

**TOWNSHIP OF SAUGATUCK
ALLEGAN COUNTY, MICHIGAN**

ORDINANCE NO. 2016-01

**AN ORDINANCE TO AMEND CHAPTER 8, ARTICLE V, OF THE TOWNSHIP OF
SAUGATUCK CODE TO REGULATE SHORT-TERM RENTALS**

The Township of Saugatuck Ordains:

Section 1. Amendment. Chapter 8, Article V, of the Township of Saugatuck Code, entitled "Single- and Two-Family Rental Dwellings, Property Registration and Safety," is hereby amended to read as follows:

Sec. 8-100. Findings and purpose.

- (a) *Findings*. The Saugatuck Township Board finds that dwellings and dwelling units that are leased or rented to the public, when improperly maintained, in terms of their structures, equipment, use or occupancy, may adversely affect the public health, safety and general welfare. The township board establishes these regulations to correct and prevent unsafe conditions that may exist within properties not originally intended or constructed for non-owner occupancy, to establish mechanisms for the continued safety of single- and two-family rental housing within the township, and to promote the public health, safety and general welfare of its citizens.
- (b) *Purpose*. This article is intended to protect and promote the health, safety and welfare of all the citizens of the township by requiring the registration and permitting of single- and two-family rental dwellings in the township along with proper fire safety facilities and equipment. Rental dwelling registration, when combined with periodic inspections of certain habitable area and exterior accessibility aspects of the property, will aid in the enforcement of the minimum standards for safety from fire and accidents.

Sec. 8-101. Authority.

This article is adopted under the township's general regulatory authority to adopt ordinances for the protection of the health, safety and welfare of its inhabitants under the Township Ordinances Act, MCL 41.181 *et seq.*

Sec. 8-102. Definitions.

The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- (a) *Bedroom*. Room which is intended, arranged, and designed to be occupied by one or more persons primarily for sleeping purposes, as determined by the zoning administrator. A bedroom must be not less than 70 square feet and not less than 7 feet in any dimension.
- (b) *Dwelling, single-family* means a detached building or structure, including a mobile home, containing one dwelling unit, designed for the use and occupancy of one family only and containing housekeeping facilities.
- (c) *Dwelling, two-family (duplex)* means a detached building or structure containing two dwelling units, designed for the use and occupancy of one family in each unit with each unit containing housekeeping facilities.
- (d) *Dwelling unit* means one or more rooms designed for use or occupancy by one family for living and sleeping purposes with housekeeping facilities.
- (e) *Designated agent* shall mean an individual designated to perform obligations under this article and to serve as contact person for the Township for issues relating to a rental property. The designated agent must live or maintain a physical place of business within 45 miles of the rental unit.
- (f) *Maximum occupancy load means* the maximum number of allowable occupants for a rental property, as established in section 8-107(d).
- (g) *Occupant* means an individual living in, sleeping in, or otherwise having possession of a space.

- (h) *Owner* means any individual or other person holding legal or equitable title to a property or to real improvements upon a property solely, jointly, by the entireties, in common, or as a land contract vendee or title to a mobile home or house trailer.
- (i) *Premises* means the land and the improvements on it, such as a building, store, shop, apartment, or other designated structure.
- (j) *Property* means land, firmly attached structures and integrated equipment (such as light fixtures or a well pump), and anything growing on the land.
- (k) *Rental dwelling* means any dwelling, including a single-family home, two-family home, or mobile home, containing a rental unit.
- (l) *Rental property* refers generally and collectively to all types of rental dwellings and units.
- (m) *Rental unit* means a particular living quarters within a dwelling intended for occupancy by a person other than the owner and the family of the owner, including mobile homes, single-family homes, apartments, hotel/motel units, and rooming units.
- (n) *Short-term rental* shall mean the rental of any rental unit for a term of less than 28 days, but does not include the use of campgrounds, hotel rooms, transitional housing operated by a non-profit entity, group homes such as nursing homes and adult-foster-care homes, hospitals, or housing provided by a substance-abuse rehabilitation clinic, mental-health facility, or other health-care related clinic.
- (o) *Violation* notice means a writ issued by the Township Zoning Administrator, advising an owner, or his agent, of a violation of this article. Violation notices shall list all infractions and corrective measures necessary to comply with this article and a period within which corrections must be completed.

Sec. 8-103. Applicability.

