



**Short Term Rental Task Force
Regular Meeting
August 17, 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. August 3, 2023 Regular Meeting
- b. July 25, 2023 Town Hall Meeting

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

5. Review/Discussion:

- A. Survey Results
- B. Master Land Use Plan and STR Analysis
- C. Objectives
- D. Task Force Request for Recommendations

- a. Discussion of whether caps should be considered for certain residential zoning districts.

6. Communication/Correspondence:

- A. Christina Wood
- B. Ron Collins

7. Public Comment: (Limit 3 minutes)

8. Member Closing Comments:

9. 9. Adjourn (Voice Vote)

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<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*
August 3 , 2023

The Short-Term Rental Task Force met for a
Special Meeting at 3:00 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: Gudith, Manns, Stanton, Steele, Tringali, Boerema and Clark.

Absent: Anderson, Hart & Clark (Via Zoom).

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

Approval of Agenda:

Motion by Steele, second by Tringali to approval the agenda. Upon voice vote, motion carried 6-0.

Approval of Minutes:

Motion by Gudith, second by Stanton to approve the minutes. Upon voice vote, motion carried 6-0.

Public Comment on Agenda Item Only: None.

Review/Discussion:

Town Hall Summary Report:

Kyle Mucha from McKenna informed that there were 103 total participants. He reviewed the Comments from the public placed on the engagement boards, Opportunities in Short-Term Rentals, Good Neighbor Policy, Caps and General Comments. 24 people commented during the public comment and Kyle gave a brief overview of the comments given. While no official count was taken regarding a specific comment received; McKenna staff noted the following:

1. Short-term rentals provide tourism opportunities and housing, which increases spending at local businesses.
2. Further education on a "Good Neighbor" policy is encouraged.
3. Participants are seeking increased enforcement of the current regulations pertaining to short-term rentals:
noise disturbances; refuse/debris scattered across a property; occupancy limits.

4. Participants support reviewing the current fee schedule for short-term rentals. An optimistic consensus of the participants indicated positive feedback on increasing short-term rental application fees to cover staffing costs.
5. The concentration of STRs is perceived to reduce the “neighborhood feel” of the residential areas.
6. STRs should be classified as a business and not a residential use.
7. Further regulations should be reviewed for residential properties but open up commercial areas for STRs.

Regulation Objectives Overview and Validity:

Kyle Mucha from McKenna reviewed the objective list and discussed with the task force which objectives were valid statements.

Task Force Request for Recommendations:

Task force discussed the following recommendations:

- Yearly license and inspection fees.
- Different types of STR License based on number of weeks a year unit is rented.
- Good Neighbor Policy.
- Trash.
- Posting license in window of unit with the following listed; occupancy, parking, permit, good neighbor policy, emergency contact.
- STR info on City website.
- Giving Air B&B/VRBO City of Saugatuck STR license numbers.
- Violations.
- Caps.
- STR Tax.

Recommendations will be decided on at the next meeting along with Cap discussion.

Communication:

- A. Data Analysis Documents from July 20 STR Task Force Meeting.
- B. Patricia Rotchford
- C. Christina Wood

Public Comment:

Peter Hanson, resident:

- Noticed on his morning ride the garbage cans were slowing being brought in from the street on Monday and Tuesdays. On Wednesday all but one was taken back.
- He rented a STR for vacation on July 4th. There wasn't one comment about a good neighbor policy or quiet time. It's important Saugatuck has one to use.

Gary Kemp resident:

- Does not think recertification should be yearly; too difficult to coordinate yearly.
- Concerned about adding more taxes because STR owner pay a 6% to State, 5% to CVB, taxing will get out of hand with a STR tax.

Mark Klungle, resident:

- Does not agree with recertification being less than every three years.
- Said ordinance says local representative is supposed to be 25 miles or 45 minutes away. He said that got transposed in the Ordinance, it says 45 miles.
- Said most of the parking congestion is from day-trippers not STR. Said there's a consistent blame on vacation rentals for every little problem.
- He only has one half of one percent problems with his rentals.

Sandy Gelman, resident:

- Moved here 11 years ago.
- The business community have done wonderful things in the community.
- There is blame on STR; she feels put down for wanting the City of Saugatuck not be all STR. What's the benefit of having such high STR.
- Entice more people to move here and keep our community.
- People come here because they love the small town.
- Parking is an issue; fix parking, it effects everyone- residents and visitors.

Grey Auer, non-resident:

- How many of the cars in town are STR and how many are day-trippers.
- Good neighbor policy is basically starting an HOA.
- The competition in town is very hard to get the rentals.

Brian Elmore, non-resident:

- Trash needs to be looked at. Recycling gets picked up once a month and his recycling is full after one and a half weeks.
- Recertification vs. renewing license. Trying to coordinate with Fire Dept a visit yearly would be a nightmare.
- Add the phone number on license and put them in the window of STR.
- Good neighbor policy should apply to everyone in the City not just STR.

Member Closing Comments:

Sean Steele: Happy with a 10% turnout at the Town Hall Meeting. The boards look like a 50/50 split. Still have to be conscious of the 90% that didn't come to express their opinion.

Manns: Thank the task force, McKenna and staff for the town hall meeting. There did seem to be a consistency of things the task force was currently talking about. Have more enforcement and accountability.

Adjournment:

*Motion by Steele second by Stanton to adjourn. Upon voice vote, motion carried unanimously.
Chair Anderson adjourned at 4:34 p.m.*

Respectfully Submitted

Jamie Wolters, City Clerk



**SHORT-TERM RENTAL TASK FORCE TOWN HALL MEETING
MINUTES- *Proposed*
July 25 , 2023**

The Short-Term Rental Task Force met for a
Special Meeting at 6:30 p.m.
Saugatuck High School Auditorium
401 Elizabeth Street.
Saugatuck, Mi 49453

Call to Order:

The meeting was called to order by Chair Anderson at 6:30 p.m.

Attendance:

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

Absent: Hart & Gudith.

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

Open House:

McKenna displayed multiple boards on top of various tables and provided writing materials so that residents were able to walk up and note their comment to post to the board. Residents walked around and provided comments to the board and were also able to converse with committee members of the Short Term Rental Task Force.

Public Comment:

Chair Anderson introduced the members of the Short Term Rental Task Force, staff and McKenna. She gave a brief update of the background of the task force.

Mark Lachey, resident:

- Moved here 10 years ago and turned an STR into a Full-Time residence and his neighbors thanked him.
- 5 adjacent properties to him went from 40% partial vacancy to 80% partial vacancy.

Jane Underwood, resident:

- Thanked the committee for having the town hall meeting.
- Concerned about the mount of STR in City of Saugatuck, she used to know all her neighbors.
- There is a declining school enrollment.
- Support local businesses, library, grocer store- that is supporting the community, STR do not.

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Marquerite Clark, resident:

- Lives here full-time in a 100-year family-owned home.
- Appreciates committee's time and she is not against STR as she uses them for work.
- This can be done in a way to respect community:
 - Places that have a high concentration- degrades the neighborhood.
 - Look at Occupancies- some are too high.
 - Provide a fine when STR is disruptive and set a limit of fines for a set period of time.

John Porzondek, resident:

- Owns three rental properties.
- People used to complain about no shopping and now people complain about noise.
- It's only a four-month season.
- Tourists crawl over each other to visit here, rentals pay 100% of tax to school.
- Noise is the biggest complaint, set a fine like three times and get charged.

Peter Hanson, resident:

- Disappointed in the survey.
 - Anyone can fill it out:
 - Should only have been registered voters.
- Too many STR in certain areas:
 - No one wants to live by a STR.
 - Homes built to house 4-6 people have 16-20 people staying in them.
 - He has 50 new neighbors every week, 5%-10% don't follow rules.
- Needs better enforcement and communication between Sheriff, City Staff and STR Owners.

Dick Waskin, resident:

- Has been a realtor for 36 years.
- Caps are a very bad thing; creates winners and losers.
- Value of home changes:
 - One house recently sold for \$200,000 less due to a change in not being able to have STR in that home.

Doug Lalone, non-resident:

- Bought a home here a year ago after visiting for 10-20 years.
- His Home is a STR and their second home.
- Regarding taxes, second homeowners don't get PRE, pay full taxes and additional taxes on every rental.
- Congratulated the task force and thanked them for the following: their time, mailed post card and for letting a non-resident to speak.

Beth Huffman, resident:

- Serves low-income families who qualify through the Christian Neighbors.
- Would like to see more long-term rentals in town.
- If a fraction of STR could turn into long term rentals, it would benefit the community.

Dan Fox, resident:

- Safety, once every three-year inspection should be changed to yearly.
- Cost, it's too low to cover costs from Fire Dept, Sheriff Dept and City Staff time for entire process.
- Enforcement/Fines, fine should dramatically increase and go to the owner of property. The City should have an enforcement officer.

Laura Godfrey, resident:

- It is great to have this committee on behalf of the residents.
- Disappointed that the City government let this happen, it's a wake-up call and please fix it.

Dianna Preece, non-resident:

- Came in on vacation in 2009 and purchased a home in 2010.
- She owned a long-term rental; it was a disaster.
- Occupancy needs to be addressed, look at number of bedrooms or total sq. feet.
- She has a STR and her taxes are half of her mortgage.

Phil Huffman, resident:

- His two neighbors are STR that plan to retire and move here.
- He travels and uses STR, he gets taxed on many of the STR amenities.

Jennifer Rees, resident:

- Thanked task force for the meeting and the survey.
- She lives on lower Spear Street, out of eight homes, four are STR and one is full-time rental.
- She works from home and sometimes has STR neighbors that want to converse a lot while she's trying to work from home.
- She supports having a good neighbor policy, she had to sign a good neighbor policy when she traveled and rented a STR.
- There needs to be better enforcement.
- There has to be a balance as STR has been a part of Saugatuck's fabric for years.

Ethan Barde, non-resident:

- Has owned vacation rentals for over twenty years.
- People have traveled to Saugatuck for 100s of years to stay in cottages.
- Saugatuck is tourism and nothing else.
- Enforcement is needed with fines.
- STR should have to pay a STR tax.
- Saugatuck does not want large hotel chains, so visitors need options.

Keith Charak, resident:

- The task force should have been local residents only, similar to all the other boards/committee requirement.
- The population is declining since the increase percentage of STR, and number of volunteers is declining as well.

Andrew Kurrasch, resident:

- STR violates the intent of residential neighborhood.
- STR are businesses.
- Causes of congestion from STR:
 - Multiple vehicles encroaching the roads.
 - Over occupancy.
 - Catering trucks that park while setting up tents at STR.
 - Continuous partying all weekend.
- Limit with caps, a reasonable number is 10%.
- Need strict noise enforcement when noise is created and have a noise time frame of day.
- Have strict occupancy levels to keep occupants safe.

Eileen Raphael, resident:

- Built a home here 20 years ago.
 - Wanted to be part of a neighborhood and was.
 - Now five homes are STR.
 - Neighborhood vibe is different now, strangers come and go.
- Saugatuck has fought so long to keep commercial businesses out.
- Holland has strict STR guidelines:
 - They have a thriving downtown with people shopping.
 - Saugatuck businesses don't cater to residents and are closed in the winter.

Janet Clark, resident:

- Supports STR although town is saturated and needs a cap.
- Needs enforcement.
- Limit how many rentals one person can own.
- Ten years ago, Saugatuck did not have this issue, she could relax in her home and have a good quality of life unlike now.

Nancy Kimble, resident:

- Are residents a priority?
- She quoted the Goal of the Tri-Community Master Plan which includes "to improve the overall quality of life for all City of Saugatuck area residents."
- STR are out of hand, stop now.

Michael Economos, resident:

- Has a rental behind him that advertises that the home sleeps eight people. Most rentals have 3-4 cars full of people there. Who keeps track of the occupancy?

Gary Kemp, resident:

- Lived here since 2000 when he retired.
- Owned a B & B since 2000 and just sold it.
- He bought a business here and lived here based on his business and people came here to do the same.
- Without STR/tourism, Saugatuck would be nothing. Not enough of population for big commercial to come here.
- Need more enforcement and accountability. Do not cap; the market will take care of that.

Marta Petter, non-resident:

- Has owned STRs for over 10 years.
 - Self manages them in Douglas, South Haven and Saugatuck.
 - Other communities are stricter on their STRs and fees are much higher.
- Seven of her renters have bought homes in Saugatuck from being tourists.
- VRBO rentals are down and attrition will happen and take care of the STR percentage.
- Thanked the task force for their work.

Kim Bagierek, resident:

- Has lived here for 10 years.
 - Four STR on one side, one next door and Old Pike cottages across the street.
- She enjoys meeting the people that visit.
- Enforcement and Accountability should be addressed, and calls should be taken care of immediately.

Jason Myers, resident:

- Grew up in Saugatuck/Douglas area.
- Came back to raise his family here:
 - Couldn't afford a home on a doctor's salary.
 - Didn't recognize a lot of the homes that were there when he grew up.
 - Moved into a rental and his kids had no neighborhood kids to meet and play with.
 - Took him 15 years to financially be able to buy a home here.
 - He had a rental to help pay tax bills.
- Young families can't afford to move here.
- Saugatuck missed the time to save the town, now it's a resort community and look at it that way instead of a family community.

Adjournment:

Motion by Tringali second by Boerema to adjourn. Upon voice vote, motion carried 6-0. Chair Anderson adjourned at 8:27 p.m.

