



**Short Term Rental Task Force
Regular Meeting
June 1, 2023 3:00PM
City Hall
102 Butler Street, Saugatuck, MI**

This is an in-person meeting at Saugatuck City Hall, 102 Butler St, Saugatuck, MI 49453. The meeting will also be available live, virtually on Zoom.

1. Call to Order/Roll Call:

2. Approval of Agenda: *(Voice Vote)*

3. Approval of Minutes: *(Voice Vote)*

- a. May 18, 2023 Special Meeting

4. Public Comments on Agenda Items: *(Limit 3 minutes)*

5. Review/Discussion:

- A. Code Enforcement Analysis**
 - a. Sheriff's Office Presentation on Noise Enforcement
- B. Initial STR Task Force Member Feedback and S.W.O.T Analysis**
- C. Community Comparison**
- D. Community Engagement**
- E. Data Analysis Options**

6. Communication/Correspondence:

- a. Dan Fox
- b. Unknown Author

7. Public Comment *(Limit 3 minutes)*

8. Member Closing Comments

9. Adjourn *(Voice Vote)*

<p><u>NOTICE:</u> Join online by visiting: https://us02web.zoom.us/j/2698572603</p> <p>Join by phone by dialing: (312) 626-6799 -or- (646) 518-9805</p> <p>Then enter "Meeting ID": 2698572603</p> <p>Please send questions or comments regarding meeting agenda items prior to meeting to: rcummins@saugatuckcity.com</p>
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**SHORT-TERM RENTAL TASK FORCE MEETING MINUTES- Proposed
May 18 , 2023**

The Short-Term Rental Task Force met for a
Special Meeting at 1:00 p.m.
City Hall
102 Butler St., Saugatuck, MI 49453.

Call to Order:

The meeting was called to order by Chair Anderson at 3:00 p.m.

Attendance:

Present: Anderson, Manns, Stanton, Steele, Tringali, Boerema, Hart, Gudith and Clark.

Absent: None

Others Present: Director of Planning, Zoning & Project Management Cummins and Clerk Wolters.

Approval of Agenda:

Motion by Stanton, second by Manns to approval the agenda. Upon voice vote, motion carried unanimously.

Approval of Minutes:

Motion by Manns, second by Tringali to approve the minutes from May 4, 2023. Upon voice vote, motion carried unanimously.

Public Comment on Agenda Item Only:

Mark Klungle- resident:

"I have a question on just process at this point. The short-term rental taskforce was built to identify the problems. And now we're looking at ordinances. But we haven't really taken the time to list and identify all of the issues that are short term rentals, because that was supposed to be positioned as such. The cause and we're spending time now we're moving to ordinances. Well, if we don't know what we're trying to control, why are we talking about ordinances? So, what are the issues that we need to solve? One of the questions that I have? And what are the positives? The economic impact of short-term rentals on this community's huge? I mean, if you go back, oh, it many of you haven't been here that some of you have, but you go back 10 years, you didn't know what stores were going to open up the next year. We had a lot of vacant storefronts, as time has gone by vacation rentals have increased for a lot of tourists that spend a lot of money here. And that is our number one industry. So, I think we have also got to look at what are the issues? What are the positives? Let's listen, where's the whiteboard? It's there. But someone needs to list that to start talking before we go into ordinances.

think that's a place to really start talking about ordinances before we know what the issues are.”

John Porzondek- resident:

“I couldn't agree more with this previous gentleman. Being here 21 years, we've seen a steady increase in our tourism. And he's right about the stores being closed and turning over. Where now does they seem to be fuller more often. So, we don't have a lot of empty stores like we used to have 10-20 years ago. Also, if we put too many restrictions on home rentals, then you're inviting the big hotel chains to come in and occupy land that's still available on Blue Star highway. And now you have the opposite effect, where people who come to Saugatuck for a quaint little town and they want to see older buildings and whatnot. won't be coming back because they're not interested. In the Best Western or American, I've had many guests at our place that want to know, you know, where's the oldest building? Do I get a soda fountain treat, you know the way they used to and so on. So, they're looking for not only B and B's, but home rental is in the neighborhood. So, I couldn't agree more with this gentleman. Thank you.”

Suresh Rajapakse-resident:

“I wanted to introduce myself to everyone I listened to the meeting, recording that was published, I was unable to make the last meeting but it's a pleasure to meet everyone. Virtually, I've been very engaged in the conversation. I'm leading up to this point. I haven't put my name in the hat to be on the short-term rental task force. But I was very pleased to hear all the comments that were made at the last meeting. Three points I want to make very quickly. I hope I can make them a three-minute allocation. But I have been in the Saugatuck area for about five years. We had a second home on the Hill bought it about five years ago used as use it as a short-term rental as well as a secondary home. We invested \$200,000 into renovating it, non-compliant items up to code did everything we needed to to try to keep the look and feel of that quiet cottage. So, we can really blend into the community we take a lot of good care of that property. We kind of outgrew that space. And we wanted to spend more time in Saugatuck. So, we recently acquired 647 Butler Street, spent about \$700,000 on it and in the process of spending about \$400,000 renovating that property. Abiding by all the historic district codes and regulations that we have to, making sure that we're keeping all the windows the same and all that kind of good stuff. And the reason I mentioned some of these numbers to you is we had anticipated being able to recoup some of that investment by short-term renting a home. And we had anticipated rental income to be able to recoup some of that massive investment that we made; we made a decision to invest in this community under the rules that are currently in place. And if these rules do change, and we are unable to potentially use some of these properties that we have as short-term rentals that would severely financially impact me and my family. And I speak on behalf of not only myself, but I think of others that are investing heavily in this community as well building new homes, renovating homes, and wanting to give other people that want to visit our community a safe place to stay and visit in the city of Saugatuck. Changing rules and putting ordinances in place, while I agree are very, very needed. looking at potentially limiting might have a negative impact on the people that have decided to invest in this community and really stay for the long term. The second thing I really just want to mention as I listened to the conversation, and listening to McKenna first and foremost, welcome to the community. I wish some of you had visited us more before this all happened. And welcome to the wonderful place that Saugatuck is, and I promise you're not going to slide downhill in the winter is one of the comments I heard made. And I was a little concerned though at the comparison of our community to community such as pot Township. I was concerned not only by the comment of a similar type of neighborhood because it is a completely different type of neighborhood. But I was also more concerned as I did more research that they completely banned short term rentals in their nonresidential areas. That really, really concerns me and I don't want us to be compared to places that aren't like us knowing that we are a very unique community in our own right and should be

treated. I was actually enthused by Steve man's comments that we will be treating the city of Saugatuck very individually. Overall, the final comment that I'd like to make is your time I will save it for the for the end.

Brian Elmore- resident:

“Just echo a lot of the comments and strategies made there I certainly agree with you know, making sure that we're comparing apples to apples when we're doing our comparisons of communities and, and making sure that the uniqueness of soccer talk is taken into consideration through all of that. One thing just commenting about the, you know, the ordinances which are specifically being reviewed today, I mean, we have existing ordinances, you know, we've had existing ordinances we've had existing process, but we haven't had as enforcement. We've had a lack of resources to be able to even enforce it. The ordinances that exist today. And oftentimes I think the lack of enforcement has resulted in some of the pain points that the community has bubbled up around short-term rentals. So as we talk about any existing ordinances or the creation of new ones, I think we need to be mindful that unless we have the resources, we have enough, I mean, the last we have more fire department, you know, responders and less we have people in the, you know, town hall, that can actually respond to community reports of violations, etc, to get to the owners that, you know, may either be available or kind of absent owners, you know, and enforcing those bad behaviors. Before we kind of go down the path of making things even more restrictive. It's a little bit disappointing that we've gotten to a point that we've convened an entire task force, and they're spending city resources on external consultants, when we don't even know what the impact would have been of enforcement of existing ordinances themselves, we may not actually be in this place right now, if we had been policing things accordingly to the existing rules that are out there. But here we are. And I think, you know, there will be good that comes out of this and good community input and good analysis and data. But you know, feeling like we have to come to the end of this with some really significant change, just because we've constructed this whole task force around it, and spent money on doing this, I just don't know whether or not we'll we'll get the impact that they're really looking for. And we may have just create a lot of negative things around the devaluing of property. You know, the destruction of people's investments, you know, souring people on the community themselves. I've heard numerous people, considering, you know, selling their homes after this, this rental season, just because we don't know what the future holds. And we don't know what you know, the impact to our property values will be so just wanted to, you know, reinforce the fact that we really need to make sure that anything we're proposing or anything we're discussing, comes along with it the resources to actually follow up on that and enforce. Thank you.

Review/Discussion:

A. Current STR Registration Process:

Director of Planning, Zoning & Project Management Cummins explained the application process:

1. Application contains:
 - a. Address of dwelling unit to be rented.
 - b. Name and contact information of the dwelling unit owner.
 - c. Name and contact information of the local representative or rental agency within 45 minutes of the City of Saugatuck.
 - d. Proposed maximum occupancy of dwelling unit.
 - e. Owner's signature.
2. Zoning administrator Reviews application.
3. Zoning administrator enters information into BS&A.

4. Fire department inspection notifies Zoning administrator of passed inspection and occupancy limit.
5. Final data entry and STR Certificate sent to owner and representative.

B. Overview of existing STR Ordinance, Parking Regulation, and Nuisance Ordinances:

MCKENNA Senior Planner Kyle Mucha and Senior Principal Planner Chris Khorey presented-

Ordinance:

Section 154.022 (V)

- Owner to seek permit for any period less than 30 days.
- Meet all building, health, fire, safety codes.
- Inspected by Township Fire Dept.
- Outdoor yard areas, open decks & pools shall not produce excessive noise, odor, external disturbances.
- Single room rentals not permitted.
- Tents, campers, temporary sleeping facilities prohibited.
- Certificate valid for three seasons.
- Occupancy limited per National Property Maintenance Code.
- Local resident within 45 miles of the outer boundaries of the city.

