

S U M M A R Y

This ordinance amends Chapter 8 of the 2019 Detroit City Code, *Building Construction and Property Maintenance*, Article XV, *Property Maintenance Code*:

1) By amending Division 1, *In General*, Section 8-15-8, *Definitions: P–R*, and Section 8-15-10, *Violations*, to amend the definition of the term “rental property,” to provide for the designation of specific violations that are not blight violations, and to make other technical corrections; and

2) By adding Division 9, *Short-Term Rentals*, consisting of Subdivision A, *Generally*, containing Section 8-15-901, *Purpose*, Section 8-15-902, *Definitions*, Section 8-15-903, *Violations; penalties*, Section 8-15-904, *General regulations*, Section 8-15-905, *Guest and visitor regulations*, Section 8-15-906, *Local contact person; duties and responsibilities*, Section 8-15-907, *Hosting platform regulations*; and Subdivision B, *License*, containing Section 8-15-920, *License required*, Section 8-15-921, *Short-term rental license*, Section 8-15-922, *Application; information and affidavit required*, Section 8-15-923, *Application fee*, Section 8-15-924, *Inspection; Certificate of Compliance required*, Section 8-15-925, *Approval of application*, Section 8-15-926, *Posting required*, Section 8-15-927, *Non-transferable*, Section 8-15-928, *Licensees not granted vested rights*, Section 8-15-929, *Expiration date and renewal requirements for short-term rental license*, Section 8-15-930, *Suspension or revocation of short-term rental license*, and Section 8-15-931, *Procedures for denial, suspension, or revocation of short-term rental license*, to establish an administrative and regulatory framework for the licensing and operation of short-term rental properties in the City of Detroit.

1 **BY COUNCIL MEMBER ANGELA WHITFIELD-CALLOWAY:**

2 **AN ORDINANCE** to amend Chapter 8 of the 2019 Detroit City Code, *Building*
3 *Construction and Property Maintenance*, Article XV, *Property Maintenance Code*:

4 1) By amending Division 1, *In General*, Section 8-15-8, *Definitions: P–R*, and Section 8-
5 15-10, *Violations*, to amend the definition of the term “rental property,” to provide for the
6 designation of specific violations that are not blight violations, and to make other technical
7 corrections; and

8 2) By adding Division 9, *Short-Term Rentals*, consisting of Subdivision A, *Generally*,
9 containing Section 8-15-901, *Purpose*, Section 8-15-902, *Definitions*, Section 8-15-903,
10 *Violations; penalties*, Section 8-15-904, *General regulations*, Section 8-15-905, *Guest and visitor*
11 *regulations*, Section 8-15-906, *Local contact person; duties and responsibilities*, Section 8-15-
12 907, *Hosting platform regulations*; and Subdivision B, *License*, containing Section 8-15-920,
13 *License required*, Section 8-15-921, *Short-term rental license*, Section 8-15-922, *Application;*
14 *information and affidavit required*, Section 8-15-923, *Application fee*, Section 8-15-924,
15 *Inspection; Certificate of Compliance required*, Section 8-15-925, *Approval of application*,
16 Section 8-15-926, *Posting required*, Section 8-15-927, *Non-transferable*, Section 8-15-928,
17 *Licensees not granted vested rights*, Section 8-15-929, *Expiration date and renewal requirements*
18 *for short-term rental license*, Section 8-15-930, *Suspension or revocation of short-term rental*
19 *license*, and Section 8-15-931, *Procedures for denial, suspension, or revocation of short-term*
20 *rental license*, to establish an administrative and regulatory framework for the licensing and
21 operation of short-term rental properties in the City of Detroit.

22 **IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT**
23 **THAT:**

1 **Section 1.** Chapter 8 of the 2019 Detroit City Code, *Building Construction and Property*
2 *Maintenance*, Article XV, *Property Maintenance Code*, be amended by amending Division 1,
3 Section 8-15-8 and Section 8-15-10, and by adding Division 9, which shall consist of Subdivision
4 A, containing Sections 8-15-901 through 8-15-907, and Subdivision B, containing Sections 8-15-
5 920 through 8-15-931, to read as follows:

6 **CHAPTER 8. BUILDING CONSTRUCTION AND PROPERTY MAINTENANCE**

7 **ARTICLE XV. PROPERTY MAINTENANCE CODE**

8 **DIVISION 1. IN GENERAL**

9 **Sec. 8-15-8. Definitions: P–R.**

10 For purposes of this article, the following words and phrases shall have the meanings
11 respectively ascribed to them by this section:

12 *Permanent* means an expected design life of at least 20 years.