Respectfully Submitted

Jamie Wolters, City Clerk

August 11, 2023

City of Saugatuck Short-Term Rental Task Force
Ryan Cummins – Director of Planning and Zoning
City of Saugatuck
102 Butler Street
Saugatuck, MI 49453

Subject: Community Engagement Survey Results and Key Takeaways

Dear Mr. Cummins,

The following report outlines results from the Saugatuck Short-Term Rental Task Force Community Engagement Survey. The survey was open from July 18, 2023, until August 7, 2023. In total, **626** responses were received. **5** responses were determined to be duplicates and were subtracted from the data for this analysis, leaving a total of **621** responses. The process for eliminating duplicate responses is explained later in this report. Respondents had the option to skip questions, and as a result, percentages are based on the number of responses to that question. Below, takeaways on respondent demographics, benefits and concerns of short-term rentals, and policies about short-term rentals are discussed.

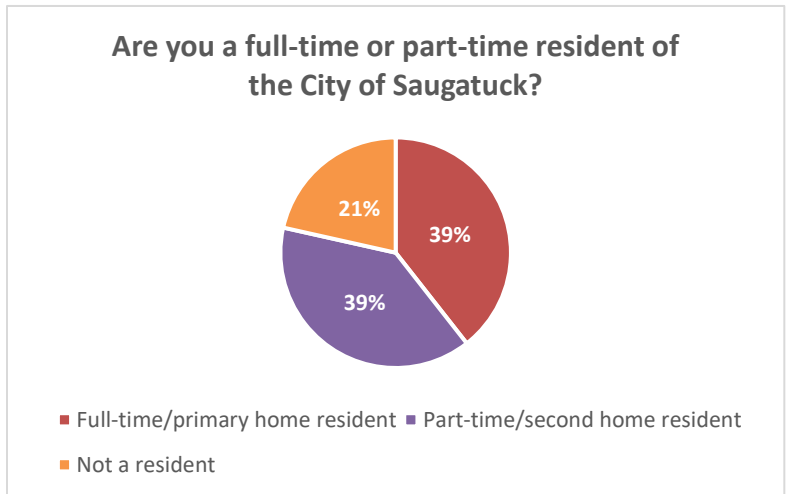
DEMOGRAPHICS

Residency

- 39% of respondents were Full-time/primary home residents (242 responses)
- 39% of respondents were Part-time/second-home residents (240 responses)
- 21% of respondents were Not a resident (132 responses)

Residents lived:

- 27% lived on the “Hill” (168 responses)
- 20% lived Downtown (122 responses)
- 16% lived on the North/east side of the river (100 responses)
- 12% lived on the Peninsula/west of the river (76 responses)
- 22% were not residents (138 responses)



Short-term rentals within a few houses of their home:

- 68% of residents have a short-term rental within a few houses of their home (77 responses)

- 31% of residents do not have a short-term rental within a few houses of their home (36 responses)

Those who were not residents were:

- 35% were a resident of Saugatuck Township (41 responses)
- 30% were a resident outside of Allegan County (36 responses)
- 17% were a resident of Douglas (21 responses)
- 16% were a resident outside of Saugatuck, Douglas, and Saugatuck Township, but within Allegan County (19 responses)

Business or STR ownership:

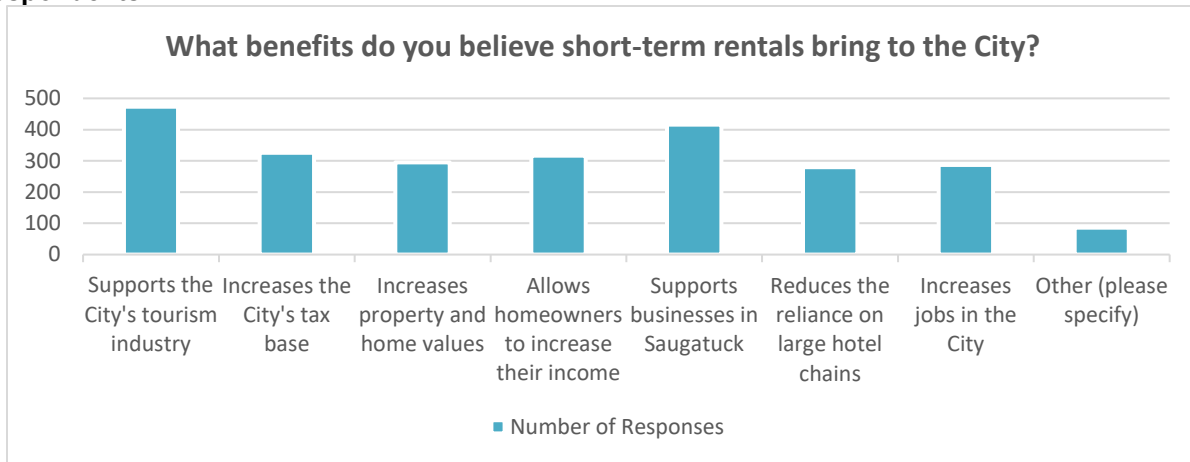
- 10% of respondents own a business in Saugatuck (13 responses)
- 90% of respondents do not own a business in Saugatuck (107 responses)
- 77% of respondents do not own any short-term rentals in Saugatuck (92 responses)
- 21% own 1 to 2 short-term rentals in the city (25 responses)
- 1% own 3 or more short-term rentals in the city (2 responses)
- 0.84% have rented their home as a short-term rental in the past, but don't currently (1 response)

Respondents' views on the number of short-term rentals in their neighborhood:

- 34% of respondents feel There are too many (184 responses)
- 31% feel It's about right (171 responses)
- 27% would be okay if there were more (149 responses)
- 7% were not residents (38 responses)

BENEFITS OF SHORT-TERM RENTALS

All Respondents



Benefits of short-term rentals:

- 89% of respondents believe short-term rentals support the City's tourism industry (473 responses)
- 78% of respondents believe short-term rentals support businesses in Saugatuck (416 responses)

- 61% of respondents believe short-term rentals increase the City's tax base (326 responses)

Full-Time/Primary Home Residents

- 71% of full-time residents believe short-term rentals support the City's tourism industry (173 responses)
- 60% of full-time residents believe short-term rentals support businesses in Saugatuck (144 responses)
- 46% of full-time residents believe short-term rentals increase the City's tax base (111 responses)

Part-Time/Second Home Residents

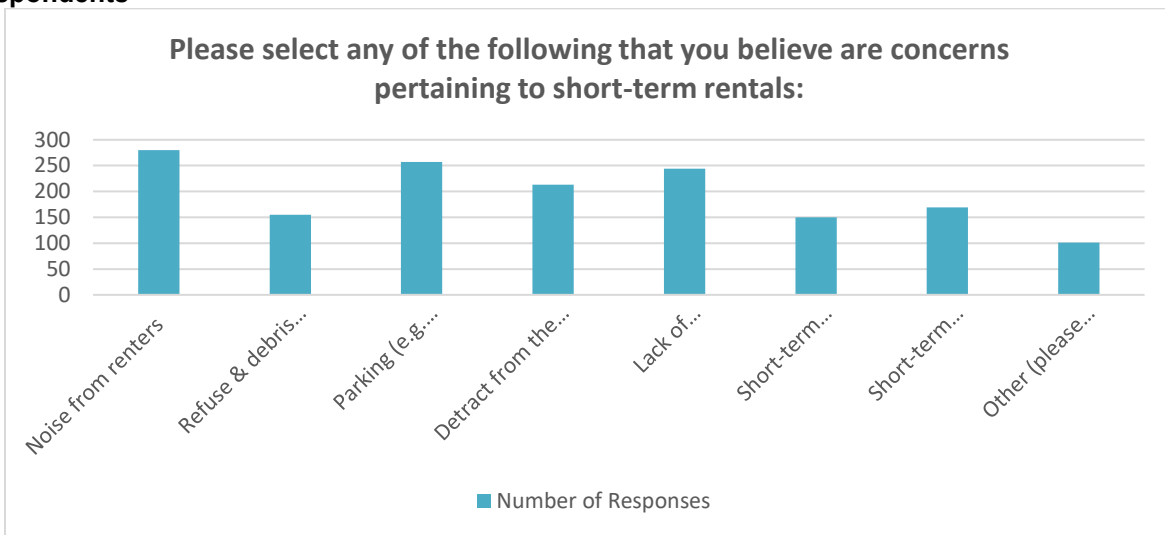
- 87% of part-time residents believe short-term rentals support the City's tourism industry (208 responses)
- 83% of part-time residents believe short-term rentals support businesses in Saugatuck (198 responses)
- 67% of full-time residents believe short-term rentals increase the City's tax base (160 responses)

Non-Residents

- 67% of non-residents believe short-term rentals support the City's tourism industry (88 responses)
- 53% of non-residents believe short-term rentals support businesses in Saugatuck (70 responses)
- 42% of non-residents believe short-term rentals allow homeowners to increase their income (56 responses)

CONCERNS AROUND SHORT-TERM RENTALS

All Respondents



Concerns around short-term rentals:

- 63% of respondents are concerned with noise from renters (280 responses)
- 58% of respondents are concerned with parking (e.g. blocking driveways or streets) (257 responses)
- 55% of respondents are concerned with a lack of enforcement of municipal ordinances about short-term rentals (244 responses)

Full-Time/Primary Home Residents

- 72% of full-time residents are concerned with noise from renters (144 responses)
- 70% of full-time residents are concerned with parking (e.g. blocking driveways or streets) (140 responses)
- 68% of respondents are concerned with a lack of enforcement of municipal ordinances about short-term rentals (136 responses)

Part-Time/Second Home Residents

- 53% of part-time residents are concerned with noise from renters (82 responses)
- 48% of part-time residents are concerned with parking (e.g. blocking driveways or streets) (74 responses)
- 45% of part-time residents are concerned with a lack of enforcement of municipal ordinances about short-term rentals (69 responses)

Non-Residents

- 52% of non-residents are concerned with noise from renters (51 responses)
- 51% of non-residents are concerned with parking (e.g. blocking driveways or streets) (50 responses)
- 47% of non-residents are concerned with short-term rentals increasing home prices, making it difficult to purchase a home in the City (47 responses)

POLICIES

The following section outlines public support of different policies surrounding regulating and enforcing regulations on short-term rentals. Respondents were given multiple policies and asked to select how much they agreed with each policy. For each resident group (full-time, part-time, or non-resident), the three most and least supported policies are given, unless there was a tie between multiple policies. In these cases, more than three policies may be highlighted. The policies given were:

- Implement a City-wide “Good Neighbor” policy or tenant and owner code of conduct for short-term rentals.
- Implement a cap on short-term rentals city-wide.
- Implement a cap on short-term rentals in residential zoning districts.
- Implement a cap on short-term rentals in commercial zoning districts.
- Implement a short-term rental cap of 20% of Saugatuck residences.
- Implement a short-term rental cap of 30% of Saugatuck residences.
- Implement a short-term rental cap of greater than 30% of Saugatuck residences.
- Revise fee schedule from every 3 years to annually to cover City costs.
- Enforce a minimum rental period for short-term rentals.
- Implement occupancy limits stricter than the current Fire Department limits.
- Increase the fee/fine for confirmed violations of City ordinances and regulations.
- Suspend or revoke short-term rental certificates for properties with multiple violations.
- If permitted by State law, should the City collect a tax on short-term rentals, similar to a hotel tax?
- Work with neighboring communities to preserve and expand affordable housing.

All Respondents

Most supported policies:

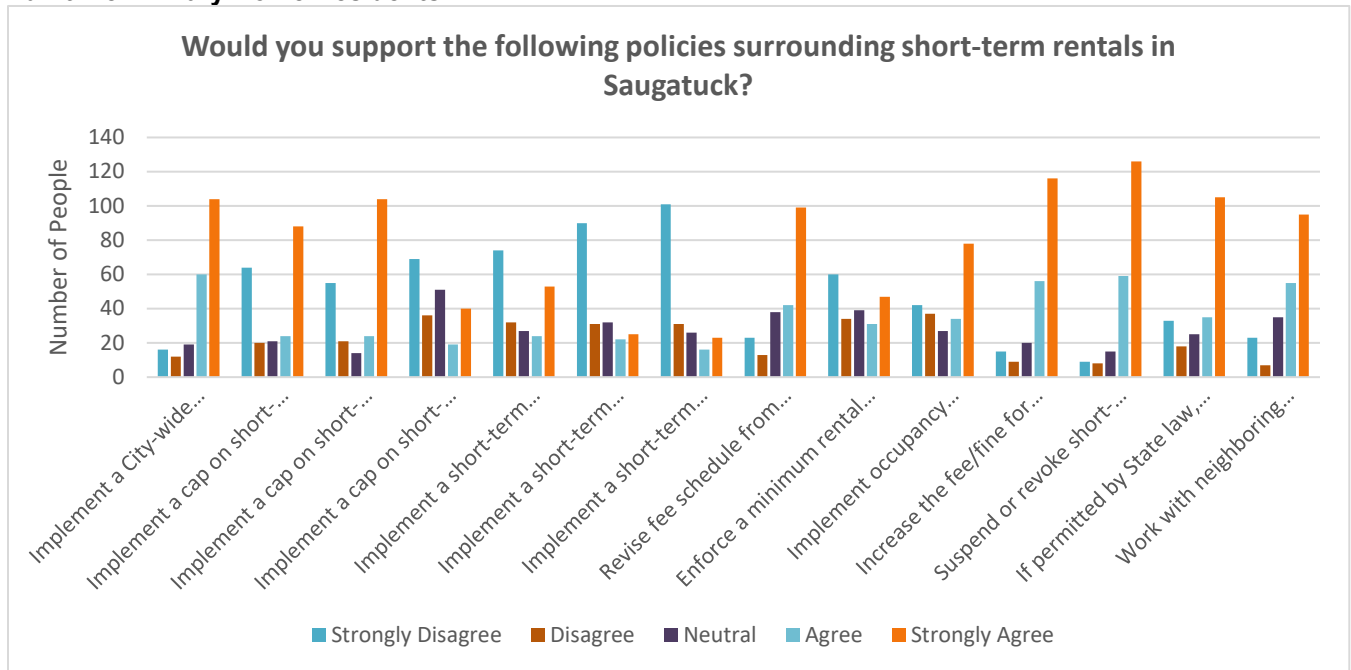
- 46% of respondents Strongly Agree and 29% of respondents agree with suspending or revoking short-term rental certificates for properties with multiple violations.

