

Milton Township
Planning Commission
Unapproved Meeting Minutes
November 12, 2019

Members present: Chairman Hefferan, Kingon, Cole, Lefebvre and Merillat.

Members absent: Kopkau and Murphy.

Also present: Weizapfel and 16 audience members.

Hefferan called the meeting to order at 7:00pm.

Approval of meeting minutes dated October 15, 2019:
Minutes approved as presented by **unanimous consent**.

Township Board Report:
Cole said the Paddle Antrim proposal was approved last night.

ZBA Report:
Kingon said the ZBA will meet again this Thursday to approve the minutes from last meeting.

Agenda:
1. Public Hearing: Vacation Rental Ordinance Draft 12.
2. RV Park Subcommittee Report.
3. Event Barns Discussion.
4. Set agenda for December meeting.

Public Comment:
No one wished to speak.

Approval of Agenda:
Motion by Lefebvre to approve the agenda as amended. Seconded by Kingon. **Motion carried**.

1. Public Hearing: Vacation Rental Ordinance Draft 12:
Hefferan discussed the procedure of the public hearing.

Lefebvre declared a conflict of interest and will not participate.

This hearing was advertised in the Elk Rapids News October 24, 2019.

Kingon read from prepared notes dated November 12, 2019 regarding the history of this issue.

Questions from the Audience for Information:
Mark Keeley of Elk Rapids asked regarding the survey. Is that 18 years old? Yes. There has not

been once since? No.

Barbara asked regarding why seven days is the minimum. Kingon said it was done because the turnover of people. Keeping it seven days kept the turnover less than a daily turnover such as a motel or hotel. Cole confirmed this statement. Why is the turnover a problem?

Jerry Markley said if you are following all the rules and you are having no impact on the neighbors, then the number of days should not matter.

Barbara asked regarding the date 1975. This is when the zoning ordinance took effect.

Ryan Merchant asked regarding the septic permitting addition to the current version. Hefferan explained the history of having septic inspections on rentals. The health department could not assist us, and we could not manage that ourselves. The health department has recently said they would partner with us and we were able to add that back into the ordinance. Kingon also said that during the last public hearing, it was stated that many people thought this should be included. The concern is that rental septic are being overloaded. When the rental permit is initially requested, there would need to be a copy of the septic inspection application in order to receive the rental permit.

Dale Gaylord asked where the violation fine amount came from. It seems excessive. Hefferan said there is no fee for the first violation, only for the second and third violations. Kingon said these are standard fees. We have seen situations like what you describe, but we have also seen people who can rent for \$5,000 per week so we have to try to find a middle ground on the fines. Gaylord asked who will monitor this. We currently have an ordinance that requires much of what is in draft 12. We require permits but people are not getting permits. Since the internet rental companies began exploding the growth of short-term rentals, there are now companies to help monitor this. We are working with Host Compliance to help us monitor this ordinance.

Barbara asked why there is no noise ordinance. Cole said we cannot get an adequate response from the police for a noise ordinance. If the noise is stopped before the police get there, it is hard to enforce. It would receive a lower priority from the police than other issues that might arise. We do have some steps that we can take in the ordinance and go before a judge.

Ryan of Kewadin asked what the penalty is for not registering a weekly rental in reference to a letter he recently received. Cole read from the ordinance. The first violation they would get a notification by certified mail. Under the current ordinance, the \$500 penalty is valid. It would not happen until the third violation and has gone to court. The proposed amendment increases the penalties.

A citizen said a fair amount of work has gone into this. Has there been any economic studies done regarding short term rentals? Hefferan said we know how many there are, but we have not done an economic study. The only other governmental organization that would be a part of this would be the health department.

Dale Gaylord asked if this is for AG zoning. It includes all vacation rentals in all zones. The village zone is exempt from the 6-week limitation.

Barbara asked about renting two weeks out of one month. The reason is it protects the neighbors who wish to use their homes without having to deal with renters.

Merillat read/summarized written correspondence:

Letter in support from Fred Farage of Rex Terrace.