13 *Person* means an individual, partnership, firm, company, corporation, association, sole
14 proprietorship, limited liability company, joint venture, estate, trust, or any other legal entity.

15 *Portable containers* means receptacles which are not more than 30 gallons in capacity and
16 are manually emptied.

17 *Post-remedy clearance report* means a report from a certified clearance technician, for
18 interim controls only, or a certified lead inspector or certified risk assessor that:

19 (1) Identifies any deteriorated paint violation, dust-lead violation, or bare soil violation
20 or lead-based paint hazards in the rental property; and

21 (2) Certifies that the deteriorated paint violation(s), dust-lead violation(s), or bare soil
22 violation(s) or lead-based paint hazards have been abated or reduced by interim

1 controls pursuant to standards under the Michigan Lead Abatement Act, being

2 MCL 333.5451 *et seq.*

3 *Premises* means a lot, plot or parcel of land, including any buildings or structures thereon.

4 *Property* means real property, including attachments and fixtures.

5 *Public Health Director* means the Director and Health Officer of the Detroit Health
6 Department.

7 *Rat control* means the distribution of rat poison or the setting of rat traps or fumigation or
8 such other methods of rat eradication as may be approved by the Public Health Director.

9 *Rat harborage* means any condition under which rats may find shelter or protection.

10 *Ratproof* or *ratproofing* means a form of construction which will prevent the ingress or
11 egress of rats to or from a given space or buildings, or will prevent rats from gaining access to
12 food, water or harborage and consists of closing and keeping closed by the use of material
13 impervious to rat gnawing of every opening in foundations, basements, cellars, exterior and
14 interior walls, ground or first floors, roofs, sidewalk gratings, sidewalk openings and other places
15 that may be reached and entered by rats by climbing, burrowing or other methods.

16 *Reduction* or *reduce* means measures designed to reduce or eliminate human exposure to
17 lead-based paint hazards through methods, including, but not limited to, interim controls and
18 abatement.

19 *Release* means any spilling, leaking, pumping, pouring, emitting, emptying, discharging,
20 injecting, escaping, leaching, dumping, or disposing of a contaminant into the environment.

21 *Rental property* means a ~~non-owneroccupied~~ dwelling unit or dwelling units that are
22 neither occupied by the owner nor rented by transient guests, and that:

- 1 (1) Is or are let or occupied by persons, including a family member of the owner,
2 pursuant to an oral or written rental contract, or lease, or other oral or written
3 agreement or understanding for occupation, with monetary compensation; or
4 (2) Will be offered for occupancy under an oral or written rental contract or lease, or
5 other oral or written agreement or understanding for occupation, with or without
6 monetary compensation to any person; or
7 (3) Is or are contained within a building with two or more dwelling units that are not
8 occupied by the owner; or
9 (4) Is advertised to the public or registered with the City as rental property.

10 The term “rental property,” when used in this article, does not mean a “short-term rental property”
11 as defined in Section 8-15-902 of this Code, except when used in Division 9 of this article, *Short-*
12 *Term Rentals.*

13 *Repeat offense* means a second, or any subsequent, blight violation determination regarding
14 a blight violation notice that is made within one year for the same blight violation, except for a
15 determination by an administrative hearings officer that a person is not responsible for a blight
16 violation for the first or subsequent violation.

17 *Residential structure* means the household units of the residents of the City.

18 *Response activity* means, as likewise defined in Section 20101(1) of NREPA, being MCL
19 324.20101(1) evaluation, interim response activity, remedial action demolition, providing an
20 alternative water supply, or the taking of other actions necessary to protect the public health, safety
21 or welfare, or the environment or the natural resources, and includes health assessments or health
22 effect studies carried out under the supervision or with the approval of the Department of
23 Community Health and enforcement actions related to any response activity.

