

LAKE TOWNSHIP
ORDINANCE NO. _____

_____ SHORT TERM RENTAL PROPERTIES

_____ Purpose

The purpose of this ordinance is to secure the public health, safety and general welfare of Township residents and property owners, as well as visitors to the Township, by regulating short-term rental properties to prevent nuisances and safety hazards that interfere with Township residents or property owner's rights to conduct normal, daily activities without unreasonable interference and to provide safe and healthy living arrangements for visitors who rent property on a short-term basis.

The Township Board hereby finds and determines the following:

- (a) Short-term rentals, that is, those generally lasting less than thirty (30) days, of single and multi-family structures in the Township are becoming increasingly popular and widespread following the rise of online short-term rental marketplaces.
- (b) Residential structures in the Township may be increasingly purchased solely for short-term rental purposes, and not for occupancy by the owner.
- (c) Commercial and recreational activities associated with short-term rentals are frequently incompatible with residential uses and often constitute a public nuisance.
- (d) Accordingly, and based on the foregoing findings, the Township Board determines that it is reasonable to regulate short term rentals in order to eliminate or reduce the impacts short-term rentals may have on the peace and security of residential neighbors-hoods, and the nuisance activities frequently associated with short-term rentals. Specifically, the Township Board believes that these goals can be reasonably attained by adopting the regulations set forth in this Ordinance, by limiting the concentration of short-term rentals, and by limiting the duration of a short-term rental license.

_____ Definitions

- (a) Bedroom means a room in a dwelling which is intended, arranged, or designed to be occupied by one or two persons primarily for sleeping purposes.
- (b) Dwelling means any house, room, or apartment which is wholly or partly used or intended to be used for living, sleeping, cooking, and eating. Travel trailers, pickup campers, motorized homes, folding tent trailers, private buses, boats, boat trailers, and utility trailers, tents, and accessory buildings shall not be defined as a dwelling for purpose of this ordinance.
- (c) Driveway means the route of access for vehicles from a public or private street or alley across a premises to a parking or loading area, garage, or dwelling.

- (d) License means a short-term rental license issued by the Township to the owner(s) of a premises authorized to be used as a short-term rental. No licensee shall acquire by virtue of having been granted a license the right of automatic renewal, nor shall any licensee have or having been granted a license the right of automatic renewal, nor shall any licensee have or acquire a property or liberty interest in or expectation of an initial or renewal license. All licenses terminate upon transfer of ownership of any percentage, and may not be assigned, transferred, or hypothecated in whole or in part.
- (e) Licensee means the owner(s) holding a license.
- (f) Limited short-term rental means the rental of any premises for not more than 2 rental periods, not to exceed 14 days in total per calendar year.
- (g) Maximum occupancy means the maximum number of allowable occupants for the premises.
- (h) Nuisance means an offensive, annoying, unpleasant, or obnoxious thing or practice, a cause or source of annoyance, especially a continuing or repeated invasion of any physical characteristics of activity or use across a property line which can be perceived by or affects an individual, or the generation of an excessive or concentrated effects from movement of people or things including but not limited to noise, dust, smoke, odor, glare, fumes, flashes, vibrations, objectionable effluent noise from a congregation of people particularly at night, passing traffic, or invasion of street/road frontage by traffic generated from an premises which lacks sufficient parking and vehicle circulation facilities.
- (i) Occupant means a non-owner individual living in, sleeping in, or otherwise having possession of a premises.
- (j) Owner means a person holding legal or equitable title to the premises. An owner may designate an agent to perform duties or receive notice under this Chapter.
- (k) Person means any individual, company, partnership, corporation, limited liability company, trust, or other entity having the legal capacity to own or lease real property.
- (l) Premises means real property, and all fixtures and improvements, including the dwelling located on it.
- (m) Rent or rental means to permit, provide for, or offer possession or occupancy of a dwelling on a premises on which the owner does not reside for a period of time to a person who is not the owner, pursuant to a written or unwritten agreement.
- (n) Short-Term Rental means any dwelling or condominium or portions thereof, in which the owner does not reside, that is available for use or is used for accommodations or lodging of guests, paying a fee or other compensation for a period of time less than thirty (30) consecutive days.
- (o) Family means legal spouse, legal children of either spouse, parents of either spouse, and legal siblings of either spouse,

License Required

- (a) General Regulations: It shall be unlawful for any person or entity to offer any premises as a short-term rental, or conduct or operate a short-term rental on any premises within the Township without a short term rental license issued by the Township.
- (b) Specific Regulations: Persons or entities seeking to operate a short-term rental must be registered with and licensed by the Township prior to the commencement of any short-term rental activity. All short-term rental operations shall comply at all times with the requirements of this Ordinance.