Letter providing suggestions regarding changes to the ordinance from Greg Chadwell of Mackenzie Drive.

Letter providing suggestions regarding changes to the ordinance from Gary and Geraldine Markley of SW Torch Lake Dr.

Letter from Matthew D. Vermetten of Pezzetti, Vermetten and Popovits, PC suggesting a timeframe for approval of the updated ordinance.

We have also received a mark-up copy of the ordinance from Dennis Ireland. Merillat went through the suggested modifications.

Those speaking in support:

Bob Ford of NW Torch Lake Drive said he has attended 90% of the subcommittee meetings and the last public hearing. The commission has struggled to find a balance between those wishing to rent and people who live near rental homes. I was impressed with the way they evaluated these issues and came up with this document. I support this ordinance draft.

Jerry Markley said he support parts of draft 12.

Those speaking in opposition:

Don Watkins of NW Torch Lake Drive. He is also been involved in this process. There are parts of the ordinance he would like to see changed, but there are parts he strongly supports. It will never be perfect. What we have is good enough. It strikes a good balance between owners and neighbors who are renting. This is not just a problem in Milton Township. It is a problem all over the country. I am glad the township has stepped up and is protecting the nature of our community.

Sue of Powell Road asked if there is a difference between homeowners renting a room in their house and being on-site. Owners on-site are considered a bed and breakfast. We wanted to separate weekly rental from this. A bed and breakfast is allowed by a special use permit. It must be in the home and not a separate unit.

John Peal of Torch River Marine said he previously owned a motel at Torch River. Once rentals were allowed, it wiped out his motel business, but his boat rental business went through the roof.

There are economic impacts.

Logan Thomas of Bridge Street: My concern is economic. It is hard to make it up here when there is not a lot of industry and it may hurt a lot of business in town if it is limited.

Mark Keeley of River Street, Elk Rapids: He owns a property management company and he represents 49 properties. He has two full time employees which cost him \$60K per year. As I represent homeowners, when I bring on 15 homes, I take on a new employee. Having an updated survey would be helpful. If you were to update the survey and get input from everyone, it would be a good way to have a good feeling of those in the township. I would encourage this to be a living document and ask the township to continue to look at this. Looking at the nature of our communities, there are people on the side of more regulation. However, having year-round rentals encourages economic year-round activity.

Nick Lefever of Antrim County read a letter he wrote regarding the economic impact rentals have on our area and making suggestions regarding changes to the ordinance.

Ryan of Kewadin said the impact that rentals have is valuable to our economy. There is no economic data or research showing what could possibly happen. A new survey should be taken. He objects to the six-week rental restriction.

Barbara of SW Torch agrees with everyone here who disagrees with the number of weeks allowed to rent. This is an economic issue. People will suffer and it will be the local people.

Ryan Merchant of Kewadin said three of four homes he is currently building are people who have vacationed here and want to live here permanently. I am in support of keeping our area beautiful, but the six-week max is too harsh. There should be more of a balance in the other direction.

Dale Gaylord of Rapid City said the violators are often people who have family and friends staying at their homes.

Mark Keeley said regarding keeping this a living document, in Traverse City, they are talking about a hotel tax which goes toward tourism. Their budget is larger than the whole city budget. The point is there is a big push for the internet rental companies to bring in someone who can enforce the rules. There is also new technology. You could require a decibel meter at the house that would timestamp the violation and send it to the township.

Barbara asked about what will happen going forward. Hefferan said the living document is a great point. We are on version 12 and it is living a life already.

Bob Ford said to remember that this is a residential area. Please remember that. We are not always trying to create dollars in a residential area.

Hefferan said balance is key and that is what we are trying to do. It will not be perfect. I

appreciate all of the comments.

Logan asked that we look at the economic impact again.

Barbara asked regarding when we have meetings. Hefferan said we have had meetings about this countless times over the last two years. We could talk about this until we are old, but we have to make a decision.

Ryan Merchant asked regarding the septic portion of the ordinance. Kingon said this will be a one-time inspection and if they identify issues they will discuss them with the owner. It will be specific to the inspection. We have a whole process in place for this.