Off-Street Parking:

Section 154.135

<ul style="list-style-type: none"> • Minimum Automobile Off-Street Parking Requirements 		
Types of Buildings and Uses	Minimum Number of Parking Spaces Required per Indicated Unit	Unit of Measure
Minimum Automobile Off-Street Parking Requirements		
Types of Buildings and Uses	Minimum Number of Parking Spaces Required per Indicated Unit	Unit of Measure
Floating homes	2	Per floating home
Dwellings	2.0	Per dwelling unit

Parking Offenses- On Street Parking:

Section 74.07

<ul style="list-style-type: none"> • Offense 	Uniform Traffic Code Section	Penalty
Offense	Uniform Traffic Code Section	Penalty
Parking too far from curb	M.C.L.A. 257.675	\$25
Prohibited parking (other violations listed in M.C.L. 257.674)	M.C.L.A. 257.674	\$25
Obstructing traffic	M.C.L.A. 257.676b	\$25
In fire lane	M.C.L.A. 257.674	\$50
Within 15 feet of a fire hydrant	M.C.L.A. 257.674	\$50

In alley	M.C.L.A. 257.674	\$25
Blocking driveway, loading zone or handicapped ramp	M.C.L.A. 257.674	\$25
Loading zone violation	M.C.L.A. 257.674	\$25
All night parking (alternate streets)	M.C.L.A. 257.674	\$25
Between sidewalk and curb	M.C.L.A. 257.674	\$25
Handicapped space	M.C.L.A. 257.674	\$100
Failure to purchase or display a valid daily or season pass to the Oval Beach	M.C.L.A. 257.674	\$25

Nuisances:

Section 94.04 –Noise

- Regulations pertaining to:
- Construction
- Sound Amplifiers
- Engine Exhaust
- Radio & Musical
- Shouting
- Whistle or siren

C. Community Comparison Options:

- MCKENNA provided a comparison of short-term rental policies in 13 communities.

D. Upcoming Meeting Topics and Further Analysis Options:

June 1st

- Community Analysis (3 of 6)
- Code Enforcement Analysis
- National Practices
- Survey question review& public engagement discussions

June 15th

- Short term rentals & Master Plan
- Community Analysis (6 of 6)
- Zoning District Overview

Communication:

Chair Anderson Stakeholder Meeting Notes.

Public Comment:

Nick Barna, resident:

“I live up on Francis Street. And I've been there a while. And the only reason I'm here, quite frankly. And to me, it's the elephant in the room. It's the noise and the lack of civility of the people that are occupying these rentals. It's just ridiculous. And I appreciate everybody getting together to organize how the business is going to be run and all of that, and that I have no argument with, but to me, it's overreacting. It's not reacting to what I think is the My big concern is the fact that sometimes it gets really crazy up there. And, you know, I've got it's probably hard to believe, but I have a 12-year-old daughter. And she hates swearing. And you know, you hear it all the time. And that really bothers

vague. And but anyway, that's really all I have to say is that I think we need to get together collectively decide penalties and enforcement and how this is going to be controlled. You know, without that nothing's going to get done. And I have nothing against anybody renting their home. I just want them to do it right and have strict controls and a \$100 Fine is a slap on the wrist of what these people are making. And it's got to at least be like \$1,000, and maybe after a couple of incidents. They've lost their license for that year, their permission. That's really all I've got to say. Thank you."

Laura Godfrey, resident:

"You're on the right track. And I appreciate the work. It's a lot to dig in. Because as we know, we let this go too long, too far. And I'm really glad to not hear the word transparency. So, thank you for that. I'm happy to hear that on the list of cities, you're going to look at other communities, not necessarily the ones that mimic saga tech, that's gonna give you I think, a very narrow range. I think if you're looking for a long-term outcome, what's been successful long term, which communities have held in place for the long term? I think that's important, I think, credit to the objective consultants as a consultant. I think that's a great position to be in. Earlier we heard a story of investment and I'm, I'm getting a little tired of hearing about investment. I've made a large investment in the community you were making that investment in the community because Saugatuck has been porous on rentals. You came in invested because you knew you could rent it, not necessarily because you were embedding yourself and committing yourself to the community. So, I just want to counterbalance that is I'm not jiving on that. The other thing I love to hear is this notion of communication. You'll hand me a card. If I have a problem. I'll get up in the middle of the night and fumble around for that card to make a call. No, you guys' fix it, tighten it up as a neighbor and a long term person here, I don't want to have to have that burden. That's not going to be on me. So, I think there's some tight work here to do. I'm really grateful for all of your time and your perspective and your thought, because I know we're gonna get it right. Thank you so much."

Marguerite Zamalo, resident:

"I live at 520 Grand Street up on the hill. So, I also want to say thank you for this, this group getting together and really committing so much time and energy to the seriousness of this issue, because it is really an issue. My favorite family is on the house at 520 grand for almost, we're coming up on 100 years and a couple of years. And in all that time that we came back and forth or lived in Saugatuck, because we have lived in Saugatuck multiple times. And I'm living there now. I've never seen an issue anybody in my family up until the last couple years with all the Airbnb's. And I can't live there anymore. I'll just say it. I'm exhausted. All summer long. I'm waking up. I've never had to call the police. We've always known all our neighbors. I remember all the neighbors that lived in the neighborhood all the way back to when I was a kid, even the ones that are gone. And deceased. People had a sense of community because it was a residential area. It wasn't a commercial area. It wasn't a business zone. It was a residential zone. And you know, yes, there are neighbors that make noise at times. Yes, there are people that have parties at times, but it wasn't constant. And I guess for what I really struggle with as somebody that loves Saugatuck. And I won't even go to what extent I love this place, which is why I'm living here. But for me, the real challenge is what all three of us have just said on the noise because you might be a homeowner that has it and uses that as a rental. And you could be a very conscious person and want to be fair to the neighbors. But at the end of the day, the people that are in those rentals don't own it. They have no accountability to the people around in the neighborhood. And I don't know how you resolve it. I mean, I kind of agree with the first gentleman who said it's got to be severe, but even then, for me I struggle with it. So, my only my only other question is when you look at the number of rentals that you're going to allow if that becomes part of the discussion, his please just don't look at the number for all of Saugatuck. Also look at the concentration. Because up on the hill, there's a really

high concentration. And it's tough. It really is tough. So that's why I really appreciate you digging in on it. And I wish you I wish you much success. This is an extraordinary place to live. So, thanks. Thank you.

Angela Knauss, resident:

“Is the information that you have in your packet available to us, like, Could we go to the library? Or where can we find this information? So, everything that's in your packet is on the city's website. Okay. The other thing I was wondering when you're looking at other communities, maybe go outside of Michigan to places like Nantucket and Martha's Vineyard, which are more upscale communities, and what they've done. I mean, they have the exact same kinds of problems. I think they are tourist related places. And it might be interesting to see what some places outside of Michigan have done. Thank you.”

John Porzondek, resident:

“I love columns, and I love the grid and the communities. But I think what we're missing out on and I haven't heard much of this is the business aspect of what we're discussing, because we are basically our tourism relies on our business. I do not own a business here that, but I do have rentals. I like to see a column that says do they have docks? Do they have a boating community? How many parks do they have downtown? How many ice cream parlors? I think we have like 12 or 13 in this little area here. Do we have they have trails? Do they have a beach? Do they have attractions and so on. So, I think that might narrow your What if and allow us as interested parties to do you know, sort by, you know, give me the top number of you know, whatever. So anyway, just wanted to throw out that I think we're missing a business component to match up against people because Saugatuck is nowhere near clay Township. Saugatuck is more. I want to say liberal and opening and clay Township is more. Purple more the other side. So, you know, we're bringing, we're bringing in politics here. So, let's face it, we're clay township and Elgin and those parts. So not. And the only reason I know about that is my sister lives up there. So just some things to contemplate.”

Diana Decker, resident:

“I agree with the noise on the parking. Sometimes I come home, and I don't have a parking space. There, the with the streets and everything going on. I want to thank you now, the task force. I'm glad that the city appointed a task force to assist the City of Saugatuck an apology. I felt that okay, when I heard other people from that don't live in the city City was going to be on the task force. I thought, how would they understand what we are going through? And then I apologize. You have very good questions. And your dad was an excellent township supervisor. Mr. Steele, you own a business, you know, our property here. So yeah, I think it's a great addition to the task force. The violations, I think that's probably enforcement is gonna probably be a big one. And so, that's what I'm just gonna save right now, because you have many months of your task force. Thanks so much.”