This article applies to single-family or two-family dwellings located in Saugatuck Township and to all persons owning or exercising control over such buildings or premises which in total or in part, are rented or leased. Unless excluded under section 8-104 of this article, occupancy of a single-family or two-family dwelling by any person other than the owner of record, shall be presumed to require registration of the dwelling as rental property. Such presumption may be rebutted if the occupant has ownership equity of 25 percent or more of the fee or life estate. An occupant claiming ownership may be required to provide proof that a transfer of ownership is supported by a substantial equity interest in the property.

Sec. 8-104. - Exceptions and exemptions.

Rental property registration under this article is not required where occupancy of a dwelling unit occurs, under the following circumstances:

- (a) *Family occupancy.* Any member of a family (and that family member's guests) may occupy a dwelling as long as any other member of that family is the owner of the dwelling or dwelling unit. Family occupancy also exempts guest houses or similarly separate dwelling units located on the same premises as the owner's domicile, when occupied by family guests, exchange students, visiting clergy, medical caregivers, and child care givers, without remuneration to the owner.
- (b) *House-sitting.* During the temporary absence of the owner and owner's family the owner may permit non-owner occupancy of the premises, without remuneration, without a rental dwelling registration.
- (c) *Dwelling sales.* Occupancy by a prior owner after the sale of a dwelling under a rental agreement for a period of less than 91 days following closing. Rental property registration is required if legal or equitable ownership is not transferred in its entirety within 90 days of execution of the conditional sales agreement.
- (d) *Estate representative.* Occupancy by a personal representative, trustee, or guardian of the estate and his family, with or without remuneration. The estate shall notify the township of the owner's name, date of death, and name of the person occupying the premises.

Sec. 8-105. Registration and permitting required; prohibition.

Each single-family and two-family rental dwelling and each rental unit within such dwelling, shall be registered with, and permitted by the Township of Saugatuck. An owner of any single-family or two-family dwelling located within Saugatuck Township shall not rent a dwelling, or a dwelling unit, to another unless the dwelling or dwelling unit, has been registered and permitted in accordance with the requirements of this article.

Sec. 8-106. Application for rental dwelling property registration and permit.

- (a) *Responsibility.* It shall be the responsibility of the owners of rental property to apply for registration through the submission of a rental dwelling property registration and permit application. The application shall be on a form prepared and supplied by the township.
- (b) *Application.* To register a rental unit, the owner or designated agent shall:
 - (1) Truthfully provide and certify as true the following on a form provided by the township:
 - (A) Name, address, and telephone numbers of the owner and any agent for the owner.
 - (B) The street address of the rental unit, along with other identification if more than one (1) rental unit has the same street address.
 - (C) The number of rental units in the building, if more than one.
 - (D) The number of bedrooms in each rental unit, and the intended number of occupants in each rental unit.
 - (E) For short-term rentals, a parking site plan as described in section 8-108(b).
 - (F) An affidavit and agreement, signed by the property owner, permitting inspections of the subject property by officials of the township.
 - (G) Such other information as the Township requests.
 - (2) Pay an administrative fee, as set by resolution of the township board.
- (c) *Acceptance of completed application.* An application is not considered accepted by the township until the township zoning administrator schedules the inspection of the premises and delivers to the owner a written acknowledgement of a completed application.
- (d) *Provisional rental dwelling property registration and permit.* The written acknowledgement of a completed application shall serve as the issuance of provisional rental property registration and permit. The provisional permit shall indicate the maximum occupancy load of the rental unit.

Sec. 8-107. Inspections, issuance of final registration and permit.

Final approval of the application and permit is contingent upon a fire safety inspection and compliance with the township fire code. Subsequent to the filing and acceptance of a completed registration application, the rental property shall be inspected by the township fire code official.

- (a) *Rental property registration inspections.* Within 60 days following the acceptance of an application for rental dwelling registration and permit, the provisional rental dwelling shall have an inspection for compliance with the requirements of the township's fire safety standards.
- (b) *Governing fire safety standards.* The provisions of the International Fire Code as amended, hereinafter referred to as the "fire code", as adopted by Saugatuck Township and included by reference in chapter 16, article II of "Code of Ordinances", Saugatuck Township, shall govern the minimum conditions and standards for fire safety relating to the structures and the exterior premises of rental dwellings regulated under this article, including the fire safety facilities and equipment to be provided.
- (c) *Approval.* Upon a finding of compliance with the fire safety standards of the township, by the township fire code official, the rental property registration and permit shall be declared approved and a final rental property permit for the rental property shall be issued to the owner by the zoning administrator. The date of issuance shall be assigned by the zoning administrator and shall be affixed to the permit and the permit shall be posted near the main entrance.

