



**Short Term Rental Task Force
Regular Meeting
June 15, 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. June 1, 2023 Regular Meeting

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

5. Review/Discussion:

- A.** Community Engagement Recommendation
- B.** Data Analysis
- C.** Initial STR Task Force Feedback and Themes
- D.** Community Wide Policies

6. Communication/Correspondence:

- a. Kevin Tringali
- b. Brad Vah
- c. Brian Schipper

7. Public Comment: (Limit 3 minutes)

8. Member Closing Comments:

9. Adjourn (Voice Vote)

NOTICE:

Join online by visiting:
<https://us02web.zoom.us/j/2698572603>

Join by phone by dialing:
**(312) 626-6799 -or-
(646) 518-9805**

Then enter "Meeting ID":
2698572603

Please send questions or comments
regarding meeting agenda items
prior to meeting to:
rcummins@saugatuckcity.com



SHORT-TERM RENTAL TASK FORCE MEETING MINUTES- *Proposed*
June 1 , 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, Deputy Clerk Williams, Clerk Wolters, Attorney Witte and Captain Ensfield.

Approval of Agenda:

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

Approval of Minutes:

Motion by Steele, second by Gudith to approve the minutes from May 18, 2023. Upon voice vote, motion carried unanimously.

Public Comment on Agenda Item Only:

Jane Underwood- resident:

"Good afternoon, folks. I'm Jane Underwood. 130 Perriman Street. And as I look around here, I suspect I've been here longer than anyone else. I've been reading the comments in the packet regarding the dire warnings if we don't continue with all the short-term rentals. I don't see Saugatuck as a doomsday book candidate. I've heard that for a lot of years. I can remember when the motorcycle gangs were here. I can remember people were afraid that the North Beach was going to scare away families. You know what? A lot of families came because they wanted to walk the North Beach. For those of you who know what I'm talking about. Ah, Saugatuck has been a tourist town for a long time. It was mostly hotels, some ins and many people rented rooms. And that seemed to work pretty well. I can also remember in the winter, when we came up, there were stores open and there were people in town. I don't see that anymore. There's a couple of stores that managed to stay open. But it's pretty dead. And if you drive around, especially on the hill, it's pretty dark and pretty empty. As a retired teacher, I worry

about our excellent school system. We have a number of students who graduated from Saugatuck high school who are going to the University of Michigan. That's big time. And I would like to see that continue. That should be a major draw for families with young children. Those of you sitting around this table have a tough job. Let me make a couple of suggestions. Yes, I think short term rentals are here to stay. I suspect they're going to slow down a little bit. It was very popular during the pandemic; people felt they could be safe with their own families. Higher interest rates are probably going to put a little kibosh. I've had a couple of offers of all cash whatever you want for my home. Sorry, not for sale. We need to get a hand All on short term rentals. We have to identify them. I know people are working at it. I've looked at the map there's still a lot of red dots that have to be filled in. I think we need a professional person whose job is to oversee this. Their salary coming from the fees. One more comment. We need professionals inspecting the short-term rentals to be sure they are safe for the people that are coming in."

Dick Waskin- resident:

"I'm commenting on the review discussion five A the sheriff office's presentation on noise. And I was looking at his report. And I thought it was really interesting to see how many noise complaints were made in 21-22. And this year, and how few there were from short term rentals. Because it seems like many of the complaints, I've heard some of the neighbors complaining about is the noise that short term rentals bring in. But, according to this report, there were many more complaints made by non-short-term rentals, noise complaints, where I live in the summertime, I can hear clearly the football stadium over at the high school, the marching band the play by plays of all the games, I hear a lot of that. I also hear on Sunday afternoon, we get to hear a nice loud band over at the red doc, which we appreciate. And in the evenings, we'll hear the thump thump thump of the Douglas dunes. I could be a grumpy old neighbor and say, "Hey, get off my lawn, I don't want to hear these noise, I'm complaining about him." But actually, my feeling about it is it shows the lifeblood of this town. It shows that people are out there enjoying themselves. People have come here and yes, we live in a city we have neighbors, we're going to hear our neighbors occasionally. If people get way out of hand, then yes, there needs to be enforcement. But I think whether it's a graduation party, or whether it be short term rental, or whether it be just your neighbor doing something, we have to be, I think careful not to overreact with our ordinances about noise, but have a reasonable, reasonable expectation. And people just being polite and neighborly to each other and being fair to each other and not being an annoyance. So, I just I just wanted to bring that because just seemed that was a real driving force. For some people wanting to get new rules. It's talking about noise going on. And actually, I don't think the noise is that big of a factor according to this report."

Review/Discussion:

A. Code Enforcement Analysis:

Director of Planning, Zoning & Project Management Cummins reviewed the total number of noise complaints and total STR noise complaints reported to the police.

1. Sheriff's Office Presentation on Noise Enforcement:
 - a. Captain Ensfield explained the process of receiving noise complaints and answered questions from the task force.
2. Ryan Cummins explained registration enforcement:
 - a. 2021 City Council passed a STR investigation fee policy.
 - i. A courtesy reminder will be sent out by staff, allowing 15 days for a response.
 - ii. The first formal notice will be sent out by staff, allowing

15 days for a response without additional fees or charges. (30 days).

