

# MEMO

November 8, 2023

To: Suttons Bay Township Board

From: Steve Patmore, Zoning Administrator



Re: Update of Suttons Bay Township Short Term Rental Ordinance

Earlier this year, an ad-hoc committee was formed to review the 2016 Suttons Bay Township Short-Term Rental Ordinance that went into effect starting in 2017.

- The committee met several times to review the ordinance and identified issues and suggestions that might be incorporated into an update.
- Other area short-term rental ordinances were reviewed by the committee as well
- It was decided that the ordinance should be re-organized similar to how the Bingham and Leelanau Township Ordinances are structured and several changes are proposed.
- It is recommended that the new ordinance will replace the 2016 ordinance.
- A new ordinance was drafted and reviewed by the committee.
- The new ordinance was reviewed by our township attorney, Tim Figura, and his comments were incorporated into the draft, and in my discussions with him, there were a few questions.
- Attached is the latest draft of the ordinance.

## Suggested Completion Schedule:

- We would like to have the new ordinance in effect for the 2024 calendar year rental season.
- Suggest taking public comment up to and including your next Board Meeting on December 13, 2023, and making a decision at that meeting.
- The committee will also have a chance to review and comment.
- In the meantime, we will have one last brief legal review.

Highlights of changes suggested by the committee:

- Re-organized to flow better.
- Ordinance would cover the entire township, not just the Residential Zoning District.
- There are proposed occupancy limits based upon the septic system capacity and parking spaces.
- Rental Owners will be required to notify their neighbors and submit proof.
- Owners will be required to post a "Good Neighbor Posting" and rules in their rental.

There are still a couple unresolved questions that the Board will need to weigh-in on:

1. Does the Board want to institute a lower cap on permits (current limit 150). I would recommend holding off for one year, as we do not know how many current rentals are located in the Agricultural Zoning District, then amend the ordinance as needed.
2. Parking standards & parking enforcement - working with attorney – will discuss at the December meeting.



**Suttons Bay Township  
Leelanau County, Michigan**

**Ordinance No. of 2023**

THIS ORDINANCE SHALL BE KNOWN AS THE  
SUTTONS BAY TOWNSHIP SHORT TERM RENTAL ORDINANCE.

Suttons Bay Township Ordains:

**Section 1: Purpose**

The Suttons Bay Township Board finds and declares as follows:

- A. The Township considers the current residential and agricultural character of the community paramount to the welfare of the community.
- B. The transitory nature of occupants of Short-Term Rentals can be inconsistent with the historical residential and agricultural character of the community.
- C. It is the intent of the Suttons Bay Township Short-Term Rental Ordinance to make the Short-Term Rental activity permitted by this ordinance consistent with the existing traditional residential uses in the community.
- D. Short Term Rentals provide a community benefit by expanding the number and type of lodging facilities available and assisting owners of Short-Term Rentals by providing revenue to help offset costs.
- E. The Township has received concerns involving excessive noise, disorderly conduct, overcrowding, traffic, keyholing, congestion and parking at Short Term Rental properties, as well as the potential loss of neighborhood character due to the number of Short-Term Rentals in the township.
- F. The provisions of this ordinance are necessary to prevent the continued burden placed upon county and township services and impacts on residential neighborhoods posed by Short-Term Rental homes.
- G. The township also has environmental concerns associated with the protection of water quality from over-occupancy and over-use of a dwelling's septic system.

**Section 2: Applicability**

- A. This Ordinance applies to Suttons Bay Township outside the limits of the Village of Suttons Bay and applies to all properties unless otherwise stated herein.
- B. This Ordinance applies only to the rental of an entire dwelling unit on a short-term basis as defined herein. This Ordinance does not apply to the short-term rental of



individual rooms within a dwelling unit or portion of a dwelling unit, as these types of uses are regulated by the Zoning Ordinance.

- C. This Ordinance does not apply to the following; these uses are regulated by the Suttons Bay Township Zoning Ordinance:
1. Rental of only a portion of a dwelling unit (Owner Occupied Rental).
  2. Legally permitted Bed & Breakfasts.
  3. Legally permitted and/or legally non-conforming motels, hotels, or resorts.
  4. Legally permitted and/or legally non-conforming waterfront resorts.
  5. Legally permitted and/or legally non-conforming Lodges.
  6. Legally permitted and/or legally non-conforming Campgrounds.
  7. Legally permitted and/or legally non-conforming Marinas.
  8. Adult Foster Care Facilities, Nursing Homes, or Senior Living Facilities.
  9. Other Uses permitted in the Commercial Zoning Districts.
- D. All requirements, regulations and standards imposed by this Ordinance are intended to apply in addition to any other applicable requirements, regulations and standards imposed elsewhere in other ordinances of the Township, including the Suttons Bay Township Zoning Ordinance.
- E. This Ordinance does not affect additional or more-restrictive requirements placed on the use of property (or a portion thereof) imposed by deeds, restrictive covenants, association rules, regulations, by-laws, rental agreements, *etc.*