- 38% of respondents Strongly Agree and 31% of respondents agree with implementing a City-wide “Good Neighbor” policy or tenant and owner code of conduct for short-term rentals.
- 37% of respondents Strongly Agree and 29% of respondents agree with increasing the fee/fine for confirmed violations of City ordinances and regulations.

Least supported policies:

- 53% of respondents Strongly Disagree and 16% of respondents Disagree with implementing a short-term rental cap of greater than 30% of Saugatuck residences.
- 48% of respondents Strongly Disagree and 19% of respondents Disagree with implementing a short-term rental cap of 30% of Saugatuck residences.
- 44% of respondents Strongly Disagree and 16% of respondents Disagree with implementing a short-term rental cap of 20% of Saugatuck residences.

Full-time/Primary Home Residents



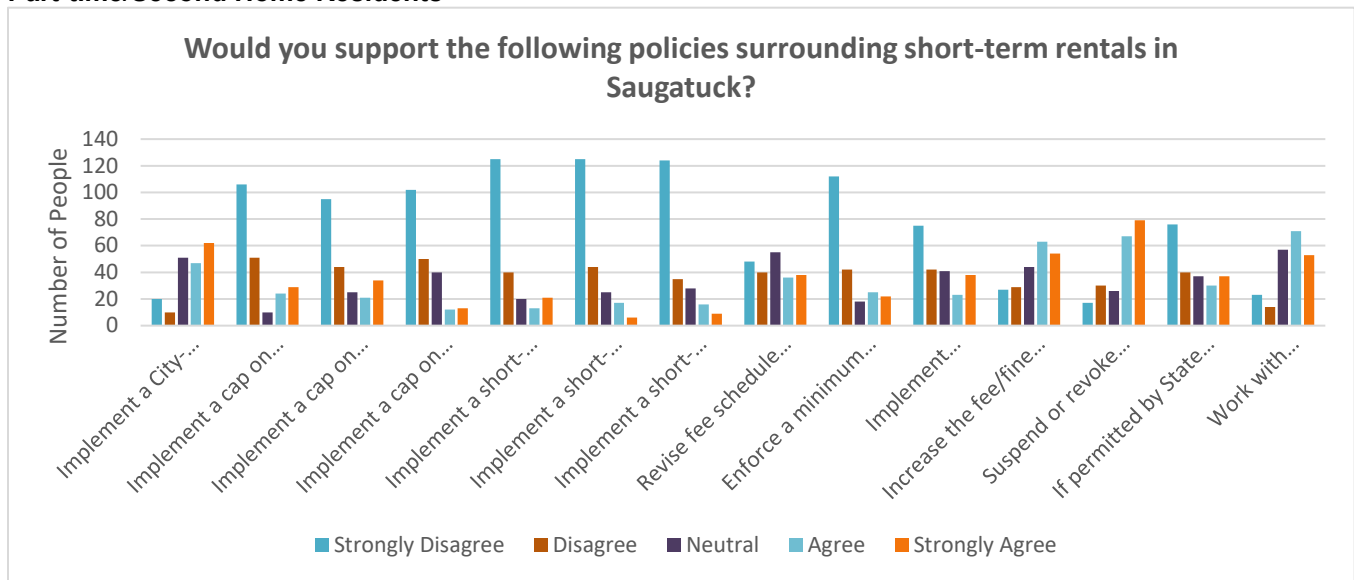
Most supported policies:

- 58% of full-time residents Strongly Agree and 27% of full-time residents Agree with suspending or revoking short-term rental certificates for properties with multiple violations.
- 54% of full-time residents Strongly Agree and 26% of full-time residents Agree with increasing the fee/fine for confirmed violations of City ordinances and regulations.
- 49% of full-time residents Strongly Agree and 28% of full-time residents Agree with implementing a City-wide “Good Neighbor” policy or tenant and owner code of conduct for short-term rentals.

Least supported policies:

- 51% of full-time residents Strongly Disagree and 16% of full-time residents Disagree with implementing a short-term rental cap of greater than 30% of Saugatuck residences.
- 45% of full-time residents Strongly Disagree and 16% of full-time residents Disagree with implementing a short-term rental cap of 30% of Saugatuck residences.
- 35% of full-time residents Strongly Disagree and 15% of full-time residents Disagree with implementing a short-term rental cap of 20% of Saugatuck residences.

Part-time/Second Home Residents



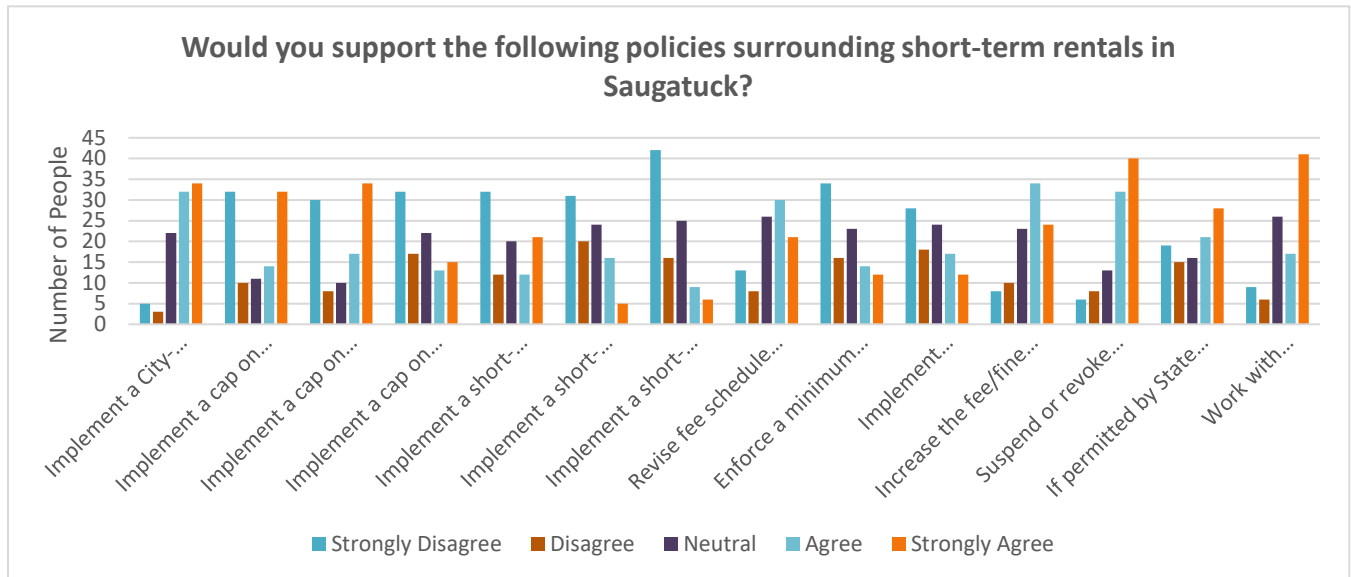
Most supported policies:

- 36% of part-time residents Strongly Agree and 31% of part-time residents Agree with suspending or revoking short-term rental certificates for properties with multiple violations.
- 25% of part-time residents Strongly Agree and 29% of part-time residents Agree with increasing the fee/fine for confirmed violations of City ordinances and regulations.
- 24% of part-time residents Strongly Agree and 33% of part-time residents Agree with working with neighboring communities to preserve and expand affordable housing.

Least supported policies:

- 58% of part-time residents Strongly Disagree and 20% of part-time residents Disagree with implementing a short-term rental cap of 30% of Saugatuck residences.
- 58% of part-time residents Strongly Disagree and 17% of part-time residents Disagree with implementing a short-term rental cap of greater than 30% of Saugatuck residences.
- 57% of part-time residents Strongly Disagree and 18% of part-time residents Disagree with implementing a short-term rental cap of 20% of Saugatuck residences.

Non-Residents



Most supported policies:

- 40% of non-residents Strongly Agree and 32% of non-residents Agree with suspending or revoking short-term rental certificates for properties with multiple violations.
- 41% of non-residents Strongly Agree and 17% of non-residents Agree with working with neighboring communities to preserve and expand affordable housing.
- 35% of non-residents Strongly Agree and 33% of non-residents Agree with working with implementing a City-wide "Good Neighbor" policy or tenant and owner code of conduct for short-term rentals.

Least supported policies:

- 43% of non-residents Strongly Disagree and 16% of non-residents Disagree with implementing a short-term rental cap of greater than 30% of Saugatuck residents.
- 32% of non-residents Strongly Disagree and 21% of non-residents Disagree with implementing a short-term rental cap of 30% of Saugatuck residences.
- 32% of non-residents Strongly Disagree and 17% of non-residents Disagree with implementing a short-term rental cap in commercial districts.

DUPLICATE RESPONSES

There were a total of 77 IP addresses that submitted multiple responses. IP addresses that submitted three or fewer responses were presumed legitimate, as each response was likely from a different member of the same household. IP addresses that submitted more than three responses were evaluated to determine response similarities. If all the responses were the same or very similar, only one of the responses was considered in the survey analysis. Of the 77 duplicate IP addresses, 71 addresses submitted three or fewer responses. 6 IP addresses submitted at least four responses to the survey, for a total of 28 responses. After evaluating the

answers to the individual responses, 5 of these responses were considered duplicates and eliminated from the dataset. Below outlines the process for finding and evaluating duplicate responses:

1. Staff highlighted all duplicate IP addresses using Excel.
2. Duplicates of three or fewer were assumed to be legitimate responses and filtered out.
3. For IP addresses that submitted more than 3 responses, the responses were analyzed to determine if the answers were the same for each submission. If the responses were the same or very similar, only one of the responses was considered for analysis. If the responses to the questions were different for each submission, they were all included in the analysis.

CONCLUSION

The following key takeaways were gathered from the results of the survey:

1. Full- and part-time residents both agree that short-term rentals have the benefits of supporting tourism and businesses in the city and increase the city's tax base, but part-time residents agree with this at higher rates than full-time residents. Unlike full-time and part-time residents, non-residents selected that short-term rentals allow homeowners to increase their incomes as a top benefit.
2. Full- and part-time residents both had the greatest concerns with noise, parking, and a lack of enforcement of short-term rental regulations, while non-residents were also concerned that short-term rentals are increasing home prices, making it difficult to buy a home in the City.
3. Full-time, part-time, and non-residents support strengthening enforcement measures behind short-term rental regulations, including suspending or revoking short-term rental licenses after multiple violations and increasing fees and fines for confirmed violations.
4. The least popular amongst all resident groups were those surrounding caps on short-term rentals, with the strongest disagreement towards caps of greater than 30% of Saugatuck residents.

Respectfully submitted,

McKENNA

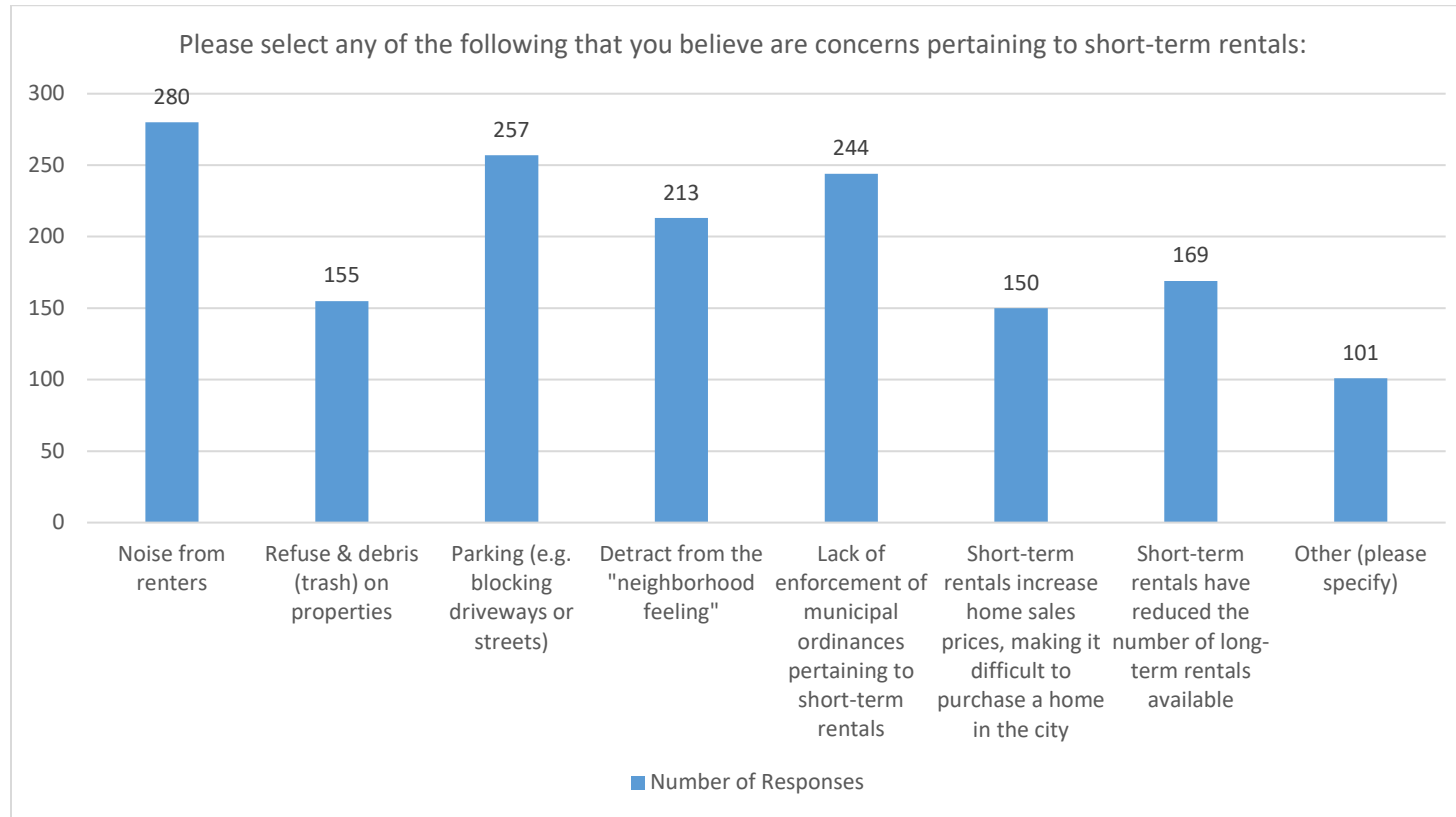


Kyle Mucha, AICP
Senior Planner

City of Saugatuck – Short-Term Rental Task Force
Community Engagement Survey Results - Supplemental Graphics