- iii. 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.)
 - iv. 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).
 - v. 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).
 - vi. A civil infraction ticket will be issued instructing recipient to appear in district court.
 - vii. The court may order the amounts due be placed on the tax bill.
- b. 2022, Kate White reviewed online STR listings and sent notices to unregistered rentals to bring them into compliance.
 - c. 2023, Ryan Cummins has worked to clean up STR applications that have been in “hold” status.
 - d. Ryan Cummins sends out friendly reminder letters to units that will soon expire and investigates complaints of unregistered rentals.
 - e. Violation Fees are for Nuisances, Garbage, Parking, Fire Code, Zoning and increase for First, Second and Third violations.
 - f. Enforcement challenges include:
 - i. Occupancy-
 1. Sleeping occupancy vs. visitor occupancy
 - ii. Resources for more time intensive proactive enforcement-
 1. Regular checks of listing sites
 2. Single contract provisions
 - iii. Complaint for noise
 - iv. Anyone can utilize available street parking.

B. Initial STR Task Force Member Feedback and S.W.O.T Analysis:

MCKENNA Senior Planner Kyle Mucha was joined by McKenna Planning Intern

Kyle presented: SWOT Analysis.

1. Kyle Mucha went into discussion with the task force regarding opportunities.
 - a. Good neighbor policy
 - b. Consistent agreements
 - c. Reduced noise
 - d. Payment assistance for home buyers
 - e. Third party rental inspections
 - f. City wide policy for contact information
2. McKenna provided City Comparisons using Cities of Charlevoix, Grand Haven, St. Ignace and Suttons Bay Township. Task force asked to go outside of Michigan to look at some seasonal tourism towns as well.
3. Kyle Mucha discussed community engagement styles and asked the task force. They are looking for direction from the task force for the following:
 - a. Outreach & Branding
 - b. Community Workshops
 - c. Online & At-Home Engagement
4. McKenna provided a spreadsheet of task force members’ feedback.

Task Force member Stanton left the meeting at 4:39 p.m.

Communication:

Dan Fox

Unknown Author

Public Comment:

Diana Decker, resident:

“The fire department is awesome. I mean, the Inspector, I feel they do a very good job. I have my rental certificate here. And they do put on their certificate here the number of people that you're allowed on certificate, and then your phone number is on there and everything like that. So the police could easily have this information. How many are supposed to be in the home and their phone number. When I was flipping through the slides I saw regarding the fire code, first violation, second violation. Third violation I was just curious on why we're letting someone rent their home if they're not following the code you know, the fire code and the fees 30. Matt, regarding the home the Michigan some states have passed bills regarding housing for workers, your lease your fire meant to live in your community. So some states have already passed bills for down payment assistance, your loans would be interest free so online at the Michigan doesn't have that yet. Regarding the one home, the gentleman was selling his home so that home sold to a permanent resident not as a vacation rental. And the extra mills I know you made a comment regarding the extra mills for non-homestead, the school gets that portion. So homestead so much the non-homestead that portion goes to the school for funding. I'm just because I used to be a township treasurer. Regarding the police, they're just awesome. I had to call several times for 911 and they came right away. The police came right away. Another time I heard screaming. And they took someone out of the van and was beating them up, so I called the police and we get a section car certain times we don't have full time police all the time. thank you.”

Suresh Rajapakse, resident:

“A couple of quick comments, I applied to be in the task force as well but did not make it but I'm, I'm gonna use this opportunity to make me make some recommendations as well. So again, great conversation and great commentary. We run a short-term rental ourselves. We don't run it through an agency, but we've adopted a lot of the similar policies that you have all spoken about, which I think is great for people to have. We don't allow anyone over 25 I'm sorry, you might not make the cut. No, no parties. No, we have very strict parking regulations. We have two parking spots available on our property and we say there's only two parking spots available and you have to make sure you park in the parking pad available. And we have six people that are allowed in our in our rental which we mandate that they're only allowed six people as well. Now we do that because we want to protect our property, we find we love coming there, we take great pride in ownership. So, I don't want to have a few bad apples that aren't taking pride of ownership of their properties. You know, lots of rules and regulations that impact 80% that are doing a great job of managing their rentals, either through an agency or in through self-managed funds as well. We also do have rules and regulations in relation to what needs to be posted inside the property, the phone numbers of the contracting party emergency instructions, so we've got we've actually got an extra step and we've put something in our window that advises who to call, should there be a neighbor. Another idea that I thought might be good is maybe there's some type of a rule that is on the city of Saugatuck website that lists the short term rentals that has the owner and the contact information available as well so that if somebody doesn't want to

trespass onto somebody's property, they can go into a website and have a look who they can contact as well. Immediately everyone's got access to the web. I do also love the idea of this policy that we have as the city of Saugatuck. Again, I think of its kind of like a HOA policy, where people have to follow certain rules. My only request is it shouldn't only be short term rental owners that need to follow those policies. It should be everybody that lives in the city of Saugatuck that needs to follow those policies, whether it be around noise, whether it be around garbage, whether it'll be around maintaining the property appropriately. It shouldn't just be a short-term rental owner that has to abide by those properties. That should be everybody that lives in the City of Saugatuck. That's all I wanted to share. Thank you."

