I. Call to Order

II. Roll Call

III. Pledge to the Flag

IV. Correspondence

V. Brief Public Comments & Questions (Limited to 3 minutes)

VI. Public Hearing
   A. Text Amendment & Map Ordinance – Short-Term Rentals

VII. Old Business
   A. Text Amendment & Map Ordinance – Short-Term Rentals

VIII. Extended Public Comments & Questions (Limited to 4 minutes)

IX. Adjournment

Persons wishing to speak at public hearings, on agenda items, or extended comments, must fill out a “Speakers Form” located on the counter. Completed forms must be submitted to Township Staff prior to the meeting.
SUPERINTENDENT'S MEMO

DATE: November 18, 2021

TO: Planning Commission

FROM: Cargo

SUBJECT: Short-Term Rental (STR) Zoning Regulations

Attached, please find a proposed Zoning text amendment regarding the creation of a Short-Term Rental (STR) Overlay Zone and a corresponding map.

OVERVIEW:

As you recall, the Township discontinued discussions and work on adopting STR regulations in March of 2020 due to the COVID-19 pandemic and the difficulty of holding large meetings that allowed for public participation.

With the COVID-19 restrictions on indoor meetings and social distancing lifted, the Board discussed STR regulations during an August 2021 meeting and determined that the proposed Overlay approach to STRs within the Township would be continued and that the review/approval process would begin, again, in November of 2021.

Prior to re-starting the STR regulation process, the State of Michigan House adopted House Bill 4722 that effectively preempted local control of STRs (except for the STR Overlay Zone approved by East Lansing).

Although it is unclear whether the Michigan Senate will support the House Bill or whether the Governor will support preempting local zoning controls, the Township Board unanimously determined that it would continue to move forward with the proposed STR regulations. (Currently STRs are not an allowable use under the Zoning Ordinance; but the Township only does enforcement based upon complaints.)

SHORT-TERM RENTAL APPROACH:

In brief, the Township Board proposed a three-prong approach to STR regulations that can be summarized as follows:

1. The first-prong is adoption of a STR Zoning Overlay Ordinance and corresponding map that will define a limited area wherein STR units can be located. The goal is to not allow STRs in traditional subdivisions or neighborhoods because of the disruption that
STRs often cause. The accompanying Overlay Zone STR map is restrictive prohibiting STRs in traditional subdivisions, and platted developments; but because the map is not defined by zoning text amendments – the Overlay Zone approach provides the Township Board with the most flexibility in defining where STRs will be allowed. There will be some exceptions to the general prohibition of STRs in traditional neighborhoods.

For example, through public testimony, it was noted that the single-family lot at 14873 Mercury Drive has three (3) residential structures and that some of these structures are used for STRs. Further, staff research indicates that this non-conforming use existed since the 1940s and prior to zoning. In addition, the Township has allowed these non-conforming structures to be improved through the building permit process. Given these facts, staff have allowed this non-conforming, single-lot lot to qualify for an STR using the proposed Overlay Map.

Another example is a Lakefront residential development. About 23 of the lots located in the dunes are covered by the Shore Acres Association – which can have STRs pursuant to the Overlay Zone map. But STRs are prohibited in the remainder of this residential development that is not located adjacent to Lake Michigan and whose members have testified against STRs.

**Again, the strength of the Overlay approach is the flexibility that it will allow.** More specifically, based upon public testimony, the Board could also decide to allow certain pre-existing STRs based upon specific, unique circumstances that might exist for the property or owners. (*Staff will be sending letters to the property owners identified as using their properties for short-term rentals to determine the length of time the properties have been used. Consideration to include properties within the Overlay Zone will be given to properties that can prove a lengthy history of rentals without corresponding complaints.*)

It should also be noted that all property owners can use their property for a STR for up to two (2) weeks per year.

2. **The second-prong is a STR Regulator Ordinance** – that will not be reviewed by the Planning Commission. This ordinance contains all the requirements for any STR in the Township (e.g., licensure, maximum occupancy, parking, contact information, lock box, revocation of license, etc.).