_____ Exceptions

This Ordinance shall not apply to the following:

- (a) Family Occupancy: A member of the owner's family, may occupy a premises as long as a member of that family retains ownership of the premises. The family occupancy exemption also exempts family occupancy of guest houses or similarly separate dwellings lawfully located on the same premises, when occupied by family guests, exchange students, visitors, medical caregivers, and child caregivers, without compensation to the owner.
- (b) House Sitting: During the temporary absence of the owner and the owner's family, the owner may permit non-owner occupancy without remuneration to the owner.
- (c) Dwelling Sales: Occupancy following closing by a prior owner after the sale of a premises for the length of time agreed to by the parties to the dwelling sale agreement.
- (d) Estate Representative: Occupancy by a personal representative, trustee, or guardian (including family members) of the estate of the owner, without remuneration.
- (e) Commercial Facilities: Licensed campgrounds, hotels, and motels.
- (f) Limited Short-Term Rentals: The rental of any premises for not more than two rental periods of up to 14 days, not to exceed 14 days total in any calendar year.

_____ Licensing Procedure and Criteria

(a) Application

Applicants for a short-term rental license shall file an application to conduct The application shall include:

- (1) The name, mailing address, and phone number of the owner(s) of the premises to be licensed.
- (2) If purposed residence is owned by corporation, limited partnership, trusts, or other similar entity, paperwork must accompany application that states all persons who are part owner or member of the corporation. Limited partnership, or other similar entity.
- (3) The name, mailing address, and phone number of the applicant if different than the owner.

- (4) A notarized letter of authorization from the owner to the applicant if the applicant is not the owner of the premises sought to be licensed.
- (5) A description of the premises proposed to be used for short-term rentals, including but not limited to :
 - a. Number of bedrooms
 - b. Number of bathrooms
 - c. Maximum occupancy (2 persons age 6 and above per bedroom only)
 - d. Tax parcel ID number and legal description
 - e. number of parking spaces
- (6) A non-refundable application fee in an amount set from time to time by resolution of the Township Board.
- (7) Written confirmation that the premises owner(s) does not have ownership interest in more than one premises for which a short-term rental license has been issued or is being sought in Lake Township.
- (8) A statement whether the applicant has ever been cited for a violation of this Ordinance or had a short-term rental license revoked.

All applicants selected to receive a license shall also file with the Township prior to issuance of the license, the following:

- (1) A licensing fee in an amount set from time to time by the Township Board.
- (2) A certification of general liability insurance coverage issued by an insurance company licensed to do business in the State of Michigan covering the premises and insuring the licensee against risks arising from commercial rental activities on the premises.

(b) Inspection

Upon the completion and acceptance of the license application, and prior to issuance of license the applicant will schedule an inspection of the premises with an inspector from the pool of qualified inspector companies provided by the Township. The inspector will visit the premises and assess its fitness and safety for short-term rental operations using the standards provided by the Township. The owner or their designee must be present for the inspection.

(c) Limits on Issuance of Licenses

- (1) No short-term rentals shall be closer than 1000 feet in any direction from another short-term rental.
- (2) No person, legal spouse, or entity may hold more than one, or any percentage of a license at the same time.
- (3) Licenses are valid for a period of one (1) years, commencing from the date of the issuance of the license.

- (4) Licenses will be issued on the basis of first come first serve upon completion of the application process.
- (5) Licenses are non-transferable, non-assignable and remain the sole property of Lake Township. Death of a licensee who is a natural person, or a transfer of interest in a partnership, corporation, limited liability company, trust, or other legal entity that owns the licensed premises, terminates the license immediately.
- (6) Notwithstanding any other provision of this Ordinance, all licenses expire at the end of the one year licensing period. If the Township chooses to continue issuing short-term rental licenses pursuant to this Ordinance, any person or entity desiring to continue operating a short-term rental must renew their license. Any person desiring to commence operating a short-term rental must apply for a license.