Michael Economos, resident:

"I want to make sure that you heard my comments to the City Council that the City of Saugatuck in the last 10 years has lost 20% of its total population. Check it out. If you haven't, that's significant. And it brings great changes to our city. I'm not against short-term rentals, but I think they should be capped. I think maybe they should be tied in with the number of non-permanent residents that we have here. I happen to live on the west side of the river on my bald head. I am surrounded circularly by four homes. One of them is a summer home and the other three are short term rentals. I don't have any sense of neighborhood living around here. But that's okay. I still have it. But our problems are unique. Because we live out wooded lots and my neighbors don't clean up their yard in the fall. It's full of leaves. I like to keep my yard clean. But I can't because the leaves blow from my neighbor's homes onto me. I don't know what to do about it. I don't even know who the owners are, in some cases that are out of town. We had a case last week, something unusual. I guess the parents had left and left their kids teenagers in the house and my wife was looking out our kitchen window and here was a teenager comparing a box full of bottles. She could hear him rattling and he came to put it underneath one of our bushes. You know you don't know what kind of problems you're going to have. But you can't do away with them. But you can certainly limit them. I'm really concerned about this population problem dropping. If we take another 20% down, we're down to 771 residents according the 2020 census the population in Saugatuck, It's now 771 people. 10 years ago it was 900 and some. Thank you."

Jim Bouck, resident:

"I read the commercial record. I watched two weeks ago and I counted the number of graduates we had from our class and there were like 80 kids who graduated. I counted the number of real estate agents and there were like 80 real estate agent for the city of Saugatuck. Just look at the paper. You're going to hear from every one of them. But you aren't going to hear from many residents. We're going to come to City Hall where there's no parking in a community where the average age is over 60 climb the steps or take that one elevator which is its own risk and sit through a two hour meeting to express their opinion and three minutes. It just isn't going to happen. You won't hear from the residents that live here. I understand everybody has an opinion. Mine is we have too many short-term rentals. So please consider a cap. Please consider licensing revoking the licenses from noncompliant people. And let's limit it within the residential areas especially thank you. Thank you."

Peter Hanson, resident:

"Currently in a residentially zoned area of Saugatuck, one of the allowed usages is short term vacation rentals. So, my question is, at some point in time, do you get to a threshold where it's no longer a community, but just you know, a whole bunch of short-term rentals. We're currently at 30%. What is the threshold where you're no longer community? Is it 10,20,50? Or do we have just no limit? The second thing I have is, is that there is no limit on the number of people who could occupy a short-term vacation rental. From what I hear, people are encouraged who are going to have something that a short-term vacation rental is packet with beds, the more people you get into a home and the more you can charge it therefore becomes more lucrative as a short-term vacation rental. I think probably the

biggest complaints will come from people that have the highest density of people in the home. Then the last thing I did want to ask a question of the officer when you did the number of complaint noise complaints, was that through 911? Or was there a number they could call that was not 911? Thank You.”

Mark Kimble, resident:

“Just had read an article recently was talking about Key West Florida. They've had short-term rental restrictions in place for a long time. They say now those short-term rental licenses can sell for up to half a million dollars. So that's not necessarily a negative for an investor if we cap it. The other was the flip side of that the unintended consequences that with the short-term rentals cap now they're finding what were previously three flats are being converted to large homes that are now being rented for a month or more which doesn't fall under the short-term rental and they're losing occupancy for workers in those communities. So, you know, you have what is a short-term rental is a less than a month is less than three months. It's something else that has to be considered. And like Peter just said, you get too many rentals and You just lose the community feel we don't have we're lucky on spear street that there aren't that many rentals. But you know that can change in a heartbeat. Thank you.”

Mark Klungle, resident:

“I just wanted to make a couple comments on some of the things to look at because the Casco Township has the Good Samaritan postings that have to be done in every rental and there's a lot of things in that Casco report that you should look at, because it's quite good. Nine years ago, we had a short-term committee meeting and we put together the ordinance that we currently have. That was primarily a fire code. The fees that were established in that process, were up by done by the city. The city set the fees, the vacation rental management group there that was back then there were only two of us, so it was millpond Realty in Lake Shore lodging, which is now VACASA. We both wanted \$200 be back then the city picked at you'll find that the vacation rental that the higher you know the week we're not objecting to the fee. That's why I'm trying to understand the talk about the fee because the city sets and the fire department the there is a fee on vacation rentals and it's for a fire inspection started at \$80. It's up to 350 now. They've had three increases to get to there, but that is only on vacation rentals. Resorts have to have an fire inspection, they don't have to pay that fee. B&B's have to have a fire inspection, they don't pay that fee. Motels have to have that inspection, they don't pay that fee. So, the fee is only on vacation rentals and vacation rental people are going to tell you we don't care so much about that fee is not that important, it can easily be much higher. That's not the point. Because it takes out a lot of the riffraff or the lower-level people or the poor-quality rentals. The other thing, fee itself, the fire departments, you're structuring a fee, this fee was split between the city for administration and half to the fire department do the inspection. The inspection is the same price for everything. Yet, if you've got a one-bedroom unit, it takes five minutes to inspect it's \$350. If you have three one units, three one-bedroom units and a 1800 square foot house, that ends up being \$1,000 yet I'll have a 6000 square foot house that'll take 35 minutes to inspect is \$350 It means to help make more common sense based on square footage or number of bedrooms taken in consideration. So, it's a tiered fee that relates to the inspection process. I'll leave it there. Thank you.”