1 *Retaliatory action* means any action that materially alters the terms of the tenancy of the
2 premises such as an increase in rent, termination of a lease or tenancy, or interference with the
3 tenants' occupancy or use of the premises. Any action that materially alters the terms of the tenancy
4 that takes place within 90 days of a tenant taking an action or attempting to take an action protected
5 by Subsection 8-15-87(a)(2) of this Code is presumed to be a retaliatory action for the purposes of
6 Section 8-15-11, unless the owner can establish by a preponderance of the evidence that the action
7 was not taken to retaliate against the tenant.

8 *Risk assessment* means both of the following:

- 9 (1) An on-site investigation conducted by a certified risk assessor to determine the
10 existence, nature, severity, and location of a lead-based paint hazard; and
11 (2) The provision of a report by the person conducting the risk assessment explaining
12 the results of the investigation and options for reducing the lead-based paint hazard.

13 *Rooming house* means a building arranged or occupied for lodging, with or without meals,
14 for compensation and not occupied as a one- or two-family dwelling.

15 *Rooming unit* means any room, or group of rooms, that form a single habitable unit
16 occupied, or intended to be occupied, for sleeping or living, but not for cooking purposes.

17 *Rubbish* means, as defined by Section 11505 of the Michigan Natural Resources and
18 Environmental Protection Act, being MCL 324.11505, non-putrescible solid waste, excluding
19 ashes, consisting of both combustible and noncombustible waste, including paper, cardboard,
20 metal containers, yard clippings, wood, glass, bedding, crockery, demolished building materials,
21 or litter of any kind that may be a detriment to the public health and safety.

1 **Sec. 8-15-10. Violations.**

2 (a) In accordance with Sections 4l(4) and 4q(4)(h) of the Michigan Home Rule City
3 Act, being MCL 117.4l(4) and 117.4q(4)(h) and Sections 1-1-9(a)(3) and 3-2-1 of the 2019 Detroit
4 City Code, a violation of this article is deemed to be a blight violation, unless the section of this
5 article that is violated specifically provides otherwise.

6 (b) Any person who violates any section of this article may be issued a blight violation
7 notice pursuant to Chapter 3, Article II, of the 2019 Detroit City Code, *Enforcement of Blight*
8 *Violations*, for each day that the violation continues, unless the section of this article that is violated
9 specifically provides otherwise.

10 (c) In accordance with Chapter 3, Article II, of the 2019 Detroit City Code,
11 *Enforcement of Blight Violations*, any person, firm, partnership or corporation, or anyone acting
12 on behalf of said person, firm, partnership or corporation, who admits responsibility or is found to
13 be responsible, through a blight violation determination, for violation of this article shall be subject
14 to a civil fine.

15 **DIVISION 9. SHORT-TERM RENTALS**

16 **Subdivision A. Generally.**

17 **Sec. 8-15-901. Purpose.**

18 The purpose of this division is to promote and protect the public peace, health, safety, and
19 general welfare of persons and property in the City by regulating the renting of property on a short-
20 term basis in order to prevent nuisances and safety hazards that affect the well-being of City
21 residents and property owners, and to protect the health, safety, and welfare of visitors to the City.

1 **Sec. 8-15-902. Definitions.**

2 For purposes of this division, the following words and phrases shall have the meanings
3 respectively ascribed to them by this section:

4 *Applicant* means a person who is applying or has applied for a short-term rental license
5 under this division.

6 *Department* means the City of Detroit Buildings, Safety Engineering, and Environmental
7 Department, except where indicated otherwise by use in the full name of a different governmental
8 or City department.

9 *Guest* means a person who is an occupant of a building or structure, or any part thereof, for
10 lodging purposes pursuant to an oral or written short-term rental agreement between the person
11 and a host.

12 *Host* means a person who owns or lawfully possesses property that the person rents out to
13 transient guests pursuant to an oral or written short-term rental agreement.

14 *Hosting platform* means an entity that operates a marketplace, in any form or format, that
15 facilitates short-term rentals between hosts and guests through advertising, managing reservations
16 or bookings, generating short-term rental agreements, or any other means.

