ORDINANCE AMENDING TOWNSHIP ZONING ORDINANCE REGARDING SHORT TERM RENTALS ORDINANCE #2025-

Douglass Township hereby ordains:

Sec. 1. Purpose.

Up until the adoption of this Ordinance, Short-Term Rentals of Single-Family Dwellings were not permitted anywhere within Douglass Township. The Township Board finds that the Short-Term Rental of Single-Family Dwellings within Douglass Township is a matter closely connected with the public health, safety, and welfare of the community. The Township Board has enacted this Ordinance in an attempt to strike an appropriate balance between the interests of community residents, community business owners, visitors to the community, and real property owners wishing to engage in Short-Term Rental of Single-Family Dwellings.

While visitors to the community who rent Single-Family Dwellings on a short-term basis bring many benefits to the community, they can simultaneously create concerns surrounding issues of traffic, parking, congestion, litter, noise, and other similar issues. Meanwhile, issues related to fire safety and life safety codes must be considered in order to maximize the safety and well-being of all in the community. This Ordinance is intended to strike a balance between competing interests.

It is not the intent of this Ordinance to legalize any Short-Term Rental activity occurring prior to the effective date of this Ordinance, which is not authorized by any ordinance of the Township. Any Short-Term Rentals in operation prior to the effective date of this Ordinance shall not be considered legal non-conforming uses under the Township's Zoning Ordinance.

Sec. 2. Amendment to Chapter 2.

The following definitions related to short-term rentals are hereby added to Chapter 2 of the Township's Zoning Ordinance.

- (a) Single-Family Dwelling Owner. A person holding legal or equitable title to a Single-Family Dwelling. An Owner may designate an agent to perform duties or receive notice under this Ordinance.
- (b) Rent or Rental. The permission, provision, or offering of possession or occupancy of a Single-Family Dwelling with some type of remuneration paid to the Owner for a period of time to a person who is not the Owner, pursuant to a written or verbal agreement.
- (c) Short-Term Rental. The Rental or subletting of a Single-Family Dwelling for compensation for not more than 27 nights. However, the rental of the following shall not be considered Short-Term Rentals: bed and breakfast establishments, motels, resorts, campgrounds, transitional houses operated by a charitable organization, group homes such as nursing homes and adult-foster-care homes, substance-abuse rehabilitation clinics, mental-health facilities, other similar healthcare related facilities.

- (d) Property Owner. The person or entity who owns the residential dwelling that is being rented.
- (e) Resident Agent. A person who is not the Property Owner and who is authorized to act as the agent of the Property Owner for the receipt of service of notice and remedy of municipal ordinance violations and for service of process pursuant to this ordinance.

Sec. 3. Addition of Section 3.26

A section 3.26 is hereby added to the Township's Zoning Ordinance entitled "Short-Term Rentals" as follows:

Section 3.26 Short-Term Rentals

A. Applicability. This section shall only apply to short-term rentals on property with deeded lake access including, but not limited to, all properties in the LR Lake Residential zoning district.

B. Registration required.

- (a) Annual Registration required. All Short-Term Rentals must be registered with the Township. No Single-Family Dwelling may be used as or advertised for a Short-Term Rental unless registered in accordance with this Ordinance.
- (b) Application. To register a Short-Term Rental, the Owner shall satisfy the following requirements.
 - (1) The Owner shall provide and certify as true the following on a form provided by the Township:
 - (A) Name, address, and telephone number of the Owner of the Single-Family Dwelling to be used as a Short-Term Rental (if the Owner does not reside within 45 miles of the Single-Family Dwelling, the Owner shall name a local agent); the Owner, a local agent, or the designee of either shall be on site within one hour of being contacted by the Township or law enforcement concerning an issue regarding the Short-Term Rental;
 - (B) The address of the Single-Family Dwelling to be used as a Short-Term Rental (plus additional identification as necessary if there is more than one Single-Family Dwelling at the same address);
 - (C) The number of bedrooms in the Single-Family Dwelling to be used as a Short-Term Rental;
 - (D) The rental agreement for the Single-Family Dwelling to be used as a Short-Term Rental;