- (d) *Maximum occupancy load as condition of permit.* Except as otherwise provided in this section, the maximum occupancy load shall be 2 persons per bedroom, plus two additional persons per finished level with means of emergency egress (e.g. a functional window), up to a total of 12 persons. Applicants who wish to request a maximum occupancy load of more than 12 persons, or more than 2 persons per bedroom, must do so on the application form. The Zoning Administrator and Fire Code Official may approve such requests upon determining that the proper safety features are met, may require some or all of the following:
- (1) Provides one bedroom for every two requested occupants.
 - (2) Has a parking site plan allowing sufficient access for emergency vehicles.
 - (3) Automatic sprinkler systems
 - (4) Fire alarm systems
 - (5) Interconnected smoke alarm systems.
 - (6) Fire rated corridors
 - (7) Fire rated stairwell enclosures.
 - (8) Sleeping rooms with automatic door closers.
 - (9) A sufficient number of emergency exits, suitably placed in relation to the designated bedrooms.
- (e) *Changes in registration information.* During the approved permit period, the owner or his registered agent shall provide written notification to the township of any change in the information required under section 8-106.

Sec. 8-108. Short-term rental regulations.

In recognition of the unique difficulties presented by short-term rentals, the Township adopts the following regulations:

- (a) *Designation of local agent.* If the owner of a short-term rental unit does not qualify as a local agent, the owner shall designate a local agent and authorize the agent in writing to act as the owner's agent for any acts required of the owner or the owner's agent under this article.
- (b) *Parking site plan.* Applicants seeking a short-term rental permit must submit a parking site plan depicting or describing the available off-street parking. The plan must provide adequate access for emergency vehicles, as determined by the fire chief.
- (c) *Off-street parking.* Occupants in a short-term rental unit shall not park in a parking space on a public street within 1 mile of the rental unit. Occupants shall be informed of, and shall acknowledge in writing, the number of off-street parking spaces provided for the rental unit prior to leasing such unit.
- (d) *Waste disposal.* Occupants shall not leave trash or refuse within public view, except in proper containers for the purpose of collection by the collectors between the hours of 5:00 a.m. and 9:00 p.m. on scheduled waste collection days.
- (e) *Local agent's duty to remedy.* For any violation of this article, the township may (in addition to other remedies) notify the designated agent for the rental unit by telephone. The designated agent shall be deemed to have received notice upon receipt of a voicemail message. Upon receiving notice, the local agent shall ensure that the violation of this section is remedied within 5 hours. Failure to remedy the violation within 5 hours shall constitute a violation by the local agent.

Sec. 8-109. Expiration, renewal, voidance by change of use or structural change.

- (a) *Expiration.* A final rental property registration and permit issued under this article shall be valid for a period of three years (36 months) from the date of issuance, as affixed to the final permit.
- (b) *Renewal.* Rental property permits shall be renewed at least 30 days before the expiration date assigned by the township, or within 30 days of sale or transfer of ownership of a property, following the same requirements set forth in section 8-106 and section 8-107 of this article.

(1) *Renewal registration requirements.* An application for the renewal shall contain the same information as an initial application. If there have been no changes from the previous registration and permit form, the information previously submitted may be incorporated by reference.

(a) *Changes in use or structure.* Any change in the use or structure of a dwelling that results in noncompliance with the standards of the township fire code or building code, as determined by the township zoning administrator and/or township fire code official, or building code official, shall void the rental property permit.

Sec. 8-110. Fire code violations, notices and inspections.

(a) *Violations not imminently dangerous.* If upon inspection by the township fire code official, a violation of the fire code is discovered, but the violation is deemed by the fire code official not to be imminently dangerous to life or limb, a violation notice shall be issued. The notice shall be in writing, and shall include the street address of the rental dwelling or rental unit in question, a statement of the violation or violations and why the notice is being issued. The notice shall also include a correction order allowing a reasonable time to make the repairs and improvements needed to bring the rental dwelling or rental dwelling premises into compliance. The notice shall be delivered personally or sent by certified or first-class mail addressed to the owner or designated agent at the address indicated on the accepted rental property registration application form.

