

## VILLAGE OF SUTTONS BAY

## Via Remote Access

Village Planning Commission 420 Front Street, Suttons Bay April 13, 2022 at 5:00 pm Agenda

There will also be a Zoom link (which can be found on our website at <a href="www.suttonsbayvillage.org">www.suttonsbayvillage.org</a>) for remote attendance for those members of the public wishing to participate.

- 1. Call to order
- 2. Roll call and notation of quorum
- 3. Approval of Agenda
- 4. Member conflict of interest on any item on the Agenda
- 5. Approval of minutes -March 9, 2022
- 6. Public comment/Written communications (Reserved time for items listed on the Agenda). Please limit remarks to no more than three (3) minutes
- 7. Old Business
  - A. Accessory Dwelling Units-Discussion
- 8. New Business
  - A. Harbor Heights Introduction and Preliminary Review
- 9. Public comment
- 10. Reports
  - a. Zoning Administration Report
  - b. ZBA Report
  - c. Village Council Updates
- 11. Good of the order
- 12. Announcements: The next meeting date is May 11, 2022
- 13. Adjournment

Village of Suttons Bay is inviting you to a scheduled Zoom meeting.

Topic: Village Planning Commission Meeting

Time: Apr 13, 2022 05:00 PM Eastern Time (US and Canada)

#### Join Zoom Meeting

https://us02web.zoom.us/j/85031446406?pwd=NDBscm1HVndVR1hzYzVqZWxobmpzZz09

Meeting ID: 850 3144 6406

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# VILLAGE OF SUTTONS BAY PLANNING COMMISSION MEETING MINUTES OF MARCH 9, 2022 420 N. FRONT STREET SUTTONS BAY, MI 49682

The meeting was called to order at 5:00 p.m. by Vice-Chairperson Smith.

Present:

Feringa, Hylwa, Pontius, Smith, and Suppes

Absent:

Hetler and Ostrowski

Staff present: Fay and Kopriva

## Approval of Agenda

Feringa moved, Suppes seconded, CARRIED, to approve the agenda as presented. Ayes: 5, No: 0.

## Approval of Minutes

Suppes moved, Hylwa seconded, CARRIED, to approve the Planning Commission meeting minutes of February 9, 2022. Ayes: 5, No: 0.

#### Public Comment/Written communications

A written communication was received from Richard and Michelle Baldwin, and Fred and Nancy Elmore regarding agenda item, Accessory Dwelling Units (ADU's).

Larry Mawby stated his support to modify the Zoning Ordinance to remove the restriction on properties with ADU's and allow for non-owner-occupied properties to construct and maintain ADU's, believing it would help the housing shortage.

Yarrow Brown of Housing North supports amending the Zoning Ordinance to allow non-owner-occupied properties with ADU's to help address the housing barriers. She further stated she was available as a resource.

Lois Bahle, representing the Housing Action Committee, stated she believes it is the fastest way to add housing units by modifying the Zoning ordinance to allow nonowner-occupied properties with ADU's. She does not want it to encourage short term rentals however, and believes a six months rental time should be placed on the ADU rental and that language should be added to the Zoning ordinance stating such. Bahle stated Trudy Galla of Leelanau County announced that Esther Greenhouse, an expert in housing, is presenting on March 22<sup>nd</sup> and 1:00 p.m. via Zoom.

Fred Elmore stated that in addition to his written public comment, the current language in the Zoning Ordinance regarding ADU's is prohibiting should they decide to sell their property.

Gail Hetler stated the current language in the Zoning Ordinance regarding ADU's should remain as is, but perhaps the size of ADU's should be the same in all districts, such as, not to exceed 800 square feet.

## Accessory Dwelling Units - Discussion

Commissioners made the following comments:

- Concerns that it would encourage short term rentals (STR's) without an owner nearby.
- In the ordinance currently, an ADU can be a STR.
- Not in favor of a STR's on non-owner-occupied properties.
- ADU's should be restricted to long term rentals only.
- Does not believe that changing the ordinance is a solution to the housing issue.
- Hesitancy to take away owner occupancy without addressing housing issues.
- Concerns with speculators buying up properties for short term rental use only.
- What have other communities experienced once the non-owner-occupied restriction has been removed?
- Preference to a have a local representative nearby of any ADU or STR.
- How many qualifying ADU's can the Village actually have per the current Zoning Ordinance?
- How many STR's does Village currently have?
- Should the definition of a long-term rental be six months?
- The square footage for an ADU should be the same in all districts.
- Past experience has proven to have issues with non-owner occupied ADU's.