- (E) The Single-Family Dwelling to be used as a Short-Term Rental's compliance with all requirements of this Ordinance; and
- (F) Such other information as the Township Board deems appropriate.
- (2) An Owner who wishes to rent or advertise a Single-Family Dwelling as a Short-Term Rental must file and application the Single-Family Dwelling for each calendar year during which the rental or advertisement shall occur. The Owner shall pay an annual administrative fee, the amount of which shall be established by motion or resolution of the Township Board. Any Owner who rents or advertises a Single-Family Dwelling as a Short-Term Rental after the effective date of this Ordinance without having registered it pursuant to this Ordinance shall pay an increased fee, the amount of which is also to be set by motion or resolution of the Township Board.
- (3) However, if the Township receives more applications for a given area than would be permitted under this Ordinance, licenses shall be granted on a first-come, first-serve basis.
- (4) A Short-term Rental license shall be effective for one year. The annual licensing term begins the day it is approved and is good for one year. A fully completed renewal application and renewal fee must be filed with the zoning officer at least forty-five (45) days prior to license expiration so that the Township board or its designee, if required, has adequate time to consider the application. The renewal application shall include any updated information since the filing of the original application. An existing license becomes void, and a new application is required any time the ownership of a residential dwelling licensed for Short-term Rentals changes. If a license is not renewed or otherwise becomes void, the license will automatically come available for other applicants to apply and seek the license using the same process described in this section. Suspension of a license under this Ordinance will not result in availability of that license for other applicants unless the suspension becomes a revocation, non-renewal or otherwise becomes void pursuant to this Ordinance.

C. Short-Term Rental Regulations.

Single-Family Dwellings used as a Short-Term Rentals are subject to the following requirements and performance standards.

- (a) Quota. Only 2% of properties with deeded access to each lake in the Township may be used as short-term rentals.
- (b) Maximum occupancy. Beginning the effective date of this Ordinance the maximum occupancy of any Single-Family Dwelling used as a Short-Term Rental shall be as follows.
 - (1) Maximum occupancy in a Single-Family Dwelling used as a Short-Term Rental

- shall not exceed the lesser of: (i) 12 total occupants; or (ii) two occupants per bedroom plus two additional occupants per finished story, which meets the applicable egress requirements for occupancy in the Michigan Construction Code, subject to any other local, state, or federal requirements.
- (2) In addition to the maximum occupancy specified in subsection (1) above, a Single-Family Dwelling used as a Short-Term Rental may have a total number of people on site, including occupants and day-time guests (allowed to be present at most from sunrise to sunset), up to 1.5 times the maximum number of occupants allowed by subsection (1). A fractional number of people allowed shall be rounded up to the nearest whole number.
- (c) Insurance. Single-Family Dwellings used as Short-Term Rentals must be insured by a comprehensive rental dwelling insurance policy with coverage of at least \$1,000,000.00. The Owner shall provide to the Township confirmation of the existence of the insurance each time the Short-Term Rental is registered with the Township.
- (d) Notice of Township Rules and Policies. Renters of Single-Family Dwellings used as Short-Term Rentals must be provided copies of or information regarding the following:
 - (1) This Township Zoning Ordinance; and
 - (2) Water safety information and any applicable lake rules.
- (e) Adequate trash receptacles. Single-Family Dwellings used as Short-Term Rentals must have a minimum of one large container of at least 90 gallons.
- (f) Parking. Parking shall be clearly marked and limited to the spaces marked with signs on the dwellings respected property. All renters must comply with standard parking laws at minimum. (As an example, no parking may occur on single lane roads). Beyond this requirement, for units that hold more than 12 renters, all vehicles of those at the residence must be parked on the property itself during quiet hours. Legal street parking as otherwise allowed by law is allowed for renters.
- (g) Pets. Pets that accompany a renter are subject to all ordinances and laws, with the following additional requirements:
 - (1) Pets must be under the control of their owner and on a leash when outside the dwelling. Pets may be tethered securely to a leash or pulley-run on the premises, provided that the tethered pet is at least ten (10) feet inside the premises lot line.
 - (2) Pet owners must adhere to minimizing pet noise, independent of whether the pet is inside or outside the dwelling.
 - (3) Renters shall never leave pets outside and unattended. From 10PM to 7AM quiet hours shall be enforced. All activities shall be in compliance with the Township noise ordinance and other applicable ordinances.
- (h) Owner Access/Resident Agent. The Property Owner must reside within seventy-five (75) miles of the Short-Term Rental during periods in which the Short-Term Rental is rented.

