

**Lake Township Planning Commission
Regular Meeting
July 27, 2022**

Unapproved Minutes

The meeting was called to order at 6:05 by Siver.

Roll call. Bob Siver, Tim Lalley, Keith Hoffman, Tim Quinn all present. Nicole Collins absent.

Supervisor Valerie McCallum was also present. Four (4) property owners were present virtually.

Approval of Agenda: Motion made by Hoffman to approve the agenda, seconded by Lalley. All ayes – passed.

Approval of Minutes: Motion made by Lalley to approve the June 22, 2022 Minutes, seconded by Hoffman. All ayes – passed.

Public Comments: None

Correspondence:

- Building Permit Report for June 2022 – no comments
- Zoning Report for June 2022 – no comments
- Land Use Permit Report for June 2022 – no comments
- MTA Training – no comments

New Business: None

Old Business:

- Master Plan – Siver advised waiting on updates on the Master Plan and if no objections proceed to the short term rentals.
- Short Term Rentals –

Hoffman advised he looked at information from Casco Township regarding short term rentals (STR) and another nine or 10 ordinances in other communities and provided the Planning Commission (PC) with a document regarding STR's. Hoffman further advised that what he submitted to the PC was not a draft but rather a starting point for the PC to begin looking at drafting a STR ordinance. Hoffman advised that McCallum had sent out an email to the PC containing concerns expressed from property owners as Lalley and Quinn wanted to review those concerns. Hoffman advised that the PC is not looking to be restrictive on STR's but to find a balance between individuals who have houses they rent

and the community to ensure that everyone knows what is and isn't allowed and if there are problems, what mechanisms are in place to resolve the problems because law enforcement most likely will not come out for a noise violation, for example. Hoffman stated that one thing in common with the communities he looked at is that there is a registration type process and a fee associated with it, a process for safety, fire and septic issues. Hoffman stated another commonality is limiting the number of people that can occupy the STR and that if the property is only being rented for a couple weeks out of the year, there was a reduced fee or a reduced expectation as a lot of people are renting to cover their property taxes. Hoffman further stated that other communities reference their ordinances, such as fireworks, pet, boat ordinances, to address those issues and advised the PC may have to look at its ordinances to see if they need to be modified or created to address issues that come with STR.

Lalley stated that a point that was brought up is the question on whether you can run a business in the residential area? McCallum advised there have been cases and some townships have won and some have not. Lalley stated that if a business is not allowed in the R1 district, that could be the determining factor. Lalley further stated the PC may be putting the cart before the horse with investing its time if STR's are considered a business and businesses are not allowed in the R1 district.

Property owner, Phil Jameson identified himself and stated that the question of whether STR's are allowed in the R1 district is that STR's are not allowed presently but there is no one to enforce it. Jameson further stated that representative, Phil Green, has a bill pending that would prevent the local governments from establishing any rules which infringes upon STR's. Jameson stated it's up to the local government and one way to address it is to adopt a simple ordinance that states you cannot rent on a short term basis for under 30 days and effectively it will do away with STR's.

Siver asked whether the PC wants to do away with STR's. Siver further stated that after looking over the packet of concerns that McCallum provided via email, the people who wrote in favor of STR's seem to be people partaking in STR's; the people who wrote not in favor of STR's seem to be people adjacent to STR's or having to put up with people who are not as responsible as the people who wrote the letters in favor of STR's. Siver stated he doesn't want to deprive someone who wants to pay their property taxes and earn a few bucks on an investment while they're not there. Siver further stated that he was talking with someone who had a family member that was having an issue with a STR and the biggest concern was strangers cycling in and out of the neighborhood; it was an older person and it makes them uncomfortable. Siver further stated the secondary thing is parking and garbage but with respect to strangers, can you reasonably request that someone renting out have a background check done.

Hoffman stated that he couldn't find anything within the other ordinances, either within Michigan or outside Michigan that did background checks to give an approval. Hoffman further stated that the key to a lot of the STR ordinances is that whoever oversees the STR (owner/agent) needs to be available within a relatively short period of time to deal with any issue that comes up.