#### Kopriva stated the following:

- It is possible to put in the Zoning Ordinance language that would prohibit STR's in a non-owner occupied ADU.
- A reminder to Commissioners that the STR ordinance is a Village Council decision.
- The MML stated it is an option to place restrictions that ADU's cannot be used as an STR.
- The six-month requirement could be a legal issue.
- ADU's up to 800 square feet is an acceptable size.

#### **Public Comment**

Larry Mawby thanked Commissioners for considering a change in the Zoning ordinance relative to ADU's and further commends looking into what other communities are doing.

Yarrow Brown of Housing North offered to share ADU ordinances from other communities within the County. She also has some deed restriction language that could be helpful.

Michelle Baldwin owns a long-term rental and would like the Village to review the STR Ordinance for changes.

Fred Elmore believes there are 59 STR's within the Village stating there is only so much you can rent out an ADU for, but that it does allow more income for property owners.

Armanda Krantz would eventually like to rent out her ADU long term, without it being an owner-occupied property. She stated she does not like STR's and that she doesn't know her neighbors because the properties are used as a STR. She would like the old Suttons Bay brought back, stating teachers need small apartments too.

Richard Baldwin believes that long term renters do have skin in the game and do care about their rental homes.

Gail Hetler would like the term "long term renter" defined. She further asked if the ADU can be a two-floor structure.

## Reports

Zoning Administration Report – The Zoning Administrator report was submitted by Couturier and can be found in the packet.

#### Good of the Order

Hylwa questioned whether we should place a limit on the number of STR's within the Village.

Suppes researched ADU's in California, Oregon and Massachusetts. These areas have moved to non-owner-occupied properties with ADU's, but he does not know if there is a local contact for those properties. He further asked for definitions of short- and long-term rentals, such as 30 days or 6 months.

The meeting adjourned at 5:48 p.m.

Meeting minutes submitted by Shar Fay, Village Clerk.

To: Village of Suttons Bay Planning Commission

From: Sara Kopriva, AICP Date: April 4, 2022

RE: Accessory Dwelling Units (ADUs)

**Action:** Discussion. Direction to Staff on if the Planning Commission would like to move forward with an amendment

At the March meeting, the Planning Commission began discussions about changing the regulations related to accessory dwelling units to allow both the primary dwelling and the ADU to be rented and not require any owner occupancy on the property.

Section 9-2 of the Ordinance provides requirements for ADUs in the Village. (Attached for easy reference) ADUs are allowed in all the residential zoning districts, except WC, and the mixed use districts, except CB.

There was lots of discussion at the March about ADUs being used for short term rentals. A short term rental is a rental that is less than 30 days and requires a license from the Village. I have attached the Short Term Rental Ordinance for reference. This is not an ordinance under the Planning Commission's purview but is helpful in your discussion. Page 4, #11 does not allow for more than one dwelling unit permitted per lot or parcel so currently ADUs or the primary dwelling would not be able to be rented as a short term rental. I believe this will help to address some of the concerns that the Planning Commission had.

Keep in mind that you have to treat all long term renters the same and not based on if they are living in an ADU or a single family dwelling. The Village would not be able to impose longer rental periods on ADUs unless that same language would be imposed on all long term rentals in the Village.