Brad Vah, resident:

“I have a house. That's a short-term rental. I actually live over in Hamilton. I have a handful of things that I want to address. I probably won't get through them all, but I will try to go quickly and then follow this up with an email. The first thing I want to address is these the commentary that I keep hearing about the population loss in Saugatuck, I'm looking at the census numbers. Saugatuck has actually lost population every census since 1980. 1980 is the last time Saugatuck shows a population growth. And it was a population growth of 5.6% over 1970. So, if someone has not seen population growth since the 60s 70s and 80s it stands to reason that population is declining because the population is aging out of

Saugatuck, not because of the short-term rentals. So, I'd like to get some information or data around why it seems to be there's a foregone conclusion that short term rentals are responsible for the population decline in Saugatuck when the Census does not seem to backup that information. Moving on. The second point is I've heard a lot about the garbage and I will 100% agree with the garbage being a problem. I have actually, in the past administration sent several, not even several hundreds of messages to Cindy Osman at the time about the garbage situation because the city forces us into a single trash hauler and that trash hauler at least once a month during the busy season, misses my house and refuses to come out to pick it up until the next season. So that is a problem that is generated by the city council, I have asked for a dumpster because I do have a large rental and I know that there's a lot of trash. Republic Services won't give me a dumpster because I'm zoned residential, and they will only put dumpsters in businesses. So, if you want to track we'll tackle the trash problem, That's the City Council problem. They need to get their crap together with Republic Services, and not put that back on the short-term rentals. Thirdly, has anybody actually reached out to VRBO, or Airbnb or any of these companies that are actually doing and facilitating the short-term rentals because guess what, I'm a software developer. I was a software developer for one of these companies. And as a city council, you can reach out to Airbnb and say, Hey, anything registered in our city has to have a permit number. You cannot list a house without a permit number in Palm Springs, Province Town, Key West and in Puerto Vallarta, Mexico. These are all things that are mandated by the city for the Airbnb for the short-term rentals along with standard boilerplate language of rental agreements or contracts of what are you allowed to do. You can actually have the service providers mandate those before the listing can even be made public. Airbnb and VRBO specifically will also provide free noise monitoring devices to every single rental. Look it up. It's a partnership that all of them have. I have one at my rental. It's wonderful because I have a swimming pool. People get noisy, I get alerted. I can calm them down. I have a bunch of other things. I'm out of time. I'll send an email."

Nancy Kimble- resident:

"I spoke to you before and so I don't want to belabor my comments. Obviously, my comments before were that if I knew now what I, you know, if I'd known four years ago, what I know now about short-term rentals, we probably would not have chosen Saugatuck to be our permanent home. I live at 550 Spear Street. Previously, we lived in a high rise in Chicago. And the same issue came up only not for short-term rentals. But for long term rentals. There was great opposition in that high rise to just even having renters, period. And the requirement was you had to lease your unit for a year minimum. However, people just don't like renters next to them. And we ultimately passed a rule that we kept them at 20%. And once that level was hit, you went on a waiting list. And we thought there would be a lot of problems with that. But it worked. It worked beautifully. So, I think that that is a good solution. If we don't cap the rentals, I think that will never actually solve the problem. And my last comment is, this issue is finally getting more widespread media attention. So as more people become aware of the problem, they're less likely to want to choose Saugatuck for their full-time residence. So, if we don't have measures in place, I think that that's just going to compound the problem. Fewer and fewer people will want to actually move here. If they're aware that it's quite likely, their neighbors are going to be short-term rentals. Thank you."

Adjournment:

*Motion by Steele, second by Clark to adjourn. Upon voice vote, motion carried unanimously.
Chair Anderson adjourned at 5:07 p.m.*

Respectfully Submitted

Jamie Wolters, City Clerk

June 9, 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 – Community Engagement

Dear Mr. Cummins & Members of the City of Saugatuck Short Term Rental Task Force

At the June 1st, 2023, task force meeting, McKenna was asked to provide an updated recommendation for community engagement as it relates to the topic of Short-Term Rentals within the City of Saugatuck. At the June 1st meeting, Task Force members indicated their desire to limit the additional public engagement.

It is our understanding that the Task Force felt additional public engagement may not be as fruitful for new ideas and considerations by the members of the public.

While McKenna acknowledges the viewpoints of the Task Force members, we highly encourage additional community engagement opportunities: allowing members of the community the ability to dialogue with Task Force members is a vital component of the review process. Currently, members of the community are only permitted to provide voice comments during Task Force meetings, or by submitting written communication. The ability for members of the community to actively engage with the Task Force would be paramount to ensure that ample opportunity to express one’s thoughts and ideas on this topic is achieved.