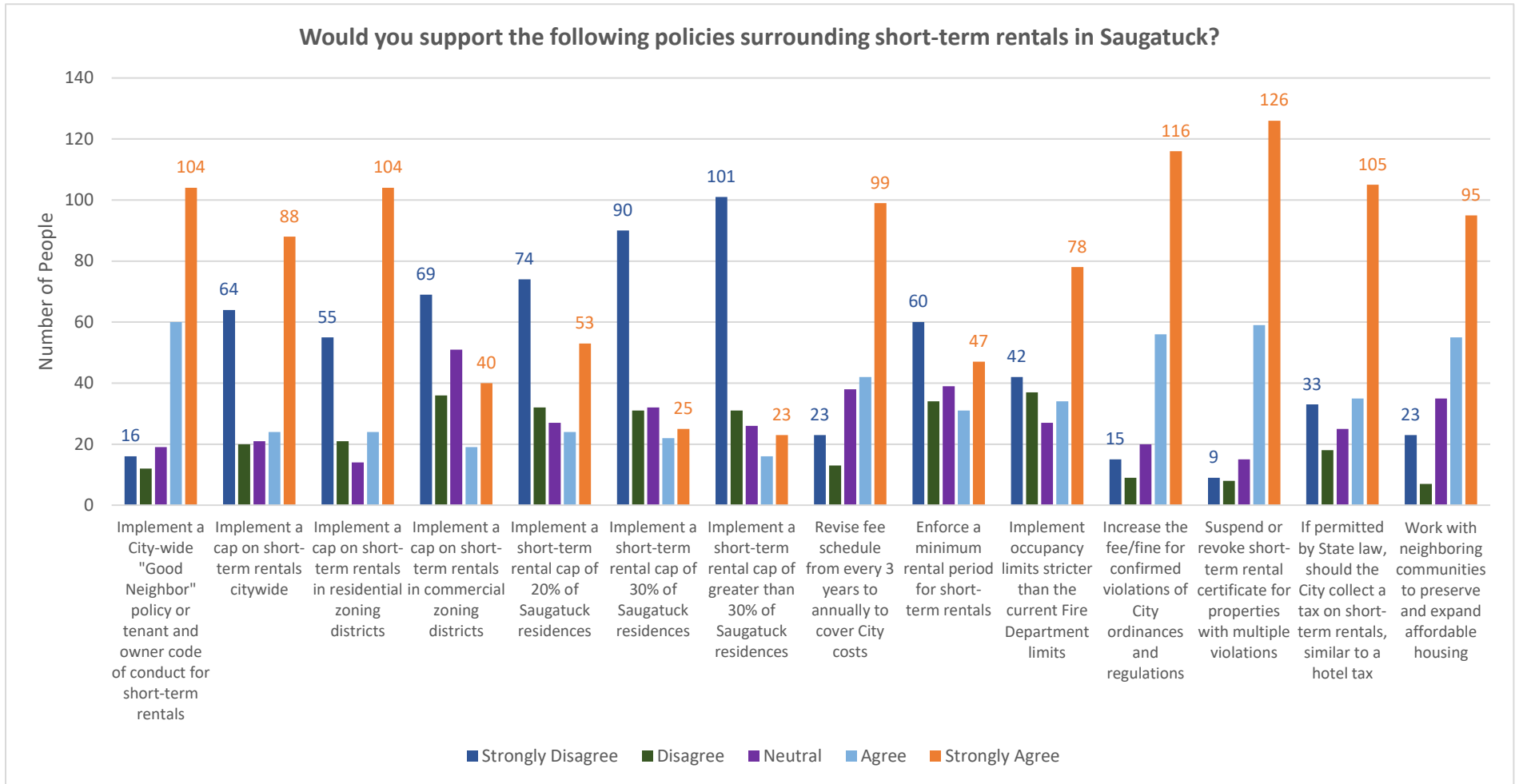
CONCERNS AROUND SHORT-TERM RENTALS

All Respondents



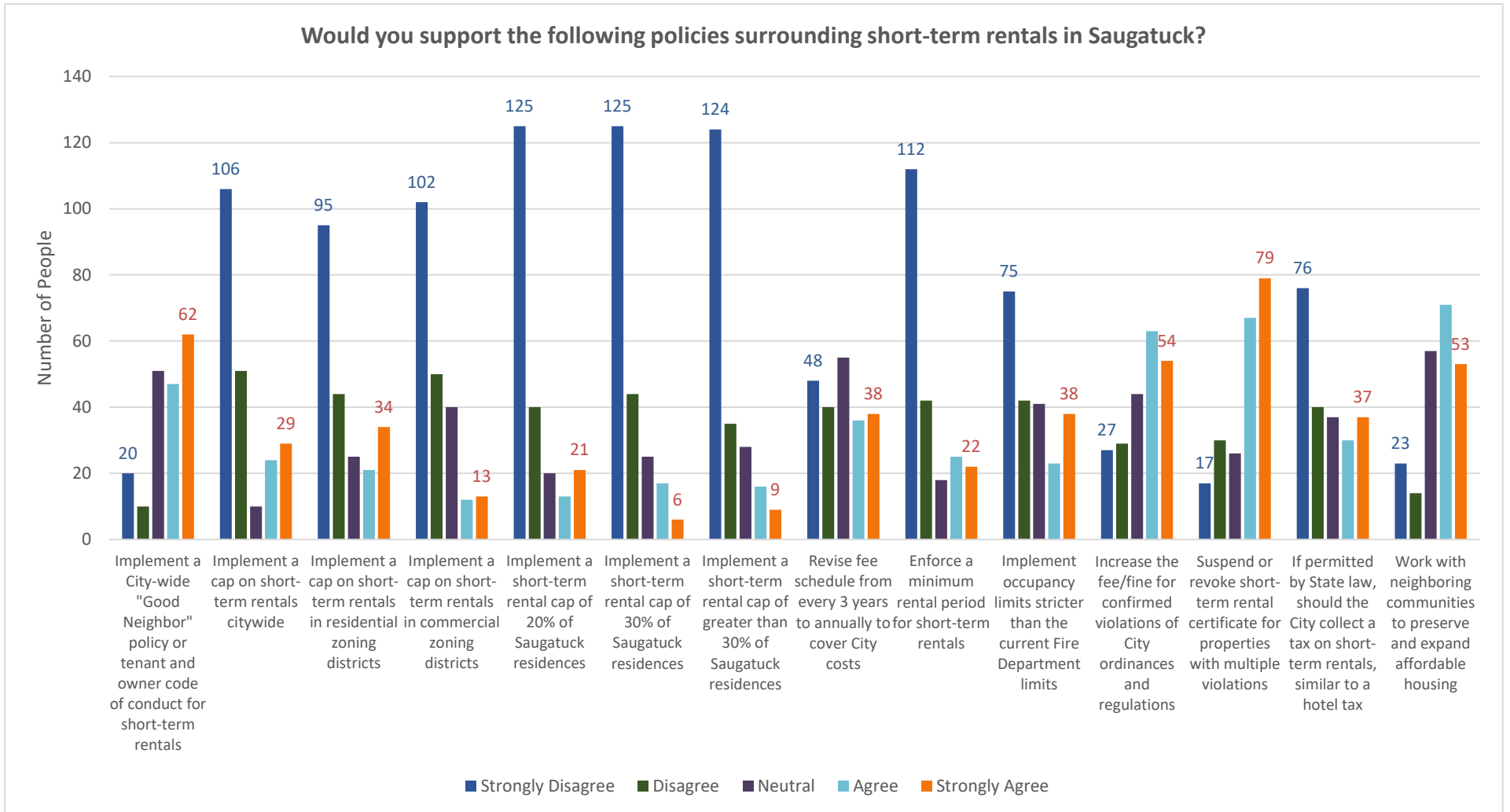
POLICIES

Full-time/Primary Home Residents



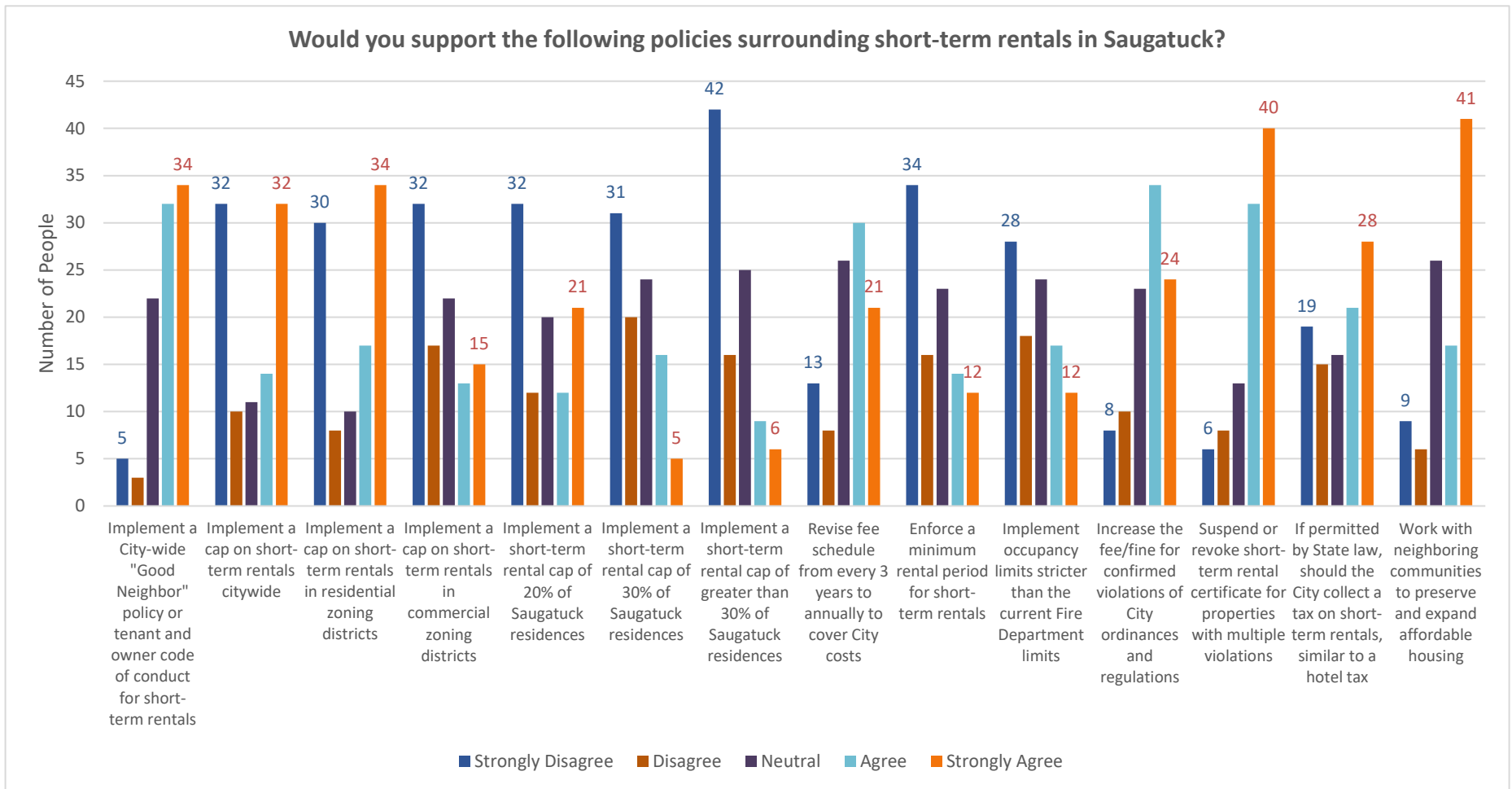
POLICIES

Part-time/Second Home Residents



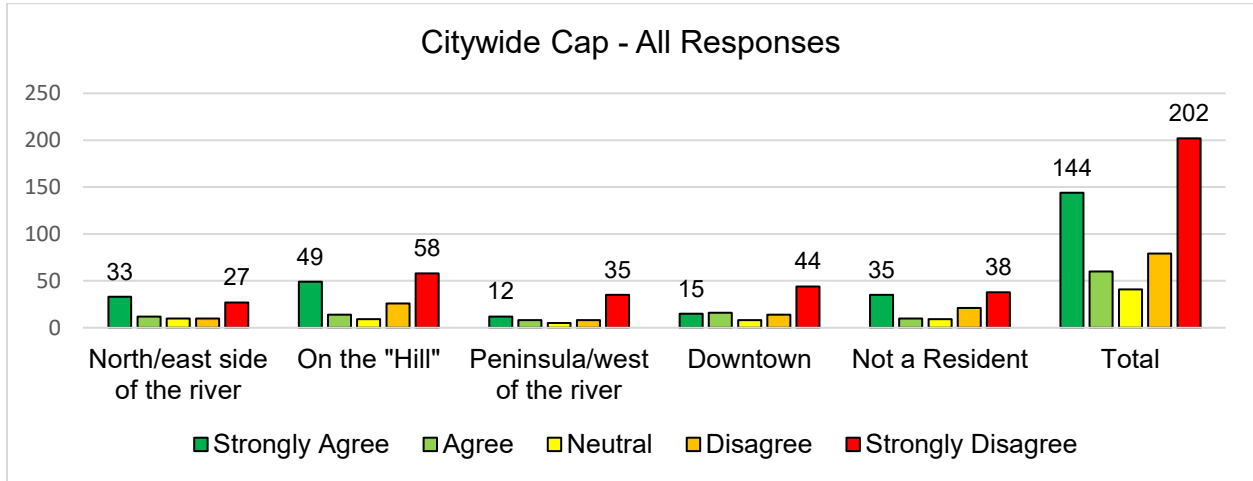
POLICIES

None-Residents

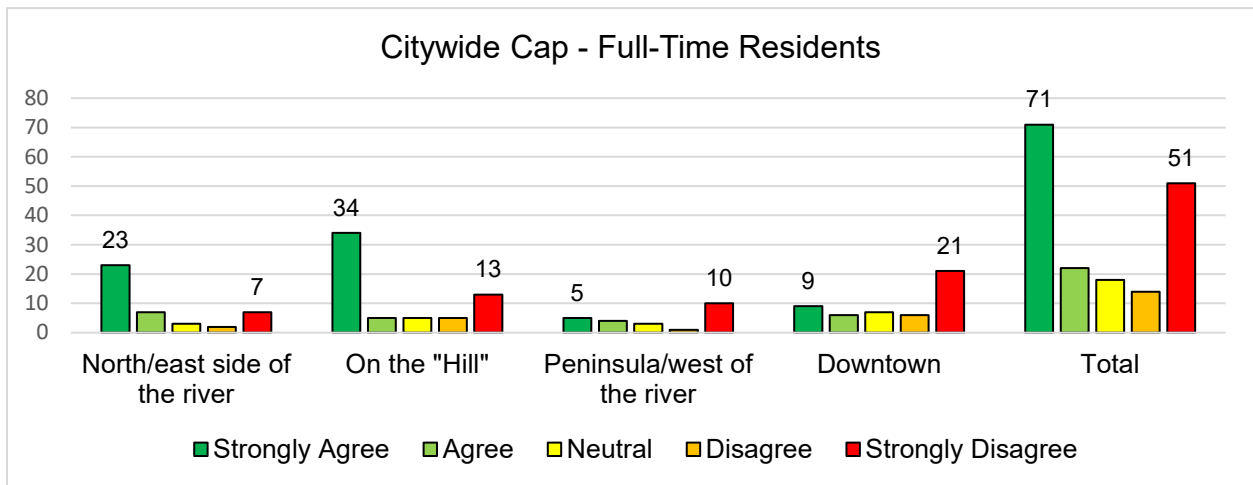


STR CAP: CITYWIDE

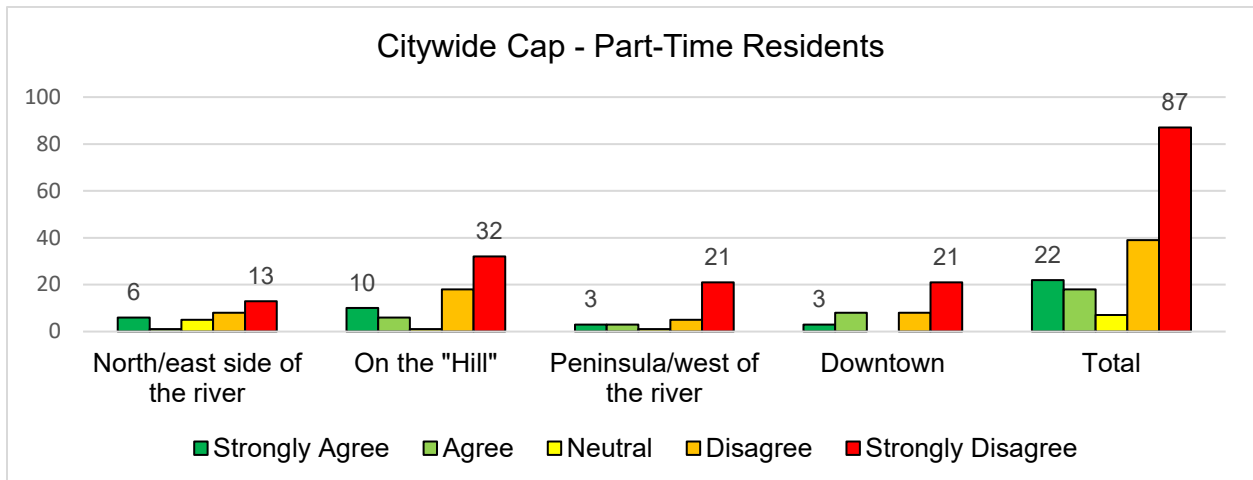
All Responses



Full-Time/Primary Home Resident

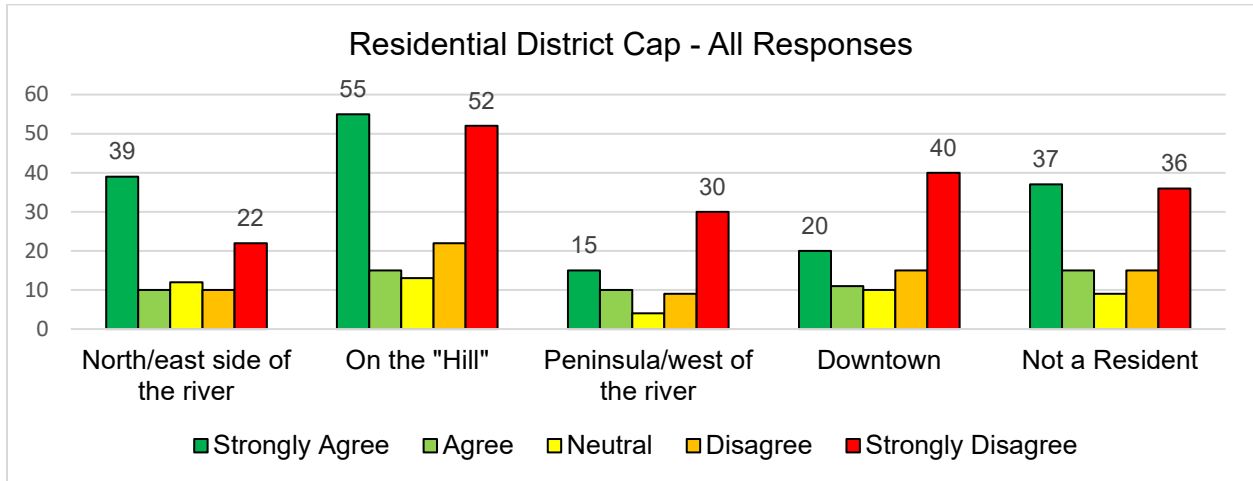


Part-Time/Second Home Resident

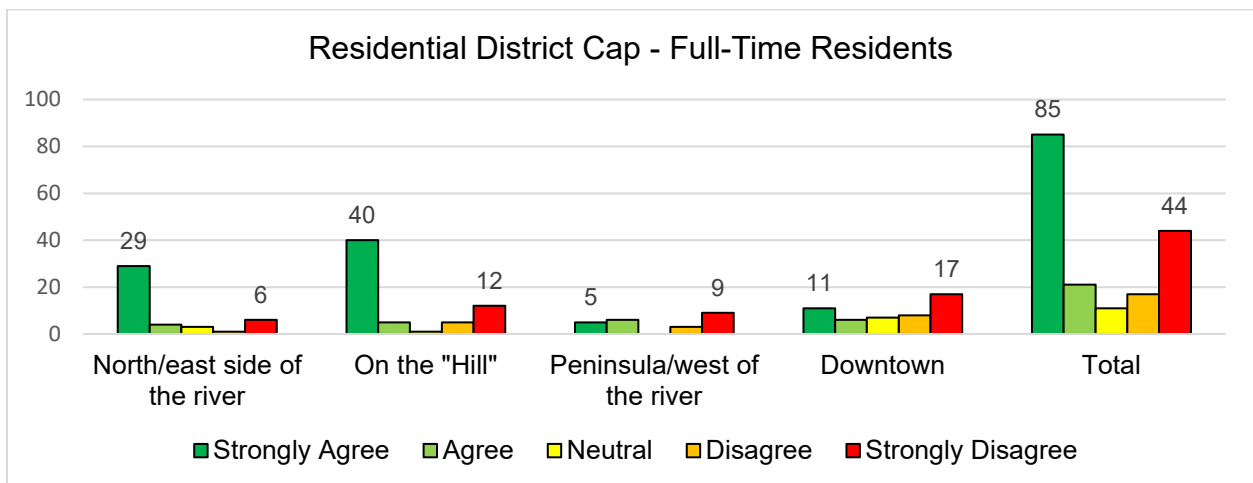


STR CAP: RESIDENTIAL ZONING DISTRICTS

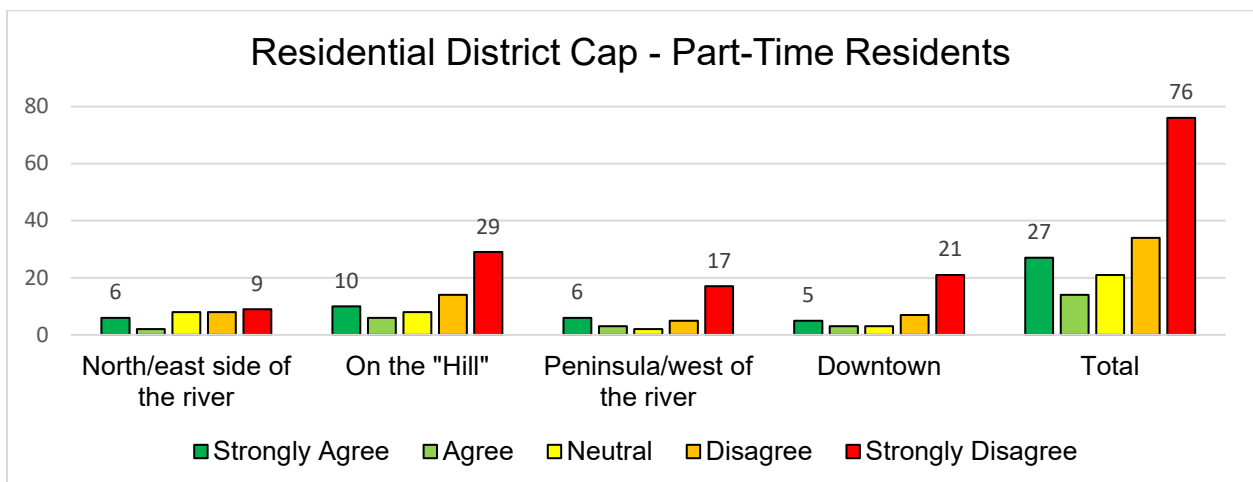
All Responses



Full-Time/Primary Home Resident

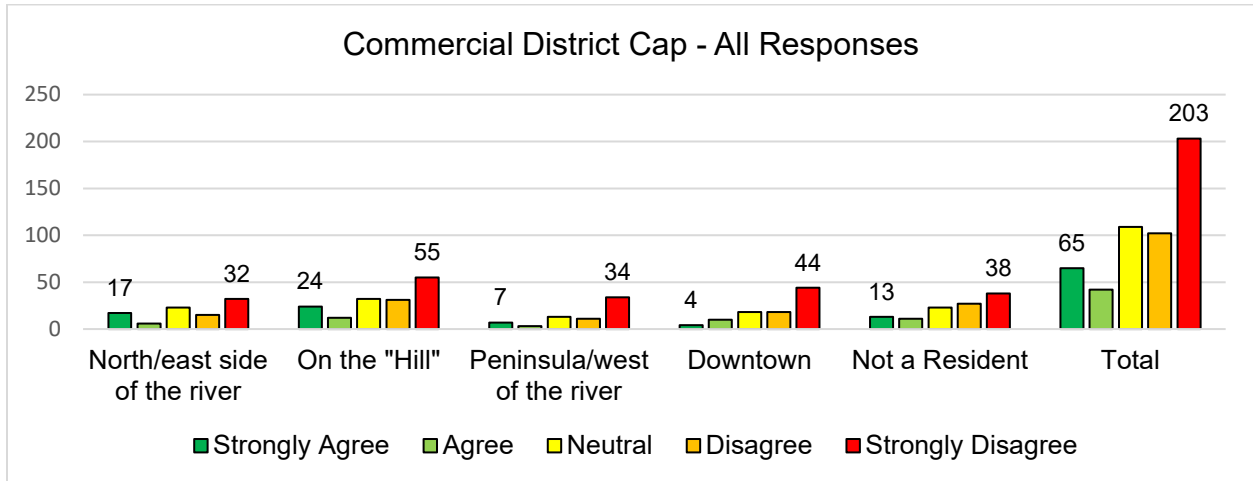


Part-Time/Second Home Resident

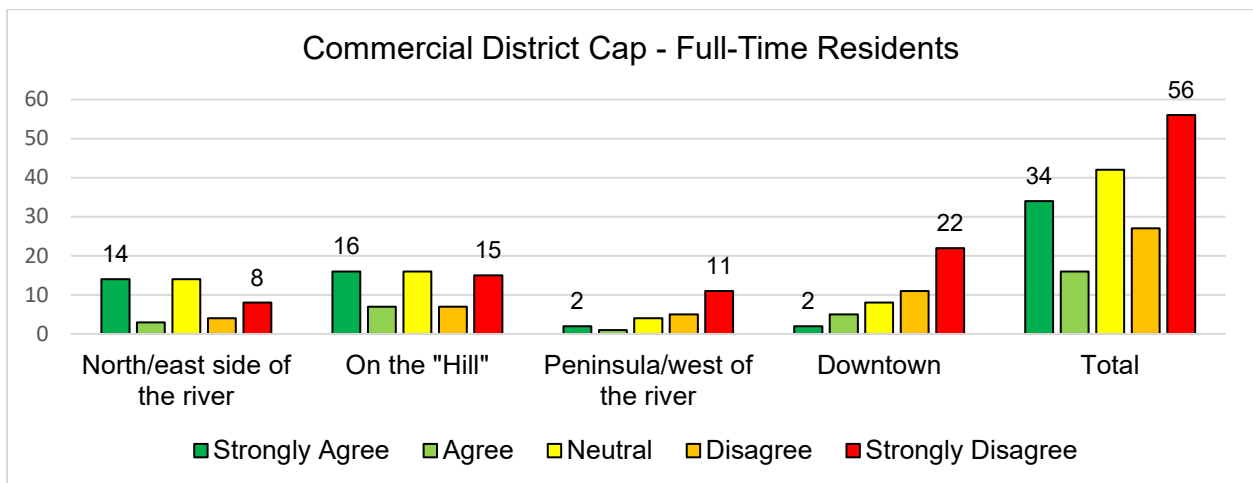


IMPLEMENT A CAP ON SHORT-TERM RENTALS IN COMMERCIAL ZONING DISTRICTS

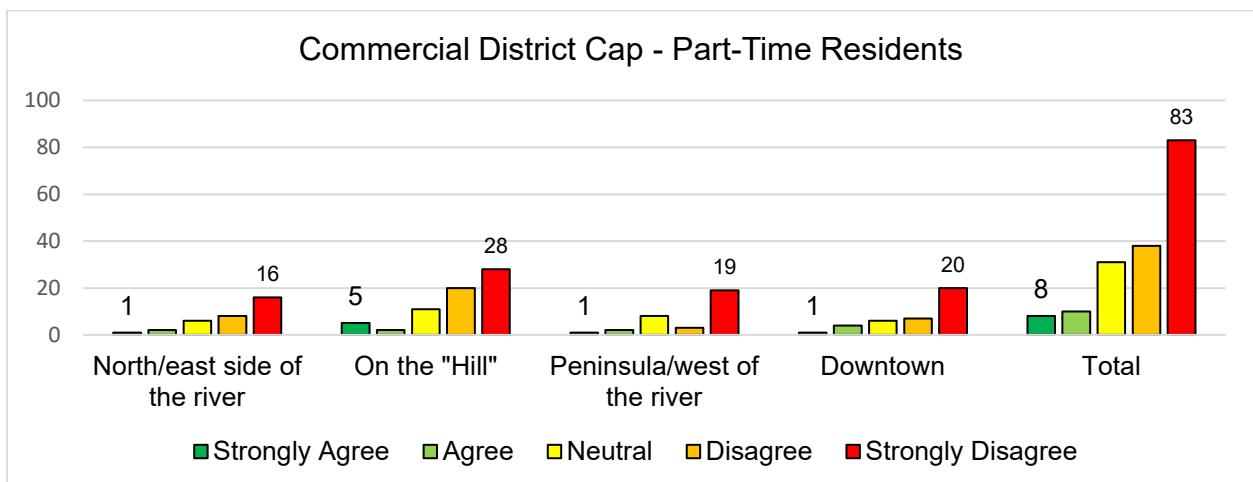
All Responses



Full-Time/Primary Home Resident

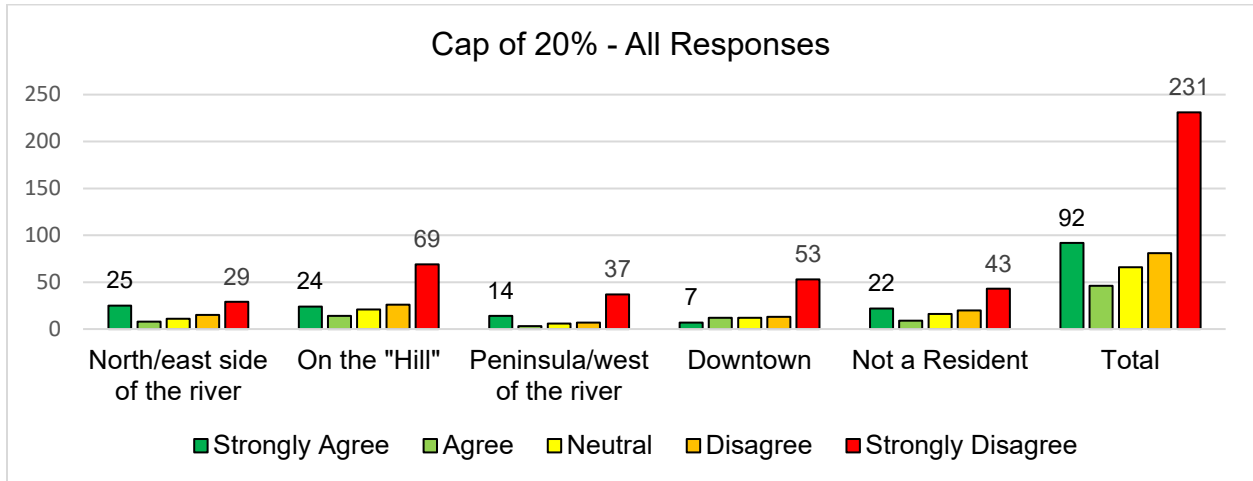


Part-Time/Second Home Resident

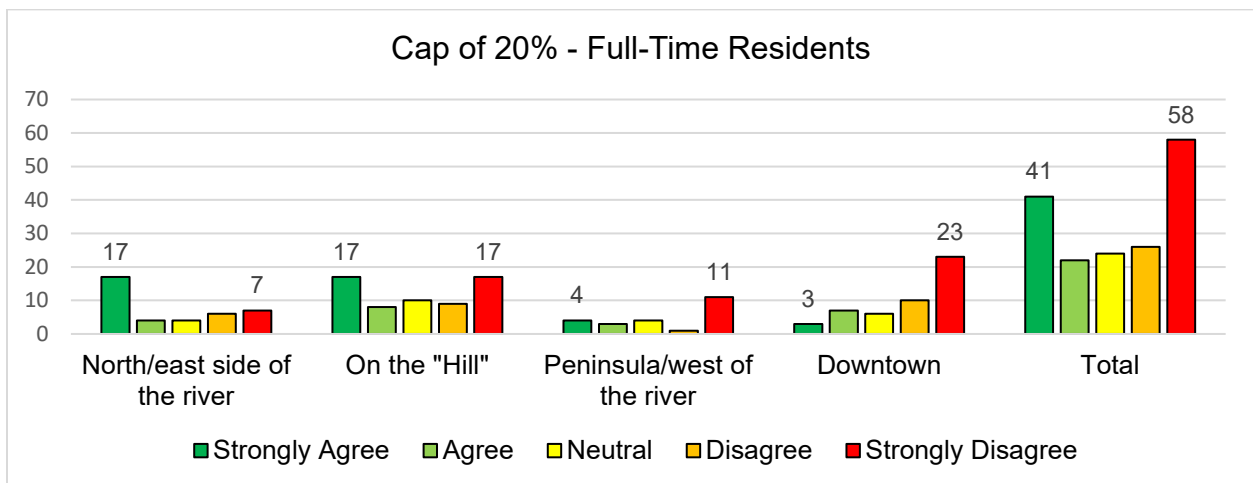


CAP OF 20% OF SAUGATUCK RESIDENCES

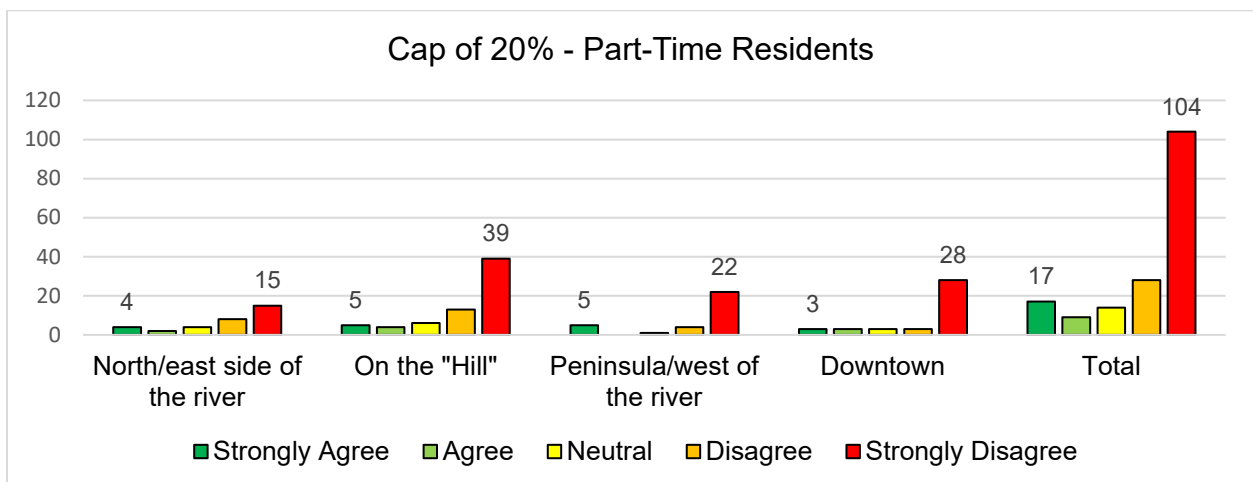
All Responses



Full-Time/Primary Home Resident

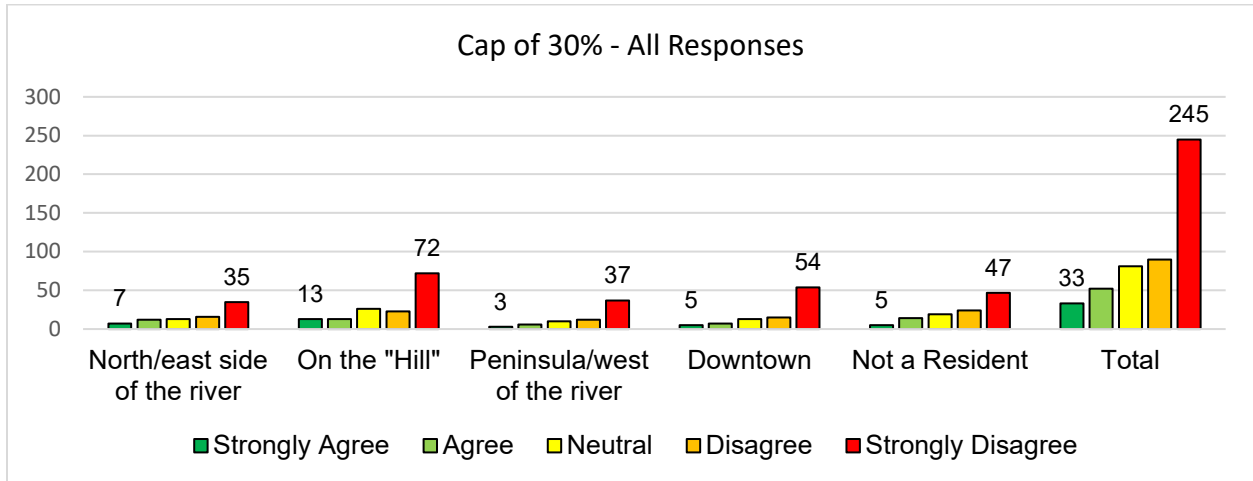


Part-Time/Second Home Resident

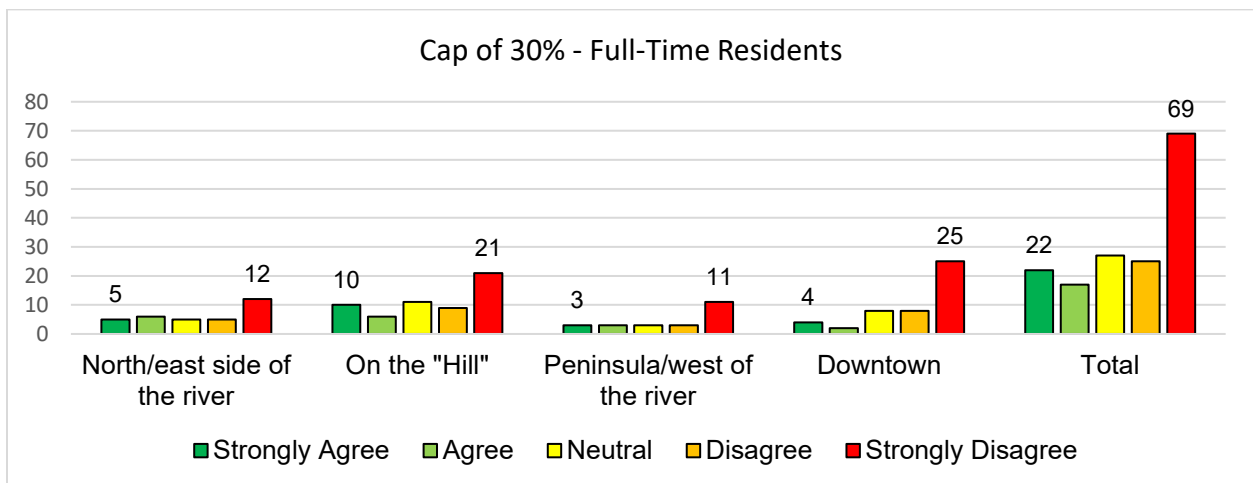


CAP OF 30% OF SAUGATUCK RESIDENCES

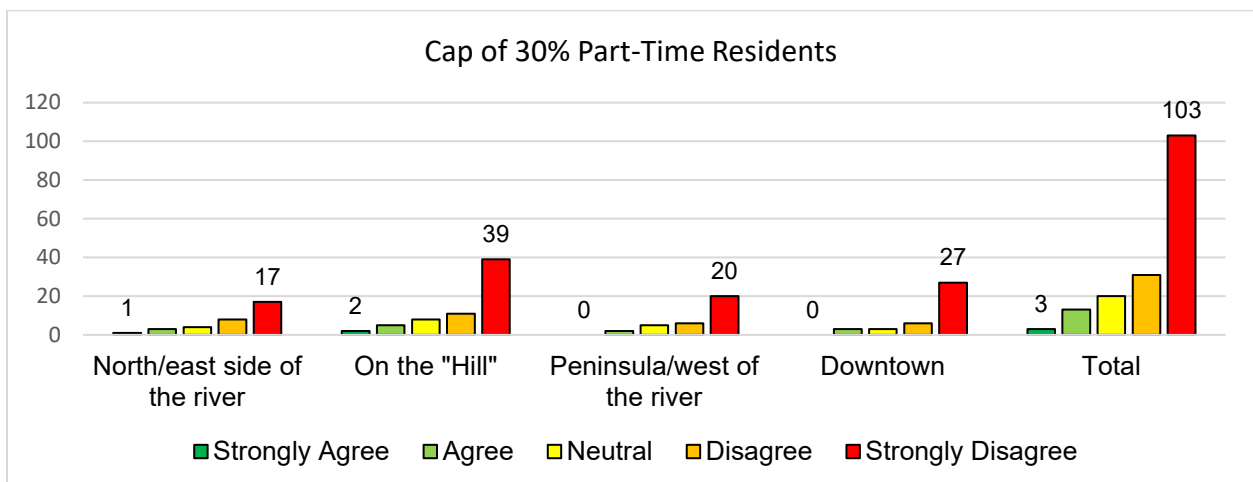
All Responses



Full-Time/Primary Home Resident

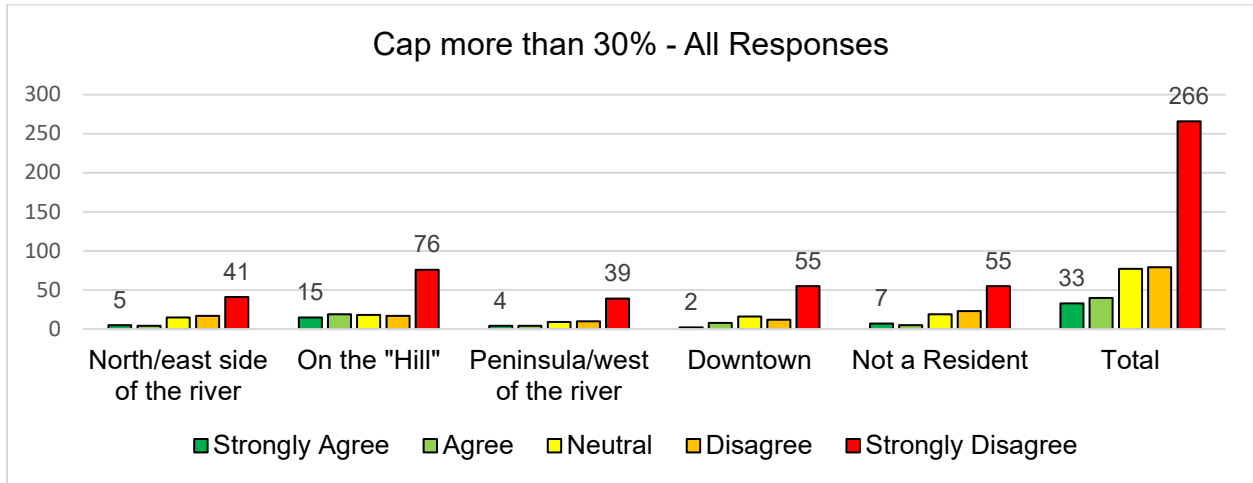


Part-Time/Second Home Resident

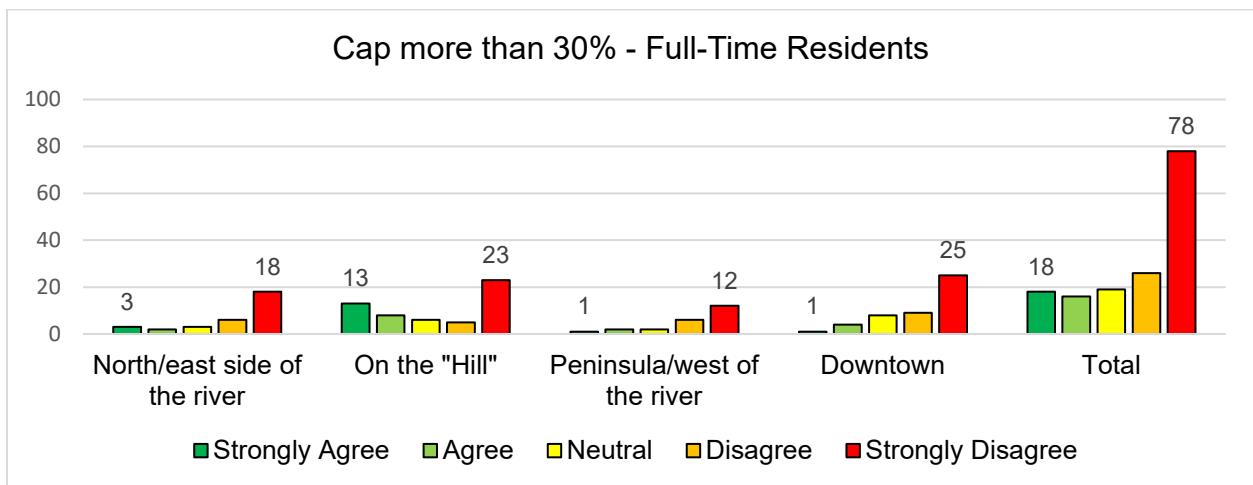


CAP OF MORE THAN 30% OF SAUGATUCK RESIDENCES

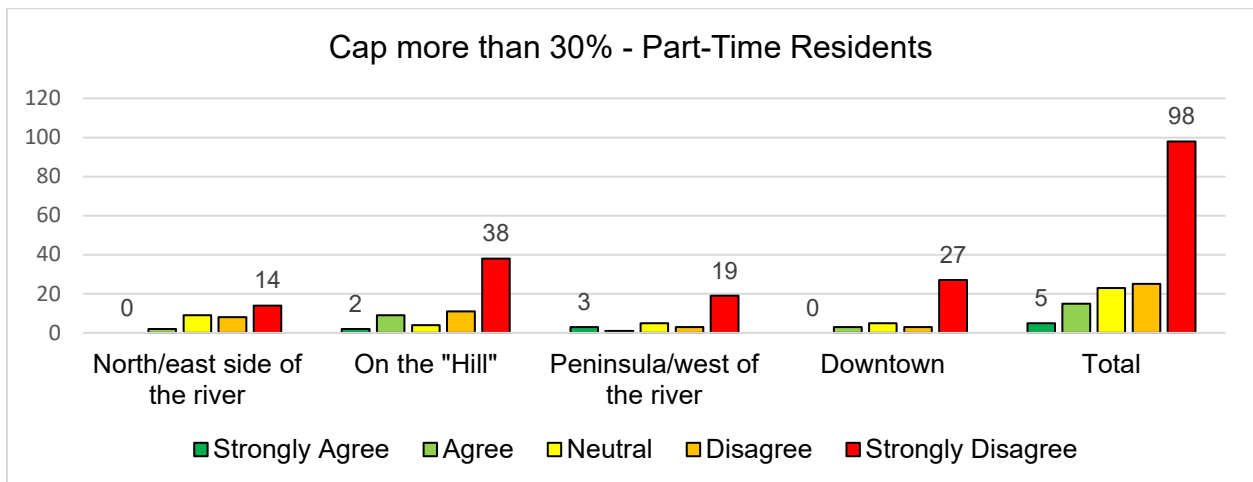
All Responses



Full-Time/Primary Home Resident



Part-Time/Second Home Resident



Memorandum

TO: City of Saugatuck Short Term Rental Task Force
Emily Huhman, Planning Intern

FROM: Kyle Mucha, AICP, Senior Planner
Chris Khorey, AICP, Senior Principal Planner

SUBJECT: **City of Saugatuck Master Plan Analysis**