Hefferan closed public comment and began deliberations.

Hefferan asked if our role is to pass this on to the township board. Correct. If we pass this on to them, do we make a recommendation to them? Cole said our act of passing it on to the township board is seen as a recommendation. There could be other viewpoints and it would be my responsibility to pass that on to the board. The township board will deliberate and then make a final decision. The township board requested that we come up with a system to regulate rentals in a manner that will not change the nature of a residential district. The goal of renting should be to cover taxes and upkeep of the home, not as a way to generate income.

Hefferan said we are trying for balance and to keep this as a living document. I hear many people talking about the economic impact. I keep coming back to finding balance. Our Master Plan tells us what we are supposed to do. It states township decision makers should balance decision making with private property owners and allow and control home occupations and protect water quality. I feel that our zoning ordinance is a living document. We look at it regularly. We must have a place to start.

Merillat said that in one of the letters six weeks was described as arbitrary. We have data on why six weeks was chosen, and this is what the board asked us to do.

Cole said we have hit as close to a balance as we can. We have opposing sides. Those wishing to maximize their income using short term rentals and those who would like to see no rentals at all. There is additional noise and disruption from rentals. It has been a two-year process. Everything discussed here has been discussed before.

Kingon said we are faced again with many people who see six weeks as too restrictive and others who see it as too liberal. I feel comfortable moving this forward to the board. Looking at the economic impact, it is also a balance. Rentals can increase the cost of homes. It can also devalue the neighboring homes. It cuts both ways. We have proven with this ordinance over the last seven years that it is a dynamic document. The only change we are really making in here is the six weeks. I am comfortable moving this forward to the board and let them wrestle with this issue.

Weinzapfel said the board was originally looking at renting four weeks.

Motion by Kingon to recommend the adoption of amendment 02-2019, an amendment to 113.000 the Milton vacation Rental Ordinance 02-2012 as amended in 2018. Seconded by Cole.

Discussion: Regarding the date this ordinance is in effect, Hefferan said he does not believe this should be implemented immediately. January 2021 seems to be a fair time to start this which would mean that we would operate under our same ordinance for another calendar year.

Merillat said you could make a motion that we go on record recommending an implementation date. It should not be part of this motion.

Roll Call:

Cole: Yea; based on the fact that we have come to a balanced decision for all of those involved.

Kingon: Yea; based on we have made a reasonable amendment in v12 that meets many of the concerns that were raised by the public during the process.

Merillat: Yea; I have reservations on six weeks limit, I think it should be more, and also because of the transient nature of the renters. It fulfills the ask of the township board.

Hefferan: Yea; We were tasked by the township board and we have completed it. I am comfortable with the fact that this is consistent with the Master Plan 8-5.

Motion carried 4-0.

Cole asked if we want to discuss when this would be in effect? Vermitten suggested we give them time to adjust. Hefferan said this should be up to the township board. Kingon said the board can set the effective date.

2. RV Park Subcommittee Report:

Merillat said the subcommittee met on October 24 and reviewed the proposed changes to the ordinance. This changes the square footage of individual sites and eliminates the dimensional sizing. The subcommittee recommends calling for a public hearing next month.

Motion by Merillat to call for a public hearing on December 10, 2019 on proposed changes to 117.1605 as outlined in draft 1 dated October 24, 2019. Seconded by Lefebvre. **Motion carried.**

3. Event Barns Discussion:

Lefebvre said given the lack of participation of the original person who approached us, we should remove the subcommittee, but start a new subcommittee for special events in the ag zone. Hefferan and Merillat will be on this subcommittee with Lefebvre. A date will be set for a meeting after the holidays.

4. Agenda for December Meeting:

1. RV Park Public Hearing.
2. Small Public Assembly Building Public Hearing.
3. Public Hearing request for rezoning.
4. Set meeting date for Special Events in Ag/Ag Tourism
5. Set agenda for January

Meeting adjourned by order of the chair at 9:15pm.

Respectfully submitted,

Joseph Merillat