3. **The third-prong is a Rental Inspection Ordinance** – that will be applied to all rental units within the Township – including STRs – to ensure compliance with the International Property Maintenance Code. This inspection ordinance will also not require a review by the Planning Commission.
PUBLIC HEARING:

After the public hearing on Tuesday, November 23rd, the Planning Commission will be asked to send the STR Overlay Ordinance and Map to the Township Board. It is expected that the Township Board will add certain STR properties to the Overlay Zone; but, because these decisions could be controversial, the Board wants to shoulder that responsibility.

Also, the Planning Commission will be asked to recommend whether the length of short-term rentals (which are currently limited to not less than six days during the “peak” season and not less than three days during “off-season”) should be modified. The Board wanted to prohibit one-day or two-day rentals since that would be akin to hotel or motel operations. That said, staff are concerned that provisions regarding the length of short-term rentals will be difficult to enforce.

If the Planning Commission believes that the Zoning portion of the STR regulations is sufficient and “ripe” for Board consideration, the following motion can be offered:

Motion to recommend to the Township Board approval of the Zoning Text Amendment addressing an Overlay Zone for Short-Term Rentals [insert any conditions or changes recommended] with the understanding that the elected officials will be considering the addition of certain existing STR properties to the Overlay Zone map.

If there are any questions or comments, please contact me at your convenience.
ORDINANCE NO. ______

ZONING TEXT AMENDMENT AND MAP ORDINANCE

AN ORDINANCE TO AMEND THE GRAND HAVEN
CHARTER TOWNSHIP ZONING ORDINANCE TO ADD
THE SHORT-TERM RENTAL OVERLAY ZONE AND TO
PERMIT SHORT-TERM RENTALS AND LIMITED SHORT-
TERM RENTALS IN THE TOWNSHIP; AND TO PROVIDE
FOR THE EFFECTIVE DATE OF THIS ORDINANCE.

THE CHARTER TOWNSHIP OF GRAND HAVEN, COUNTY OF OTTAWA, AND
STATE OF MICHIGAN, ORDAINS:

Section 1. Short-Term Rental Overlay Zone. Chapter 9B of the Zoning Ordinance shall be added and shall state in its entirety as follows.

SECTION 9.01 FINDINGS AND STATEMENT OF PURPOSE.

Short-Term Rentals have historically been considered a commercial use, not historically permitted in residential zoning districts. Furthermore, the Township is committed to preserving the residential character of Township neighborhoods, minimizing potential nuisances, and maintaining the Township’s small-town character and scenic beauty. The Township intends to protect its residents and visitors from the potentially negative or harmful effects that can arise from commercial rentals, including the potential impact on the appearance, tranquility, and standard of living in the Township’s prime residential areas.

However, the Township also recognizes the potential benefits of tourism and additional lodging opportunities for visitors, as well as the financial benefit that Short-Term Rentals can bring to property owners in the Township. Therefore, the Township wishes to achieve a balance between these considerations by providing that Short-Term Rentals are allowed as special land uses, based upon a consideration of the standards in Section 12.04 and in the Short-Term Rental Overlay Zone.

SECTION 9.02 PERMITTED USES.

The uses permitted in the Short-Term Rental Overlay Zone shall be the uses permitted in the underlying zoning district, plus Short-Term Rentals as special land uses.

SECTION 9.03 DESIGN REQUIREMENTS.

The design requirements of the underlying zoning district shall apply to the Short-Term Rental Overlay Zone.
SECTION 9.04 PROPERTY INCLUDED IN THE SHORT-TERM RENTAL OVERLAY ZONE.

The property in the Township included in the Short-Term Rental Overlay Zone is illustrated in the diagram attached as Exhibit A, which is to be added to the zoning map established per Section 2.02 of the Zoning Ordinance.

SECTION 9.05 SPECIAL LAND USE STANDARDS.