Peter Hanson, resident:

“I read the transcript of what I said last time, and I want to apologize. I was spoken gibberish when reading so it that it was probably hard to follow. That just some comments from listening today. I think the thing that that I'm struck by are the number of people who are considering selling their homes and leaving Saugatuck because of the short-term rental issues. And when you look at the population of Saugatuck from 2020 census to one 2000 census to 2020, we've lost 20% of our population. And from hearing comments from neighbors, and from reading letters that were part of the transfer package today, there are people who have sold their homes and have moved away from Saugatuck because they were tired of the noise surrounding them. I think one of the main reasons we're here is because of that survey, the citizens of the community are saying STRs are a problem for us. And so, we've come together, and hopefully we can come up with some solutions that will help both sides of this. I heard that, you know, the downtown business community has succeeded dramatically. And that is because of STRS. And I'm not sure that's entirely true. I've been here 16 years and moved here at the start of the

big recession. And I think that downtown Saugatuck, there have been very, very few vacancies in the commercial district during that time period. We still have some of that today. I mean, you look at Toulouse that property's been vacant for how long? So, I'm not sure that STRs are driving that issue. Last time, I heard Joe and Steve and looking at that map. They were concerned that they hadn't captured all the STRs on that map. And I would look forward to hearing if there's been any additions because of that. How does the neighbor contact the person I know and handing out cards too. I for one would love to have one. We had a unit next to us that held up to 20 people. And they were having the all night firepit outside. And we wanted to call the Saugatuck police department when we had a police department and there was no answer. I don't think most people are going to call 911 over a noise issue. Because that noise can come in it can go and by the time you get a sheriff's deputy. I'm sure it's probably a fairly low priority. That noise could dissipate. Finally, I think of the mailman trying to deliver mail up on the hill. When we're busy, we're a garbage man trying to pick up garbage. And I think it's almost impossible. Thank you."

James Bouck, resident:

"Number one, you've got a difficult job to do. And I thank you for stepping up to it. It's never easy on these committees. I wanted to respond to a couple of things that I heard today was that the city doesn't have the resources to enforce the ordinances. I completely disagree with that we have the resources. My background is manufacturing. And when you have a problem, you have to separate is it an ability problem? Or is it an attitude or a will problem? The city has the money to hire somebody to help Ryan who is just working himself to the bone. We could hire a summer intern, a college student, second year, third year, fourth year, who's in communities. So, think about planning somebody out in Michigan State somebody who could come in here tomorrow, and start working on enforcement. And so, the city has the resources, we just lacked the will. It's time to think about that. Number two, as for calling the sheriff, we have a rental home directly next to us, it's advertised as sleeping 10. When my grandchildren are here, it's difficult to hear the people in that unit sitting on the porch, after they've hit as many bars as they can hit all day, recounting their adventures as if it was the Westminster Dog Show. And it doesn't matter if it's if it's a bridal party or a bride groom party or whoever group of fishermen, whoever. That's it's a residential area, we need to know that we're renting properties in a residential area where people live. I mean, we heard from people today who said, Well, I can't afford my house, I have to rent it out to make some money. Well, anytime you make an investment, there's a risk. That's their problem. I'm someone who spent a boatload of money because I wanted to live here. And my neighbors have done that their neighbors have done that. And the people at the end of the street are doing that if you come on up or spear Street, you'll see people have spent a boatload of money to create a nice community and it's our neighbors that keep us here It's not the rentals. So, what I would like to see is I would like to see this committee at some point in time, have an open session with registered voters only. Let the registered voters come and talk. Let the people tell the community residents what it is they think of this situation and don't leave it under three minutes. Give them time."

Lew Wessel, resident:

"As I said last time, I am surrounded by short term rentals. And let me speak to us a second to that map that we just put up a stars for short term rentals. I saw at least four that are missing, maybe five and someone from the town is welcome to come up and walk around with me if they would like me to point them out. But my problem isn't per se the short-term rentals. My problem is the behavior of people. And I think you've heard that from many of your speakers. And I was at a get together last night with probably 40 to 50 people on the Hill and short-term rental was not the reason we all met it was for community. But there were less discussions about short term rentals and they didn't focus on the number of short term rentals or the caps that we're talking about. They all focused on behavior.

And that's what I would. Well, first of all, I as far as your process, I do hope that you're going to do an extensive survey if, if what you have already is an adequate, instead of a community meeting, well, in addition to a community meeting, you've got a professional consultant, I hope they will do at least one focus group, maybe two or three, because that's, I think, where you're going to elicit real consensus of ideas, as opposed to who can speak the most the loudest and the most passionate. And then once we've identified what, what really are the problems, and I do think that most of the angst here isn't, isn't about the numbers, it's about the behavior. But once we identify that, then we can go out to other communities here, Michigan, across the country, internationally, and look for solutions to those problems. A comment on a couple of things I heard that I thought were great is preventative. I was clearly hearing from very responsible rental agent who meets with her people, or renters tells them exactly what's expected of them. I assume there's something posted in the home. I've had gone to many VRBOs, where I've had a come to Jesus meeting before the rent, renting, started saying you can you cannot you can do etc. And we knew exactly what the expectations are. I think that's, that's wonderful. You have a website, you have the information on all the short term rental properties. I would love to see posted on your website, the name of the contact person and the number. That seems to be like it'd be a fairly easy way to have direct contact. And then what Hilton Head Island just did where it was from, is they have on their website, a big button you can push for a complaint as long a complaint. Landline? No. Anyway, thank you for the 3 minutes. Thank you."

Doug Rodewald, resident:

Thank you for the time and thank you to everyone for doing this. One quick observation for you know all the success we share and say the short term rentals bring to Saugatuck here, we always talked about Tuesday's where you can't get a pizza delivered. And I was in the pharmacy earlier this week. And a woman who was here for I don't know what she was here for, but she was checking out. And she was commenting about how there was no place but Burger King to go get breakfast on Tuesday morning. You know you have uncommon ground, but Penny Royal not open a lot of the restaurants aren't. I share that because I think that is a direct implication. When you start seeing a town focused on the renters and on tourist season, and there's not enough community here to support restaurants here year around. And honestly, the community is not generating enough young kids to actually work in those restaurants. Because a lot of times it's not about demand, right? It's about filling the jobs. So just want to share those two things. The other thing that we heard, or I heard I was really happy about was a focus on occupancy. We're next to a short-term rental up here, one of the few ones that has a pool on the hill. And last weekend, there were eight cars there. The prior owners sold the house at a price they probably thought was a little bit under market because they knew what the occupancy was and they couldn't put it online. Because the downstairs basement doesn't have any windows doesn't have an easement doesn't have a way out. But yet we know that that house probably has two more bunk rooms down there. So that house is basically every single time it's rented over the state of occupancy. So, I would love to talk and hear a little bit more about the enforcement on those type of items. If there's going to be short term rentals. Great. We were short term renters at some point, I think everyone on the Hill has participated in the industry. We're not against it. It's about making sure that there can be a community here that can support restaurants, and all the commercial activities. The other thing I'll just say with the short term time left is the noise ordinance was written and you can talk to a lot of long term locals here in support of the businesses downtown. It's super loose. We had issues with a business downtown, where we would call the police we met with the owners of the restaurant. There's not much that the police can do. There's not much the city can do with the noise ordinance. They can shut it down. But what are we going to do when there's actually issues? I think those are the type of ordinances. There has to be ramifications if people continue to break these ordinances. Thank you very much."

Brian Elmore- resident:

“Thank you, everybody for the robust discussion and dialogue today. Just a couple of things that I thought of coming out of that discussion around specifically the comparative cities. I would love to see more economic demographics about those in the chart itself. Things like overall annual budget versus number of residents or homes or properties, percentage of the budget that's paid for by non-homestead versus homestead, taxpayers, police fire and enforcement support and infrastructure for those comparative cities, do they have their own local police department are they you know, sharing it with another community etc. and economic details of comparative cities highlighting any industries other than tourism? I mean, Holland has tons of industry, and I thought it was a little bit entertaining that during their one biggest tourism, you know, time of the year, basically, it's no rules whatsoever. So even though they have very restrictive policies around short-term rentals, when it comes down to having an impact their tourism, they don't seem to mind it in that perspective. Another thing really is just around community input. I know that we've you know, there's been lots of discussion on residents versus non- residents versus whatever. We are a community that is a blended community of people who, well, you know, I'm not a registered voter in the city of Saugatuck. But I spend over half the year there, you know, enjoying our home that, you know, we love and a community we love, etc. So, I think it's, um, it's a little bit insulting to some of us that are saying, you know, they don't want us in the room, when realistically, just because you have to choose, you know, one place to call your actual residence, doesn't mean that we're not heavily impacted by the decisions the city makes, and the policies etc. And last thing, I just want to make sure that as we're looking at, you know, the short term rental specific rules and ordinances that we take a broad, you know, brush to what other things in the city might impact some of the things that people hear is pain points, I hear about trash, you know, quite often, I don't know whether it's a big issue or not, but things like the recycling frequency that you know, we've locked into with Republican the city once a month to pick up recycling is not enough during the, you know, peak season of tourism, when you have people that are coming through in the short term rentals, etc. So, either we're expecting them not to recycle, which seems irresponsible or we are, you know, putting them in a situation where we're just asking for overflow of trash and recycling. So, thank you very much. Thank you.”

Adjournment:

*Motion by Clark, second by Gudith to adjourn. Upon voice vote, motion carried unanimously.
Chair Anderson adjourned at 5:08 p.m.*

Respectfully Submitted

Jamie Wolters, City Clerk

STR Enforcement

City of Saugatuck

Noise

- Noise complaints are handled by the Sheriff's Office.
- Captain Ensfield will present on noise enforcement.

Year	Total Noise Complaints	STR Noise Complaints
2021	22	10
2022	23	8
2023 – YTD	3	0

Registration Enforcement

- In 2021, City Council passed a STR Investigation Fee Policy
 - Guidelines for assessing the investigation fee:
 1. A courtesy reminder will be sent out by staff, allowing 15 days for a response.
 2. The first formal notice will be sent out by staff, allowing 15 days for a response without addition fees or charges. (30 days)
 3. A second formal notice will be sent out by staff accompanied by an invoice for the investigation fee (\$250.00) allowing 15 days for response. (45 days)
 4. A third formal notice will be sent out by staff accompanied by an invoice for the investigation fee (\$300.00) allowing 15 days for response. (60 days)
 5. The sticker will be placed on the main door of the dwelling unit, and a civil infraction notice (\$100.00) will be issued to be paid within 10 days. (75 days)
 6. A civil infraction ticket will be issued instructing recipient to appear in district court.
 7. The court may order the amounts due be placed on the tax bill.
- In 2022, City staff reviewed online STR listings and sent notices to unregistered rentals to bring them into compliance.