Jameson stated that the owner generally is not there. He stated that the house across the street from him is rented out and the owner is never there when it's rented out; he is 2-1/2

hours away and there are plenty of problems. Jameson further stated that the fiduciary duty of any elected and appointed positions of the township is to make decisions for what is best for the township as a whole, not to an individual person who wants to make a few dollars renting out their house and not a person who objects to STR's; what is best for the township as a whole and if you look at this issue, you are hard pressed to find any benefit whatsoever to the township.

Quinn stated he respectively disagrees with Jameson. Quinn stated from his prospective if you're bringing people up here to experience this community and they have a chance to rent a place, those are the same people that may buy a place or build a place; that's a benefit to the township.

Jameson stated in the township on the lake there are not many vacant lots, maybe a couple and he agrees that if you build a house that will increase the tax revenues. Jameson further stated that the detriment is, he lives one house over from the easement and people are out there getting drunk leaving their bottles, there have been other incidents such as fireworks, sex on the beach and there is nothing a neighbor can do; call the sheriff who might get in there in an hour or two. Jameson further stated he studied other ordinances, he was on the STR committee, the township doesn't have the money to implement an ordinance and enforce it.

Hoffman stated that part of what the PC is looking at is a mechanism in which the neighbors have an avenue to file complaints; that in a number of municipalities they have, for lack of a better term, a three strikes rule, and if there are three complaints that have not been resolved, the owner will lose the ability to maintain the registration to rent out the house and the owner can't re-apply for a year. Hoffman further stated that as far as where the resources come from, the owners will be registered and a charge will be assessed and if the township is going to do this, someone will be need to be involved to make sure everything is on the up and up; that is, septic, fire marshal and other things that need to be in place.

Jameson asked how is the township going to follow-up on complaints and make sure they are resolved. He stated his neighbor has already told him he isn't going to file for anything; how are you going to know that and how are you going to enforce it? Jameson further stated the benefit to the township is so outweighed by the cost and the enormous burden of the mechanism of registration and enforcement.

Siver stated that if STR's were outlawed entirely and people continue renting STR's, what repercussions would the township have? Lalley stated that if there is an ordinance in place, at least the township has some type of back-up; if there isn't an ordinance, the township has no recourse.

Hoffman stated that the township has four, five, maybe six ordinances that may have to be modified or changed to not only address the issue of renters but to also address basic things, of what makes a good neighbor. Hoffman stated that the PC would be amazed at how many municipalities have a good neighbor policy and a mechanism for complaints. Hoffman further stated that the PC has been told that the Board wants some action done but to Hoffman it goes to a much larger issue; it goes back to the key issue of the ordinary neighbors who come up with 30, 40, 50 people and leave no parking spots and

are drunk on the beach, etc. Hoffman stated the concept of the STR ordinance is one thing but it does have to go much farther than that aspect and all ordinances need to be looked at. Hoffman stated there is a community benefit; whatever the fee for STR's is going to be should cover the cost of who is hired for enforcement.

Hoffman stated that a lot of the other things are not contingent on the township; getting the septic checked every one to three years, that's on the owner. After further discussion, Hoffman stated that most people have no concept on how the septic system works. Lalley stated that if a septic system in his neighborhood malfunctioned, whether it was a rental house or someone was living there, that's an issue and he would call the health department to let them know there is something wrong with the septic.

Siver stated that people flush all types of things down the toilet which creates an issue and it should be regulated because it's a health issue. Siver further stated it wouldn't surprise him in a few instances where people represented to the health department that they had a certain number of bedrooms, which determines the size of the drain field, but they advertise on Airbnb that they have twice as many bedrooms and that many more people are occupying the rentals.

McCallum stated that back in 2007 a study was done in Lake Township on septic and the township wanted to do something like a point of sale ordinance so when a person sells a home the septic had to be up to code. McCallum stated that according to the study, 70% of the septic in the township were not compliant. McCallum further stated that the septic on a family home with limited use doesn't put an extra strain on the septic but when you start renting a place and people are coming in over and over or groups of people, it can be hard on the septic.

McCallum stated another issue is a gentleman that lives in a subdivision stated to her that he has STR's on either side of him, listed on Airbnb, and he never had to lock his doors but now he has different people next door all the time that he doesn't know and now he has to lock his doors when he never had to. McCallum further stated that the community is changing when these rentals are allowed to continue without doing anything about it.