McKenna has revised our community engagement proposal to offer members of the community a forum in which they can dialogue with the Task Force, but also be cognizant of the direction of the Task Force regarding public input. We present the following for consideration by the Task Force.

COMMUNITY “TOWN HALL”

McKenna proposes to partner with the Task Force during a “Town Hall” meeting. At this meeting, members of the Task Force and McKenna planners will be on-site to dialogue with area residents, key stakeholders and other members of the public to discuss short-term rentals. McKenna will provide three (3) visual preference/engagement boards along with a “Welcome” sign. The engagement boards will consist of the following:

Board 1: Opportunities

The opportunity board will list key opportunities noted from discussion with the Task Force and ask members in attendance to place a sticker mark on each opportunity that they feel the Task Force should continue to pursue. Such opportunities could include:

- Develop “Good Neighbor” policy guidelines.
- Conduct an analysis of the existing noise ordinance and make recommendations for potential changes
- Conduct a fee analysis as it pertains to short-term rentals
- Explore short-term rental license types: small occupancy versus large occupancy
- Review permitted residential density within the Zoning Ordinance
- Additional items as listed by the Task Force

Board 2: Perceived Connotations of Short-Term Rentals

The second board will ask participants to make a sticker if they agree to a statement regarding short-term rentals. Such statements may include:

- Short-term rentals support the local economy
- Short-term rentals generate excessive noise
- Short-term rentals increase the local tax base
- Short-term rentals detract from neighborhood feel
- Supports businesses by offering patrons short-term stays
- Current regulations regarding short-term rentals are not sufficient
- Reduce reliance on large hotel chains
- Increase housing costs within the City

Board 3: Comments

The third board will be generic in nature – asking participants to provide general comments and feedback they wish the Task Force to be aware of.

Upon completion of the “Town Hall”, McKenna will provide a summary of the key findings based on the engagement boards and dialogue with participants. The “Town Hall”, including material costs, production and staffing can be completed for a total of \$3,500.

COMMUNITY SURVEY

A potential avenue to reach residents and key stakeholders is to offer a survey. The survey questions can be designed to highlight the positive, not-so-positive and opportunities that short-term rentals bring to the community. The survey will be designed to offer quick completion – an in-depth survey may turn potential participants away. McKenna will work with the Task Force and City staff in designing the questions within the survey.

A key finding review memorandum will follow the closure of the community input survey. The community survey, including design and analysis can be completed for \$1,000.

COMMUNITY ENGAGEMENT RECOMMENDATION

McKenna recommends that the proposed “Town Hall” and community survey be undertaken by the Task Force and City Council. The “Town Hall” will allow members to dialogue with the community, while providing an avenue to fruitful discussions. Additionally, the community survey will provide a means for residents and stakeholders an opportunity to voice their input on the direction of short-term rentals within the City of Saugatuck.

Respectfully submitted,

McKENNA

A handwritten signature in black ink that reads "K Mucha". The signature is written in a cursive, flowing style.

Kyle Mucha, AICP
Senior Planner

June 9, 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 – Data Analysis

Dear Mr. Cummins & Members of the City of Saugatuck Short Term Rental Task Force

At the June 1st, 2023, task force meeting, McKenna was asked to provide an updated data analysis memorandum outlining recommendations for housing costs, economic factors and population trends as it relates to Short Term Rentals within the City of Saugatuck. The following memorandum outlines the proposed data analysis tasks as discussed by the task force. The analysis will be compiled into an excel format for raw-data review. McKenna will then output the reviewed data into a graphically rich presentation that allows task force members and the community at large to understand the information. Further, the McKenna team will provide a summary memorandum of the key findings for each task listed below.

DATA ANALYSIS TASKS

1. *Trends in housing costs and impacts of Short-Term Rentals*

An analysis of available data over the past five (5) years regarding trends in housing costs will be conducted for the City of Saugatuck, Village of Douglas, Saugatuck Township, Fennville, three (3) comparison communities selected by the Task Force and the State of Michigan as a whole. The analysis will make note of any upticks or decline in available housing (number of units) for the selected communities. Further, the analysis will review data as it pertains to owner-occupied homes and rentals within these communities.

Fee: \$7,500

2. *Trends in the number of full-time residents within the City of Saugatuck*

An analysis of the population changes in the City of Saugatuck over the past 20 years (where data is available). This data analysis will review U.S. Census data to determine the population trend over a set period. Further, this analysis will compare the number of rentals/secondary homes to that of the population over the same period.

Should the Task Force and/or City Council find it useful, community comparisons regarding trends in the number of full-time residents verse short-term rental numbers can be conducted for \$500 per community.

Fee: \$500

3. *Short Term Rental Caps & Economic Impacts*

An analysis of short-term rentals on the local economics of the City of Saugatuck will be undertaken. In essence, we will conduct a retail gap analysis which will review retail spending within the community. Additionally, this analysis will calculate the number of businesses that exist in the City of Saugatuck over and above what can be supported by the actual residents.

Where data is available, a five (5) year trend analysis of tourism volume and spending habits will be presented. A conclusion will also be presented that details the impact local tourists and non-residents have on the economy of Saugatuck. Further, a comparison of Census data on industry employment as it relates to the population of people within the City, will be undertaken. Demographics and education rates will be compared to the employment sector.

