CASCO TOWNSHIP PLANNING COMMISSION REGULAR MEETING MAY 3, 2017, 7 PM

Members Present: Chairperson Dian Liepe, Lou Adamson, Dave Campbell, Dan Fleming, Greg Knisley,

and Dave Hughes **Absent:** Judy Graff

Staff Present: Janet Chambers, Recording Secretary

Also Present: Paul Macyauski and approximately 20 interested citizens

1. **Call to order and review of agenda:** The meeting was called to order by Chairperson Liepe at 7 PM. There were no changes to the agenda.

2. **Opening comments by PC members:** Commissioners discussed the issue of whether a property owner of a B&B could operate as a STR when it is not being operated as a B&B. Ellingsen's opinion was sent in the form of an email (attachment #1).

Chairperson Liepe received a request to add outdoor lighting to the June Planning Commission agenda from a group concerned about too many lights. Chairperson Liepe will forward the email to commissioners prior to that meeting.

- 3. **Public comment for items not on Agenda**: Chris Barczyk stated that, in the minutes for April 5th, Mike Workema mentioned Barczyk had been speaking with the Planner. Barczyk wanted to be clear that he had not been speaking with Planner. Changes will be made under approval of minutes.
- 4. **Approval of minutes of April regular meeting minutes**: April 5, 2017 minutes. Motion by Campbell, 2nd by Fleming to approve minutes of the April 5, 2017 meeting with the following change. All in favor, Minutes of April 5, 2017 approved.

Mike Workema was concerned that Barczyk, or someone, may be communicating with the planner and asked if he could find out who has been communicating with her. Barczyk thought it would be a good thing, *if it were acceptable*, to communicate with the planner, *but made it clear that he had not*. Chairman Liepe said that people who are at the meetings could have a chance to speak, the PC will take public comments into consideration and make a decision.

- 5. Report from Township Board representative Judy Graff: In Graff's absence, Paul Macyauski gave a report for the Township Board including the following: Parks & Recreation gave a presentation of draft of their 5-year plan. The board approved the noise ordinance. Kurt Katje was given approval to purchase the necessary equipment to monitor noise levels. Supervisor Overhiser approved research of cameras for the Nature Preserve parking area. The Salary Compensation Committee made a presentation to the Board. Increases will be made and a 2% to 3% annual COL raise will be added yearly. Wages will be re-evaluated in 5 years. There was talk about a road millage for November ballot. Mary Campbell and John Barkley made a presentation of the Good Neighbor Policy and the voluntary registration form for STRs in the 2017 rental season. Ruth Hewitt is working to pull the names of the rental owners. Macyauski said they would like Veterans to know there is a property tax exemption available for them. The PC continues to work on STRs.
- 6. **Report from ZBA representative Dave Hughes**: There was a ZBA meeting April 27, 2017. A 16-ft. setback variance was granted to Martin Detmer for an addition to his cottage on Edgewater Terrace. There are two existing wings on the lake side of the structure and Detmer wants to build an addition within the wing space. Already on a 2-track road, the addition is not going to affect emergency services. Neighbors were supportive. The 16-ft. variance was granted.

Hughes also stated that the ZBA will use a Watermark on draft minutes, which will show on all pages, rather than typing DRAFT at the top of the first page. He suggested the Planning Commission might like to do the same. Chairman Liepe thought this would be good for the Planning Commission also.

7. Report from Water / Sewer representative Lou Adamson: Adamson reported there have been 19 new sewer connections to date this year, with a goal of 17.5 needed to make the bond payment, there will be no problem this year.

The Water & Sewer Authority is still waiting for the City of South Haven to have a meeting with them to discuss the new partnership. Allegan County's part in this has finished. The Authority expects to hear from the City any day to set up a meeting to finalize the deal.