Registration Enforcement



In 2023, City staff have worked to clean up STR applications that had a “hold” status.



Friendly reminder letters sent to units that will soon expire.



Investigate complaints of unregistered rentals.

Violation Fees

Chapter	Ordinance Name	Fine for First Violation	Fine for Second Violation	Fine for Third Violation
Chapter 94	Nuisances	\$25	\$100	\$250
Chapter 50	Garbage	\$25	\$100	\$250
Chapter 74	Parking	Varies – Most \$25		
Chapter 150	Fire Code	\$250	\$500	\$1,000
Chapter 154	Zoning	\$100	\$300	\$500

- Occupancy
 - Sleeping Occupancy vs Visitor Occupancy
- Resources for more time intensive proactive enforcement
 - Regular checks of listing sites
 - Single contract provisions
- Complainant for Noise
- Anyone can utilize available street parking

Enforcement Challenges



City of Saugatuck Short Term Rental Task Force

June 1, 2023

MCKENNA

Presenters

Kyle Mucha, AICP
Senior Planner

Emily Huhman
McKenna Planning Intern



Topics of Discussion

- Code Enforcement Analysis
- S.W.O.T. Analysis – Short Term Rentals
- Community Comparison
- Community Input
- Data Analysis



Code Enforcement Analysis

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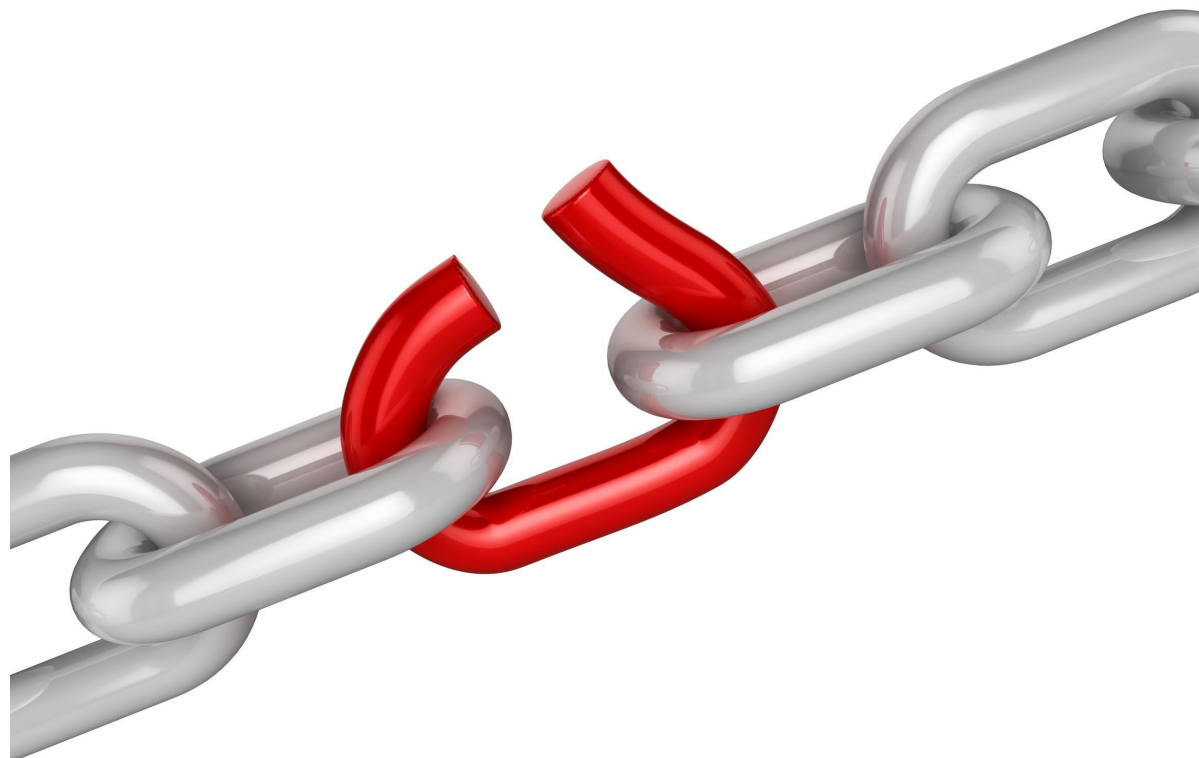
S.W.O.T. Analysis

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Strengths



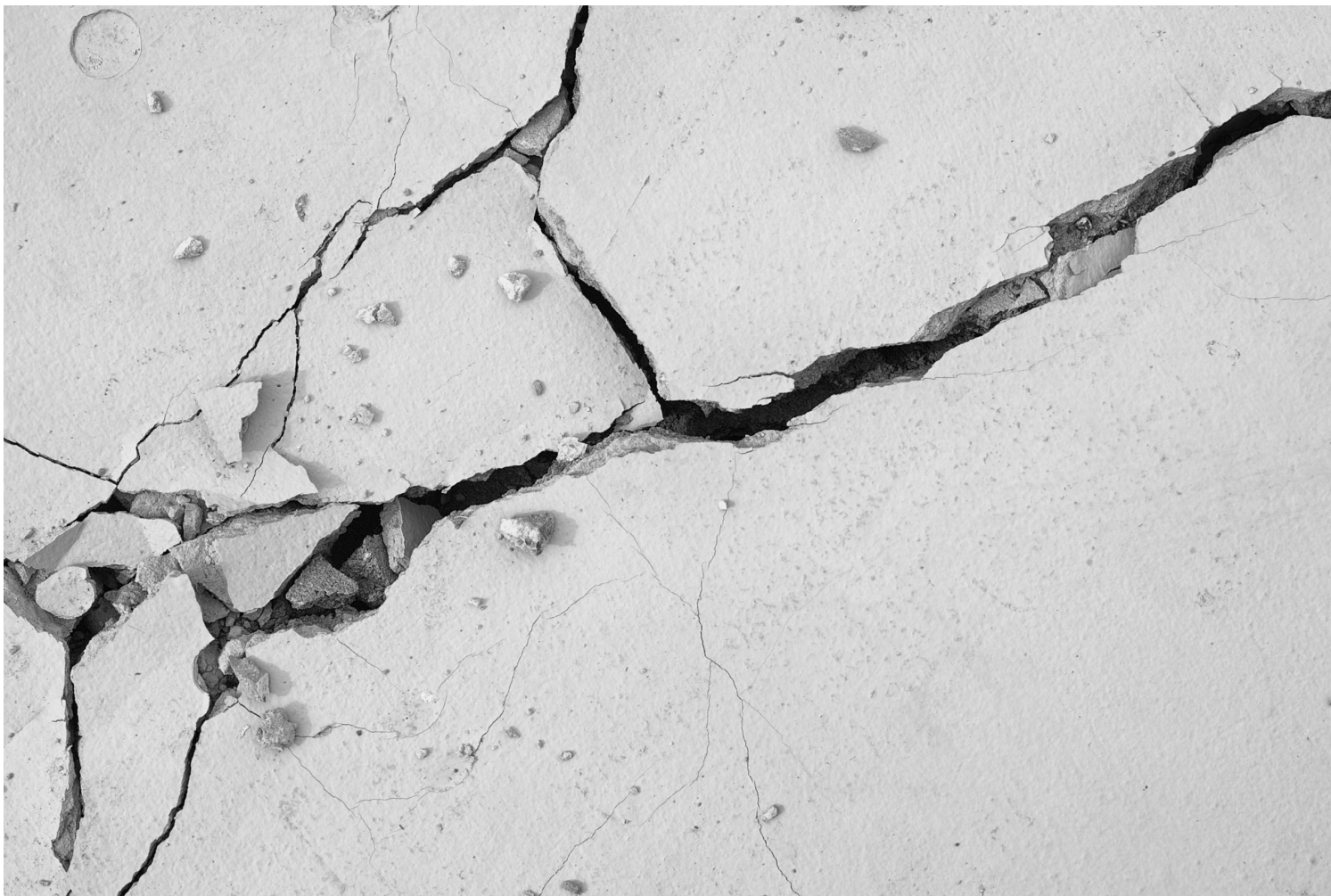
Weakness



Opportunities



Threats





Community Comparisons

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	City of Charlevoix	City of Grand Haven	City of St. Ignace	Suttons Bay Township
Total Housing Units	2,148	6,066	1,324	1,629
STR cap	80 ^{1*}	No maximum number, only permitted in certain districts.	50*	150*
Zoning vs. General Ordinance	Zoning	General Ordinance & Zoning Ordinance	Zoning	General Ordinance
Owner Residency Requirement	Personal units: rented out no more than 28 days per year with owner off-site, unlimited with owner on-site. Owner or designated agent within 60-minute drive.	Owner or designated agent within 60 miles of City.	Owner or designated agent within 30-minute drive, available 24/7 for emergencies.	Owner or designated agent within 45-minute drive, available 24/7 for emergencies.
Tenant Code of Conduct?	Yes	Post local rules for tenants to see.	Post local rules for tenants to see.	Post local rules for tenants to see.
Unit Type Requirements?	2 types of STRs Personal units: rented for 7-28 days/year Business units: rented more than 28 days/year	Persons not required to acquire an ownership interest. Shall not include dwellings that are occupied only by members of the owner's immediate family.	2 types – "Owner-occupied" and "Not owner-occupied"	No
Special Parking Requirements?	Enforcement may require parking on-site (discretionary)	2 spaces per unit (up to six occupants), plus one space for every three occupants over six, based on approved occupancy for all structures on the site.	Single Family: 2 per dwelling unit. Non-family apartments and houses, boarding or employee housing: One space for each dwelling plus one space per bedroom (sleeping room) must be provided by the rental dwelling owner	Parking on-site only
Occupants	2 people per bedroom + 2 per finished floor. 10 Max. ²	Comply with building code capacity – no max. # of occupants.	Comply with building code capacity – no max. # of occupants.	Comply with building code capacity – no max. # of occupants.
STR Definition	Rented for 1 to 29 interrupted or uninterrupted nights per year in the R-1, R-2, and R-2A zoning districts. Those rented for more than 14 days a year must register.	Providing transient accommodations for less than 1 month more than 3 times per year.	Renting for less than 30 consecutive days.	Renting for less than 30 consecutive days. No registration if renting for less than 2 weeks in a year.