17 *Licensee* means the holder of a license issued pursuant to this division.

18 *Local contact person* means a person who is designated by the host of a short-term rental
19 to undertake the duties and responsibilities described in Section 8-15-906 of this Code with respect
20 to that property.

21 *Rent out* means to permit, provide for, or offer possession or occupancy of a property to a
22 guest for compensation or other consideration.

1 Short-term rental means the rental of a building or structure, or any part thereof, as lodging
2 accommodations for a term of one month or less, but does not include a stay at any bed and
3 breakfast inn, hotel, motel, non-profit single-room occupancy housing, public lodging house,
4 rooming house, or hostel licensed under Chapter 36 of this Code, Public Lodging. As used in this
5 definition, “one month” means 30 consecutive days or the calendar month of the rental period,
6 whichever is shorter.

7 Short-term rental agreement means a written or unwritten agreement between a host and
8 one or more guests, whether through a hosting platform or not, pursuant to which the host receives
9 compensation or other consideration in exchange for the short-term rental of a property owned or
10 lawfully possessed by the host.

11 Short-term rental license or license means a license issued pursuant to this division.

12 Short-term rental property means a building or structure, or any part thereof, that is
13 licensed to be operated and occupied as a short-term rental pursuant to this division.

14 Visitor means a person who enters a short-term rental property by invitation or consent of
15 a guest of the property or another visitor.

16 **Sec. 8-15-903. Violations; penalties.**

17 (a) Except as otherwise provided in Section 8-15-907 of this Code, a violation of this
18 division shall be a blight violation.

19 (b) Any person, including, but not limited to, a host, owner, or guest, who violates any
20 section of this division, except for Section 8-15-907 of this Code, may be issued a blight violation
21 notice pursuant to Section 3-2-24 of this Code.

22 (c) A violation of this division may result in the suspension or revocation of a short-
23 term rental license pursuant to Section 8-15-930 of this Code.

1 **Sec. 8-15-904. General regulations.**

2 (a) The requirements of this division shall apply to all short-term rentals in the City.

3 (b) No person may operate a short-term rental without a valid license issued by the City
4 in accordance with Subdivision B of this division.

5 (c) A recreational vehicle, camper, travel trailer, or tent may not be operated or
6 occupied as a short-term rental.

7 (d) The host of a short-term rental shall post and maintain, in a conspicuous location
8 inside the short-term rental property, near the main entrance:

9 (1) A valid short-term rental license issued for the property pursuant to this division;

10 (2) The name and telephone number of the local contact person(s); and

11 (3) A valid Certificate of Compliance issued for the property pursuant to this article.

12 (e) The host of a short-term rental shall provide to the Department, in writing, the name
13 and current contact information of each local contact person designated for the short-term rental
14 property pursuant to Section 8-15-906 of this Code. Contact information shall include, at a
15 minimum, the local contact person's mailing address and telephone number. The host shall notify
16 the Department, in writing, of any changes to the local contact person(s) designated for the short-
17 term rental property or a local contact person's contact information.

18 (f) The host shall notify all guests of the following:

19 (1) Excessive noise is prohibited as specified under Section 16-1-12 of this Code and
20 any guest or visitor who violates the excessive noise prohibition shall be subject to
21 finest and penalties as set forth in Section 8-15-903 of this Code;

22 (2) Disorderly conduct, as described in Section 31-5-1 of this Code, is prohibited and
23 may result in a misdemeanor violation;

1 (3) Illegally parked vehicles of guests or visitors may be impounded pursuant to
2 Sections 46-2-62 and 46-2-63 of this Code; and

3 (4) Consumption of alcoholic liquor on public streets or sidewalks is prohibited
4 pursuant to Section 31-5-2 of this Code and may result in a misdemeanor violation.

5 **Sec. 8-15-905. Guest and visitor regulations.**

6 (a) A guest or visitor of a short-term rental shall not generate noise, dust, smoke, odor,
7 glare, fumes, flashes, vibration, or other effects that unreasonably interfere with a person's health,
8 safety, welfare, or enjoyment of the person's property.