After looking at the Authority's finances, Campbell questioned Adamson about what the financial model looks like. Is the Authority preparing for what will happen if new construction declines? On a year like this, when there are more than the projected hook-ups, will they pay the debt retirement down or save for years when the projected growth is not met? Will the number of new hook-ups necessary to meet the bond payment go up? Adamson said they will save, on a year like this one, for a year when the projection is not met. Adamson stated the two townships are combined. South Haven Township's projected number is 12, but they only hit 7.

8. Old Business:

- A. Peter Klein's request to amend the ZO to allow for the operation of a restaurant in the AG District Update: Chairperson Liepe said that Ellingsen is working on a standalone ordinance for this.
- B. Other old business? None
- 9. New Business: None
- 10. Planning Commission continuing discussion on Short Term Rentals A. Review of Draft Definitions changes? Additional definitions?

Discussion ensued while reviewing the list of definitions supplied by the Planner (attachment #2) including the following: Knisley stated he had to get his head around the fact that the PC is only working on Zoning definitions at this time and does not need to be concerned about regulations and enforcement. He wanted both the Commissioners and citizens to understand his thinking.

Chairperson Liepe said some of the items we do not need to deal with at this point could be put into a "parking lot" to be aware of in later discussion.

During discussion of "Commercial", Knisley stated there are some structures, even though they were permitted as a single-family residence, have been built for the sole purpose of STRs, not lived in by the owner, and never intended to be lived in by the owner. Sometimes if profitable, the owner could build a second or third. That would be a business property.

Discussion ensued about house sitting, renting for a period after a sale, Limited STRs under 14 days per year, a family letting someone use their home while they are away.

Does the word "term" or length of stay needs to be defined? Without a definition, it could be an hour, $\frac{1}{2}$ day or a day, etc. Would it need to be specified "2 days and 1 night"? 3 days could be Friday, Saturday & Sunday, but staying only Friday and Saturday night, should it be considered 3 days or 2 nights.

Fleming reminded commissioners to think about what problem they are trying to solve as restrictions are applied. What is the purpose of differentiating between Long and Short Term rentals. Discussion continued that Long Term could be where the tenant sets up their home. Contractors working in the area are here for an extended period. Regulations may not apply equally to both Long and Short term, therefore both need to be defined.

As discussion continued many thoughts to consider were brought up. Does "Transient" need to be defined? Should we say limited short term rentals can be up to 14 days; anything more is long term? Because many complaints seem to be with the shorter stays, does there need to be a 2, 3 or 4-day minimum? Should Limited Short-Term be in a different category? If you rented your house out for 14 days or less, you would not have to pay taxes on it as a rental. Would it be more work for enforcement if you put a minimum number of days? Is there any data showing shorter stays result in more complaints? If you make it 1 to 27 days for STRs and there are complaints, the rental owner could lose the right to rent? People wanting a party or event might want only one night. Should there be guidelines for events and parties? The constant disruption of coming and going is more with short stays. Might there be some residences that fall under more than one category, i.e. LSTRs and STRs? Should be kept simple and clear as possible. The good neighbor policy is clear. The ordinance needs to be clear so that the township does not run into trouble over it.

Would tenant be different than occupant? A tenant could be the vacationer that is in charge, responsible, or the one signing the agreement or exchanging money? Would the tenant be included as one of the occupants? Tenant would be an occupant when referring to the number of occupants allowed at one time.

What about someone renting a room where owner is present. Would that be considered a boarder? Do we need to solve boarding if it is not a problem?

Chairperson Liepe asked commissioners to look at the Matrix from the Planner and fill it out before the next meeting. They will also see if there are more definitions to cover.

11. Public comment concerning renting:

Mary Campbell: Chairperson Liepe asked if there were more definitions to consider. Campbell suggested "Residential Neighborhood" be added as another definition. She said one concern brought up at the Rental Workshop is "maintaining residential neighborhoods".