¹ 80 Business Rentals – units rented more than 28 days per year without owner on-site. No cap on "personal units".

² Exception for rentals registered before adoption of ordinance, maximum 16 if compliant with the 2xbedroom + 2xfloor rule.

Registration Preference	<ol style="list-style-type: none"> 1. Properties registered before adoption. 2. Properties that have been rented as an STR w/i the past year. 3. Applicants with PRE in City limits 4. All others. 	N/A	Chronological waiting list.	Renewal guaranteed each year if owner has not violated ord. Chronological waiting list.
Registration Schedule	Yearly registration. Inspection every other year. Schedule not specified in ord.	Rental property registered annually.	Permit Year lasts from June 1 st – May 31 st . Property must be listed and available for rent at least 4 months of the year and within 30 days of permit issuance.	Renewal applications open Oct. 1 through Feb 28 th . All applications after March 1 st , applications processed as they come (no more preference for renewals).
Registration Fees	<p>License: \$300</p> <p>Registration w/ inspection: \$300</p> <p>Registration w/o inspection: \$150</p> <p>Waiting List Deposit: \$50</p>	\$140 per unit. \$50 late fee per unit per month.	<p>Owner-Occupied: \$250</p> <p>Not Owner-Occupied: \$350</p>	\$200 per permit
Penalties	<p>1st or 2nd violation in 1 year period: \$100 fine</p> <p>3rd violation: registration revoked, no re-application for 1 year.</p> <p>4th violation in 2 years: registration revoked, no re-application for that owner ever. Appeal hearing held by STR Appeals Board</p>	<p>1 violation within 36 mo. Period: \$250</p> <p>2nd violation: \$500</p> <p>3rd violation: \$1,000, suspension of certificate. Revoked for repeated violations, cannot reapply for 1 year.</p>	Violations are municipal civil infractions. Each day of violation is a separate infraction. 3 separate violations, City can revoke permit. Appeal to ZBA. Cannot reapply for 1 year. 3 citations against the same tenant counts as 1 civil infraction against the owner.	<p>1st violation in 1 year: verbal/written warning</p> <p>2nd violation: \$250-\$500</p> <p>3rd: 2x the initial fine or \$500, whichever is less. Permit revoked, cannot reapply for 1 year.</p> <p>1 or more violations each year in a 3 year period, permit can be revoked.</p> <p>Can appeal revocation to Township Board.</p>



Community Engagement

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Community Engagement Styles

- Outreach & Branding
 - ✓ Website
 - ✓ Flyers & Postcards
 - ✓ Signage
- Community Workshops
 - ✓ Open Houses
 - ✓ Small Groups
 - ✓ Pop-Up Engagement
 - ✓ Festivals & Gatherings
 - ✓ Targeted Outreach Meetings
 - ✓ Stakeholder Interviews

Community Engagement Styles

- Online & At-Home Engagement
 - ✓ Social Media
 - ✓ Online/Paper Survey
 - ✓ Idea Boards



Community Input - Survey

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Community Input - Discussion

- Principal dwelling verse secondary property
- Do you participate in STR
- What is your neighborhood location
- What are the positive aspects of STR
- What are the not so positive aspects of STR
- Require permit or no permit for STR – cap number
- Housing types for STR (single family, ADU, condo, multi)
- Housing needs within C.o.S.
- Should there be more requirements for STR





Looking Forward

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Upcoming Meeting Topics

- June 15
 - ✓ Present Draft Community Survey
 - ✓ Public Engagement Discussion
 - ✓ National Trends?
- July 6th
 - ✓ Short term rentals & Master Plan
 - ✓ Public Engagement Update
 - ✓ Data Analysis

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
Cathy Hart	<ul style="list-style-type: none"> • Short term rentals in homes provide visitors rooms to stay in when very few hotel/motel/resort beds are available. • Increase the visitor spending in Saugatuck and support our only industry – hospitality • Increase the tax base for schools, town and county with non-homestead tax rates on rental units • Property Values have increased for homeowners due to the ability to re-coup some investment with STR while waiting to retire here or live here full time. • Saugatuck has been known for opening its arms to tourists/travelers for over a hundred years 	<ul style="list-style-type: none"> • Party noise and objectionable vocabulary at high volume particularly in the residential areas and at night. • Parking issues at rental homes spilling out into the street, blocking sidewalks, and at times creating blocked roads and right of way so that Emergency vehicles cannot get through or go two ways (Of course this is not all attributable to STR's but only one small factor) • Not knowing your neighbors because they are infrequently there because they are renting. • Certificates for STR may not always be obtained by owners who rent • Certificates for STTR may cost the city more than \$350 to administer (also 	<ul style="list-style-type: none"> • We need to develop a list of expected rules to follow while in our neighborhoods – Noise, Partying, time at night for quiet, general decorum rules – i.e. pretend this is your peaceful neighborhood and young children are next door. • Promote to residents and homeowners a phone number for enforcement of the rules such as parking, noise, or whatever – when it is not an emergency but it is important – i.e. the line we already have could be used but need to tell everyone the number and when to use it rather than 911. • Develop a process to ticket/fine the 	<ul style="list-style-type: none"> • We could use input from the police as well on ticketing and parking violations in past, fire protection issues that have occurred. • We are also a very welcoming, safe and open minded community and we need to emphasize that while insisting that visitors are respectful of all others. This is why most of us have moved here and paid lots of money to be a part of this City.

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
	<p>and we have a reputation of being a friendly small town who welcomes everyone to our city for relaxation, food, art, and fun.</p>	<p>including Fire inspection costs, zoning time etc.)</p>	<p>person(s) making the noise, swearing, parking illegally etc. Not just call the owner or manager – empower the police or have a ordinance officer during the summer when people get out of hand (could be a reserve or retired police like officer Bob used to do</p> <ul style="list-style-type: none"> Identify any additional needs for regulation/information regarding fire safety and allowing bonfires/pits/ etc. within the city limits with residents and the fire department. 	
<p>Kevin Tringali</p>	<ul style="list-style-type: none"> Largest contributor to our local economy Non homestead tax base for 2nd home homeowners 	<ul style="list-style-type: none"> Noise Garbage Parking 	<ul style="list-style-type: none"> Use best practice methods to mitigate issues before they happen (I can share a few of ours at next meeting) 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
Holly Anderson	<ul style="list-style-type: none"> • Supports tourism, which is our economic driver • Provides tourists with a home-like alternative (kitchens, laundry, etc.) to augment hotels/motels and bed & breakfasts • Enables homeowners opportunity to rent their house to earn some extra cash • Supports our property management businesses in town and others who own a few STRs 	<ul style="list-style-type: none"> • Decline in the number of permanent residents ... people who are fully invested in the community and available to serve it (boards, commissions, etc.) • Associated decline in Saugatuck kids attending our schools (need data to confirm) • Loss of neighbors in our neighborhoods ... undermines small town feeling • Reduction in number of long-term rentals (need data to confirm) • Noise/trash/parking issues/other nuisances from guests • Rise in housing costs and lack of affordable housing (need data to confirm) • Contribute to labor shortages in the service industries, including 	<ul style="list-style-type: none"> • Allocate resources needed to enforce our policies • Raise fees to cover costs of administering STRs • Create meaningful fines to disincentivize policy violations; revoke licenses after multiple violations • Broadly and clearly communicate – to STR owners, guests, neighbors, etc. – what our policies are, why they matter, and what to do when people encounter issues • Explore two types of licenses – 1-2 STRs = personal and 2 or more = commercial with separate fee structures • Limit occupancy rates, e.g., 2 per bedroom plus one sofa bed, and cap occupancy at 10 	<ul style="list-style-type: none"> • Look to Tri-Communities Master Plan for guidance, e.g., community survey respondents saying they want to maintain the scenic, small town/rural character of the area.