### **Section 3: Definitions**

Unless otherwise specified herein, the terms used in this ordinance shall be defined as follows:

**Bedrooms, Number of:** A **The** number of bedrooms established and approved for a dwelling **unit** by the local health department **or municipality** on a current and valid permit or approval that was used to determine the size and adequacy of the septic field.

**Dwelling Unit.** A group of rooms located within a building and forming a single habitable unit having facilities which are used or intended to be used for sleeping, cooking, eating, and bathing purposes.

**Good Neighbor Posting.** A notice prepared by the township and posted in the Short-Term Rental unit to inform the Occupants of their responsibilities under this ordinance.

**Immediate Neighbors:** The owners and occupants of any property/lot/parcel of which any portion lies within ~~two~~ **three** hundred (300) feet of any portion of the short-term rental property/lot/parcel.

**Local 24-Hour Contact Person.** A local property manager, owner, or agent of the owner, who is available to respond to tenant and neighborhood questions or concern, and

authorized by the owner to take remedial action and respond to any violation of this ordinance.

**Occupant:** An individual living in, staying in, or otherwise having possession of a short-term rental, regardless of age.

**Owner:** The person or entity that holds legal or equitable title to the property (or portion thereof) used as a Short-Term Rental.

**Designated Parking Space:** An ~~onsite~~-~~on-premise~~, off-street designated parking area legally available to the dwelling unit for parking of a motorized vehicle or trailer.

**Short-Term Rental.** The renting or leasing of a dwelling unit for a period of time less than thirty (30) consecutive calendar days.

#### **Section 4: Short Term Rental Permit**

It shall be a violation of this Ordinance to operate or advertise a Short-Term Rental in Suttons Bay Township without a Short-Term Rental Permit, unless exempted herein.

- A. The Suttons Bay Township Board shall adopt, by Resolution, a policy covering the procedures for application, issuance and renewal of Short-Term Rental Permits. These policies may be amended by the Township Board by Resolution.
- B. Short-Term Rental Permits will be issued by calendar year, with a duration as adopted in the Township Board Policy.
- C. The renewal of an active, compliant Short-Term Rental Permit will be guaranteed if the completed renewal application is received on or before the date specified in the Township Board Policy.
- D. The Suttons Bay Township Board shall, by Resolution, adopt a fee for the Short-Term Rental Permit in the Suttons Bay Township Fee Ordinance, and may amend the fee by Resolution.
- E. A separate Short-Term Rental Permit is required for each Short-Term Rental.
- F. The Short-Term Rental Permit shall only be issued to the Owner of the property and cannot be transferred to another Owner or Property. The Short-Term Rental Permit is not transferrable and does not run with the Property Ownership.
- G. The Suttons Bay Township Zoning Administrator, and/or other persons designated by the Suttons Bay Township Board, shall be authorized to issue Short-Term Rental Permits under this Ordinance.



H. ~~The Suttons Bay Township Board may, by resolution, establish a limit on the number of Short-Term Rental Permits within the township.~~

***The maximum number of Short-Term Rental permits that can be issued by the township in any calendar year is one-hundred fifty (150).***

***(The Township Attorney recommends that if the Board wants to institute a limit or cap on the number of permits, that this limit be included within the ordinance.)***

## **Section 5: Short Term Rental Standards**

All Short-Term Rentals shall meet the following standards:

- A. Only one (1) dwelling unit per parcel may be permitted for use as a Short-Term Rental.
- B. All rental lodging is to be exclusively within the dwelling unit and not in a recreational vehicle, camper, boat, or tent, etc.
- C. Maximum Allowable Occupancy of a Short-Term Rental:  
The Maximum Allowable Number of Occupants over the age of 5 in a Short-Term Rental will depend on the number of bedrooms approved by the Health Department and the number of Parking Spaces available ***as described below.***

***The maximum allowable number of Occupants shall be the lower of the following:***

1. Maximum Allowable Number of Occupants over the age of 5 of a Short-Term Rental based upon the number of bedrooms in the dwelling unit.