(1) *Re-inspection and fees.* Re-inspection of a property shall occur on the date specified on the violation notice, or sooner if requested by the owner and township scheduling permits such inspection. A fee, as published in the schedule of fees, shall be charged for each re-inspection. A re-inspection may be waived as determined by the fire code official if the owner or designated agent has provided written notification and supporting documentation to the township that all corrections have been made within the specified time period.

(2) *Schedules.* Time schedules for the correction of violations shall be reasonable as determined by the township fire code official.

(3) *New violation notice.* If a violation is not corrected upon the expiration of the allowed time, as identified in the violation notice, but a good faith effort has been made to correct the violation, the zoning administrator or fire code official may provide a revised compliance date. If new violations are found at the same premises, a new notice shall be issued with an appropriate date before which corrections must be completed.

(b) *Violations that threaten life, limb, or property.* If upon inspection of the rental property the fire code official determines that a violation is of such a serious nature so as to immediately threaten the life, limb, health, property, safety or welfare of the public or the occupants thereof, the fire code official may inform the township official and may recommend that the structure be further investigated for possible declaration as a "dangerous building" under article III, chapter 8, Code of Ordinances, Saugatuck Township. If so declared, notice of the violation shall proceed in accordance with section 8-58 of article III, chapter 8, Code of Ordinances, Township of Saugatuck.

Sec. 8-111. Fees.

Rental dwelling property owners shall be required to pay a fee for initial rental dwelling property registration, the initial inspection, re-registration and for any re-inspection performed as a result of any violation. Fees shall be paid at the time of registration, inspection, re-registration or re-inspection, as applicable. Such fees shall be established by the township board and included in the Saugatuck Township consolidated fee resolution as amended.

Sec. 8-112. Violations and penalties.

(a) *Municipal civil infraction.* Any person failing to comply with any of the provisions of this article is responsible for a municipal civil infraction. Any person who is found responsible or admits responsibility for a municipal civil infraction shall be subject to a civil fine of not more than \$100.00 for the first infraction and increasing penalties for additional infractions as established by the Code of Ordinances, of the Township of Saugatuck.

- (b) *Initial suspension of rental permit.* Upon a determination by the zoning administrator that the owner or local agent of a rental unit have (individually or in combination) committed a total of three or more unresolved violations of this article relating to the unit within the last three years, the zoning administrator shall issue a notice of rental permit suspension to the owner, with a copy to any local agent. The notice shall notify the owner that a hearing may be requested to show cause why the permit for the rental unit should not be suspended. If, within 14 days of service of the notice, a hearing is requested, the township shall schedule a hearing before the township board and notify the owner in writing of a time and place for that hearing. At the hearing, the owner or owner's representative shall have the opportunity to show cause why the township should not suspend the permit.
- (c) *Subsequent suspensions.* After a rental permit has been suspended for a given unit, any additional violation committed within the 2 years of the expiration of the last suspension is grounds for an additional suspension. Notice and an opportunity for hearing on a subsequent suspension shall be provided in the same manner as provided in subsection (b).
- (d) *Length and timing of suspensions.* Suspensions shall generally be effective immediately upon the final administrative determination of the township pursuant to subsection (b). However, the zoning administrator shall have discretion to defer the suspension as appropriate to reasonably protect the interests of any occupant residing in the rental unit. Suspensions shall be for the following periods:
 - (1) First suspension – 3 months.
 - (2) Second suspension – 6 months.
 - (3) Third suspension – Permanent.

Section 2. Publication and Effective Date. The Township Clerk shall cause to be published a notice of adoption of this ordinance within 30 days of the date of its adoption. This ordinance shall take effect the day following its publication.

YEAS: Rudich, Wester, Babinski, Phillips, McIlwaine.
 NAYS: None.
 ABSTAIN: None.
 ABSENT: None.

CERTIFICATION

This is a true and complete copy of Ordinance No. 2016-01 adopted at a regular meeting of the Township of Saugatuck Board held on January 6, 2016.

 William W. Wester, Township Supervisor

 Brad Rudich, Township Clerk

Adopted: January 6, 2016
 Published: January 14, 2016
 Effective: February 5, 2016