, receives Certificate





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CSTR# \_\_\_\_\_

### APPLICATION FOR REGISTRATION OF SHORT TERM RENTAL UNIT

PLEASE PRINT LEGIBLY AND FILL OUT COMPLETELY; INCOMPLETE APPLICATIONS WILL NOT BE ACCEPTED

Property Address \_\_\_\_\_ Sidwell \_\_\_\_\_ E-Mail \_\_\_\_\_

Owner's Full Name \_\_\_\_\_ Date of Birth \_\_\_\_\_ Driver's License # or Michigan ID# or \_\_\_\_\_ (State) \_\_\_\_\_  
If Corporate, Tax ID# \_\_\_\_\_

Owner's Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_

Manager or Legal Agent \_\_\_\_\_ Work Phone \_\_\_\_\_ Home Phone \_\_\_\_\_

Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

LIST OF OWNER'S PROPERTIES WITHIN THE CITY OF FERNDALE OFFERED FOR RENT / LEASE (Attach separate list, if necessary)

Address \_\_\_\_\_ Address \_\_\_\_\_  
Address \_\_\_\_\_ Address \_\_\_\_\_  
Address \_\_\_\_\_ Address \_\_\_\_\_

**Fee Schedule:** \_\_\_\_\_ \$250 Per 12 Month License Cycle

I hereby apply for a Short Term Rental License under Ordinance No. 1258, Chapter 7, Article VII, and do certify that the above information is correct and true and that I am the LEGAL OWNER or LEGAL MANAGER / AGENT (i.e. power of attorney) of the premises at the above location.

Applicant's Signature \_\_\_\_\_ (Owner Manager ) \_\_\_\_\_

*For Office Use Only*

Application: _____ Sent _____ Due _____ Received _____	Final Inspection: _____ Date _____ Time _____
Initial Inspection: _____ Date _____ Time _____	Reschedule: _____ Date _____ Time _____
Reschedule: _____ Date _____ Time _____	\$75 Fee Req'd: Y / N _____ Due: _____ Recv'd: _____
\$75 Fee Req'd? _____ Y / N _____ Due _____ Received _____	Approved: _____
Vios Due: _____ Sent _____ Due _____	Date: _____
Notice of Violation	Ticket # _____ Issued _____
Sent _____ Due _____	1st _____
Sent _____ Due _____	2nd _____
Sent _____ Due _____	3rd _____

Short Term Rentals ("STR") are limited by Ordinance to no more than 5% of housing units in a block. Locations are reviewed by the City and granted on a first come first serve basis. Eligible STR locations are not guaranteed until the City is in receipt of a fully completed application and fee. All applicants must complete the inspection process and receive their STR Certificate within 60 days of submitting the application. The CED Director may consider a one-time extension. Failure to complete the inspection process will result in the return of the application and forfeiture of the fee. Existing STR Certificate holders must renew annually with a completed application and fee prior to expiration and receive certification within 60 days of expiration.