9 (b) A guest shall not allow any visitors on the short-term rental property between the
10 hours of 12:00 a.m. and 8:00 a.m.

11 (c) A guest shall not allow any visitor to engage in conduct described in Subsection (a)
12 of this section on the short-term rental property.

13 **Sec. 8-15-906. Local contact person; duties and responsibilities**

14 (a) The host of a short-term rental property shall designate one or more individuals to
15 serve as a local contact person who will be responsible for the duties and responsibilities provided
16 in this section.

17 (b) A local contact person may not be younger than 18 years of age.

18 (c) The host may designate himself or herself as a local contact person.

19 (d) The host shall ensure that, at all times throughout the term of a short-term rental, at
20 least one local contact person is available to:

21 (1) Respond to inquiries about the short-term rental property by guests;

22 (2) Take action to resolve any complaints regarding the condition, operation, or
23 maintenance of the short-term rental property;

1 (3) Provide guests access to the short-term rental property in the event they are locked
2 out; and

3 (4) Respond and be physically present at the property within 45 minutes after being
4 requested by a guest, a visitor, the host, a City employee, or any local, state, or
5 federal law enforcement personnel to provide assistance with an emergency
6 situation or to take remedial action to address a violation of this Code.

7 (e) Prior to the first short-term rental of a property licensed pursuant to this division,
8 the host shall provide to the Department, in writing, the name and current contact information of
9 each local contact person designated for the short-term rental property. Contact information shall
10 include, at a minimum, the local contact person's mailing address and telephone number.

11 (f) If there is any change in the designation of a local contact person for a short-term
12 rental property, or change to a local contact person's contact information, the host shall update the
13 local contact person information provided to the Department under Subsection (e) of this section
14 to reflect the change. The host shall provide the updated local contact person information to the
15 Department, in writing, prior to the term of the next short-term rental of the property.

16 **Sec. 8-15-907. Hosting platform regulations.**

17 (a) A hosting platform shall not accept a fee for a reservation or booking of a short-
18 term rental in the City without verifying that a valid short-term rental license issued by the City
19 authorizes the property to be rented as a short-term rental.

20 (b) If a hosting platform facilitates the reservation or booking of a property as a short-
21 term rental and the property is not in compliance with this Code, the hosting platform shall
22 cooperate with the Department to investigate any violations relating to the property.

1 (c) If the Department notifies a hosting platform that a property advertised or listed by
2 the hosting platform is not in compliance with this Code, the hosting platform shall not thereafter
3 accept any fee for facilitating a reservation or booking of that property until the hosting platform
4 receives confirmation from the Department that any violations affecting the property have been
5 resolved.

6 (d) Notwithstanding Section 8-15-903 of this Code, a violation of this section shall be
7 a misdemeanor.

8 (e) A hosting platform that violates this section may be issued a misdemeanor violation
9 for each day that the violation continues.

10 (f) Any hosting platform that is found guilty of violating this section shall be convicted
11 of a misdemeanor for each violation that issued and, in the discretion of the court, may be fined up
12 to \$500.00 for each misdemeanor violation that is issued.

13 **Secs. 8-15-908 – 8-15-919. Reserved.**

14 **Subdivision B. License.**

15 **Sec. 8-15-920. License required.**

16 It shall be unlawful to conduct or maintain any short-term rental in the City without first
17 having obtained a short-term rental license from the Department to operate the short-term rental
18 pursuant to this division.

19 **Sec. 8-15-921. Short-term rental license.**

20 (a) A short-term rental license authorizes the holder thereof to rent out the designated
21 property to transient guests as a short-term rental, as defined under Section 8-15-902 of this Code.

22 (b) The holder of a short-term rental license shall be the host for the short-term rental
23 property.

1 (c) A person may hold no more than one short-term rental license issued under this
2 division per designated property.

3 **Sec. 8-15-922. Application; information and affidavit required.**

4 (a) An application for a short-term license shall be made on a form that is provided by
5 the Department. The application shall be considered complete when the applicant has signed and
6 dated the application in the presence of a notary public, has paid the required license application
7 fee, and has provided the information that is required on the form, including all of the following:

8 (1) The name, mailing address, and telephone number of the owner(s) of the property
9 to be licensed.