## Section 9-1 Intent and Purpose

- A. Applicability. Specific requirements apply to all of the uses listed in this article. These requirements apply in addition to all of the regulations of the zoning district in which the use is located, as well as all other applicable requirements in this ordinance.
  - 1. Accessory Dwelling
  - 2. Accessory Cafés, Sales, Outdoor Dining, and Entertainment
  - 3. Bed and Breakfast
  - 4. Civic Buildings, Places of Public Assembly, Places of Worship
  - 5. Home Occupation
  - 6. Multi-Family Development
  - 7. Outdoor Storage
  - 8. Permanent Outdoor Sales
  - 9. Primary Caregiver Facility
  - 10. Sexually Oriented Business
  - 11. Temporary Outdoor Accessory Sales
  - 12. Wireless Communications
- B. Special Land Uses. A use identified in this ordinance as a special land use shall be established only according to the procedures and standards of Article 13. All standards listed in this article, in addition to the general standards for special land uses listed in Section 13-3, shall be met.

## Section 9-2 Accessory Dwelling

- A. Size. Accessory dwellings in the Central Residential District (CR), Newer Village Residential (NV), Single-Family Waterfront (SFWF), South Gateway (SG), North Gateway (NG), and Bay View (BV) Districts shall not exceed 600 square feet. Accessory dwellings in the Hillside Residential (HR) District shall not exceed 800 square feet.
- B. Setbacks. Accessory dwellings are subject to the setback and height requirements for principal buildings within the applicable zoning district.
- C. Owner-occupancy. The owner of the parcel where an accessory dwelling exists shall reside on the property.

## Section 9-3 Accessory Cafés, Sales, Outdoor Dining, and Entertainment

All business and service activities or uses shall be conducted entirely within a completely enclosed building, except the following uses may occur outdoors.

## VILLAGE OF SUTTONS BAY SHORT TERM RENTAL ORDINANCE Ordinance No. 1 of 2017

# AN ORDINANCE TO REGULATE SHORT TERM RESIDENTIAL RENTALS WITHIN THE VILLAGE OF SUTTONS BAY

#### THE VILLAGE OF SUTTONS BAY ORDAINS:

#### Section 1. Definitions.

As used in this Ordinance:

"Bathroom" means a room containing a toilet or urinal, a sink, and a bathtub or shower.

"Bedroom" means a separate room intended to be used for sleeping purposes.

"Dwelling unit" means a residential building or separate and discrete portion of a residential building that includes independent living facilities for one or more persons and includes permanent provision for living, eating, cooking, and a separate bathroom(s) and bedroom(s). Dwelling unit does not include hotels, motels, bed and breakfasts, or similar uses.

"Efficiency dwelling unit" means a dwelling unit that does not contain a separate bedroom(s) for sleeping.

"Habitable space" means the space in a dwelling unit used for living, sleeping, eating or cooking. Bathrooms, closets, halls, storage or utility spaces, and similar areas are not habitable spaces.

"Occupancy" means the purpose for which a dwelling unit or portion thereof is utilized or occupied.

"Occupant" means any individual sleeping in a dwelling unit, or having possession of a space within a dwelling unit.

"Operator" means any person who owns or has charge, care or control of a dwelling unit which is offered for rent.

"Person" means an individual, firm, corporation, association, partnership, limited liability Company, or other legal entity.

"Rent" or "Rental' means to permit, provide for, or offer possession or occupancy of a dwelling unit for commercial use for a period of less than thirty (30) consecutive days in exchange for consideration.

"Tenant" means a person who is not the legal owner of record and who is renting a dwelling unit.

#### Section 2. License Required.

No person shall permit or allow a dwelling unit or efficiency dwelling unit to be rented or used within the Village without first registering the rental property and obtaining a license from the Village pursuant to the requirements of this Ordinance. A license granted in accordance with this Ordinance is not transferrable.

#### Section 3. Application and Fee Requirements.

An Operator seeking a license under this Ordinance shall submit a complete application to the Village Manager or his/her designee and pay such fee determined from time to time by resolution of the Village Council. The application shall be on a form prepared by the Village and shall, without limitation, include: the address of the subject parcel containing the dwelling unit to be rented; proof of the Operator's ownership of, or the legal right to rent, a dwelling unit; name and contact information of the local representative or rental agency responsible for ensuring compliance with the terms of the license (if other than the Operator); the proposed maximum occupancy of the dwelling unit; the signature of the Operator affirming that the dwelling unit will be operated in conformance with all applicable ordinance requirements; such other information reasonably necessary for the Village Manager to determine whether the applicable standards for approval contained in Section 4 have been met; and, affirmation by the Operator that the application is true, accurate and complete and authorizing the inspections under Sections 4 and 5. It is a violation of this Ordinance for an Operator to provide inaccurate information for the licensing of a dwelling unit, to fail to provide information required by this section, or to fail to license a dwelling unit that is subject to this Ordinance. An Operator or his/her local representative or rental agency must be available twenty-four hours a day during any rental period. For purposes of this section, "dwelling unit" shall be defined to include an "efficiency dwelling unit."