6/27/2024

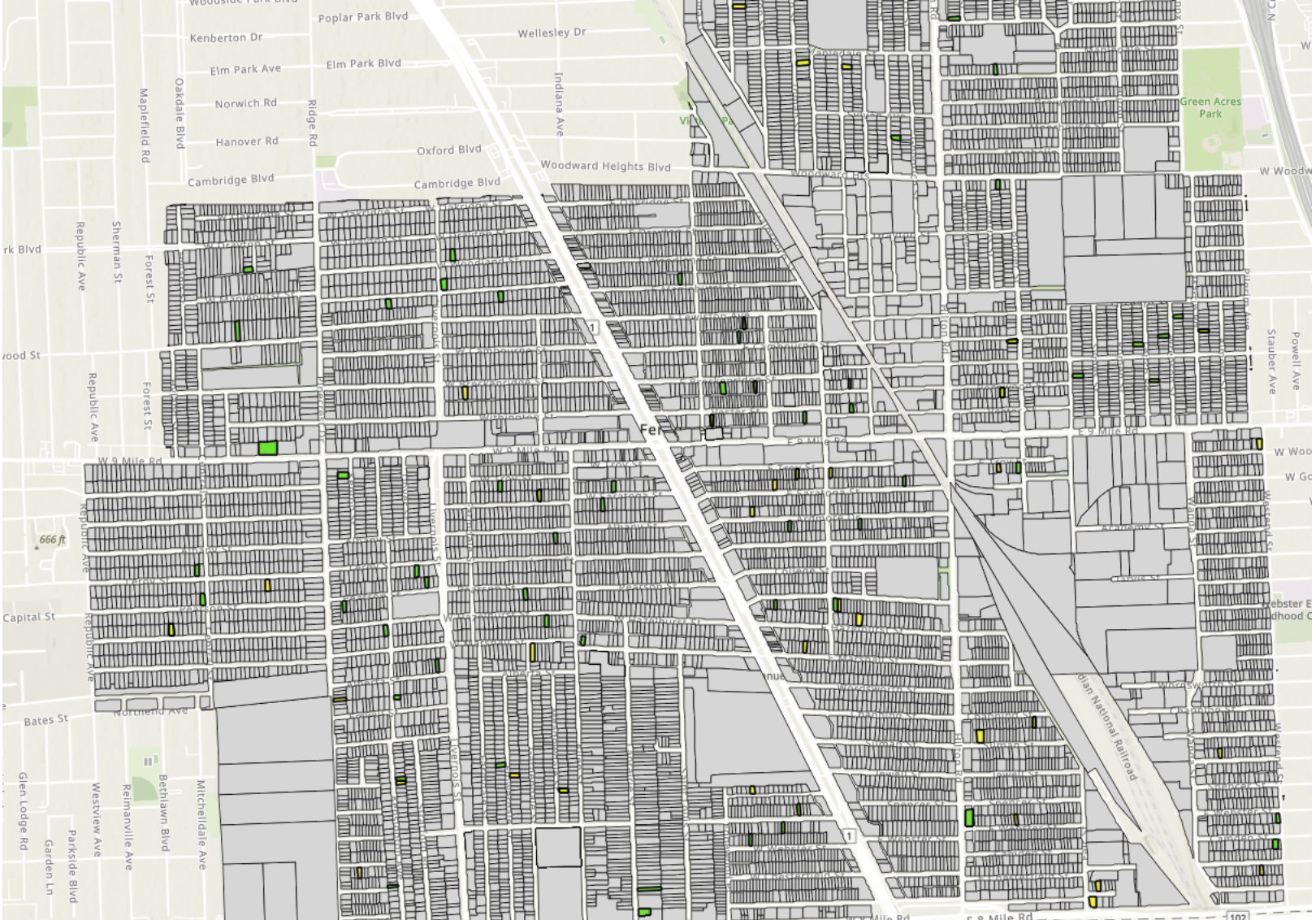
# DENSITY LIMITATIONS

- “Non Residential Short Term Rental Units shall be limited to no more than five (5) percent of the total number of single family, duplex, multi-family units on a block in residential zoned districts in the City” (Sec. 7-158).
- Tracked by BS&A software and ArcGIS
- Difficult situations of when people buy property or furniture for STRs without checking
  - Option for long-term (at least 31 days)
  - Waiting for those who opt out





# DENSITY LIMITATIONS, CONT.



# DENSITY LIMITATIONS, CONT.



*Typical pattern*



*Small block, but shared by 127 unit building*



*Can be across the street or even abutting*



# ANNUAL INSPECTIONS

- Same inspection process as general rentals
- Common issues:
  - Smoke/CO detectors
  - Broken/damaged driveway or steps
  - Furnace report
  - Ingress/egress
- STRs are resubmitted annually
  - Application
  - Fee
  - Inspections
- Non-STR rentals are biannual

