

Sanilac Township
Proposed Short Term Rental Licensing Ordinance

(Also refer to the companion Short Term Rental Zoning Ordinance Amendment, which is a separate document)

Prepared by Wade Trim
April 12, 2024 DRAFT

Ordinance XXXX Short Term Rental Licensing Ordinance

An ordinance amending the Code of Ordinances of Sanilac Township, Sanilac County, Michigan by adding thereto a new Ordinance XX entitled “Short Term Rental Licensing Ordinance” and to prescribe penalties for violations thereof.

SANILAC TOWNSHIP ORDAINS THAT:

SECTION 1. Amendment to the Code of Ordinances.

The Sanilac Township Board hereby amends the Code of Ordinances by adding thereto a new Ordinance XX to read as follows:

ORDINANCE XX: SHORT TERM RENTAL LICENSING

- Section XX.01 Purpose
- Section XX.02 Definitions
- Section XX.03 Licenses
- Section XX.04 Licensing Process
- Section XX.05 Regulations
- Section XX.06 License Suspension or Revocation
- Section XX.07 Violations

Section XX.01 Purpose.

The Township Board declares that the rental of dwelling units in Sanilac Township provides value to the local economy. The Township Board also recognizes the importance of available housing units for full-time residents. The Township Board has enacted this ordinance to strike a regulatory balance between interests of community residents, business owners, visitors, and property owners.

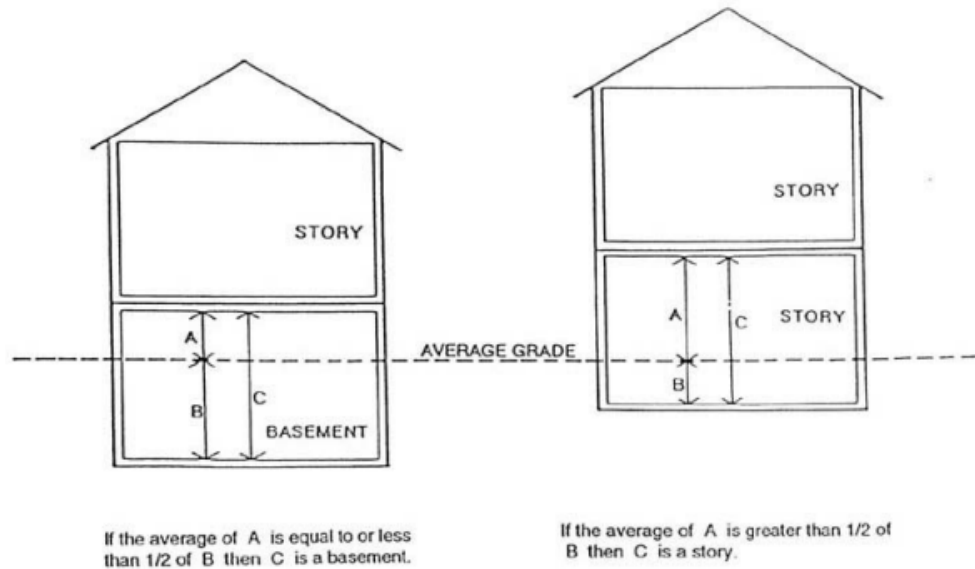
The renting of a home on a short term basis is substantially more like a business than traditional residential use. The Township has provided regulatory language to help minimize impacts regarding noise, protection of residential tranquility and harmony, occupancy loads, related transient activities when within a residential neighborhood, and protection of public safety and welfare.

Section XX.02 Definitions

As used in this ordinance, the following words and phrases shall have the meanings hereafter ascribed to them:

Attic. The portion of the building between the pitched roof and the ceiling of the rooms below.

Basement. That portion of a building having more than one-half (1/2) of its height below finished grade.



Bedroom. A bedroom is a dwelling room used for or intended to be used solely for sleeping purposes by human beings.

Building Official. The officer or other designated authority charged with the administration and enforcement of the Building Code, or a duly authorized representative.

Dwelling Unit. One (1) or more rooms with kitchen and sanitary facilities designed as a unit for occupancy by not more than one (1) family for cooking, living and sleeping purposes.

Good Neighbor Guidelines. Materials prepared by the Township and licensee that are to be displayed in a visible location within the short term rental unit. Materials may contain a summary of critical ordinances, community services and public safety information.

Licensee. A person holding a short term rental license issued under this Sanilac Township Short Term Rental Licensing Ordinance.

Local Agent. An individual designated to oversee the short term rental of a dwelling unit in accordance with this ordinance. This individual is required to respond to calls and complaints and be located within thirty (30) miles of the subject property. A property owner who meets these criteria may be the local agent.

Plot Plan. A plat of a lot, drawn to scale, showing the actual measurements, the size and location of any existing structures or structures to be erected, the location of the lot in relation to abutting streets, and other such information.

Short Term Rental. The rental of a dwelling unit for compensation for a term of one to twenty-nine (1-29) interrupted or uninterrupted nights in a calendar year.