John Barkley: Grand Haven Township like many lake shore communities consider STRs to be commercial, and therefore they can regulate with a permitting process. To be successful, they are trying to better understand and define the tipping point that changes the residential environment. Is it 2%, 5% or 20% STR density? In a 4-season STR rental area, it is usually defined as 1% to 5%. For a one season rental neighborhood, it is somewhere around 10% because of the reduced STR occurrences per calendar year. If STR density exceeds the tipping point, the frequency of new people coming and going changes the neighborhood residential character. Given that STRs can be defined as commercial, they can then be regulated to stay below the tipping point. The question is what is the tipping point for a community like CASCO Twp.?

Cathy Watt: Growing up, Sunday was a day of quiet. She longs for that today. Three day weekends are party weekends. She would like to be able to honor quiet Sundays. Even with a noise ordinance, three day weekends are likely to be a problem.

Lois Schwartz: Before I make my comment, I would like a clarification of the difference between the definitions for short term rental and limited short term rental, because now that the definition for short term rental has eliminated the minimum of three days it could mean that someone could rent for an hour! What is the purpose of Casco government? I fear that despite good intentions, Casco officials are deluding themselves if they think they are working for the interests of residents. Is Casco going out of its way to accommodate those who wish to engage in short term rental or does Casco Township government exist for the good and welfare of its residents? There is nothing in the conversation to limit how many times someone can rent a property - and turnover is the problem. For what purpose is Casco sacrificing the residential life of its residents? Is it:

to make money to pay for sewer and water bonds?

to make money for developers?

to make money for individual landlords?

What about the more than 80% of us who do not rent? The great majority of Casco residents, both full time and seasonal, do not rent, and wish to preserve the residential nature of our residential zone.

This entire exercise is only that - the appearance of public input. The good intentions have produced a good neighbor policy, but there is no means of enforcement - it is voluntary. Now, there's no need for a hotel or a B&B because we have short term rental. This is the imposition of the minority onto the lives of the majority.

Chairman Liepe said this (rental ordinance) will be evolving until the commission is happy with the results. Now LSTR means rental of a dwelling, not to exceed 14 days within a calendar year. This would be for someone who have cousins who want to spend 10 days, then later 4 days. Limited STR will not need registration. If I want relatives or someone to use my house for a week or 2 while I am gone. Now STRs say 27 days or less.

Schwartz: As you are evolving, are you listening to people coming before you?

Laura Townsen: Behavior needs to be curbed if issues exist. Several owners come in Friday and stay until Sunday. We rent to people who come long distances. The behavior is what needs to change. Good Neighbor Policy should take care of it. The Master Plan has low density and medium density residential. The lots are small lots. Renting is their right.

Nancy Luke talked about her neighbor who would do anything for her, renters are not the same as neighbors. Renters head back home. STRs change everything. Transients stop you from having the great relationships you should have in a residential community.

Bill Chambers: Referred to Fleming's question about the difference between STRs and Long Term Rentals. The State Supreme Court in Laketon Township vs. Advanse Ink, in 2009, ruled that < 30 days is commercial > 30 days constitutes the property as single family residential. Thus, STRs do not support single family residential. Again in 2010, the Michigan State Court of Appeals in Enchanted Forest Property Owners Association vs Schilling reaffirmed what they found in 2009. A 30 day minimum being the breaking point between commercial and residential.

Chris Barczyk: Agreed with Chambers in the breaking point being 30 days. The Michigan hotel / motel taxes are charged if renting for one month or less. Hotel / motel taxes are not charged if renting longer than a month. The STR definition should follow the Michigan tax law if collecting taxes or not. Barczyk is concerned about the preservation of residential neighborhoods. Preservation of neighborhoods with 2% rentals, with 10%, 20% or 100% rentals in a neighborhood is no longer a neighborhood. Those of us who could make a change said enough. Those who could make a change did. We had a voice and we did something about it. The analysis presented several weeks ago showed the numbers that restrict rentals. The Planning Commission should listen to the voice of the people. These communities are a representation of Casco. We want to preserve our neighborhoods.

12. Closing comments and adjournment

Knisley: Concerning discussion on duration, If we say a minimum of 7 days, what happens if someone is there less, it would be a zoning violation.

