

Short Term Rental Registration Ordinance – How Did We Get Here?

1. Water, Sandy Beaches, hiking, biking, gardening, a sense of community (that comes in all different forms, shapes and sizes) - these seem to be a shared set of things we value in Empire. Let's not lose sight of that. Meg said this in February - we all hold an affection for our Village, this Village. That is the place from which I want to start - Common ground and common understanding.
2. Given all the communications (letters, phone calls, texts, emails), as a Council, we have read most of them or the committee has, the Council has not made comment. I believe we have done so - not out of neglect, but out of respect. To allow the work of the committee to happen without interference. But, I fear that our silence (with all the good intentions behind that) have been twisted.
3. Honest people have honest differences in opinion.
4. General Purpose of a committee in government: Committees are intended to help research complex issues facing village councils. It is to sift and analyze data and then **make recommendations**. The hardest thing about committee work - from both inside and outside is that **committee members are advisors to the Council. The ultimate decision making authority rests with the Council. A council elected to represents the interests of all.**

This exercise was a great teacher; some patterns unfolded and some lost opportunities that can still be captured exist. That with just a reminder of purpose, goals and innovative thinking - perhaps sprinkled with some fairly dust (a reference to the movie Draft Day), the Council will have given time and space to this issue of short term rentals, will have demonstrated that no one is step child and that we are all in this together.

Seasonal Rental¹/Short Term Rental Timeline

April 2019 – Village Council discusses possible need for an Ordinance for short-term rentals. Dr. Chris Grobbel (Empire ZA and contract planner) is tapped to help. His advice: Need to identify problem to solve and expectations of a finished project are discussed. A committee structure of 1 council member, 2 planning commissioners, a property management representative, and short and long-term property owner that may be affected was recommended. The process needs to begin with an inventory of existing housing and defining the types.

June 13 - July 2019 - Grobbel reiterated the membership criteria and to expect no particular outcome. Various Council members volunteered to serve. A possible charge was also submitted. President Alysworth brings forward charge for the short-term rental committee and appointments are made - (complier note: there was an application process, but could not find reference to such in minutes). Additional item added was inventory of seasonal homes.

¹ There was a conscious effort, at the time of the finalizing the Master Plan to refer to these rentals as seasonal rentals for two reasons: 1) The Empire area offers visitors attractive recreational opportunities through the year (hence, seasonal) and, 2) The term Short Term Rental was seen as "negative".

August 1, 2019 - Seasonal Housing Citizens Committee kick off email from Committee Chair Avis.

Charge:

- Define short-term², long-term and seasonal homes.
- Create a housing inventory of long-term, short term, and seasonal homes and plot those on a village map.
- Research and best practices including ordinances and management practices, along with specific rules and procedures used by management companies and private renters and,
- Produce a report including an executive summary, maps, and documentation.

(Noted in the report itself: "This committee is not charged with creating or recommending an ordinance to regular short-term or long-term rentals.").

September 4, 2019 - Village Master Plan is approved. Page 27 (pages 40 and 41 have important data). (Complier's note: Avis was on both the Master Plan committee and Planning Commission - **this demonstrates the effort to align MP with STR**). This is the first time in a Master Plan where the description of the complexity of the issues of seasonal rentals in Empire was raised. "There must be a balance between encouraging tourism's economic benefits, while minimizing negative impacts to the population and housing market. Communities can research how other communities – locally and across the United States—are identifying methods to ensure proper balance in meeting the needs of year-round residents, seasonal residents and seasonal rentals. **Careful study of the issues is an important step for the Village of Empire to begin the process.**"

March 24, 2020 - Committee completes their work.

March 2020 - August 2020 - COVID

September 10, 2020 - The Short-Term Rental Report is released to the Council. Highlights and Recommendations

Highlights:

- Short-Term and Long-Term Rentals have a long history in Empire. Much of that was word of mouth.
- A way that Empire is like all other areas along the Lake Michigan shoreline is the VRBO and other web-based platforms expanding the advertising reach which has increased the number of STR's in the Village and surrounding areas.

Recommendations:

- Create an ordinance that safeguards short-term rentals, while promoting the development and balance of permanent housing needs in Empire.
- Set a short-term Rental Cap.
- Make zoning changes.

² This committee made the shift from seasonal to short term at some point in the process. The Master Plan uses the phrase seasonal rental.

September 2020. Council considered if developing a zoning ordinance was the answer. Continued discussion of maintaining a balance for both the businesses and year-round residents in the Village. Licensing or fees were noted for a future discussion. A motion made at the regular meeting in September to send the writing of a short term rental to the PC. Motion failed.

October 2020. Discussion on the STR report continued. Setting a cap, rentals taxing the septic systems were discussed as was creating a simple, generic registration. Problems in Empire are not the same as in other places. Trustee Skrocki reviewed possible criteria required for simple registration and the need to rely on the good nature of people. The October regular meeting, Chase submitted a DRAFT that initiated a lively discussion. The focus was a registry.

