



CITY OF YPSILANTI
SHORT-TERM RENTAL SUBCOMMITTEE
Wednesday, November 5, 2025 @ 6:00 PM
Virtual Format
[Launch Meeting - Zoom](#)

I. CALL TO ORDER

II. ROLL CALL

- A. Amber Fellows
- Patrick McLean
- Steve Wilcoxon
- Amanda Smith
- Brian Jones-Chance
- Matt Dunwoodie
- Michelle Marin

III. PUBLIC COMMENT (3 MINUTES)

IV. RESOLUTIONS/MOTIONS/DISCUSSIONS

- A. Short-Term Rental Proposed Ordinance

V. ADJOURNMENT



City of Ypsilanti Short-Term Rental Ordinance

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03/20/2025

Defining Short-Term Rentals

Section 122-203. Definitions will have to be amended to define what short-term rentals are in the community. The definition could look something like this:

- **Short-Term Rental:** A short-term rental refers to the rental of a residential dwelling unit, or a portion thereof, for a period of less than 30 consecutive days, where the property is offered for rent to transient guests for compensation. These rentals may include but are not limited to, services provided through platforms such as Airbnb, VRBO, or other similar services. Short-term rentals are distinct from long-term rentals in that they are intended for temporary occupancy and are not intended as a primary residence for the tenant.

Short-Term Rental Statistics in the City

- As of March 11th, 2025, there appeared to be approximately 50 Airbnbs in the city. Of those 50, staff was able to verify the addresses of 27 short-term rentals.
 - Of these 27 short-term rentals, 8 had 100% PRE. The remaining 19 had 0% PRE.
 - 16 of the 0% PRE-short-term rentals are part of the rental program.
 - Of the 0% PRE-short-term rentals, 3 are not part of the rental program.
- As of June 3rd, 2025, there appeared to be approximately 8 Vrbos in the city.
 - Of those 8, 2 had 100% PRE.
 - All 8 were part of the rental program.



Ann Arbor's Short-Term Rental Regulations

- Title VII, Chapter 97 regulates short-term rentals in Ann Arbor.
 - Ordinance can be found here: [Chapter 97 - SHORT-TERM RENTALS | Code of Ordinances | Ann Arbor, MI | Municode Library](#). Additional resources can be found here: [Short-Term Rentals | City of Ann Arbor](#)
- Section 7:650 establishes the legislative purpose, stating, “The city has determined that regulation of short-term rentals is necessary to establish a community standard for the integration of short-term rental units in the city to ensure health, safety, and welfare of visitors and residents by re-affirming police, fire, and building safety guidelines. Towards that end, the city has determined that all persons or entities that desire to operate a short-term rental unit within the city must be issued a license pursuant to the requirements of this chapter.”
- Section 7:652 establishes “The city shall only issue a short-term rental license for a short-term rental unit to the owner or permanent resident of the property.” This section also states, “The city shall issue only 1 short-term rental license per dwelling unit.”

Ann Arbor's Short-Term Rental Regulations

- Section 7:653 states, “Short-term rental units are prohibited unless the city has issued a short-term rental license for the unit.” It also states, “The occupancy of a dwelling unit rented as a short-term rental shall not exceed the occupancy permitted pursuant to section 5.16.1.a.2 of the UDC, "limits on occupancy of dwelling unit.”
- Section 7:654 establishes regulations for non-principal residence short-term rentals and principal residence short-term rentals.
- Section 7:655 defines prohibitions and establishes penalties for violation.
- ADUs are prohibited from being used as short-term rentals.
- STR cannot exceed allowable occupancy for a unit.
- Non-Principal Residence STRs are only permitted in mixed-use zoning districts.
- Guide to Short-Term Rentals: [str-guide.pdf](#)

Ferndale's Short-Term Rental Regulations

- Ferndale's Short-Term Rental Regulations: [Short Term Rental – Ferndale](#)
- Only 5% of the available housing units on a city block can be used as a short-term rental.
- Two adults are allowed per bedroom under this ordinance. No more than eight people are permitted in a short-term rental.
- A substantiated complaint is when a property has violated the requirements of the ordinance and has been verified by a City of Ferndale official. After three substantiated complaints during a calendar year, an STR will be at risk of losing their license, unable to operate for the remainder of the calendar year and require a review by the City Manager's Office.
- Violations
 - Advertising over the legally-allowed amount of people
 - Noise levels over the thresholds for occupancy and noise
 - Cleanliness, parking illegally, and other code enforcement concerns

Traverse City's Short-Term Rental Regulations

- Traverse City's short-term rental regulations can be found here: [Vacation Home Rental License Application | City of Traverse City](#) and here: [Chapter 870 - Vacation Home Rental License | Code of Ordinances | Traverse City, MI | Municode Library](#)
- Short-term rentals are permitted in the C-1, C-2, C-3, C-4, D-1, D-2, D-3, GTC, HR, I, and T zoning districts. The zoning map can be found here: [Zoning Map](#)
 - Short-term rentals are notably not permitted in the city's residential districts.
- Site plans are required to apply for a vacation home rental license.
- Proof of liability insurance in the amount of \$1 million is required.
- Approval from the city's fire inspector is required.

Resources from Sub-Committee Members: Councilmember Fellows

- The City of Ithaca, NY's ordinance can be viewed here: [City of Ithaca, NY Supplementary Regulations](#)
- Section 325-27 regulates short-term rentals.
- The ordinance establishes purpose and intent to preserve housing affordability and availability, permit owners to generate additional revenue, protect health and safety of renters, increase lodging supply, ensure compliance with hotel occupancy tax, and reduce negative impacts of short-term rentals on neighbors.
- Short-term rentals are permitted only in zones in which residential uses are allowed. They are also only permitted in single-family, two-family, and any owner-occupied dwelling unit within a dwelling or mixed-use building.
- Short-term rental are only permitted for a property that is the primary residences of the host.