DATE: August 10, 2023

The following analysis is provided to the City of Saugatuck's Short Term Rental Task Force as it pertains to the correlation between the Master Plan and use of residential properties for short-term rental. This analysis reviews the existing goals and objectives, existing land uses, future land use and the zoning plan as outlined within the document.

GOALS & POLICIES

In this section, we examine goals and policies related to residential and commercial uses in the City and determine if the current regulations regarding short-term rentals meet the stated goals and policies. This memo explores goals and policies that can reasonably be connected to short-term rentals, however, it does not include all goals and policies from the Tri-Community Master Plan.

Overarching Goal: *Improve the quality of life for all citizens in the Tri-Communities through implementation of policies and best practices that preserve the existing small town/rural character of the area and that achieve sustainable development – that is, which meet the needs of the present generation without compromising the ability of future generations to meet their needs.*

Community Character

- **Goal:** *Retain and enhance the quiet, scenic, and small town/rural character of the Tri-Communities.*
 - **Policy:** *Preserve the character of the Tri-Communities area by encouraging land uses and densities of development that are consistent with maintaining its small town/rural nature.*
 - **Do Short-Term Rentals support this policy?** Yes – A single-family short-term rental may be more appropriate to maintain the small town character than a motel or hotel. Further, the use of existing residential properties for short-term rentals does not require the construction of large motel/hotel sites. Applicants seeking short-term rental approval more commonly have residential dwellings already established.
- **Goal:** *Preserve the established character of neighborhoods and rural areas within the Tri-Communities.*