Fee: \$9,000

The above referenced data analysis can be tailored to fit the desires of the Short-Term Rental Task Force and City Council. The total proposed fee for all three (3) analysis options as a lump sum is \$17,000. The previously listed analysis task can be chosen in their entirety or by selecting the tasks that City Council feel would be of significant benefit.

Respectfully submitted,

McKENNA



Kyle Mucha, AICP
Senior Planner

Positives	Negatives	Opportunities	Other Feedback
<ul style="list-style-type: none"> • Supports tourism, Saugatuck’s largest industry by offering a larger variety of places for visitors to stay outside of hotels, increases the availability of places to stay, and provides options within walking distance of downtown Saugatuck • Increases Saugatuck’s tax base through non-homestead tax on rental units • Increase in property values and home valuations due to the ability to re-coup some investment with STR, renovation of homes in preparation for becoming an STR, and the increasing demand for housing. • Offers opportunity for homeowners to increase their income • Supports other businesses and 	<ul style="list-style-type: none"> • Noise • Garbage • Parking issues, especially in areas with street parking • Loss of community feel due to neighbor turnover and decline of permanent resident population • Potential negative affect on school enrollments with the decline in permanent resident population • Rise in housing costs and lack of affordable housing due to reduction in the number of long-term rentals • Contribute to labor shortages in the service industries, including hospitality (need data to confirm) • 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 	<ul style="list-style-type: none"> • Develop a “Good Neighbor” policy with clear expectations for neighborhood decorum to be posted on all STR units. • Increase access to information and communication through: <ul style="list-style-type: none"> ○ a phone number for enforcement of the rules such as parking, noise ○ Owner contact number given to neighbors to report issues ○ A city website link where complaints can be emailed and followed up with by city to enforce ○ Require STR license to be posted in a front/visible window when rented • Better enforcement of current noise, occupancy, and parking ordinances. • Identify ways to strengthen or improve noise, occupancy, and parking regulations, as well as create new ordinances that support the safety, comfort of permanent residents. 	<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. • 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. • A few larger houses with absentee owners not being responsible appear to be ruining it for everyone else: Noise, Cars, and Trash. • If we create rules, we need to make sure there is a way to enforce them. • Renewals or new STR should have a face-to-face review of the rule

Positives	Negatives	Opportunities	Other Feedback
<p>industries, including property management companies engaging in STR, local restaurants, and other attractions.</p> <ul style="list-style-type: none"> • Reduces reliance on large hotel chains and reduces need for construction of new hotels. • Creates jobs for local residents and students, as well as jobs for the surrounding area • Responsible and involved business owners 	<ul style="list-style-type: none"> • Current regulations are not sufficient regulations and/or sufficiently enforced, which may require additional staff and emergency services • Concerns about the overcrowding of individual STRs and overconcentration of STRs in certain neighborhoods • Decline in number of permanent residents who are fully vested in the community and available to serve it (boards, commissions, etc.) • Existence of unregistered STRs • Owner contact and responsibility not readily available 	<ul style="list-style-type: none"> ○ Require neighborhood parking stickers during peak seasons or year round. ○ Require STR units to install a decibel level meter and notify owner/manager once a set level is exceeded ○ Require a Sign listing of all Fines/Penalties be posted in all STR units • Homes w/occupancy of 6+ must have additional onsite parking • Allocate resources needed to enforce current policies by raising current fees, creating meaningful fines to disincentivize policy violations, decreasing the license renewal period from 3 years to 1 year, and requiring all STR owners to be members of CVB • Explore two types of licenses – 1-2 STRs = personal and 2 or more = commercial with separate fee structures • Require all STR owners who do not reside within 10 miles of their STR unit to contract with a local rental management 	<p>and regulations 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

Positives	Negatives	Opportunities	Other Feedback
		<p>company versus naming just any manager (friend, neighbor, etc), and make 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.</p> <ul style="list-style-type: none"> • Consider limiting number of rentals in some residential zones or by a percentage of available homes. • Work with neighboring communities to create affordable or attainable housing. • 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. • Make Residential area rentals 5-day min to bring in more families and less weekend parties. • Enforce proper insurance requirements (home rentals require a commercial policy) 	



Welcome to our vacation rental!

On behalf of Bella Vita and our home owner we want to welcome and thank you for choosing us for your stay in the Saugatuck / Douglas area.

Just like our vacation rental, our neighborhood is extremely important to us. Most of your neighbors live here full-time and like you, also want to enjoy their home with their family and friends.

We hope you have lots of laughs and fun during your vacation! However, we would appreciate that out of respect to our community noise levels are kept down to a minimum, especially after dark.

Respecting your neighbors and properties around you will make your vacation more enjoyable and ensure a wonderful experience for everyone within your surroundings.

As a reminder here are our core “common courtesy” guidelines that you have agreed upon in your signed rental agreement that pertain to being a good neighbor.