10 (2) The name, mailing address, and telephone number of the applicant, if different than
11 the owner.

12 (3) If the applicant is different than the property owner, a notarized letter of
13 authorization from the owner for the applicant to operate a short-term rental on the
14 property.

15 (4) The name, mailing address, and telephone number of one or more local contact
16 persons who will be responsible for fulfilling the duties and responsibilities
17 described in Section 8-15-906 of this Code, if other than the owner or host.

18 (5) Proof of the applicant's ownership or lawful possession of the property, which shall
19 be established by the following:

20 a. Proof of ownership shall be established by the recorded deed or land
21 contract for the property.

22 b. Proof of lawful possession of the property shall be established by a written
23 lease, agreement, or license signed by the owner(s) of the property, whose

1 ownership shall be established by the recorded deed or land contract for the
2 property.

3 (6) A description of the property, which shall include all of the following:

- 4 a. The mailing address for the property.
5 b. The tax parcel ID number and legal description for the property.
6 c. The number of bedrooms available for guests.
7 d. The number of parking spaces available for guests, including off-street
8 parking spaces.
9 e. The maximum number of guests that the property can accommodate.

10 (7) An affidavit, which may be on a form provided by the Department, certifying all of
11 the following:

- 12 a. That a working smoke alarm is installed in each bedroom;
13 b. That a working carbon monoxide detector is installed in every dwelling unit;
14 c. That a working fire extinguisher is installed on each floor;
15 d. That the host will inspect the smoke alarms, carbon monoxide detectors,
16 and fire extinguishers installed at the short-term rental property at least once
17 per year to ensure they are unexpired and in proper working order;
18 e. That the host has obtained liability insurance to cover the proposed short-
19 term rental property;
20 f. That the property is not currently in violation of this Code or any state or
21 federal housing laws and is in a habitable condition;

1 g. That the applicant is not in arrears or in default to the City, including any
2 unpaid, outstanding, and/or delinquent property tax, income tax, special
3 assessments, and/or blight fines;

4 h. That the host will make the dwelling unit or rooming unit available to the
5 City for inspection upon reasonable request from the Department, and
6 understands that requests for inspection may be made if there are complaints
7 regarding the property or if the Department has a reasonable basis to request
8 an inspection; and

9 i. Any other information the Department considers appropriate.

10 (b) Such application shall also contain an agreement upon the part of the applicant that
11 such applicant will comply with the provisions of this division and that such applicant will
12 forthwith notify the Police Department as to the applicant's knowledge of any minors under 18
13 years of age at the short-term rental property, unless the minor's presence is with consent or
14 knowledge of the parent, guardian, or adult lawfully in charge of such minor.

15 **Sec. 8-15-923. Application fee.**

16 (a) A non-refundable application fee shall be charged and collected in accordance with
17 Section 6-503(13) of the Charter for the processing and issuance of a license under this division,
18 as well as for any subsequent renewals of the license. Based upon the cost of issuance and
19 administration of the regulations of this division, the Director of the Department shall establish
20 this fee, which is subject to approval by the City Council through adoption of a resolution.

21 (b) After adoption of a resolution by the City Council and approval of the resolution
22 by the Mayor, the fees that are provided for in Subsection (a) of this section shall be:

1 (1) Published in a daily newspaper of general circulation and in the Journal of the City
2 Council;

3 (2) Made available at the Department's offices and at the Office of the City Clerk; and

4 (3) Reviewed by the Director of the Department at least once every two years.

5 **Sec. 8-15-924. Inspection; Certificate of Compliance required.**

6 (a) An applicant must obtain a Certificate of Compliance for the proposed short-term
7 rental property pursuant to this section before the Department may issue a license to the applicant
8 under this division.

9 (b) Except as otherwise provided in Subsection 8-15-929(c) of this Code, the
10 Department shall conduct an inspection of the property described in an application for a short-term
11 rental license to verify and obtain compliance with this article, including, but not limited to,
12 provisions relating to plumbing, electrical, mechanical, and property maintenance. The inspection
13 required by this section shall be conducted in accordance with Section 8-15-34 of this Code.