The Maximum Allowable Number of Occupants over the age of 5 of a Short-Term Rental shall be based upon the number of bedrooms in the dwelling unit, in accordance with the following:

- a. The Maximum Allowable Number of Occupants over the age of 5 in a Short-Term Rental shall not exceed a total number calculated as two (2) Occupants per bedroom.
- b. The number of bedrooms shall be determined by the number of bedrooms listed on a current and valid septic system permit or determination issued by the local Health Department having jurisdiction.
- c. This standard does not impose or imply any limit on the number of occupants allowed in any single bedroom.

2. Maximum Allowable Number of Occupants over the age of 5 of a Short-Term Rental based upon the number of overnight parking spaces.

The maximum allowable number of occupants of a Short-Term Rental shall be based upon the number of overnight parking spaces provided as follows:

- a. A minimum of two (2) **overnight** parking spaces shall be provided for any Short-Term Rental approved for up to four (4) Occupants.
- b. A minimum of four (4) parking spaces shall be provided for any Short-Term Rental approved for six (6) Occupants.
- c. One (1) additional parking space is required for each two (2) Occupants approved thereafter.

D. Local 24 Hour Contact Person:

Each Short-Term Rental shall have a designated Local 24-Hour Contact Person meeting the following criteria:

1. The Local 24-Hour Contact Person shall have access and authority to assume management of the unit and take remedial measures.
2. The Local 24-Hour Contact Person must be available by telephone twenty-four (24) hours a day during the rental period and be within thirty (30) minutes travel time of the Short-Term Rental during the rental period.

E. All overnight parking associated with a Short-Term Rental shall be out of the road right-of-way and entirely on-site, in the garage, driveway or other improved stable area. ***(This standard is still being worked on)***

G. Special events, outdoor events, lawn parties, weddings or similar activities are not allowed on the site for more than the number of permitted occupants.

H. Dogs and other pets shall be governed by the Leelanau County Animal Control Enforcement Ordinance. This Ordinance requires that Pets shall be secured on the property or on a leash at all times, and that Dogs shall not be allowed to whine, yelp, bark, or howl for a period of ten minutes or longer.

I. Any discharge of Fireworks on the rental property shall be in accordance with the Suttons Bay Township Consumer Fireworks Ordinance.

J. Campfires shall be located in a ~~suitable~~ designated area **no closer than twenty (20) feet from a property line**. Fires **shall be contained in a non-flammable enclosure**, shall not be left unattended and must be fully extinguished.

K. Provisions for trash disposal must be provided. Trash must be contained in properly sealed receptacles. There must be no overflow that will be attractive to vermin. Recycling locations must be posted in a prominent location in the Short-Term Rental.



L. Septic Systems:

1. Any Short-Term Rental that is determined to have a failing septic system, as determined by the Benzie/Leelanau District Health Department, shall immediately cease Short-Term Rental operations until approved by the Health Department.
2. Short-Term Rentals using a septic system for sewage disposal shall have the septic tank(s) pumped at least once every three (3) years. Proof of septic tank pumping within the past three (3) years must be provided prior to issuance of a Short-Term Rental Permit or Renewal, unless the dwelling is connected to a municipal sewer system.

M. Quiet hours for Short-Term Rentals shall be observed every night from 10:00 PM to 8:00 AM. Noise during quiet hours must be limited to that which does not disturb the quiet, comfort or repose of a reasonable person of normal sensitivities. The Suttons Bay Township Noise Ordinance also covers noise within the township that is louder than reasonable.

O. Keyholing (Shared usage of waterfront property):

It shall be a violation of this Ordinance to advertise or allow occupants of a short-term rental the use of any separate, distinctive, non-continuous, private waterfront parcel for recreational purposes. This provision does not apply to designated, approved open spaces or parks that the subject parcel has the recorded right to use (such as Association parks).

P. The address of the Short-Term Rental shall be clearly marked in accordance with the Leelanau County Address Ordinance.

Q. Violations of any County or Township Ordinance, including, but not limited to Nuisance, Noise, Junk, Fireworks, Animal Control, or Disturbance of Peace Ordinance shall constitute a violation of this Ordinance.

## **Section 6: Owner Responsibilities**

- A. The Owner shall be responsible to notify all Immediate Neighbors of the application for a Short-Term Rental Permit, the 24 Hour Local Contact name and number, and the township Short-Term Rental Hotline number on a form acceptable to Suttons Bay Township and submit a signed affidavit to the township that immediate neighbors were notified.
- B. The owner shall be responsible to notify the Short-Term Rental occupants of the Standards contained in this Ordinance.