## Section 4. Standards for Approval.

Not later than 30 days after receiving a completed application and any accompanying fee, the Village Manager or his/her designee shall approve, deny, or approve with conditions, an application for a short term rental license. The basis for any denial shall be provided in writing to the applicant.

- A. A dwelling unit or efficiency dwelling unit subject to this Ordinance must comply with all of the following requirements:
- 1. All bedrooms within a dwelling unit shall meet the following minimum requirements:
- (a) Every bedroom intended to be occupied by one person shall contain at least 70 square feet of floor area, and every bedroom intended to be occupied by two persons shall contain at least 100 square feet of floor area. In calculating the floor area of a bedroom having a sloped ceiling over all or part of the bedroom, only that portion of the bedroom with a clear ceiling height of seven (7) feet or more shall be included.

- (b) Except in dwelling units having only one (1) bedroom, the bedrooms shall not constitute the only means of access to other bedrooms or habitable space and shall not serve as the only means of ingress or egress from other habitable spaces.
- (c) Every bedroom shall have access to at least one bathroom on the same story as the bedroom or on an adjacent story without passing through another bedroom.
- 2. The maximum occupancy of a dwelling unit subject to this Ordinance may not exceed the lesser of:
- (a) Two (2) persons per bedroom (not including pre-school aged children)
  - (b) Ten (10) persons (not including pre-school aged children)

The occupancy limits set forth in this subsection shall be applied so as to include the entire licensed premises and shall, without limitation, include the occupancy of tents, campers or similar facilities anywhere on the premises.

- 3. The use of outdoor yard areas, open decks, pools and the like shall not result in producing adverse off-site noises, odors, other external disturbances, or other nuisances as regulated by the Village or state law.
- 4. Cultural events, special events, outdoor events, lawn parties, weddings or similar activities are not allowed on the licensed premises for more than the number of permitted occupants.
- 5. Trash disposal must be provided. Trash must be contained in properly sealed receptacles appropriately sized to avoid overflow or vermin attraction.
- 6. The Operator shall minimally comply with the applicable parking requirements under the Village Zoning Ordinance and parking spaces shall be located on the licensed premises. Parking areas must be easily identifiable as a designated parking area and improved to such a degree to function as a parking area and support the use. Boats, recreational vehicles, trailers and similar personal property may not be parked, stored, or used in an unimproved front yard area of the licensed premises.
- 7. The licensed premises shall meet all applicable building, health, fire and related safety codes at all times. Emergency contact information and phone numbers shall be posted within the dwelling unit where they visible clearly visible by or on the primary access door used by the occupants of the dwelling.
- 8. Any sign on the licensed premises must comply with applicable provisions of the Village's Zoning Ordinance.
- 9. The Operator will provide notice of the short term rental dwelling unit and phone number(s) of the Operator to all properties within two hundred feet (200') of the boundaries of the

licensed premises. Proof of notice shall be required as part of the permit application.