- **Policy:** *Preserve the character of the area by encouraging land uses and densities/intensities of development which are consistent with and complement the character, economic base, and image of the area.*
 - **Do Short-Term Rentals support this policy?** Maybe – Short-term rentals may support the character, economic base, and image of the area as a tourism-driven City but may also be too dense/intense of a land use in low-density residential areas.
- **Policy:** *Increase enforcement of existing ordinances and regulations to better preserve the established character of the Tri-Communities and promote the goals and policies of this Plan.*

Land Use and Community Facilities

- **Goal:** *Promote the balanced, efficient, and economical use of land in a manner which minimizes land use conflicts within and across municipal borders, and provides for a wide range of land uses in appropriate locations to meet the diverse needs of area residents.*
 - **Do Short-Term Rentals support this policy?** Maybe – short-term rentals promote an economical use of land by permitting property owners to gather supplemental income from the rental rate. However, short-term rentals can be more of an intensive land use than a single-family residential use due to the commercial nature that short-term rentals are. Further analysis should be conducted to determine if short-term rentals are classified as an intensive commercial land use, within a residential district, or if they are more in line with single-family dwellings.

Economic Development

- **Goal:** *Strengthen and expand upon the area's economic bases through strategies, which attract new businesses, strengthen existing businesses, and enhance the tourism potential of the area.*
 - **Policy:** *Support efforts to foster tourism by preserving the scenic beauty of the environment, expanding recreation opportunities, improving tourist attractions, preserving the historic character of the communities through the preservation of historic structures, expanding cultural and arts opportunities and encouraging development of promotional materials which highlight the attractions of the Tri-Communities.*