14 (c) Following the inspection required by Subsection (a) of this section, the Department
15 shall determine whether to issue or deny a Certificate of Compliance for the proposed short-term
16 rental property in accordance with Sections 8-15-35 and 8-15-36 of this Code. The Department
17 shall issue or deny a Certificate of Compliance as soon as practicable.

18 **Sec. 8-15-925. Approval of application.**

19 (a) Except as otherwise provided in this section, the Department shall issue a short-
20 term rental license to an applicant if the applicant has completed all of the following:

21 (1) Submitted an application in compliance with Section 8-15-922 of this Code;

22 (2) Paid the non-refundable application fee established pursuant to Section 8-15-923
23 of this Code; and

1 (3) Obtained a Certificate of Compliance pursuant to Section 8-15-924 of this Code.

2 (b) The Department shall have the discretion to deny any application that does not meet
3 the requirements of this subdivision or contains any false, misleading, or incomplete information.

4 (c) The Department shall deny an application if the Department determines that the
5 operation of a short-term rental at the property described in the application would constitute a
6 violation of this Code.

7 (d) The Department shall deny an application if the applicant owes any assessments,
8 fees, or taxes to the City.

9 (e) If a short-term rental license has been suspended or revoked, the Department shall
10 not approve an application from the same host for the same property for six months following the
11 suspension or revocation.

12 **Sec. 8-15-926. Posting required.**

13 Upon issuance by the Department and after receipt by the applicant, a license issued under
14 this division shall be posted at all times by the host inside the licensed premises in a conspicuous
15 location near the main entrance.

16 **Sec. 8-15-927. Non-transferable.**

17 (a) All licenses issued under this division are not transferable to another person and are
18 valid only for the short-term rental property described in the application for the license.

19 (b) Upon the conveyance of title or the termination of the license holder's possessory
20 interest in the designated property, the short-term rental license shall be terminated.

21 **Sec. 8-15-928. Licensees not granted vested rights.**

22 Unless otherwise provided by federal or state law, a license granted under this division and
23 the short-term rental of a property pursuant to that license does not vest rights to continue use of

the property as a short-term rental after expiration, revocation, or suspension of the license.
Nothing contained in this division shall be construed as creating or conferring upon any licensee a
right or expectation to continue short-term rentals indefinitely. A license granted under this
division grants only a temporary authorization subject to the conditions provided in this division
and other provisions of the Code. The regulations under this division are subject to change, and
licensees shall be subject to any added or amended requirements as applicable.

Sec. 8-15-929. Expiration date and renewal requirements for short-term rental license.

(a) A short-term rental license that is issued under this division shall expire on June
30th of each year.

(b) A license that is issued under this division shall remain valid until the expiration
date unless suspended or revoked in accordance with the provisions of this division.

(c) A license that is issued under this division may only be renewed by submitting a
new, completed application and paying the application fee in accordance with this subdivision
prior to the expiration of the license. A new inspection shall be required pursuant to Section 8-15-
924 of this Code to renew the license only if the Certificate of Compliance for the short-term rental
property is suspended or has been revoked pursuant to Section 8-15-36 of this Code.

(d) All applications for renewal of a license that is issued under this division shall be
filed before July 1st of each year.

Sec. 8-15-930. Suspension or revocation of short-term rental license.

A license issued this division may be suspended or revoked for any of the following
reasons:

(1) An applicant provided false information on the application.

1 (2) The short-term rental property is operated as a nuisance, with excessive noise, trash,
2 traffic, or other matters that negatively impact the surrounding neighborhood.

3 (3) The continuation of the short-term rental property presents a threat to public health
4 or safety.

5 (4) The host refuses to allow inspections by the City.

6 (5) The host violates any provision of this division.

7 (6) One or more guests are found responsible for three or more blight violations under
8 this division in relation to the short-term rental property within a period of one year.

9 (7) The host is found responsible for three or more blight violations in relation to the
10 short-term rental property within a period of one year.

11 (8) Any other reason provided under Section 28-1-16 of this Code that constitutes
12 grounds for the suspension or revocation of a business license.