Property owner Kathryn Annarino identified herself and Patricia Mohritz and Evelyn Dietlin. Annarino asked where she could get a copy of the proposed draft ordinance. Hoffman advised that what he did was research, that the document is not a draft proposal of any nature whatsoever. Annarino stated she has a rental property in Key West which is 5,000 square feet with neighbors on both sides and she would post the good neighbor policy in her rental for everyone to see.

Hoffman stated the township doesn't currently have a good neighbor policy but other places have them and it's a unique idea. Hoffman further stated a lot of other places post what the basic rules are for the person renting it out, contact numbers, emergency numbers, good common sense things.

After further discussion Hoffman stated the PC needs to focus on STR's and asked the PC members if they had a chance to critique anything he presented. Lalley asked if there a noise ordinance and Hoffman advised it does exist. Hoffman further stated he doesn't think the general noise ordinance is specific enough to deal with noise issues and it

should be looked at and changed to make it fit what the PC is trying to do; quiet time after a certain hour, etc. and if it's an anti-noise ordinance it's not just a STR thing it's an ordinance across the board.

Lalley asked if a good neighbor policy was available to review. Hoffman advised he found two that talked about a good neighbor policy (McCallum passed out a Good Neighbor Policy example). McCallum stated the example contains other ordinances on the back.

Lalley asked about acceptable trash receptacles and whether the township is going to dictate what type of receptacles to use. Quinn stated the PC is talking about things that overlap; the noise ordinance for example should be across the board. Siver stated why the ordinances couldn't just be subject to rentals which is a business being operated in a R1 and R2 district. Siver asked why can't there be different rules; there are different rules for commercial and residential. Quinn stated that would isolate rentals when the guy next door has big parties and may be causing more problems for the area than the rental. Quinn further stated he thinks that the ordinances should be enacted to cover everybody not just STR's.

Hoffman stated some of the general ordinances can be referenced in a STR ordinance, parking, for example, and the general ordinances may need to be looked at and modified or changed. McCallum stated the township has ordinances but there isn't a police department to enforce them but when a STR ordinance is adopted and it requires registration and the ordinances are presented, if the renters don't comply with the STR ordinance, it gives the township the option that there is a violation and the STR owner doesn't get to re-register.

A discussion ensued regarding the minimum night stay and Hoffman stated he assumes the PC is looking at between one and 30 days. Hoffman further stated that other communities have a minimum stay and asked if the PC is going to put a minimum setting in a week's time. Lalley asked if there any information the PC can get to see how frequently the STR's in the township are renting out for two nights and if it's more by the week, it's a moot point.

Hoffman stated the next steps of the STR ordinance should be to get the purpose down and then the definitions. Lalley asked McCallum if the PC can get an opinion from the township attorney as far as running STR businesses in the R1 and R2 district. McCallum stated the attorney has provided an opinion and she will share it with the PC. Lalley stated he has a feeling that some people who don't want STR's may file a lawsuit against the township if STR's are not allowed.

Hoffman stated the PC may want to look at a good neighbor policy, an anti-noise ordinance, a trash ordinance and a controlled substance ordinance. Hoffman asked the PC members to look at the document and come back with any ideas so the PC can tweak it and make sure it's not stepping over any lines.

Siver stated he was talking to the Zoning Administrator with respect to the ZBA and some of the variance requests coming in. The Zoning Administrator advised that there is

a type of consistency in the type of variances coming in. Hoffman stated something may need to be done to loosen up some zoning ordinances.

Hoffman stated the next steps of the STR ordinance are purpose and definitions, health and safety issues and rental time frames. Siver stated that using the document as a template, each PC member should go through it and the PC will compare notes at the next meeting.

Public comments: Property owner Patricia Mohritz stated she would like to add that this is a vacation destination and the STR's are on a short term basis in the summer, June, July and August. Mohritz stated that people know Caseville and love to come here and to keep that in mind when the PC makes its decisions.

Motion to adjourn made by Lalley, seconded by Quinn. All ayes – passed.

Meeting adjourned at 8:06 p.m.

Next meeting August 24, 2022 at 6:00 p.m.

Submitted by Lisa Clinton