 - **Do Short-Term Rentals support this policy?** Yes – short-term rentals support tourism by providing a wider variety of lodging accommodations. Short-term rentals also permit tourists and other visitors to vacation near the shops, entertainment and the beach. Further, short-term rentals are being established within existing residential structures which encourage continued upkeep and maintenance of residential properties.

Commercial

- **Goal:** *Encourage the development of commercial land uses in appropriate locations which serve the current and future needs of residents and tourists, are of a character consistent with community design guidelines, and which promote public safety through prevention of traffic hazards and other threats to public health, safety, and general welfare.*

- **Policy:** *Encourage continued concentration of tourist-oriented businesses in Saugatuck and the City of the Village of Douglas, general commercial businesses in the City of the Village of Douglas and Saugatuck Township, and highway service activities that serve regional markets and passenger vehicles at the highway interchanges.*
 - **Do Short-Term Rentals support this policy?** Yes – Short-term rentals offer an additional lodging option close to downtown Saugatuck, where vacant land is sparse and would not support a larger hotel or motel.
- **Policy:** *Encourage retention of existing downtown businesses in order to preserve those functions within Saugatuck and the City of the Village of Douglas because they are so central to the character and function of those downtowns.*
 - **Do Short-Term Rentals support this policy?** Yes – Short-term rentals increase the variety of lodging accommodations available to tourists, which supports downtown businesses. Further, short-term rentals are promoted as a means to vacation near the businesses and other public assets of the community.