A motion by Fleming, supported by Hughes to adjourn. All in favor. Meeting adjourned at 8:45 PM.

Minutes Prepared by Janet Chambers, Recording Secretary

Next Meetings, Wednesday, May 10, 2017, 6 PM Rental Workshop Wednesday, May 24, 2017, 6 PM Rental Workshop Wednesday, June 7, 2017, 7 PM, Regular Meeting

Attachment #1: Ellingsen's email, Re: STRs and B&B dual use

Attachment #2: Lynee Well's List of definitions

Liepe, Dian

From:

Al Ellingsen <skwirely@frontier.com>

Sent:

Tuesday, April 11, 2017 5:56 PM

To:

Liepe, Dian; Allan Overhiser (awo@i2k.com); supervisor@cascotownship.org

Subject:

Tucker Special Use

Diane,

Allen asked me to send you this clarification regarding as to whether a property can have a Special Use Permit and also be allowed other uses such as rental of the dwelling. The two uses certainly are allowed but they cannot be allowed at the same time. The B & B can only be rented if all the requirements in Section 15.03D are in compliance and the owner living in the dwelling at the time. If the Planning Commission and the Board eventually allow "rentals" as a permitted use in any particular zone then all residential dwellings, with or without any other Special Use Permit, would have the same right as would all dwelllings.

Al Ellingsen

Casco Township

<u>Draft</u> Definitions for Short Term Rental Ordinance

April 26, 2017

Agent/Contact: Means a person authorized by the Owner to act on the Owner's behalf consistent with the requirements of this ordinance.

Commercial: The use of property for the purchase, sale, barter, display, or exchange of goods, wares, merchandise, or personal services; or the maintenance of service offices for recreation or amusement enterprises; or garage/yard sales operating more than twelve (12) days during any one(1) twelve (12) month period. (IN ZONING ORDINANCE)

Dwelling: Any building or portion thereof having cooking and housekeeping facilities, which is occupied wholly as the home, residence or sleeping place of one (1) or more families, either permanently or temporarily, but in no case shall a motor home, trailer coach, garage, automobile chassis, tent, or portable building be considered a dwelling. In 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 and shall comply with the applicable provisions of this Ordinance.

- A. Dwelling, Multiple Family. A building or portion thereof, used or designed for use as a residence for three (3) or more families living independently of each other and each doing their own cooking and housekeeping.
- B. Dwelling, Single-Family (Detached). A detached building used or designed for use exclusively by one (1) family.
- C. Dwelling, Two-Family. A detached building used or designed for use exclusively by two (2) families living independently of each other and each doing their own cooking and housekeeping. It may also be termed a duplex. (IN ZONING ORDINANCE)

Dwelling Sales Occupancy: Means the occupancy by a prior owner after the sale of a Dwelling under a Rental agreement following closing or sale of such property.

Housesitting: Means the occupancy of a dwelling by a non-owner without remuneration to the Owner.

Limited Short Term Rental: Means the Rental of any Dwelling for a term not to exceed 14 days in any calendar year.

Long term rental: Means the Rental of any Dwelling for a term of 28 consecutive days or more in any given calendar year.

Maximum Occupancy: Means the maximum number of allowable Occupants for the Dwelling, as established by this Ordinance.

Occupant: Means an individual living in, sleeping in, or otherwise having possession of a space.

Owner: Means a person holding legal or equitable title to the Premises. An Owner may designate an agent to perform duties or receive notice under this Ordinance.

Rental/rent: Means to permit, provide for, or offer possession or occupancy of a Dwelling in which the Owner does not reside for a period of time to a person who is not the legal Owner of record, pursuant to a written or unwritten agreement.

Short term rental: Means the Rental of any Dwelling for a term of at least three consecutive days but not more than 27 consecutive days; the 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, or other health-care related clinic.

Tenant: Means a person who is not the legal owner of record and who is occupying a dwelling unit pursuant to a written or unwritten rental lease, agreement or license.