_____ -Short Term Rental Regulations.

Premises licensed for short-term rentals under this Ordinance shall comply at all times with all of the following requirements:

- (a) Licensees must be available within 30 minutes to receive notices and respond to complaints from neighbors or the Township, 24 hours per day, 7 days per week. Licensees who do not reside permanently in Lake County shall designate in writing to the Township as part of its application, the name, physical address, phone number(s), fax number (if available) and email address of a local agent. Notwithstanding the local agent's actual authority, the local agent shall be deemed to be the licensee's authorized agent for purposes of serving notice under this Ordinance, including service of a civil infraction citation.
- (b) The address of the premises must be prominently displayed inside the main area of the dwelling so that occupants will have it available in case of an emergency.
- (c) The licensee's name, address, phone number(s), and email address must be displayed prominently in the main part of the dwelling, along with the name, address, phone number(s), fax number, and email address of designated local agent, if any, and supplied in writing to all persons who rent the premises.
- (d) A copy of the " Good Neighbor Guidelines" developed by the Township must be provided to the occupants, and posted in the residence.
- (e) A copy of the Lake Township noise ordinance will be provided to all renters and displayed prominently in the dwelling.
- (f) Fire extinguishers, smoke detectors, and carbon monoxide detectors adequate for the dwelling as determined by the Inspector as part of the inspection of the premises, shall be provided. Properly mounted, and kept fully charged and in good working order at all times.
- (g) All exterior signage must comply with Township ordinances.
- (h) Dwellings may not be sublet by any tenant of the licensee.
- (i) Licensee shall provide secure trash receptacles and must arrange for weekly trash removal services for occupant's use. Receptacles must be designed to prevent intrusion by animals and to ensure proper trash removal from the premises.

- (j) Licensee must ensure that there is adequate parking for occupant's vehicles and possible boat/ ORV trailers. Minimum of 2 parking places per bedroom in residence.
- (k) Open burning shall be allowed in a fire pit as long as there is no State/DNR burning ban. All Licensee's shall prominently display the number for the DNR Burn Permit Line. In the event that any recreational fire shall become a nuisance by reason of smoke or flying embers, or if it shall pose any danger to persons or property, the fire chief or their designee or any police office of Lake Co. may order such fire extinguished, and in the event that the owner, occupant, or person responsible for such fire shall fail to extinguish such fire, such failure shall constitute a civil infraction. Notice that a fire is a nuisance or poses a danger may be verbal and need not be in writing. The fire chief or their designee or any police officer of Lake Co. is further authorized to extinguish any recreational fire that is a nuisance or danger to person and or property.
- (l) No fireworks shall be ignited, discharged, or used at a premises licensed for short-term rentals except in accordance with State of Michigan Law.
- (m) All short-term rentals shall be for purposes of renting as a temporary dwelling only and may not include any commercial activities such as yard sales, festivals, retreats, class reunions, home occupations, or similar uses.
- (n) Maximum occupancy of a premises used for short-term rentals shall be not more than 2 persons age 6 and older per bedroom. Day guests of the occupants of a short-term rental shall be no more than .5 the number of occupants of short-term rental (ie 8 occupants, = 4 day guests)
- (o) Short-term rental contracts must stipulate that the licensee or local agent reserve the right to immediately terminate the contract for violations of any Township Ordinance or other applicable law.
- (p) There shall be no tent or RV parking or utilization by occupants of a short-term rental.

_____ - Licensee Responsibility

The licensee and/or the licensee's local agent shall have the duty to remedy any violations of this Ordinance, or any violation of State Law, or County Ordinance by the occupants of a short-term rental and/or the guests of such occupant. For any violation of the foregoing provisions of the Township Code, the Township may(in addition to other remedies) notify the licensee and/or local agent of such violation by telephone, or return receipt email at the phone number and email address posted in the licensee's application. The licensee and/or local agent shall be considered to have received notice of the violation upon receiving the telephone call or when a return receipt email message is received by the Township, whichever is soonest. Upon receiving notice of the violation, the licensee and /or local agent shall ensure that the violation is remedied within two (2) hours of receipt of such notice. Failure to remedy the violation within (2) hours after receiving notice of the violation, without good cause, shall constitute a material violation of this Ordinance and may subject the licensee to a civil infraction citation and court enforcement proceedings and the penalties imposed by law. Nothing in this Section limits the Township or it's authorized designee's right or ability to enforce violations of the Township Code against occupants.