For special land uses, the following standards shall be considered.

(A) A Short-Term Rental must be located in the Short-Term Rental Overlay Zone.

(B) A Short-Term Rental must comply with the Township’s Rental Regulation Ordinance, as now or subsequently amended, or any successor ordinance.

Section 2. Rental Regulations. Section 14.16 of the Zoning Ordinance shall be added and shall state in its entirety as follows.

SECTION 14.16 RENTAL REGULATIONS.

(A) Limited Short-Term Rentals, because of the time limitations placed upon them, are permitted by right in all zoning districts, as long as the use of the rented property is permitted by the terms of this Ordinance.

(B) Rentals that are longer than and thus do not qualify as Short-Term Rentals are permitted by right in all districts, as long as the use of the rented property is permitted by the terms of this Ordinance.

(C) Notwithstanding any other provision in this Section or in this Ordinance, all rental property in the Township must comply with all other Township ordinances, all Ottawa County requirements, and all applicable State and Federal laws.

Section 3. Limited Short-Term Rental Definition. Section 21.02 (A) (51A) of the Grand Haven Charter Township Zoning Ordinance (the “Zoning Ordinance”) shall be amended to include the following definition.

Limited Short-Term Rental. The rental of any Dwelling for any one (1) or two (2) rental periods of at least six (6) days but not more than fourteen (14) days, not to exceed fourteen (14) days total in a calendar year. The minimum rental period of six (6) days is reduced to three (3) days during the period after Labor Day and before the next succeeding Memorial Day.
Section 4. **Short-Term Rental Definition.** Section 21.02 (A) (99A) of the Zoning Ordinance shall be amended to include the following.

**Short-Term Rental.** The rental or subletting of any Dwelling for a term of at least six (6) days but less than twenty-eight (28) days. The minimum rental period of at least six (6) days is reduced to three (3) days during the period after Labor Day and before the next succeeding Memorial Day. This definition does not include the use of Campgrounds, hotel rooms, transitional housing operated by a non-profit entity, group homes such as nursing homes and adult foster care homes, hospitals, or housing provided by a substance-abuse rehabilitation clinic, mental-health facility, other health-care related clinic, or housing for farm labor.

Section 5. **Effective Date.** The foregoing amendment to the Grand Haven Charter Township Zoning Ordinance was approved and adopted by the Township Board of Grand Haven Charter Township, Ottawa County, Michigan on ______________, 2021, after a public hearing as required pursuant to Michigan Act 110 of 2006, as amended, and after a first reading of the amendment by the Township Board on ______________, 2021. This Ordinance shall be effective on ______________, 2021, which date is eight days after publication of the Ordinance as is required by Section 401 of Act 110, as amended, provided that this effective date shall be extended as necessary to comply with the requirements of Section 402 of Act 110, as amended.

Mark Reenders, Township Supervisor
Laurie Larsen, Township Clerk
CERTIFICATE

I, Laurie Larsen, the Clerk for the Charter Township of Grand Haven, Ottawa County, Michigan, certify that the foregoing Grand Haven Charter Township Zoning Text Amendment Ordinance was adopted at a regular meeting of the Township Board held on ______________, 2021. The following members of the Township Board were present at that meeting: ___________
____________________________________________________________________________.
The following members of the Township Board were absent: ____________________________
_____________________________________________________________________________.
The Ordinance was adopted by the Township Board with members of the Board _____________
______________________________________________________________________________
voting in favor and members of the Board ___________________________________________
voting in opposition. The Ordinance or a summary of the Ordinance was published in the Grand
Haven Tribune on ______________, 2021.

______________________________________________________________________________
Laurie Larsen, Clerk
Grand Haven Charter Township
Proposed Short Term Rental Map

Eligible Land vs. Non-Eligible Land
Level of Restriction = Overlay Zone

Legend
- STR Listings
- STR - Eligible
- STR - Not Eligible

51 STR Listings
- 23 Eligible (green color)
- 28 Not Eligible (red color)