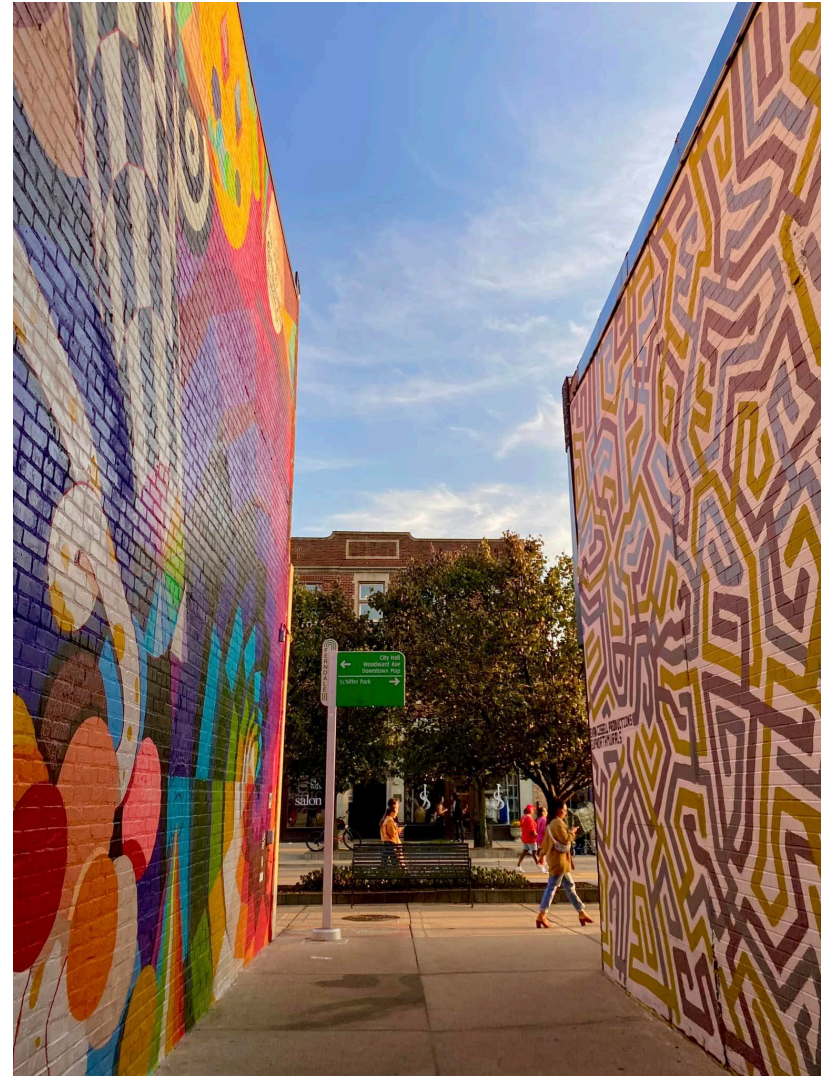


# CURRENT STATUS – AS OF 10/21/2024

- 67 certified
- 41 on Hold
- 327 total applications since Aug. 2021



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# ISSUES

- Density cap issues
  - Buying a property for STR and finding the block is capped
    - Discuss option of long-term rental (can be as short as 31 days)
- Inspection issues
  - Too costly to repair/update
    - Inspections are generally non-negotiable but we can grant time extensions
  - Time delays
    - City has revised process timeline to mandate a 60-day period with one extension



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## ISSUES, CONT.

- Unlicensed STRs
  - Contact owner—seek compliance over enforcement
    - Could be operating on a capped block
- Licensed STRs with problems
  - Generally related to noise and parking
    - Contact owner—seek compliance over enforcement



# MOVING FORWARD

- City Council reviewed and elected not to raise the density cap
- Program is doing well
- Surprise of total number



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# THANK YOU/QUESTIONS

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