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
		<p>hospitality (need data to confirm)</p> <ul style="list-style-type: none"> • Influx of businesses (e.g., PE firms and other investors) who have bought up our housing for commercial gain with no ties/commitment to the community • Pits people who want to monetize their homes against those who want to make their home here 		
<p>Steve Manns</p>	<ul style="list-style-type: none"> • Ability for homeowners to generate additional income • Ability to allow for additional tourism • Many Tourist/renters prefer rental units versus hotel • Rental of homes reduce need for new construction of hotels • Rentals have always provided a way to 	<ul style="list-style-type: none"> • Potential Noise/disturbances within a community/neighbors • Potential Trash issues • Potential parking issues – especially areas with street parking • Too many rentals can lead to loss of community feel in neighborhoods • Potential negative effect on school enrollments as you have fewer full-time families 	<ul style="list-style-type: none"> • Increase STR fees and fines to allow community to hire additional personnel or a third party group like Granicus • Require Short Term Rental license to be posted in a front/visible window when rented • Require owners of STR licenses to provide contact cards to all neighbors living with 300 feet of rental – 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
	<p>positively introduce tourist to area</p> <ul style="list-style-type: none"> • Currently our low fees provide maximum profit to owners • Positive for home valuations 	<ul style="list-style-type: none"> • Increasing home values can lead to lack of affordable housing • Full time residents begin to consider selling and moving due to level of STR • Not sufficient regulations and/or enforcement of regulations • Need to hire additional city staff or add a third party to manage/regulate/enforce STR • Can lead to additional work load on protective services – Police, Fire, Ambulatory etc 	<p>card should list owner contact information, rental manager contact information, max # of guest per license, etc</p> <ul style="list-style-type: none"> • In areas with street parking – Zoning changes to require neighborhood parking stickers during peak seasons or year around. Two parking passes per household. STR homes’ parking passes need to list home addresses on passes. • Require STR units to install a decibel level meter and notify owner/manager once a set level is exceeded • Require a ‘Be a Good Neighbor’ sign to be posted in all STR units • Require a Sign listing of all Fines/Penalties 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
			<p>be posted in all STR units</p> <ul style="list-style-type: none"> • Require all STR owners to be members of CVB thereby requiring owners to pay 5% Lodging tax (then work out revenue sharing between CVB and City). This shared lodging tax can be allocated by City to assist in covering costs for STR management and offset costs to City for Special Events held that enjoyed by many STR tourists. • Require all STR owners who do not reside within 10 miles of their STR unit to contract with a local rental management company versus naming just any manager (friend, neighbor, etc). 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
			<ul style="list-style-type: none"> • If a local rental management company is required – consider making this company responsible for renters and any potential violation fines. The rental management company can then determine how they are reimbursed by either owners or renters. This reduces the need for City personnel to provide for collections of fines. • Consider limiting number of rentals in some residential zones 	
Lauren Stanton	<ul style="list-style-type: none"> • Tourism to support our local restaurants and businesses. • Quaint vacation options. • Walking distance to local businesses and attractions. 	<ul style="list-style-type: none"> • Lack of affordable or attainable housing to many segments of our population. • Lack of year-round neighbors • Noise from loud parties, mostly gathering outside late at night 	<p>Better enforcement of current ordinances Tighten up restrictions on outdoor gatherings - enforce “quiet times” from 11pm-7am Potential to write tickets to the offender on the spot</p>	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
	<ul style="list-style-type: none"> • Increase in our property values • Many homes have been fixed up because of the rentals but also because of the value of their homes to make improvements • Overall economic boom for our city. 	<ul style="list-style-type: none"> • Extra garbage • Too many cars taking up on-street parking • Lack of year round families who have kids who would attend our school and work in our businesses. 	<ul style="list-style-type: none"> • Warnings and potential revoking of license of homeowner if too many offenses/tickets • A yearly fee - instead of 3 years - to help cover the cost of an enforcement officer in the summer. • Adopt a “Good Neighbor” policy that should be posted in all rentals. • Neighbors should be given contact information of the agency or person in charge of the rental home so there is someone who can call and correct annoying behavior. • Work with neighboring communities like Saugatuck Twp, Douglas, Fennville to create affordable or attainable housing. 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
			<ul style="list-style-type: none"> • Allow for the potential of new hotels to be built along Blue Star Hwy or near highway exits so visitors have more choices for vacation rentals. 	
Elizabeth Boerema	<ul style="list-style-type: none"> • Thriving downtown with great shops and restaurants • Jobs for students, creating great work ethics • Jobs for residence, surrounding areas • Responsible and involved business owners • Attendance for events that create extra income which is put back into the community to help those in need. 	<ul style="list-style-type: none"> • Noise • Parking • Trash – not sure this is really an issue, but could be. • Loss of Neighborhoods, Students, City Permanent Residents • Housing Affordability 	<ul style="list-style-type: none"> • Create noise ordinance for rental properties. • Increase fees to hire someone to make sure owners are in compliance and follow up when they are not. • Hire summer intern (enforcing mostly needed in June, July, Aug) • Homes w/occupancy of 6+ must have additional onsite parking to accommodate cars. • Enforce occupancy limits, create new limit on occupancy. • Create city website link where complaints 	<ul style="list-style-type: none"> • A few larger houses with absentee owners not being responsible appear to be ruining it for everyone else: Noise, Cars, and Trash. • We can't support the city w/just year round residence: Locals don't go out to eat enough or purchase enough from local shops to support this town. A-lot of property owners are only here for the summer and head to warmer areas for the winter. We need the tourists

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
			<p>can be emailed and followed up with by city to enforce. (Might provide information of rentals without certification.)</p> <ul style="list-style-type: none"> • Issue fees, loss of rental certificate for complaints. • Limit rental properties to a percentage of available homes, what is current percentage? • Make Residential area rentals 5-day min to bring in more families and less weekend parties. 	<p>to keep our shops and restaurants alive.</p> <ul style="list-style-type: none"> • If we create rules, we need to make sure there is a way to enforce them. • We currently have 3-hour parking on certain city streets that is not being enforced. I also thought the Dingy Docks were to have no overnight parking, however I could not find documentation on that. There are some boats that are tied up there for several days/weeks during the summer.
Joe Clark	<ul style="list-style-type: none"> • Economic impact – business and tourism revenues • Demand for housing increased (question on local pricing) 	<ul style="list-style-type: none"> • Nuisances <ul style="list-style-type: none"> ○ Noise, elevated in areas of high STR concentration and over-crowded STR units 	<ul style="list-style-type: none"> • Provide a regulatory framework that allows STR and residential communities to co-exist 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
	<p>versus national average/inflation)</p> <ul style="list-style-type: none"> • Increased tourism raising diversity and national community awareness 	<ul style="list-style-type: none"> ○ Garbage ○ Parking • Density <ul style="list-style-type: none"> ○ Over-crowded rental dwellings ○ Concentration of STR's in certain neighborhoods • Safety <ul style="list-style-type: none"> ○ Increasing demand on first responders ○ Congested STR units ○ Parking congestion • Regulatory framework <ul style="list-style-type: none"> ○ Minimal enforcement of existing regulations ○ Existing regulations do not provide enough protections for residential neighborhoods ○ STR operating as businesses in residential neighborhoods ○ Unregistered rental dwellings • Other 	<ul style="list-style-type: none"> ○ Focus on what is generating the most concerns such as over-crowded dwellings and residential neighborhoods ○ Limit density in neighborhoods / districts / city ○ Limit maximum occupancy to help avoid large gatherings ○ Define nuisance restrictions congruent with the spirit of residential zoning (154.026-R1 A) • Enforcement <ul style="list-style-type: none"> ○ Add resources to respond to complaints and violations ○ Increasing penalties for repeat offences 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
		<ul style="list-style-type: none"> ○ Declining residency rates 	<ul style="list-style-type: none"> including loss of permitting <ul style="list-style-type: none"> ○ Identify non-compliant and non-registered STR dwellings ● Economics <ul style="list-style-type: none"> ○ Increase permitting fee's commensurate with incremental costs to city <ul style="list-style-type: none"> ▪ First responder ▪ Cost of enforcement 	
Sean Steele	<ul style="list-style-type: none"> ● Huge economic impact ● Supports our other local businesses and attractions. ● Supports our local tax base. ● Brings in visitors, repeat and new. ● Supports our surrounding communities. 	<ul style="list-style-type: none"> ● Owner contact and responsibility not readily available ● Owner accountability to guests ● Noise and “party” control 	<ul style="list-style-type: none"> ● Enforcement of rules and regulations ● Proper insurance requirements (most home rentals require a commercial policy) ● I've seen most home mortgages for rentals require a commercial mortgage for short term 	<ul style="list-style-type: none"> ● I believe we have the proper ordinances in place already, we need to spend more time and effort to make policing and reviewing STR's year around and not just every 3 years. ● Renewals or new STR should have a face-to-face review of the rule and regulations

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
	<ul style="list-style-type: none"> Keeps large hotel chains out of our community. Supplemental income to offset our higher tax base. 			<p>before a license is issued.</p> <ul style="list-style-type: none"> The point of contact should be within 5-10 miles for timing to be effective. 45 miles is too far away. As well as a 24 hr contact # If an owner receives 3 or more warnings for non-compliance to STR license a suspension of the license should be issued
Anne Gudith	<ul style="list-style-type: none"> Boost in economy/people who visit and stay in STR's continually come back to visit/people who stay in STR's purchase homes in the community and pay for those higher taxes 	<ul style="list-style-type: none"> Occasionally disruptive guests/do not follow parking (difficult for emergency/trash/mail trucks). Less full-time residents. 	<ul style="list-style-type: none"> Management companies as well as self-managed homes need to have a specific set of guidelines Contact number given to neighbors to report issues Make it a requirement for trash pick-up by a certain time and/or day otherwise fined 	

Task Force Member	Positives	Negatives	Opportunities	Other Feedback
			<ul style="list-style-type: none"> • We need to find self-managed properties that are not certified (they should be fined for not being certified like \$1,000.00). • Enforce and emphasize parking issues not parking signs on our streets that get congested. • Possible place a limit or lottery-type situation on new STR's on a yearly basis. I also think it should be a yearly re-cert as well as a higher fee for re-certification. 	

Community Engagement Approach



At McKenna, we pride ourselves on effectively delivering practical and useful planning processes – on budget and on time. As the City of Saugatuck looks to tackle short-term rental concerns raised by community members, our team is uniquely positioned to gather all manner of public feedback.