13 **Sec. 8-15-931. Procedures for denial, suspension, or revocation of short-term rental license.**

14 (a) The Department shall deny an application for a short-term rental license under this
15 division by mailing a written notice to the applicant that states the basis for the denial. Any
16 applicant aggrieved by the denial of a short-term rental license shall be entitled to a hearing before
17 the Director of the Department or a designated hearing officer. A request for a hearing on the
18 license denial shall be in writing and addressed to the Director of the Department, and must be
19 made within 30 days of the mailing of the notice of denial to the applicant. A hearing pursuant to
20 a timely request shall be scheduled at the earliest possible date, but not later than 30 days after the
21 receipt of the request for a hearing. The applicant and the appropriate City departments shall be
22 notified of the hearing by the Department at least seven days prior to the hearing. The hearing may
23 be adjourned only by agreement of the parties or, upon cause shown, by order of the Director of

1 the Department or designated hearing officer. In the absence of a timely request for a hearing on
2 the denial of a short-term rental license, or if an applicant fails to appear for a hearing under this
3 subsection, the denial shall be deemed final.

4 (b) Where the Department is presented with evidence that indicates cause exists to
5 suspend or revoke a short-term rental license pursuant to this division, the Department shall notify
6 the licensee, in writing, of the Department's intent to suspend or revoke the license with the basis
7 therefor, and direct the licensee to show cause why the license should not be suspended or revoked
8 at a hearing before the Director or a designated hearing officer. The notice shall include the date,
9 time, and place for the show cause hearing, which shall be scheduled not less than seven days from
10 the date of the mailing of the notice.

11 (c) Where the Director of the Department makes a determination that there is an
12 immediate threat to the public health or safety and welfare as a result of the continued operation
13 of a short-term rental, the Director is authorized to immediately suspend or revoke a short-term
14 rental license issued under this division. The licensee shall be notified of the suspension or
15 revocation by mail and, if possible, in person, with the notice specifying the basis for the
16 emergency suspension or revocation of the license. The Department shall schedule a show cause
17 hearing within seven days, provided that, upon a written request to the Department, the licensee
18 shall be entitled to a hearing within 48 hours of the receipt of the written notice in order to ascertain
19 whether the emergency suspension or revocation of the license shall continue.

20 (d) At a hearing pursuant to this section, the Department shall state the basis for the
21 denial, suspension, or revocation of the short-term rental license and present relevant evidence in
22 support of the denial, suspension, or revocation. The applicant or licensee shall be given an

1 opportunity at the hearing to present relevant evidence in support of the issuance or continuation
2 of the license.

3 (e) Where the licensee fails to appear and show cause why the short-term rental license
4 should not be suspended or revoked in accordance with this division, the license shall be revoked
5 effective at the end of the business day on which the show cause hearing was scheduled.

6 (f) A hearing that is held pursuant to this section shall be conducted in accordance with
7 the rules for conducting administrative hearings adopted in accordance with Section 2-111 of the
8 Charter.

9 (g) Notice provided for in this section shall be sent by certified mail, return receipt
10 requested, and regular mail to the applicant or licensee at the address provided for the applicant or
11 licensee in the application for a short-term rental license, or at the address on record with the
12 Department if an updated address for the applicant or licensee was provided after the application
13 was submitted.

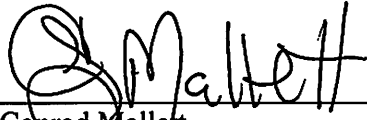
14 **Secs. 8-15-932 – 8-15-950. Reserved.**

15 **Section 2.** All ordinances, or parts of ordinances, that conflict with this ordinance are
16 repealed.

17 **Section 3.** This ordinance is declared necessary for the preservation of the public peace,
18 health, safety, and welfare of the People of the City of Detroit.

19 **Section 4.** In accordance with Section 4-118(3) of the 2012 Detroit City Charter, this
20 ordinance shall become effective one hundred eighty (180) days after publication.

Approved as to form:

A handwritten signature in black ink, appearing to read "C. Mallett", written over a horizontal line.

Conrad Mallett
Corporation Counsel