- 10. An Operator shall post the standards set forth herein in a prominent place within the licensed premises (Section 4.A.7) and shall include them as part of any rental agreement.
- 11. No more than one dwelling unit or efficiency dwelling unit is permitted per lot or parcel.
- 12. The licensed premises shall remain in compliance with all applicable Village ordinances including, without limitation, the Village Zoning Ordinance.
- B. Subject to the provisions of Section 7, a license shall be valid for three (3) years (January 1 through December 31) unless there is a change in the ownership of or the Operator for the licensed premises or the dwelling unit is physically altered such that habitable space within the unit is increased, decreased, or redistributed among living, sleeping, eating, or cooking areas.
- C. A dwelling unit permitting the occupancy of one (1) to five (5) tenant(s) shall comply with the following additional requirements: The dwelling unit shall have a living room of no less than 120 square feet, and a dining room of no less than 80 square feet. A dwelling unit with combined living room and dining room spaces shall have no less than 200 square feet and shall be located within the dwelling unit so as to function as a combination living room / dining room.
- D. A dwelling unit permitting the occupancy of six (6) to ten (10) tenants shall comply with the following additional requirements: The dwelling unit shall have a living room of no less than 150 square feet and a dining room of no less than 100 square feet. A dwelling unit with combined living room and dining room spaces shall have no less than 250 square feet and shall be located within the dwelling unit so as to function as a combination living room / dining room.
- E. An efficiency dwelling unit permits the occupancy of a maximum of two (2) tenants and shall comply with the following additional requirements: The dwelling shall have habitable space of no less than 220 square feet. The dwelling shall contain a kitchen that includes a sink, cooking appliance, and refrigeration appliance. The dwelling unit shall contain no less than one (1) bathroom.
- F. Upon the written request of an applicant for a license, the Village Manager may waive or modify identified standards set forth in this Section 4 based on his/her review of factors affecting the public health, safety and welfare including, but not limited to, the following: the presence of unique characteristics affecting the licensed premises; the ability to reasonably comply with the standards; the visual and aesthetic impact of the proposed waiver from the standards; the existing character of the adjacent area; public comment; the scale and scope of deviation from the standards relative to the existing character of the area; and whether granting the waiver will adversely impact public safety. Following his/her review, the Village Manager may grant, deny or grant with conditions a request to waive or modify the standards and shall provide the basis for his/her decision to the applicant in writing. The applicant shall be responsible to pay all actual costs of the Village associated with the request to waive or modify the standards.

## Section 5. On-Going Inspections and Revocations.

An inspection may be made by the Village during the term of a license following reasonable notice to the Operator. An inspection shall be made by the Village, following reasonable notice to the Operator, in response to a complaint regarding a licensed premises received from an adjacent property owner or a tenant of the licensed premises. The inspection shall be conducted to determine whether there is any observed violation of applicable fire, safety or similar codes or Village ordinances. Following written notice of a violation, reinspections shall be made as necessary to ensure noted violations have been corrected.

B.

- (1) In the event inspections or reinspections result in the issuance of three or more separate code or ordinance violations within a 12-month period, the license shall be revoked, the owner and Operator (if different) shall be notified that the approved license is revoked and the basis for the same, and the owner and Operator (if different) shall be subject to any and all applicable penalties for failing to comply with this Ordinance. The owner or Operator (if different) shall have the right to appeal such revocation, setting forth in writing the basis for its appeal and submitting its appeal within ten (10) calendar days of its receipt of the notice of revocation from the Village.
- (2) An appeal shall initially be heard by the Village Manager who shall have ten (10) calendar days following receipt of the appeal to review the action appealed from and to make his or her determination based on a review of the relevant facts, applicable laws and utilization of the standards set forth herein. In making his or her review and determination, the Village Manger shall consider, without limitation, the following factors: the presentation (if any) of the appellant; the nature and severity of the violations at issue; the impact of those violations on the tenants of the licensed premises; the impact of those violations on adjacent properties; and mitigating circumstances put forward by the owner and Operator (if different). The Village Manager may affirm the revocation, overturn the revocation or take such other action as he or she deems appropriate and consistent with the terms of the Village's ordinances and codes. The Village Manager's decision and the basis for the same shall be reduced to writing and a copy provided to the owner and Operator (if different).
- (3) The owner or Operator (if different) shall have the right to appeal a determination of the Village Manager as set forth above, setting forth in writing the basis for its appeal and submitting its appeal within ten (10) calendar days of its receipt of the determination by the Village Manager. An appeal under this subsection shall be heard by the Village Council's Administration and Public Safety Committee or a successor committee which shall have twenty (20) calendar days following receipt of the appeal to review the action appealed from and make its determination based on a review of the relevant facts, applicable laws and utilization of the standards set forth herein. In making its review and determination, the Committee shall consider the same factors as set forth in Subsection 5.B. (2). The Committee's decision shall be final and the Committee may affirm the revocation, overturn the revocation or take such other action as it

deems appropriate and consistent with the terms of the Village's ordinances and codes. The Committee's decision and the basis for the same shall be reduced to writing and a copy provided to the owner and Operator (if different).