Resources from Sub-Committee Members: Commissioner Marin

Commissioner Marin provided information regarding short-term rental ordinances in several communities. These communities include Brandon Twp, [Ann Arbor](#); [East Lansing](#); [Palo Alto, CA](#); and San Jose, CA. Her comments are listed below:

It looks like [Ann Arbor](#) prohibits ADUs from being used as short term rentals, which I don't think of as an effective strategy to combat loss of long-term housing stock. Since, like Ypsi, there are many single-family homes that have been converted over the years to 2+ units but don't technically qualify as "ADUs," that regulation might not do a whole lot.

[East Lansing](#) uses Rental Restriction Overlay districts. This is a crazy tool for long-term rental housing but could be interesting for short term rental restrictions? I personally don't like it and think it would be an administrative nightmare, but something worth looking at!

I used to live in [Palo Alto](#) and work in San Jose. Both cities limit the number of days per year that hosts can rent out part of their owner-occupied home as a short term rental. I can't see this being an effective method since enforcement will be near impossible. Palo Alto limits STR to owner-occupied houses only.

For Ypsi, looping short term rentals into the existing rental certification program seems the most efficient and appropriate method of administration instead of a separate special use permit or similar.

Other Resources to Check Out

- Burtchville Township: [Short-Term-Rental-Ordinance-1.pdf](#)
- Clay Township: [Township of Clay – Ordinances](#)
- Detroit: [Short Term Rental staff recommendation to CPC.pdf](#)
- Manistee: [Public hearing on set on short-term rentals in Manistee](#)
- Park Township: [Short-Term Rentals](#)
- Saugatuck: [ord_240229-b_short-term_rental_license.pdf](#)
- Charlevoix: [Short Term Rentals | Charlevoix, MI](#)

Section 122-203(B) Definitions (Existing Language)

Bedroom means any private room in a dwelling unit suitable for regular use for sleeping purposes, as defined in the Building Code. Bedrooms can include rooms designated on development floor plans as dens, studies, or libraries but not living rooms, family rooms, dining rooms, kitchens, bathrooms, laundry rooms, and mud rooms. Any room designated as other than a bedroom but which in the judgment of the City Planner and the Building Official or Planning Commission could normally be usable for sleeping purposes shall be considered a bedroom. Any bedroom designed for occupation shall have minimum space requirements as established by the Building Code for existing structures or as established by the building code adopted by the this Code for new construction, additions or repairs.

Section 122-203(D) Definitions (Existing Language)

Dwelling means a building or portion thereof, containing sleeping, kitchen, and bathroom facilities designed for and occupied by one family, excluding hotels, motels, and inns. In no case shall a travel trailer, motor home, automobile, tent, or other portable building defined as a recreational vehicle be considered a dwelling. In the case of mixed occupancy where a building is occupied in part as a dwelling unit, the part so occupied shall be deemed a dwelling unit for the purposes of this chapter.

Section 122-203(S) Definitions (New Language)

Short-term rentals (STRs) mean temporary lodging, in a dwelling unit, available to transient guests for compensation of thirty (30) consecutive days or less. Short-term rentals shall not include hotels, motels, inns, and bed and breakfasts. This use may be facilitated through online or third-party booking platforms, such as Airbnb, VRBO, or Facebook Marketplace.

Section 122-531(b) Permitted Home Occupations (Amended Language)

Permitted home occupations. Any home occupation that is not specifically prohibited by subsection (a) of this section must be permitted if it meets the following standards:

1. All home occupations must obtain a business license from the **City Assessor Building Department**; if the occupant is not the owner of the premises then consent must be obtained from the property owner to ensure the owner's knowledge of the use.
2. The home occupation must not change the outside appearance of the dwelling nor alter the residential character of the structure.
3. The home occupation must not be visible from the street.
4. The home occupation must be owned and operated only by a member or members of the immediate family residing on the premises.
5. No more than one other person may be employed or involved with such activity on premises other than a member of the immediate family residing in the dwelling unit.
6. All wholesale, jobbing or retail business must be conducted entirely by mail, telephone, electronically or by delivery.
7. Services and transactions must be conducted by appointment only; walk-in trade is prohibited.
8. **Short-Term Rentals (STRs)**
 - a. All short-term rental operations shall receive and maintain a rental certificate (certificate of compliance) from the Building Department.
 - b. Short-term rentals shall fully comply with the requirements of this chapter prior to the issuance of a certificate of compliance.
 - c. Short-term rentals shall only occupy one bedroom of a dwelling unit.
9. The maximum area for home occupations must be calculated as 25 percent of the usable residential floor area of a dwelling unit or 300 feet whichever is less, unless otherwise noted. Areas designated for home occupations may be located in any useable area of the home, the basement, or any accessory building.
10. No motor power other than electrically operated motors may be utilized. No single electrical motor used in the home occupation may exceed one horsepower. All electrical motors and equipment used in the conduct of the home occupation must be shielded so as not to cause radio or television interference for adjoining properties.
11. A home occupation must not create noise, dust, vibration, smell, smoke, glare, electrical interference, fire hazards, or any other hazard or nuisance to any greater or more frequent extent than would normally be generated in the zoning district in which it is located.

12. In no case may a home occupation be open to the public earlier than 7:00 a.m. nor later than 9:00 p.m.
13. There must be no deliveries to or from the home occupation with a vehicle having more than two axles.
14. No merchandise or articles for sale may be displayed on the lot used for the home occupation.
 - a. The home occupation may increase vehicular traffic flow and parking by no more than two additional vehicles at a time.

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