- **(Noise) Per noise ordinance, please avoid making any loud noise between 10 pm and 10 am to allow neighbors a peaceful night’s sleep and to enjoy their morning coffee. (A noise violation could result in an eviction and fine from the city).**
- **(Trash) There are designated recycling and trash disposal areas. Please refrain from throwing any trash, such as bottle caps or cigarette butts, into neighboring properties.**
- **(Parking) Some rentals have a strict maximum number of vehicles allowed at the property. Additional vehicles not assigned to the property may results in fines or towing.**
- **(Occupancy) Maximum number of people who can be at the property is specified on the individual property listing. For example; if the property listing specifies occupancy for 8 guests, the home is limited to a maximum of 8 individuals on the property at any time for the duration of the rental period. There are to be no parties or gatherings outside of the maximum guest agreement.**

Jamie Wolters

From: Jamie Wolters
Sent: Monday, June 5, 2023 9:28 AM
To: Jamie Wolters
Subject: FW: Zoning Board of Appeals Meeting 6-8-23

From: Brad Vah <bradvah@outlook.com>
Sent: Thursday, June 1, 2023 7:27 PM
To: Sara Williams <Sara@saugatuckcity.com>; Holly Leo <hleo@saugatuckcity.com>
Subject: Re: Zoning Board of Appeals Meeting 6-8-23

I'd like to add and expound upon my comments today to the STR task force. Clearly, I wasn't going to have enough time, so here's my promised follow-up email.

- In the S.W.O.T document, one of the members of this taskforce suggests that anyone not within 10 miles of Saugatuck should be required to use a rental management company such as Jacqua. This seems like a massive conflict of interest given that there is at least one (possibly two?) members of rental management companies on this task force. If that is a requirement that comes from this, any agency associated directly or indirectly via their agents should be barred from operating within the city as it has the strong appearance of self-dealing.
- Garbage: As I indicated, this is a city council issue and not a short-term rental issue. In my 8+ years in Saugatuck, I never had trash issues until Republic Services bought out Chef. In the busy season, my home at the end of a dead-end street is missed at least once a month and Republic refuses to do a missed pickup by blaming restrictions in the city's single-hauler contract. Republic will not let me get a dumpster since I'm zoned R1. I'm barred from having someone else come pick it up. If this task force is actually concerned about garbage issues, then the root of the problem lies with the city council and the hauler agreement, not with the short-term rentals which have, literally, no choice or options in the matter.
- Regarding noise: the sheriff's presentation, the associated slides, and a follow-up during public comment indicated that there were 23 noise complaints "from dispatch" in 2022. Of those 23, 8 of them were associated with STRs. Even the most pessimistic reading of that data would indicate that there are fewer than 1 STR noise complaints per week in the busy season. If noise is actually a problem, why are people not complaining? I'd be *incredibly* curious to see how many noise complaints were fielded before the short-sighted decision to disband the joint police force for our community.

Additionally, a significant amount of air was given to the idea of "a button on the website" or some other mechanism for anonymous reporting of noise complaints, but no one brought up the question of how you validate that it's an actual complaint and not a malicious or retaliatory complaint. As one member of the public stated something akin to "no one likes renters", what mechanism would the city have to ensure this "tip line" wasn't being abused or manipulated?

- Several of the opportunities on the S.W.O.T list indicated that a 10 mile radius would be preferred for owner managed STRs. My home is as far north as you can go without leaving the city, but Holland is still 12 miles away. South Haven is 20. Fennville is 11. A 10 mile radius would mean that, essentially, only Saugatuck, Douglas, or Township residents would be able to be persons of record for short term rentals. I reside in Hamilton, <15 miles away from my STR. What is the basis of this 10 miles and did anyone suggesting it give anymore thought to it other than "it's a round number"? Why should I have to pay someone because they live 5 mins closer than me? What's the perceived value of having someone 10 miles away vs 40 vs 400?
- As I mentioned in my comments, Airbnb and VRBO both have mechanisms for Cities to work with them to provide requirements such as certificate numbers, rules of conduct, etc. Has anyone on this task force done any research on this? A vast majority of the "onerous" burdens that would be put on "Ryan" are readily available via the websites that are facilitating the rentals. You can, literally, make it impossible for someone to list their home in Saugatuck on Airbnb and VRBO without a certificate number.
 - <https://www.airbnb.com/cityportal>
 - <https://help.vrbo.com/articles/What-is-the-Registration-Number-field-on-my-dashboard>
- School enrollment: This data is provided by the Department of Education and easily accessible at <https://nces.ed.gov/ccd/elsi/quickFacts.aspx>. In the last 8 years, the enrollment levels at Saugatuck High School have been mostly flat. The net change between 2014 and 2021 would be considered statistically insignificant and does not indicate any loss in student population.
 - 2021-2022: 289
 - 2020-2021: 264
 - 2019-2020: 253
 - 2018-2019: 285
 - 2017-2018: 279
 - 2016-2017: 301
 - 2015-2016: 290
 - 2014-2015: 270
- Population density: Admittedly I misspoke a bit here, but my point still stands. I stated that Saugatuck's population has decreased decade over decade since 1980, but it did rebound briefly in 2000. However, the overall trend still indicates that people are aging out (dying or otherwise relocating for retirement) rather than being forced out by STRs. The population decrease between 2010 and 2020 is 60. There, undoubtedly, have been more than 60 new STRs between 2010 and 2020. <http://www.census.gov/prod/www/decennial.html>
 - 1950: 770
 - 1960: 927
 - 1970: 1022
 - 1980: 1079