#### Section 6. Conditions.

The Village Manager or his/her designee may impose reasonable conditions on a license issued under this Ordinance as necessary to ensure compliance with the standards for approval provided in Sections 4 and 5.

## Section 7. Short Term Rental Licensing Implementation and Renewal Process.

- A. Rentals registered or licensed with the Village under a predecessor to this Ordinance must be brought into compliance with this Ordinance no later than December 31, 2017, and such new license shall thereafter be valid for the three-year period set forth in Section 4.
- B. All other rentals in the Village must be licensed in accordance with the provisions of this Ordinance prior to being used for rental purposes.
- C. Notwithstanding any other provision of this Ordinance, all rentals within the Village must comply with the occupancy restrictions set forth in Subsection 4.A. (2) from and after the effective date of this Ordinance.
- D. Licenses may be renewed by the Operator's submission, not less than 30 days prior to the expiration of the existing license, of an application for renewal on such form as prepared by the Village and the payment of any associated fee as set by resolution of the Village Council from time to time. Licensed premises for which a renewal application is submitted shall be subject to inspection by the Village and the Village may require improvements or modifications to the licensed premises consistent with the terms of this Ordinance as a condition of approving a renewed license. Licenses obtained by renewal shall be valid for a three-year period as set forth in Section 4 and shall otherwise be subject to all provisions of this Ordinance.

#### Section 8. Nuisance.

A violation of this Ordinance is hereby declared to be a public nuisance and nuisance per se and is further deemed to be offensive to the public health, safety and welfare and shall be subject to abatement in the manner permitted by law or in equity.

Section 9. Administrative Liability. No Village officer, official, agent, employee or member of the Village Council shall be personally liable or responsible for any damage which may occur to any person or entity as a result of any act or decision performed (or not performed) in the discharge of duties and responsibilities pursuant to this Ordinance.

#### Section 10. Violations.

Any person who violates any provision of this Ordinance shall be responsible for a municipal civil

infraction and shall be subject to a fine of Five Hundred and 00/100 (\$500.00) Dollars, the costs of prosecution, and such other relief as authorized by law. Each day this Ordinance is violated shall be considered a separate violation.

#### Section 11. Enforcement Officials.

The Village Manager or his/her designee and law enforcement officials of the Leelanau County Sheriff's Department are hereby designated as authorized local officials who are empowered to issue municipal civil infraction notices or citations pursuant to this Ordinance.

#### Section 12. Civil Action.

In addition to enforcing this Ordinance through the use of a municipal civil infraction proceeding, the Village may initiate proceedings in the circuit court to abate or eliminate a violation of this Ordinance.

## Section 13. Validity.

If any section, provision or clause of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any remaining portions or application of this Ordinance which can be given effect without the invalid portion or application.

#### Section 14. Repeal.

This Ordinance shall repeal any and all ordinances or parts of ordinances in conflict herewith including, without limitation, Ordinance No. 3 of 2005.

#### Section 15. Effective Date.

This Ordinance shall become effective twenty (20) days following publication of the Ordinance, or a synopsis of the Ordinance, in a newspaper of general circulation within the Village.

VILLAGE OF SUTTONS BAY

Steve Lutke, Village President

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Date of Council Approval: <u>June 19, 2017</u> Date of Publication: <u>June 28, 2017</u>

Effective Date: July 18, 2017

VILLAGE OF SUTTONS BAY ZONING ADMINISTRATOR REPORT					
Prepared:	04/08/2022		Pages:	1 of 1	
Meeting:	04/13/2022		Attachments:	0	
Subject:	Zoning Admir	nistrator Report			

## **STAFF REPORT:**

Permits thru April 4, 2022:

- 4 Sign Permits
- 2 Commercial Tasting Room
- 1 Deck

No complaints filed as of this date.

**ACTION REQUESTED: NONE**