_____ - Violations and Penalties

- (a) Violation- A violation of this Ordinance is hereby declared to be a public nuisance and a nuisance per se and is declared to be offensive to the public health, safety, and welfare.
- (b) Penalties- Any person who violates any provision of this Ordinance shall be responsible for a civil infraction, and shall be subject to the penalties or sanctions stated in this subsection, plus the costs of attorney fees or their designee. In addition, this Ordinance shall be specifically enforceable by order of the Court to prohibit or enjoin future activities on or about the premises in violation of this Ordinance. Each day this Ordinance is violated shall be considered as a separate violation:
1. First Violation: _____\$250.00_____
 2. Second Violation: _____\$500.00_____
 3. Third Violation: permanent revocation of license. A person whose license has been revoked is ineligible to apply for or receive a license in the future. Appeal from revocation of a short-term rental license is allowed pursuant to the terms of this section.
- (c) Revocation Appeal Procedure: Upon a finding by the Township Zoning Administrator or their designee of a third violation, the Zoning Administrator or their designee shall prepare a written notice specifying the alleged violation and the factual basis for this belief and a statement that the Township intends to revoke the license within 14 days.
1. The written notice shall inform the licensee of the right to an appeal hearing to show cause as to why the license should not be revoked by filing with the Township Clerk a written notice of appeal within 14 days of service of the written notice by the Township Zoning Administrator or their designee
 2. If an appeal hearing is requested within 14 days of service of the written notice, the Township Clerk shall refer a copy of this notice and the request for the appeal hearing to an appeals panel consisting of the Township Supervisor, or their designee, _____, or their designee, and the _____, or their designee. Upon receipt of the written notice and request for the appeal, the Township Clerk shall confer with the appeals panel to schedule a hearing. The hearing shall be held as soon as practical, but not later than 14 business days after the filing of the notice of appeal with the Township Clerk. The hearing provided for shall be conducted by the appeals panel.

3. Written notice of the appeal hearing including the time, date, and place of the hearing shall be served on the licensee or the licensee's designated agent either personally or by certified mail with return receipt requested.
 4. At the hearing, the licensee or the licensee's designated agent shall be given an opportunity to present evidence and legal arguments. The licensee or their designated agent may also be represented by an attorney, and the appeals panel may request the assistance of the Township Attorney. The appeals panel's decision shall be in writing and shall specify the factual evidence upon which it is based and shall be a final decision. A copy of the appeals panel's written decision shall be provided to the licensee or their designated agent.
- (d) Fraudulent Complaints Any person who knowingly files a fraudulent, false, or fictitious complaint about a short-term rental shall be deemed to be in violation of this Ordinance and may be found responsible for a civil infraction.

_____ - Enforcement

- (a) The Zoning Administrator or their designee, any police officer having jurisdiction in the Township, and other persons as may be appointed from time to time by the Township Board are hereby designated as the authorized local officials to issue civil infraction citations for violations of this Ordinance.
- (b) In addition to enforcing this Ordinance through the use of a civil infraction proceeding, the Township may initiate proceedings in the Trial Court to abate or eliminate the nuisance perse or any other violation of this Ordinance.

_____ Review of short-term rental licensing program; sunset provision

The Township Board or its designee shall review the Lake Township short-term rental program described in this Ordinance by the end of the initial two-year licensing period on 31st day of December of the second year following adoption of this Ordinance. If the Township Board does not renew the short-term rental licensing program by that date, the provisions of this Ordinance shall expire such that no existing license shall be renewed and no licenses shall be granted to applicants.

_____ Severability

If any section, clause, or provision of this Ordinance is declared unconstitutional or otherwise invalid by a court of competent jurisdiction, such declaration shall not affect the remainder of the Ordinance. The Township Board hereby declares that it would have adopted this Ordinance and each part, section, subsection, phrase, sentence, and clause irrespective of the fact that any one or more parts, sections, subsections, phrases, sentences, or clauses is declared invalid.

_____ Repeal

All ordinances in conflict herewith are hereby repealed to the extent of the conflict.

_____ Effective Date

This Ordinance shall become effective 21 days following its introduction, adoption, and publication as required by law.

Adopted on _____

Robert Reidel, Township Clerk