November 2020. Meaty discussion about STR. Great reading. Inspections, local contact, to regulate or register, how much information is needed, important to look ahead and not be caught off guard in the future, cap to no cap, fabric of community impact, lots of homes are "summer" homes, some council members have no idea if they are STR or not. Grobbel (Village contract planner) felt a registry is a good place to start, followed by Planning Commission input. A member of the STR report committee, commented that they had always assumed that the issue would go to the Planning Commission. Discussion moved to December 2020 meeting.

January 2021. There was consensus that a registration may assist in monitoring as described in the Master Plan, but an ordinance is not needed at this time. A sub-committee to develop a registration form was suggested. Information content for such a form was discussed. Davis appointed Chase, Palmer, and Skrocki as a sub- committee for 30 days to draft a registration form.

March 2021. A Registration Form as developed by the sub-committee was reviewed. A fee would require an ordinance and completion of a registration form would be voluntary. There was discussion of how to mail to all property owners and possible costs. There was consensus to continue the discussion. A motion was made to create another committee to create a cover letter for the registration form. That motion failed.

June 2023. Questions about STR were raised. What impact are they having, how many are there, what are the best practices in villages similar to Empire, how are they viewed by the community and what can we do. Before moving forward, a request to attempt to identify an increase or decrease was made. At the regular meeting in June 2023, a request to create a committee was made and the charge - written at the table that night - was put in place. Included in that document was a recommendation for a public hearing.

The charge was:

1. Review and update the knowns from the last STR study
2. Research and following questions:
 - a. What is the problem that needs to be solved
 - b. Does the Village benefit from having STR's
3. Identify Ordinance options for the Council to consider for addressing the actual issue. What impact does each option have on the Village operations and budget?
4. Schedule a Special Council meeting where this information and data is shared with time for a public hearing.

- a. All presentation materials must be posted allowing members of the public to review the information at least 5 days prior to the meeting.
- b. The purpose of the public hearing will be to solicit input from members of the public about the need for a seasonal rental ordinance.

November 2023. The STR Committee assigned the task of updating the 2020 report presented the update to the Council. A motion to approve or accept the update was withdrawn. No public hearing was held to solicit input from members of the public about the need for a seasonal rental ordinance or options for an ordinance was scheduled.³ Following the withdrawn motion, a motion to form another committee to draft a single ordinance was made.⁴ Two members of the drafting committee were to be council members and they were immediately appointed at the meeting. The other two members were to be recommended by the Planning Commission to the Village President for appointment in December.

April 2024. The drafting committee has held numerous meetings and reviewed many ordinances from other municipalities. At this writing, they are continuing to refine and redraft with an expected recommended draft to be submitted in May.

Those are the facts.

The 2020 report listed two key opportunities that council members in 2020, 2021 and most recently, in 2023 completely missed. This author believes those two key opportunities (with a little tweaking) could have - could still be - game changers and bridge builders. They are:

- 1. Special small town character could be promoted/enhanced/maintained with a practical Seasonal rental regulatory approach.
- 2. Promote a sense of respect between neighbors and renters.

This is a different way to view this issue. If we adopt this view, the Council and the public will no longer be forced to take problems that are problems for everyone and give them greater weight for STR such as:

- Trash
- Traffic
- Events
- Overcrowding (although THAT may still come up).

The focus becomes identifying and meeting the needs of our diverse and growing community. Where a Village Ordinance can be adopted neighborhood, by neighborhood, even street by street. Will that take some work. You bet. Will the Village need to expend funds to hire a planner to help. You bet. Will it help reduce the fractures in the fabric of the community? You bet. Is this really possible? Yes. Two

³ Bacon recognizes the imperfect nature of the charge. Presentation and Public hearing (in her mind alone) were a presentation on the various Ordinance options (lots of regulations, registration, no ordinance) - not simply zoning or police. Public hearing would have been to get input from public on those options.

⁴ I am, with purpose, not writing out that motion as controversy over the meaning has been raised which ultimately serves no productive purpose.

experts I spoke with yesterday (Wednesday) - one from MSU (Citizen Planner trainer) and a Traverse City based planner said it was. In the spirit of full transparency, our former planner and ZA, Chris Grobbel advised against this approach back in 2020. But isn't it worth exploring? Isn't it worth considering for the health of our community relations?

2019 Master Plan

“There must be a balance between encouraging tourism’s economic benefits, while minimizing negative impacts to the population and housing market”

“Careful study of the issues is an important step for the village of empire to begin the process.”

BACON April 11/25 2024

March 2020 STR Committee Report

1. Create an ordinance that safeguards short-term rentals, while promoting the development and balance of permanent housing needs in empire.
2. Set a short-term rental cap
3. Make zoning changes

BACON April WS 2024

2023 Update

“It is the committee’s view that is in the best interest of the Village to preserve and maintain the residential community character of the Village by limiting the STR allowed in the Village.”

BACON April 15 2024

Opportunities 2020 (and 2024?)

1. Special small-town character could be promoted/enhanced/maintained with a practical seasonal rental regulatory approach.
2. Promote a sense of respect between neighbors and renters.

Braun April WS
2024