

Regular Meeting of the Township Board

Tuesday, June 11, 2024

Cleveland Township

Supervisor, Tim Stein, called the meeting to order at 7 pm. Present on roll call were Jan Nowak, Todd Nowak, Tim Stein, Tracy Olsen, and Angie Diotte.  
Present from the Public - John Imboden and Cookie Currier.

Motion by Todd Nowak and seconded by Angie Diotte to approve the May 14, 2024 Minutes. Ayes: 5, Nays: 0. Motion carried.

Public Comment on Agenda- None

Supervisor's Report – Tim Stein – None outside the agenda. Tim Stein May 16 Solon Town hall for language on Fire Department. Cedar Area Rescue out to area townships for another 10 year.

Clerk Report – Tracy Olsen: Early Voting to begin soon along with election training and ordering of more election material. Spoke with Samer Bourdkani, CPA at Pyramid Tax. Due to inability to just pull past payrolls over and would have to amend those payrolls for 1st and 2nd quarter he suggests that since it would cost the township and be a lot more work that we just start with the company the first of the year and then begin the process with them. So will finish out the year with who we currently have.

Cleveland township Insurance Renewal increased by 11 % up \$1,189.00 from 2024. Bright Speed internet did increase as well by \$5 this month. QuickBooks is going up to \$60. We did pay \$60 this month when I called, they will credit us next month with the \$60 we paid and will give us 4 months at our old rate of the \$27. The old rate is for QuickBooks and one user, the \$60 rate is when you have multiple users and since Angie and I both use it but for different purposes we have separate logins. Are trying to see if we can both use it under one domain.

Treasurer's Report – Angie: May 30, 2024

Beginning Balance \$570,540.83

Disbursements -\$ 11,794.01

Revenue \$ 54,468.66

Balance \$636,803.50

Motion by Jan Nowak and seconded by Tracy Olsen to approve Treasurer's

Report for May 30, 2024 Report. Ayes: 5, Nays: 0. Motion carried

Planning Commission Report –Todd Nowak – Finished our last discussion of Agriculture District Amendments, Park Parameters and Responsibility Forestry. July 3 @ 6:45 pm Public Hearing. No pre-applications have come through.

Zoning Administrator's Report – Scott Sheehan -

Land Permits Issued:

Jason Catana 7452 S. Sullivan Rd. Farm Sign

DeNamur Contract Services 4144 S. Sugar Loaf Mtn Rd. New Home

Stephen Olson 5768 S. Lime Crest Dr. Rear Patio with Deck.

Michael Chiles 1156 E Maple Wings Dr. New Home.

Vince is setting up new computer and Andi is working on the new Adobe application Forms. I am working with an applicant still on site plan application. Just waiting on some paperwork and then I will be sending back to PC for 2nd meeting with Public Comment.

Tim Stein and Scott Sheehan did discuss the Zywicki complaint and is still pending and that has been turned over to the legal counsel.

Zoning Board of Appeals Report –Jan Nowak – None.

Maintenance Report – Tim Stein - None

Assessor Report – None- Not sure if will have a July BOR meeting if there is no business to do. Nothing pending right now. If there is a meeting it will be in the morning of the next township board meeting on Tuesday 7/9/24.

Other members – none

Old Business –

A. Review/Update Cedar Area Fire and Rescue- John Imbolden: Staff did a need assessment for second project and not spending consultant fees to tell them what we had an idea would come out of the study. Using data from both census and Housing North. No cost was listed on study need to get a cost study. See some numbers on paper since it impacts contributions moving forward.

B. Review and Consideration of Short Term Rentals Ordinance No. 2024-0514-01 (Discuss House Bill 5438, Review Legal Option – T. Figure) Defer a decision at our May 14 meeting for a chance to review the house bill 5438 which was recommended from the floor at our public hearing and also to get a legal opinion on our STR ordinance as well. Hold off making a decision on May 14 meeting and move it to old business as we move forward and at the appropriate time consider the approval of a STR ordinance in Cleveland Township. In support documentation what the House Bill 5438 really is what it entails and what the parameters are as it currently stands in committee right not sure it's going to come out of committee yet this year but we will see. Was implication at the STR public hearing that this STR bill would impact the township's ordinance. After reviewing the bill and what it entails, all this bill will complement and enhance the Cleveland Township Short Term Rental Ordinance. This act entails that house bill 5438 would allow department of licensing and regulatory affairs, LARA, to create a STR database and each year STR owners would be required to file a certificate with LARA the state that includes the following information the name and address of the owner, address of the short term rental, certificate showing that the owner has a million dollar liability insurance coverage for the STR, emergency contact information for the STR, Emergency contact person must reside within a 30 miles of the STR. STR owners must register with the State. Million dollars STR insurance and that it must be maintained unless AIRBND or VRBO maintains an equal or greater coverage. They must post in every room of the STR the owners emergency contact information, local emergency services, a floor plan with escape route, and provide a carbon monoxide detector, smoke detector, and fire extinguisher in each bedroom. A bit more in depth than our township ordinance. They see this as a big issue throughout the State. This act will entail an excise tax on all STR rentals that are rented for more than 14 days per a year. The rate of the tax would be 6% of the occupancy charge. Proceeds from the tax would be disturbed as follows, the lesser of 1% or 1 million dollars to LARA, and state treasurer for administration of the act. The remaining proceeds to the local government where the tax is paid. Not only would local government receive tax revenues from the act they would also receive payments for fines charged for violations. LARA is in a position to monitor and issue violation notices. Owners who violate the act would be liable for a civil fine up to \$1,000 per violation and the hosting platforms such as AIRBND and VRBO, and others there are 7 listing platforms right now that are viable right now up to \$5,000 per violation to them as they can be fined for listing properties on their platforms that are not meeting the state requirements here. One notable prevision of the act is the probation of hosting platforms facilitating bookings for STR that have not received a valid permit, license, or registration if required by the local government. So if we require a permit or registration the LARA act supports our ordinance. Additionally local governments expression ally are allowed to enact and enforce reasonable regulations and up hold zoning decisions for STR that do any of the following safeguard the public health safety and welfare, determine the number of STR permitted, establish a process to reduce or expand the number of STR units permitted and establish a process of revoking a permit for STR. Our proposed 2024-0514-01 Short Term Ordinance checks all the boxes. If this act becomes law, it