We envision our team as the facilitators of a public discussion deployed by City leaders to ensure all voices are heard and to develop consensus and excitement for potential revisions that work not only for residents, property and business owners, but also travelers to the great City of Saugatuck!

We know that the engagement processes need to be flexible, in order to allow for constant evaluation of the feedback and ensure that all voices are heard. Therefore, we are not proposing a set-in-stone scope or a lump sum price.

Instead, on the following pages, we are providing a list of possible engagement actions and activities, as well as potential deliverables to consolidate and articulate the vision of seeking community insight. This approach is designed to be a “menu” of potential public engagement options that are available to the City as deemed appropriate. Further, the City does not have to adopt the following options wholesale. McKenna is flexible to complete any combination of tasks as selected by the City.

Our public engagement process will accomplish the following primary objectives for the City of Saugatuck:

1. Listening! McKenna values all voices from community members. We find that just listening to positive and not-so-positive comments from community members provides a greater base of understanding.
2. We will provide meaningful opportunities for people to engage in the planning process, ensuring participants see their ideas reflected in the recommendations to City Council.

OPTION #1: OUTREACH MATERIALS AND BRANDING

McKenna's talented graphic design team, led by Art Director Carrie Leitner, will work with City leaders to create a brand for the outreach campaign. The brand will be used consistently on all marketing materials. McKenna can provide the following electronic and hard copy materials for use during the outreach process. This option includes the following items:

1. **Central Outreach Website:** This site, which would have an easy-to-remember URL such as "rentsaugatuck.com", would be the hub of the online portion of the outreach, and would also contain information and updates regarding the ongoing engagement process generally.

Approximate Fee: \$1,500 for set up, plus \$200 monthly for ongoing updates and maintenance. URL hosting fee included.

2. **Flyers and Postcards:** McKenna can create flyers, postcards, and other small materials to be mailed, delivered to businesses, or displayed around the community.

Approximate Fee: \$600 per design. Printing and mailing not included.

3. **Signage and Large-Scale Materials:** McKenna can produce designs for temporary signage, banners, unstaffed engagement boards, and other large-scale installations that promote or enhance the engagement effort.

Approximate Fee: \$600 per design. Production, shipping, and installation not included.

The flyer features a red lighthouse icon on the left. The title "Future Vision FORMER AIRPORT SITE" is in a stylized red font, with "PARK TOWNSHIP, MICHIGAN" in a smaller blue font below it. The main text reads: "Residents of Park Township are invited to help determine the future of the Former Airport Site. The Township is undergoing a multi-phase process to ensure all voices are heard." Below this, it says "Phase 1: COMMUNITY BRAINSTORM". A section titled "Approximate Timeline" lists four phases: 1. Community Brainstorm (Spring / Summer 2021), 2. Ideas Evaluation (Summer / Fall 2021), 3. Development of Alternatives (Spring / Summer 2022), and 4. Final Consensus Vision (Summer / Fall 2022). An "INSTRUCTIONS" section explains that Green Cards mean "GO!" (suggestions) and Red Cards mean "STOP!" (pitfalls/problems). It lists four categories on each card: Amenities, Design, Preservation, and Big Picture. It also includes a note: "Feel free to fill in every line—or just one or two. Every idea is valued!" At the bottom, it says "Stay tuned for community workshops, site walks, and other opportunities as the process moves forward! Information will be included in the Township Newsletter, as well as posted at parktpvision.com and around the community." The footer includes "Phase 1: Community Brainstorm" and "PARK TOWNSHIP, MICHIGAN".



OPTION #2: COMMUNITY WORKSHOPS AND EVENTS

Our approach to community workshops adds value to the traditional “public meeting” framework. In conjunction with the following outreach techniques, we are confident we will accomplish the City’s goals to reach a strong representative sample of its constituents.

We are open to creative ideas for events that “mix and match” the techniques presented below in conjunction with City leaders.

- 1. Community Open Houses.** McKenna team members can host public events with detailed workshop materials. McKenna will work with the City of Saugatuck leadership to maximize the impact of these events and use these events to identify project champions that will help to generate interest in the other outreach activities. Community Open House events can be made virtual or hybrid.

Approximate Fee: \$3,500 per event.

- 2. Small Group Discussions.** McKenna team members can host small group discussions and workshops, with the goal of developing ideas and discussions for potential changes to the short-term rental ordinance and policies. Importantly, these groups would not be “by invitation” – they would be open to all interested residents however we encourage limiting the number in attendance to help facilitate the true small group setting. We would also endeavor to create groups with diverse perspectives, including participants from different neighborhoods, different ages, and different backgrounds. As with Community Open Houses, Small Group Discussions can be made virtual or in-person.

Approximate Fee: \$1,500 per event

- 3. Pop-Up Engagement.** McKenna can set up engagement stations in various locations throughout the community – in parks, schools, businesses, organizations, or anyone else the community members are likely to gather or spend time. The level of interaction can vary depending on the context and desire of the host location. In some instances, we have set up a full mobile Open House, with robust opportunities for engagement, while in other outreach projects, we have simply stationed team members to hand out postcards or giveaways to raise awareness of the outreach effort and drive traffic to online tools and other events. Unstaffed remote engagement is also a possibility.

Approximate Fee: \$500 - \$3,000 per location, depending on the level of staffing and the amount of time.

- 4. Festivals and Gatherings.** Our team members can use festivals and other community events as opportunities for outreach. Similar to the pop-up engagement locations, there is a spectrum of opportunities to engage residents at major gatherings where people come together.

Approximate Fee: \$1,000 - \$2,500 per event depending on the level of staffing and the length of the event.

- 5. Targeted Outreach Meetings.** During the process, in collaboration with City leadership, it is possible that we will determine that we have not received feedback from a sub-set of residents – for instance, young people, or residents of neighborhoods away from the waterfront. If directed, McKenna team members can develop outreach events or opportunities specifically for those groups.

Approximate Fee: Variable, depending on the type of outreach needed.

- 6. Stakeholder interviews.** This task can include interviews of important community stakeholders as it pertains to short-term rentals. This can include interviews of applicable staff from various peer communities to get more in-depth information on their community’s challenges and triumphs with regulating short-term rentals, or discussions with other interested area organizations, such as tourism bureaus, housing advocates, and others. We will work with the City to determine any other important stakeholders that should be involved in the conversation.

Approximate Fee: \$150 per interview

OPTION #3: ONLINE AND AT-HOME ENGAGEMENT TOOLS

Community engagement in in-person planning processes can be difficult. People need to have free time at a specific time, and often go to a specific place. Online outreach, on the other hand, reaches residents on their schedule and in their homes. Our team has several tools available to create robust online outreach.

- 1. Social Media:** Our team can use Facebook, Twitter, and other platforms to involve people in planning processes. The value of these tools is that similar to a pop-up workshop, we will reach people where they are, and it's convenient and effective. McKenna will not just post a page and leave it. We will moderate the activity, answer questions, and engage users. We will use these informal engagement platforms to direct users to engage in the more formalized online outreach activities.

Approximate Fee: \$500 for setup, approximately \$250 per month for maintenance and updates.

- 2. Online or Mail-In Survey:** Public surveys provide a way to gauge the results of an event against a larger sample of public opinion. The McKenna team routinely uses online surveys to collect important information regarding attitudes about transportation, design, and development characteristics. The McKenna team will work with the City to design an online survey that best fits the project. A survey is a great tool that will ensure that those individuals who cannot make it to a public meeting will have a way to contribute. Surveys are also opportunities to get feedback on ideas that have already been generated. We have worked with a partner firm that conducts statistically valid surveys, and we could engage them as part of our team, though we have not done so yet.

Approximate Fee: \$1,000 for online survey, \$4,000 plus mailing costs for mail-in survey, \$15,000 for statistically valid survey.

- 3. Online Ideas Board (Social Pinpoint):** McKenna uses the online tool "Social Pinpoint" to create Online Ideas Boards, where residents can both suggest ideas, and react to what others have posted. Our team would curate and moderate the boards, generating robust, yet respectful, discussion.

Approximate Fee: \$1,000 for setup, \$500 per month for updates and moderation.

VIRTUAL ENGAGEMENT BY THE NUMBERS



1,010

Unique Website Visitors



418

Survey Responses



799

Online Comments



3,200

Responses to Online Comments



March 31, 2023

Mr. Ryan Cummins
Director of Planning & Zoning
City of Saugatuck
102 Butler Street
PO Box 86
Saugatuck, MI 49453

Subject: Short-Term Rental Task Force – Supplemental Proposal Material

Dear Mr. Cummins,

Thank you for meeting with our team regarding Saugatuck’s recent request for proposals for assistance with the City’s short-term rental task force. We found the conversation to be fruitful and are pleased to present the following supplemental information per our discussion on Wednesday, March 29, 2023.

SHORT TERM RENTAL ORDINANCES & COMMUNITY COLLABORATION

McKenna has assisted several communities across the State of Michigan regarding short term rentals. As discussed during our March 29, 2023 meeting, a number of our community partners have adopted a “wait and see” approach to short term rental ordinances and regulations due to the former pending legislation at the State level as it pertains to local control of short-term rentals. However, now that the State has provided more clarity on the stance of the legislation, many of our client communities are starting to initiate the first steps to address these regulations.

The following table provides a sample of communities McKenna has assisted in some capacity as it pertains to short-term rentals. This is not an exhaustive list, but one that showcases the wide demographic and socio-economic makeup of communities across the state.