- C. The Owner shall post the Short-Term Rental Permit, Local Contact Numbers, and the Good Neighbor Posting in a conspicuous place in the Rental and shall provide these documents to renters prior to occupancy.
- D. The Owner shall notify the township of any changes to the Local 24-Hour Contact.
- E. The Owner shall submit an annual log of rental activity to the township for each calendar year prior to March 1 of the following year. The log must show the dates of overnight stays and number of occupants per visit.
- F. The Owner shall physically mark the address of the Short-Term Rental in accordance with the Leelanau County Address Ordinance.
- G. The Owner is responsible for notifying Occupants of the designated parking spaces, quiet hours, trash disposal, pet regulations, and campfire regulations.
- H. The Owner is responsible for the occupants of the Short-Term Rental compliance with the standards in this Ordinance. The owner shall use reasonable efforts to assure that the occupants of the Short-Term Rental do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this ordinance or any other local or state law pertaining to noise or disorderly conduct by notifying the occupants of the rules regarding Short Term Rentals and taking appropriate action to abate the violative conduct when notified that occupants are violating laws regarding their occupancy.

## **Section 7: Administration, Violation and Administrative Penalties**

- A. Suttons Bay Township may retain a firm to assist with compliance monitoring and maintenance of a 24-Hour Short Term Rental Hotline for complaints.
- B. The following conduct is a violation of the Short-Term Rental ordinance:
  - 1. Any advertising, rental, or leasing of a short-term rental without first having obtained a short-term rental permit.
  - 2. Failure by the Owner and/or Occupants to comply with the Short-Term Rental Standards section of this ordinance.
  - 4. Failure to comply with any of the provisions of this ordinance.
  - 5. Any false or misleading information supplied in the application process.
- C. The penalties for violations specified in ~~subsection (C)~~ **Section 7.1.B** above are as follows:



1. For a first violation within any calendar year, the penalty is a warning notice of violation which may be verbal and/or written.
  2. A second violation within the same calendar year shall be subject to a municipal civil infraction punishable by a fine of not less than two hundred fifty (250) dollars nor more than five hundred (500) dollars. All owners, regardless of their interest in the property, may be responsible for the civil infraction. The Township Zoning Administrator and other officials designated by the Township Board are hereby designated as the authorized officials to issue municipal civil infraction citations directing alleged violators of this ordinance to appear in court. Each day the violation remains may be a separate offense.
  3. A third violation within the same calendar year shall be subject to a municipal civil infraction punishable by a fine of not less than twice the amount of any previous fine but not more than five hundred (500) dollars, and the permit shall be revoked. An owner may reapply for a permit no sooner than twelve (12) months after revocation of a permit.
  4. If there are one or more violations each year during any three (3) consecutive year period, the permit may be revoked.
- D. A violation of this ordinance shall be a nuisance per se. The Township shall have the right to commence a civil action to enforce compliance with this ordinance.
- E. Nothing in this Ordinance shall prevent any person who has suffered, or alleges to have suffered, damage to person or property for a violation of this ordinance from seeking relief in a court of competent jurisdiction against the Owner of the Short-Term Rental.
- F. The ~~Suttons~~ Bay Township Zoning Administrator and/or other persons designated by the Suttons Bay Township Board are authorized to issue all permits under this Ordinance and is also authorized to issue civil infraction violation notices and/or civil infraction citations for violations of this Ordinance.

### **Section 8. Severability.**

If any section, clause, or provision of this Ordinance is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, said declaration shall not affect the validity of the remainder of the Ordinance as a whole or any part thereof, other than the part so declared to be unconstitutional or invalid.

Suttons Bay Township Ordinance No. 4 of 2017 is hereby Repealed. ~~as of December 31, 2023.~~

**Section 9. Effective Date:**

This Ordinance shall be published in a newspaper of general circulation within the township, and become effective and enforced **thirty (30) days after publication.**

Ordinance No. of 2023 was adopted on the \_\_\_th of \_\_\_\_\_, 2023 by the Suttons Bay Township Board of Trustees, as follows:

Motion by:  
Support by:

Roll Call Vote:  
Yeas:  
Nays:  
Absent:

**Motion Carried – Ordinance Adopted**

I certify that this true copy of Ordinance No. of 2023 was adopted at a regular meeting of the Suttons Bay Township Board of Trustees on \_\_\_\_\_, 2023 and published in the *Leelanau Enterprise* on \_\_\_\_\_, 2023.

Date of Township Board Approval:

Date of Publication:

Effective Date:

Date: \_\_\_\_\_

By: \_\_\_\_\_

**Jean Moe**  
Suttons Bay Township Clerk