Housing/Residential

- **Goal:** *Encourage a variety of residential dwelling types in a wide range of prices which are consistent with the needs of a changing population and compatible with the character of existing residences in the vicinity.*
 - **Policy:** *Explore alternative measures to reduce housing costs and make home ownership more affordable, such as zoning regulations and other programs which are designed to reduce the cost of constructing new housing, provided the exercise of these measures still preserves the character of the area in which the housing is to be built.*
 - **Do Short-Term Rentals support this policy?** Maybe – Allowing short-term rentals can help homeowners, especially part-time residents, pay for homeownership costs such as property taxes, but may increase housing prices as investors purchase housing for short-term rentals. Data analysis indicates a correlation between short-term rentals and housing prices.
 - **Policy:** *Allow only quiet, low traffic, low intensity home occupations in residential areas to preserve the stability of existing neighborhoods.*
 - **Do Short-Term Rentals support this policy?** No – Increased traffic, noise, and refuse/debris may make short-term rentals too high of an intensity for most residential neighborhoods.
 - **Policy:** *Require absentee homeowners to maintain their properties in a manner that is consistent with the character of the surrounding neighborhood.*
 - **Do Short-Term Rentals support this policy?** Maybe – Short-term rentals may help part-time owners maintain their properties by increasing the amount of time its occupied and encouraging the property's upkeep for renters but can lead to increased

maintenance on the property which is inconsistent with the character of the neighborhood.

- **Policy:** *Encourage the preservation and retention of older homes to maintain community character and history and utilize zoning regulations to prevent homeowners from splitting older homes into multiple family apartment or condominium units.*
 - **Do Short-Term Rentals support this policy?** Maybe – Current zoning regulations prohibit short-term rental owners from renting out individual rooms, preventing a historic home from being split into multiple short-term rentals. However, consistent transient occupancy may harm the upkeep and preservation of a historic building.
- **Policy:** *Discourage the development of high intensity residential uses along the waterfront.*
 - **Do Short-Term Rentals support this policy?** No – Short-term rentals are permitted uses in both single-family and multi-family residential districts, so the encouragement or discouragement of short-term rentals would not directly impact whether high intensity residential uses are developed along the waterfront.

EXISTING LAND COVER AND USE

Residential

“Single family structures are the predominant residential type. The “hill” in Saugatuck and the neighborhood surrounding the Village Center in the City of the Village of Douglas are other distinct residential areas. Most multiple family structures are concentrated in Saugatuck and the City of the Village of Douglas, with only one such development in the Township (Section 3). There are four mobile home parks in the Tri-Community area: two in the City of the Village of Douglas and two in the southern half of the Township.”

“Saugatuck Condominiums line the shore of Kalamazoo Lake along Lake St. and block a scenic view of the lake. Most of the City's year-round residents live above the steep ridge (“the hill”) which separates the waterfront area from the rest of the City. Small cottages on very small lots line the west shore of Kalamazoo Lake along Park St. Tearing down smaller, older homes to be replaced by larger, newer homes will become a larger challenge in the next few years to retaining a “quaint small town” atmosphere.”

Commercial

“Commercial uses in downtown Saugatuck are primarily oriented to tourists and seasonal residents. Many of the businesses occupy large, older residential structures. Others occupy the old and historic buildings lining Butler Street. This business district has few parking spaces due to the compact arrangement of the area's original design and heavy pedestrian traffic. Parking is a seasonal problem and a permanent solution has not yet been formulated. There is a shuttle service between the downtown and the High School parking lot during peak use periods to help alleviate the situation. Businesses include bed and breakfasts, small and large restaurants, clothing stores, art galleries and numerous specialty shops, with boat service and marina facilities located along the waterfront. This commercial district has a unique historic character worth preserving and further enhancing and represents a great asset to the Tri-Community area as well as to the region and the state.”

FUTURE LAND USE

Residential

In discussing the future residential land use in the City of Saugatuck, the Tri-Communities Master Plan identified one potential challenge:

“The challenge in the next twenty years will be maintaining the older housing stock and ensuring that the growing ranks of part-time residents and absentee owners does not result in housing deterioration. The preservation of neighborhood character should be done by maintaining scale, context and materials of the community.” (Tri-Communities Master Plan 2016, 10-5).

- **Do Short-Term Rentals address this challenge?** Maybe – Short-term rentals may encourage full-time residents to become part-time residents to gain economic benefits from short-term rentals. However, it may provide an opportunity for part-time residents to better upkeep their home by increasing the number of days a year it’s occupied and provide an incentive to upkeep the property for short-term renters. Additionally, some part-time residents may become full-time residents within the City.

The future land use map categorizes the entirety of residential areas in the City as Medium to High Density Single and Multi-Family Residential. This classification supports 2-4 dwelling units per acre.

Commercial

The future land use map outlines Downtown Saugatuck as continuing to be the commercial area of the City. Additional future land uses in Downtown Saugatuck include Mixed Use Residential Commercial and Waterfront Mixed Use. “Downtown Saugatuck will continue to serve as the major center for commercial tourist activities. This should be encouraged. However, the downtown area should not be permitted to expand outside the area presently zoned for downtown commercial use. Appropriate measures should be instituted as necessary to mitigate impacts of the city center on adjoining residential areas.”

Waterfront Mixed Use

“The waterfront should continue to be maintained and where necessary, redeveloped with a mix of single and multiple-family residential uses along with waterfront-related commercial developments such as marinas and other ship/shore activities. Condominiums line the shore of Kalamazoo Lake along Lake St. and block a scenic view of the lake. New development along the shore should preserve a view of the lake from the public right-of-way and consist of single-family residences.”

ZONING PLAN

Commercial Districts

- LI-1 Blue Star District
 - **Purpose:** *Serves as a transitional zone between residential and commercial districts.*
 - **Do Short-Term Rentals meet this purpose?** Yes – Short-term rentals are higher-intensity residential uses, but lower-intensity than most commercial uses, so they may be appropriate in a transitional zone between residential and commercial districts.
- C-1 City Center Commercial District

- **Purpose:** *Promote and preserve the Central Business District character of the city and permits intense retail and commercial uses.*
- C-4 Resort District
 - **Purpose:** *Provides compatible zoning for existing and future hotels, motels, and bed and breakfasts.*
 - **Do Short-Term Rentals meet this purpose?** Yes – As a type of temporary lodging, short-term rentals are similar in use to hotels, motels, and bed and breakfasts.
- C-2 Water Street Commercial Districts
 - **Purpose:** *Provide an area for waterfront retail and commercial land use, provide for a less intense commercial use than the City Center District and promote visual access to the Kalamazoo River.*
 - **Do Short-Term Rentals meet this purpose?** Maybe – Short-term rentals may be less intensive commercial use, but lack of public access may reduce access to the Kalamazoo River.

Residential Districts

- C-4 City Center Residential District
 - **Purpose:** *Serve as a transitional zone between the high intensity City Center Commercial District and the low intensity Community Residential zone*
 - **Do Short-Term Rentals meet this purpose?** Yes – Short-term rentals are higher-intensity residential uses, but lower-intensity than most commercial uses, so they may be appropriate in this district.
- R-1 Community Residential District
 - **Purpose:** *Protect and promote low density single-family residential uses and development in the city.*
 - **Do Short-Term Rentals meet this purpose?** Not applicable – short-term rentals are operating via established residential dwellings. Further, short-term rentals are a secondary use to that of the residential dwelling and not the principal function throughout the entire year.
- R-2 Lake Street District
 - **Purpose:** *Enhance low density single-family land use and promote visual access to the Kalamazoo River.*
 - **Do Short-Term Rentals meet this purpose?** Not applicable – short-term rentals as a land use occupy existing residential structures. It is our understanding that most of the residential lots within the City are built out and have been prior to a short-term rental use being established.

- R-1 Maple Street District
 - **Purpose:** *Promote single-family residential land use in a low density setting and preserves the rural character of the district and its natural resources.*
 - Do Short-Term Rentals meet this purpose? No – short-term rentals do not preserve rural character due to the amount of “foot traffic” that can be generated. Further, short-term rentals are more likely to be viewed as a commercial endeavor and not that of a rural residential setting.

- R-1 Park Street West District
 - **Purpose:** *Protects the natural environmental features of the area such as dunes and open spaces through the encouragement of larger lots.*
 - Do Short-Term Rentals meet this purpose? Not applicable – short-term rentals are typically associated with existing residential dwellings.

McKenna looks forward to discussing the above analysis with the Saugatuck Short-Term Rental Task Force.

Respectfully,



Kyle Mucha, AICP
Senior Planner

Ryan Cummins

From: Chris Wood <chrismwood1@gmail.com>
Sent: Thursday, July 27, 2023 3:50 PM
To: Ryan Cummins
Subject: STRs

This email is in response to the July 23 Sentinel article about your task force meeting. Full disclosure, I do not live or own property in Saugatuck. However, due to connections I will share, I have followed the news coverage and it appears that your task force may be addressing this issue better than most.

For 30+ years I have owned a second home south of Traverse City. In that time we have rented the property long term, used the home ourselves, and tried it as a vacation rental. We contracted with both a Holland property management company and then a local company to manage the vacation rental. We tried that market for three or four years, and then rented the house long term again. Contrary to the perception of the public, not all owners of vacation rentals are raking in the big bucks. In addition to this property, we own two rental properties in Holland. We are concerned about the shortage of affordable housing everywhere and none of the tenants in our three properties are paying market rate rent. Both my husband and I do some part time work for a local property management company.

Obviously when a group of people gather at a property, especially to celebrate a special event, the noise level may increase. Tenants and their guests may not follow parking, quiet hours and other rules despite being provided with information about those things by the owner or management company. This quote from the Sentinel reflects an anti-tenant bias, whether vacation or long term rental: "We expect the city of Saugatuck to hold these short-term rental property owners accountable on all levels regarding strict rules and regulations for their guests." The owner of a local management company has a logical response, given that likely neither the owners or property managers are on the premises. "Do what you would do with any neighbor who was disturbing your peace....call the police." I believe a June Sentinel article reported that since 2021 in Saugatuck only 38% of calls for noise complaints involved STRs.

Consider this email a pat on the back for the way your task force is working to develop recommendations regarding STRs. It appears you are looking at objective data rather than complaints based on hearsay. Because most counties in the state are grappling with this issue, your work can be viewed as an encouraging example.

Christina Wood
Holland

To Holly Anderson

EVALUATION OF HOME RENTALS SAUGATUCK

As a community member, I thank you for being involved with this important community decision. I was not at the community forum; therefore, this is my attempt to get my information into the mainstream.

Sandy and I lived at 555 Lake St. for 12 years. It is a beautiful location; however, it has its drawbacks. One major drawback was the 3 or 4 week-end rentals across the street. During our ownership, there were many disturbances between 12 AM and 4 AM, with about 8 times necessitating me taking action because we could not sleep. I would have to get out of bed, walk across the street, and standing back about 10 or 15 feet from the rental say, "Hi, I'm your neighbor who would like to sleep, can you keep the noise down?" (Something like that). I did not feel comfortable walking up and knocking directly on the door.

Some responses from the weekend renter's:

"Oh I am very sorry and we will keep the noise down." In one or two cases they did and I was able to go back to sleep. However, it's amazing how the voices came back up to a higher level after another 30 to 45 minutes.

Another encounter was a little belligerent and one guy even hollered, "Hey, we got a gun in here!" Then his friends immediately said he's only kidding we don't have a gun. The noise did not really dissipate so that I could sleep that night.

The hot tub is causing the most trouble because they are outside and the voices seem to carry further in the quiet of the night. Asking renters to quiet down when they still wanted to be out laughing and drinking didn't work well, or would work for a 1/2 hour and then back to the fun.

Because of these encounters I called the owner, who had several units across the street and I thought he would like to find some way to quiet his week-end tenants down. However, his response was to simply call the police and that he did not want to be involved. He also mentioned

(and I'm not sure if this is correct) that the rules or law says that you need a person available to come to that property if needed. However, they can live as far as an hour away and I was not given a phone number to contact.

In regards to calling the police, it does not seem appropriate. The owner of the property knows there will be some disturbance and yet does not take the responsibility to handle it themselves. I believe the police should be called for serious matters. To ask our police force to stop weekend renters from causing disturbance in the neighborhood seems to be a waste of their valuable time, and a strong arrogance of the people who own the rentals and are not willing to take care of the problems themselves.

Could they be financially penalized? Could the city possibly pull their license to have the rental? Unless the responsibility falls on their shoulders, I believe the system will continue to have a negative impact in the community.

Through my encounters, I find it disturbing that there is an unregulated industry in our neighborhoods creating problems in the lives of those living next door with their families. There should be some proper oversight. For example, I have heard of one rental agency in town that makes the tenant come to the office to pick up the keys, which gives them a chance to meet the renter and assess for any issues. I assume they can also tell the renters what is expected of them. That seems like a step in the right direction.

Someone recently put a letter in the Commercial Record saying that we must keep the rentals flowing or else our home prices will drop. It seems as though the home prices are artificially inflated because of the rentals. It would be like putting a rental factory next to my home and saying the factory must stay even though it causes disturbances reducing quality of life and might even diminish the value of my home.

I would hope:

The city should set rules on how many rentals are allowed in the community, similar to the state regulating alcohol sales. If 30% of dwellings are rentals now, then I hope the percentage would drop to 20%.

The owners of the rentals should absorb the responsibility to see that the tenants behave properly. That they do not allow the tenants to disturb people living in their homes. If they do not take on this responsibility, perhaps then they lose their license to have a rental. Also, the number of rentals in a small area, such as one block, should be considered so that one homeowner does not have 5 or 6 rentals surrounding them.

By way of summary: we should only have the number of rentals that our cities infrastructure (such as police, fire, parking, bathrooms, shops and restaurants) can sustain without impairing quality of life of those around them. This should also hold true if the renter does not have adequate infrastructure to take care of parking, noise, etc. they should not be given a permit to rent.

It will be interesting to see how this all plays out. Will there be regulations in place to protect the people who live full time, raising families, retiring, and wanting to have a peaceful place to live, or will the rentals continue to outpace a reasonable quality of life in the community.

Namaste

Ron Collins E-RYT 500

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