Community Partner	Project
Kalamazoo Township	Zoning enforcement and ordinance amendments
City of Fennville	Zoning ordinance rewrite
Ovid Township	Initial discussion to determine desire to regulate short-term rentals
Chikaming Township	Ordinance creation & public engagement
St. Joseph Township	Ordinance creation & public engagement
New Buffalo Township	Ordinance review
City of Holland	Ordinance review and revisions
Royal Oak Township	Ordinance review and revisions
Northfield Township	Ordinance review and revisions
City of St. Johns	Residential rental registration

DATA ANALYSIS

McKenna understands that in-depth data analysis of zoning ordinance regulations pertaining to short-term rentals will be a critical component of the short-term rental task force purview. We offer the following data analytics based on the City's needs. Should City leadership find further analytics necessary beyond what is listed below, McKenna will be glad to tailor our approach to provide the data you need.

During our collaboration meeting on March 29, 2023, we discussed mapping the locations of short-term rentals within the City. We find that this task can be done in conjunction with Task 1.1 of the proposal as it relates to local information gathering. If the City uses a software such as BS&A, it is feasible to export a report from BS&A, which includes the type of violation and property address/parcel identification number. Further, we can utilize public information, such as social media (e.g., Facebook, Nextdoor, etc.), Airbnb (and other similar companies), and other online resources to identify where the short term rentals are located. If a property owner is operating a short term rental in the City, it is likely they will be advertising publically in some capacity.

As referenced during our discussion, McKenna finds value in presenting data in a graphically rich and informative design. Having a visual representation of data allows for quick reference and can also be utilized as discussion points during public engagement events. We propose the following breakdown of tasks as a component of our work with the Short Term Rental Task Force (these tasks can be selected based on the needs of the City):

- A. *Overall Housing Market Analysis for Context.* McKenna will review data sources, such as ESRI business analyst to provide an overall housing market analysis for the City of Saugatuck. We have extensive experience with housing market analysis for communities such as the City of Saginaw, Holland Charter Township, City of East Lansing, City of Holland, City of Fort Wayne, IN, and others.
Fee: \$2,000
- B. *Sub-Market "Hot Spot" Analysis of Portions of the City with Short-Term Rentals.* McKenna will dive into a "block" level analysis of short-term rentals as it pertains to market impact. This step will provide further detail on the real-life impacts and conditions that short-term rentals can have at the neighborhood level.
Fee: \$2,000
- C. *Seasonal Population Estimate.* We will utilize resources available to us, such as US Census Data, information from area tourism bureaus or chambers of commerce, DDAs, assessment records, and other applicable organizations/sources to identify a seasonal population estimate for the City. This information will help tell a larger story on the number of full-time residents, or the number of people living in or visiting the City on short term bases. Seasonal population estimates can help gain a larger understanding of the demand for lodging opportunities and how it is related to the short term rental issue.
Fee: \$1,000
- D. *Estimate of economic impacts of those who use short-term rentals within the City of Saugatuck.* McKenna will use business analytical tools to evaluate the economic impacts persons who utilize short-term rentals have on the community. Our team will evaluate the terms of rentals (where data is available) to determine the average rental time during peak seasons. Then, we will use this information to formulate an economic impact analysis.
Fee: \$3,000
- E. *Analysis of the "overflow" from a restrictive ordinance, such as the City of Holland and other coastal communities.* McKenna will evaluate the number of short-term rentals permitted within the City of Holland, and any other applicable popular coastal communities (e.g., City of South Haven), and an average travel

radius to determine trip generation between the two communities.

Fee: \$1,000

- F. *Analysis of housing markets within comparable communities, such as Douglas, Fennville, and other communities that have experienced housing demand increase near Saugatuck.* McKenna will utilize available housing market data from sources such as ESRI and the US Census to determine where recent housing growth is taking place in relation to the City of Saugatuck and the type of housing available. Our team will analyze owner-occupied dwellings compared to rental dwellings. We will then pull the same housing market information for comparable communities in the region.

Fee: \$1,000 per comparison community.

- G. *Analysis of changes in the regional housing market since AirBnb was founded in 2008, with related analysis of post-2014.* McKenna proposes to analyze the changes in the housing market since the creation of AirBnB in 2008 and post 2014 to present day (where data is available). Our team seeks to remove negative impact markers, such as the Great Recession, from the analysis to provide a clear housing growth descriptive analysis. This review will further focus in on rental homes verse homeownership, median rent, average rent, median home value and average home value.

Fee: \$2,000

McKenna understands that the topic of short-term rentals can be fluid: new ideas, questions, concerns, regulations, and other applicable topics can have impacts on the analysis of short-term rentals in Saugatuck. Our team is dynamic and flexible to new ideas brought forth by our partner communities. We want to ensure the City of Saugatuck that our above data analysis is not “set in stone” and that adaptation may be required based on issues the short-term rental task force and public engagement activities bring to the forefront.

McKenna views the work we do as a true **partnership**. Should there be further analysis needed that has not been addressed above, McKenna will work within the established budget and timeline to exceed the expectations of the City of Saugatuck. We hope you find this supplemental letter to be of benefit to the overall goals and objectives of the City of Saugatuck and look forward to our potential partnership. Please do not hesitate to reach out if you have any questions.

Respectfully submitted,

McKENNA



Kyle Mucha, AICP
Senior Planner

Jamie Wolters

From: Daniel Fox <danielwfox101@gmail.com>
Sent: Monday, May 22, 2023 9:54 AM
To: Jamie Wolters
Subject: Short-Term Rental Task Force

Jamie,

Below are some suggestions for the Short-Term Rental Task Force. Could I ask you to distribute copies to those individuals, and also to provide Council members with a copy?

Thanks very much.

An Unfair Situation

As things currently stand, the owner of a Saugatuck short-term rental property must obtain a license from the City of Saugatuck to operate. Other than fines for violation of city ordinances, the only cost the city charges directly to the property owner of the short-term rental is \$350 for a three-year license. The city then compensates the Saugatuck Township Fire District \$175 to conduct a one-time fire-safety inspection of the property. So the net revenue to the city is the remaining \$175, or about \$58 a year.

Unfortunately for the city's taxpayers, that incredibly modest fee doesn't come close to capturing the local-government costs directly related exclusively to short-term rentals. The result of this failure is that all these remaining costs are effectively (and quietly) transferred to the remaining property-taxpayers who don't operate a short-term rental business. Unfair, indeed.

Challenges to the Short-Term Rental Task Force

To begin to rectify this wildly unfair situation, the city needs to first obtain reliable, across-the-board, cost information related to short-term rental properties demands on city government including:

- Full and complete accounting of city personnel staff time (with benefits) and city hall overhead.
- Full accounting for all other services being rendered by government agencies to short-term owners (or their tenants), but not being charged to—or paid for by—those owners.

- For its part, the STFD should similarly research the real cost of conducting fire-safety inspections (known to be well above what is currently charged) and enact new fees while considering annual inspections as well. The possibility of transferring the inspection responsibility from the STFD to trained and certified staff within the City of Saugatuck should also be considered.

The city should consider hiring at least one individual and adding one vehicle to be primarily dedicated to code-enforcement activities (including short-term rental properties), possibly including conducting annual safety inspections currently contracted to the STFD. The cost for the hiring and new vehicle should be captured in the short-term rental license fee.

Based on detailed cost-accounting, the city should re-calculate its fee structure for short-term-rental owners and, for safety, require annual inspections of these properties. Further, the short-term-rental fee should be assigned and collected annually.

Fines for violations of short-term-rental related ordinances should be subjected to similar vigorous cost-analysis and be re-calculated. One example: violators are often given a “warning” with no fine. However, these violations of published city ordinances (for unsafe occupancy, excessive noise, and the like) deserve no such “free pass.” Further, subjectively, any fine structure should deter violators, whereas the current fines seem embarrassingly low, unfair to full-time residents, and unlikely to deliver much deterrence to rental operators.

Comprehensive financial fairness, accountability, and deterrence of violations by short-term renters and owners should be the hallmarks of any recommendations by the Task Force.

Dan Fox

Shoulder rental Cant -

I had to work yesterday so I
missed the meeting.

No one but vacationers are
coming to Michigan -

Even the well paid are
all busy "populating"
the last 50 years!

Women work to buy fuel
for home - just since
vacationers visit.

Plans don't hurt as
state by state
short term notes.

Quadr. By

Michigan's population growth has fallen behind the national average

Michigan Radio | By **Taylor Bowie**

Published May 18, 2023 at 2:00 PM EDT



Matej Kastelic/Kasto - Stock.Adobe.Com / 228602944

Professor giving a college lecture while students take notes.

Michigan ranked second-to-last in the country in population growth over the last decade.

That's according to a report released by The Citizens Research Council of Michigan and the Ann Arbor nonprofit Altarum this week.

Eric Lupher is the president of the research council.

Lupher says the lackluster population growth in Michigan is a longstanding trend.

“The bottom line is, we haven't really been growing as a state for the last fifty years. Our

Michigan Radio
Morning Edition

The report notes the lackluster economic opportunities in the state, leading to fewer people migrating to Michigan, and more departing. Fewer people moving into the state has led to an aging population.

The report did find that the population of Black, Hispanic, Asian and other non-white groups in the state has increased, while the non-Hispanic white population has decreased.

The report suggests investing in public infrastructure and education to improve quality of life and economic opportunities in Michigan.

"Step one is recognizing the problem, so investing in people, right? Investing in the opportunities and well-being of Michiganders. Doing so will improve their health, will improve their educational achievement," Luper said.

Tags

Economy

state population

Citizens Research Council of Michigan

Michigan population



Taylor Bowie

Taylor Bowie is a senior studying English Literature at the University of Michigan and an intern in the Michigan Radio newsroom. She is originally from Owosso, Michigan.

[See stories by Taylor Bowie](#)