would prohibit local governments from in acting or enforcing any ordinance rule or regulation that has the effect of totally banning STR. It would eliminate any municipalities in the State of Michigan from banning STR. Encouraging any local municipalities to have a STR to support what they are trying to put together. This House Bill 5438 which contains the act was just introduced in February has a way to go before it becomes state law still in committee. Acknowledged our commitment to the group at the Public Hearing to review the house bill 5438 and how it will impact our STR ordinance. Written statement from our legal counsel along with subsequent redlining of our documents taking into consideration what he highlighted here. Nothing major impacted our ordinance but to clarify certain things and agree with everything he said. A few of the areas to acknowledge because if the zoning and enabling act he said to remove Zoning from our STR ordinance which we already said we were going to do because we wanted to have a standalone ordinance that would fall under our township police's power municipalizes civil infraction laws. Because of that he also recommended the zoning administrator not be identified as the person in power to enforce the ordinance. He recommended we have a STR enforcement officer. It can be the same person but have a different title. He can act in 2 different arenas with two different titles. We do include a limit on the number of permits being issued on the onset but we also provided for in our recommended support documentation to the ordinance the ability to change the limit. Have the ability to adjust the numbers given the demand. Made the recommendation provisions that the lawyer recommended. This resolution will give us the ability to amend certain items within the ordinance such as enforcement date, permit fees, administration, application process, and the amount of permits we issue in a given year.

Motion Made Jan Nowak and supported by Todd Nowak Approve the STR Ordinance 2024-0514-01.

Following Resolution was made on 6/11/24 The Resolved Short Term Rental Ordinance 2024-0514-01. Having been reviewed and discussed be added as a township ordinance and enforced under the municipal civil infraction procedure. Therefore it is agreed by the approving votes noted the signatures below the majority of the members of township board approve this content of this resolution. The members of this board are authorized to form the acts to carry out this resolution. Therefore we need a roll call vote.

Roll Call Vote

Jan Nowak - Aye

Todd Nowak – Aye

Tim Stein – Aye

Tracy Olsen – Aye

Angie Diotte – Aye

Post Ordinance in the Enterprise and website and effective 30 days after posted. Second phase 2024-0514-01. Resolution that gives us the ability to do future administration and amendment to the Ordinance that was just passed.

On June 11, 2024 a Resolution was made by Tim Stein and seconded by Jan Nowak adopted ordinance 2024-0514-01 Cleveland Township Short Term Rental Ordinance contains provision that the Cleveland Township Board may establish procedures for administering its ordinance and whereas the STR ordinance contains provisions for Cleveland Township board may establish a permit fee for permit fees issued under this ordinance now therefore it be resolved that the Cleveland Township Board established the following procedures and fees for implementing a STR ordinance so the enforcement date is January 1, 2025 publication of notice will be in the Leelanau Enterprise. Cleveland Township will place on the website the ordinance, application forms, policy, and updates as STR permits. Permit fee will initially be established at \$350 upon anticipated cost to administrate this ordinance can be adjusted by the Township Board at any time by resolution or by amendment to the Cleveland Township fee Ordinance. Ordinance administration the ordinance states that the Cleveland township STR enforcement officer will be the administrator of the STR ordinance. Applications for the calendar year 2025 will be accepted starting October 1, 2025 by mail PO Box 64 Maple City MI 49664 the renewal will begin October 1, the following year must be in place by March 1 of that year.

Resolution Vote

Roll Call Vote

Jan Nowak - Aye

Todd Nowak – Aye

Tim Stein – Aye

Tracy Olsen – Aye

Angie Diotte – Aye

Resolution Adopted by Cleveland Township 2024-0514-01 June 11, 2024.

No further discussion

New Business – Tim Stein – Discuss the resignation of Victoria Sutherland for Cleveland Township Planning Commission. She has served on the board for ten years. More time over in Italy and the time change of attending the meetings via Zoom over there and spending less time in Michigan. She has given notice till 10/1. We have 90 days to find a replacement. If we know of anyone that wants to serve on the Planning Commission. They do not have to be a resident of the township to serve.

Motion made by Tim Stein and supported by Todd Nowak to accept the resignation of Victoria Sutherland on 10/1/24. 5 Ayes, 0 Nays. Motion Carried.

G.) Payment of Bills

Motion made by Todd Nowak and seconded by Angie Diotte to approve payment of bills for June 11, 2024. 5 Ayes, and 0 Nays. Motion Carried.

E.) Correspondence - Letter from a reality company started a project by Manitou Passages development plan 3 different style of houses up there lots of empty lots. New Development/ Reality Company. New undertaking going on.

F.) Open Public Comment – Cookie Currier mentions that residents are unaware of the township meetings that she did not see it in the last addition of the Enterprise and doesn't feel residents come out to the meetings since they are unaware of them. Meetings are always listed on the township website and should be in the Enterprise as well.

Motion made by Todd Nowak seconded Tim Stein to adjourn meeting at 7:59 pm.

Tracy Olsen, Clerk

Approved by Tim Stein, Supervisor