- 1990: 954
- 2000: 1065
- 2010: 925
- 2020: 865

While it's clear that a lot of hard work and passion has gone into this taskforce thus far, the data just does not back up the assumptions this task force is working off of nor does it validate the concerns brought up in public comments or "negatives" in the S.W.O.T document. School enrollment is not down. The population contraction was *before* the STR boon and coincides with an aging population. To note, it is still lower, as a percentage, than the average in the state of Michigan. The noise complaint data doesn't back up the anecdotes given. The only thing this task force discussed that has valid data is parking—and I'll happily agree that parking sucks during the season.

I'm all for the common-sense items that the gentleman on Butler street mentioned—I do many of them at my rental as well. They're impactful, require minimum enforcement, and help STRs "blend-in" better with the community. However, I cannot abide by this notion that "STRs are a problem". Limiting or otherwise restricting STRs is not the solution. If you want more families to move in, then give them a reason to move in—create an industry and economy that's not solely reliant on 100 days out of the year.

Respectfully,

Brad Vah

PS:

Less about the STRs themselves, but a point of frustration that I do want to bring up from today's meeting. There was a particularly frustrating part that stood out to me was regarding the CVB. One gentleman thanked the CVB for the work that they've done to bring **more** people to the area with their advertising dollars. Yet, the gentleman in orange used it as an opportunity to ask what the STRs are doing to help the CVB / pay for the fireworks / festivals / etc. Even more frustratingly, however, it was plainly stated that the reason STRs aren't **allowed** in the CVB is so that they don't have a vote in CVB matters. It feels very disingenuous to suggest that STRs aren't contributing to something from which we're actively and intentionally excluded.

While I'm sure it was not the intent, it did give the impression that at least one member of this taskforce is predisposed to be against STRs and sees them as "not contributing" to our city. Given the outcry regarding the moratorium conversation, I'd caution this taskforce about perceptions of bias towards STRs.

Brian Schipper
758 Pleasant Street
Saugatuck, MI 49453

08 May 2023

Ryan Cummins
Director of Planning, Zoning & Project Management
City of Saugatuck
PO Box 86
Saugatuck, MI 49453

cc: Chief Greg Janik, Saugatuck Township Fire Department

Re: Public Hearing for Proposed Rented Accessory Dwelling – 703 Pleasant Street

Dear Mr. Cummins:

Being unable to attend the public hearing for the City of Saugatuck Planning Commission on 18 May 2023, my invited comments per your public notice are provided below.

I conditionally support the permitted use of the accessory unit at 703 Pleasant Street for rentals per Section 154.026 (C)(3) of the Zoning Ordinance. The condition is that no renter be permitted to park a vehicle on the public thoroughfare.

For greater context on the above stipulation, I ask that the Planning Commission consider the following points.

Pleasant Street is a narrow residential street (18 feet wide). Of the nineteen homes with Pleasant Street addresses, five are consistently occupied by short term rentals (one is a legal Inn).

Of the above short-term rental properties and in particular on weekends, four regularly have more than four vehicles parked on the property. The short-term tenants in these same properties regularly park additional vehicles on Pleasant Street, often on both sides of the street.

Because many of these houses have a large number of bedrooms, on the websites of the property management companies, they are specifically marketed to and regularly used for event-related accommodations such a bachelor and bachelorette parties, family, multi-family or school reunions.

While it could be the case that the rental agencies for these properties provide guidance to renters that street parking is limited or not permitted, renters routinely violate that guidance, which leads to residents having to enforce the restrictions.

Excessive parking on Pleasant Street is of special concern because emergency vehicles are frequently blocked from access, creating risk to providing emergency medical and fire services.

I own a permitted short-term rental home in Saugatuck. I am generally inclined to support property owners being able to use their properties as they desire. However, an owner using a residential property as a source of income is not to be equated with a resident being able to enjoy where they live. This is especially true for those who have purchased properties--including on Pleasant Street--with the specific purpose of converting them to short-term rentals to use as a source of income.

Moreover, a property owner deriving income from a private residence should never lead to placing a resident at greater risk of accessing emergency medical services, their home from being damaged or destroyed by fire, or force residents to be placed in the uncomfortable position of having to monitor the activities of renters and enforce compliance.

Another city in which I own properties recently passed a comprehensive set of changes to their short-term rental guidelines, which was successful in changing public sentiment away from prohibiting short-term rentals. One of those newly-passed stipulations is a prohibition against more than twenty-percent of private homes in a neighborhood being allowed to hold short-term rental certificates. For comparison, granting a permit to 703 Pleasant Street will raise the short-term rental density on the street to 37%.

Friends who moved from Pleasant Street noted in a recent conversation "...we don't miss it," attributing the poor quality of life specifically to the proliferation of short-term rentals. I believe this merits additional emphasis: Homeowners are leaving what is generally considered to be a desirable residential street in the City of Saugatuck because short-term rentals have negatively impacted quality of life.

Sincerely,



Brian Schipper