- (1) This requirement may be waived if there is a valid Resident Agent (point of contact) located in the 75-mile range, in such a case, the Property Owner shall provide a copy of the Resident Agent contract to the Township and notify the Township within thirty (30) days of termination of any such contract.
- (2) The Property Owner and/or Resident Agent must provide the Township with current contact information and must be available twenty-four (24) hours a day, seven (7) days a week by telephone during a rental. The Township must be notified within twenty-four (24) hours of any change in contact information.

D. Violations; revocation of registration.

- (a) Violations as municipal civil infractions. Any violation of a provision of this Ordinance shall be a municipal civil infraction. Each day that a violation continues constitutes a separate violation. Notwithstanding any other Township ordinance, violations of this Ordinance are subject to the following fines:
 - (1) Short-term rental of unregistered dwellings. Unregistered Short-Term Rentals will receive one notice of noncompliance with a 30-day grace period to become registered pursuant to this Ordinance. If failure to become registered upon expiration of the 30-day grace period, the unregistered Short-Term Rental will be fined \$250 per day.
 - (2) *Maximum occupancy*. The fine for exceeding the maximum occupancy permitted for a Short-Term Rental is \$500 for a first offense and \$1,500 for each subsequent offense; and
 - (3) *Other provisions*. Fines for other violations of this Ordinance are \$100 for a first offense, \$500 for a second offense, and \$1,500 for each subsequent offense.

(b) Revocation of registration.

- (1) Offenses warranting revocation. The Township may revoke the rental registration for any Single-Family Dwelling used as a Short-Term Rental which is the site of at least three separate incidents, occurring on three separate days, within a calendar year resulting in a plea of responsibility (with or without an explanation), a plea of guilty, a plea of no contest, or a court's determination of responsibility or guilt by the Owner or any renter for a violation of one or more of the following:
 - (A) Any provision of this Ordinance;
 - (B) Any provision of any other Township ordinance, including its Anti-Noise Ordinance, Zoning Ordinance, and any other Township ordinance, section of the Zoning Ordinance, or permit or approval process; or
 - (C) Any violation of any other local, state, or federal law or regulation.
- (2) Revocation procedure. Upon a determination by the Zoning Administrator that

the Short-Term Rental registration is subject to revocation, the Zoning Administrator shall issue a notice to the Owner that the Township intends to revoke the rental registration. The notice shall inform the Owner of their right to a hearing to show cause as to why the registration should not be revoked, if a hearing is requested within 14 days of the service of the notice. If a hearing is timely requested, the Township shall schedule the hearing before the Township Board and notify the Owner in writing of a time and place for that hearing. At the hearing, the Owner may present evidence that the requirements for revocation provided in subsection (b)(1) are not satisfied, or that the Owner should not be held responsible for one or more of the three requisite violations due to extenuating circumstances. Extenuating circumstances may include circumstances such as: (i) the violation was committed by a non-renter and the renter(s) attempted to prevent or halt the violation; (ii) the violation resulted from an act of God; or (iii) other circumstances that the Owner could not reasonably anticipate and prevent or could not reasonably control.

- (3) Revocation period and effect. Upon revocation of registration, a Dwelling cannot be re-registered as a Short-Term Rental for a period of one year and cannot be used for Short-Term Rentals until re-registered.
- (4) In addition to the remedies provided for in this Ordinance, the Township may also (or in the alternative) seek injunctive relief for abatement of the violation in a court of competent jurisdiction.

Sec. 4. Amendment of Chapters 6, 7, 8, 9, 13

Chapters 6, 7, 8, 9 and 13 are hereby amended to add "Short-Term Rentals" as a use permitted by right in all zoning districts, subject to section 3.26.

Sec. 5. Effective date.

This Ordinance shall be effective 15 days after publication of its contents or a summary of its contents in a local newspaper of general circulation in the Township.

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