Short Term Rental Administrator (“STR Admin”). The officer or other official designated by the Sanilac Township Board who is charged with the administration and enforcement of this ordinance, or a duly authorized representative.

Section XX.03 Licenses

1. Number of Licenses.

- a. Consistent with the purpose and objectives of this ordinance as set forth herein, the Township Board hereby establishes a maximum limit on the total number of short term rental licenses of 160.
- b. Short term rental licenses shall be processed and approved on a first come, first serve basis, based on the date and time the application for a short term rental license is submitted to the STR Admin and associated application fee is paid. An incomplete application for a short term rental license shall not lose its priority for approval unless the applicant fails to correct any deficiencies within fourteen (14) calendar days after being notified of such deficiencies by the STR Admin.
- c. Licensees who have a valid license and are in good standing with the Township shall have first priority in receiving a renewal license.
- d. Once the total number of short term rental licenses issued pursuant to this ordinance reaches the maximum limit established by the Township Board, the STR Admin shall not accept or approve any additional applications for short term rental licenses until an existing license expires or is revoked, or voided, thus creating an available license.
- e. The Township Board shall develop a policy which is made available to the public for providing notice of available short term rental licenses and for receiving and approving applications for the same once the number of active short term rental licenses falls below the maximum limit established by the Township Board.
- f. Consistent with the purpose and objectives of this ordinance as set forth herein, the Township Board may review and, by resolution, amend the maximum limit on short-term rental licenses and may adjust the limit as it determines to be advisable. Such revisions shall not be the basis for termination or non-renewal of a license previously issued.

2. General License Validity.

- a. All short term rentals shall be licensed with the Township as stipulated in this ordinance. If multiple short term rentals are located on one property, each short term rental shall require a separate license. Short term rentals in operation prior to the adoption of this ordinance shall register for a short term rental license through the STR Admin within six (6) months of the effective

date of this ordinance and shall be subject to compliance with all requirements of this ordinance.

- b. A short term rental license may not be transferred from one dwelling unit to another dwelling unit.
- c. A new license application will be required if the property is sold or conveyed to a new owner. If the new owner applies for a license within 30 days of the sale or transfer of ownership, and all other requirements are met, the license may be transferred to the new owner.
- d. The Township Board shall set short term rental registration fees and annual license renewal fees by resolution, which may vary depending on the type of property, dwelling, or other distinction the Township Board may deem advisable.

Section XX.04 Licensing Process

- 1. **Application.** The STR Admin shall develop the application form(s) to properly carry out this ordinance. Short term rental applicants must complete and submit an application form (for each license they are requesting), provide any required supplemental information, and pay the associated fee (for each license they are requesting) to be considered a valid application for processing by the Township.
 - a. At a minimum, the license application form shall require the submittal of the following information:
 - i. Name, address and telephone number of the property owner and/or local agent for the short term rental unit.
 - ii. The street address of the short term rental, along with other identification if more than one dwelling unit has the same street address.
 - iii. The number of bedrooms in each short term rental and in the dwelling as a whole, including floor plans of the entire building. Sketch drawings legible by the STR Admin may be accepted.
 - iv. Proof of the applicant's insurance with a minimum general liability coverage of \$1,000,000.
 - v. A statement certifying that the property owner or a local agent will provide at least one (1) copy of the Good Neighbor Guidelines as approved by the Township to the renters each time the dwelling unit is rented.
 - vi. A plot plan showing the location of the short term rental unit, parking, fire pit and any other structures on the property.
 - vii. Sewage Disposal. All Sanilac County Environmental Health Department regulations must be complied with. Prior to beginning operation, the proprietor must provide proof from the Environmental Health Department that on-site disposal facilities are adequate, in consideration of the proposed maximum occupancy for the short term rental unit. Proof may include a current copy of a current permit on file with the Environmental Health Department, provided that the

permit was issued in consideration of the maximum occupancy proposed for the short term rental.

2. **Review Inspection.** Prior to the issuance of a license, the Building Official or designee shall conduct an inspection of the proposed short term rental to determine compliance with the standards herein and all applicable zoning, building, health and safety codes. A license shall not be issued without a satisfactory determination by the Building Official. Based on the findings of the inspection, the Building Official may also require follow-up inspections to ensure compliance with applicable zoning, building, health and safety codes.
3. **Approval and Issuance.** After inspection by the Building Official, and upon determination that a short term rental applicant has met all requirements of applicable ordinances and regulations, a license shall be issued by the STR Admin.
4. **License Period and Renewal.** Licenses are approved for a one-year period. The license period shall begin March 31 and shall end at midnight on March 30 of the following year. No license will be issued until the required registration fee is paid. All active licenses shall expire at midnight on March 30 unless a complete license renewal application and renewal fee is received by the STR Admin.
 - a. The STR Admin shall review renewal applications. A renewal shall be granted upon determination that the following standards are met:
 - i. Completion of the renewal application and payment of the associated renewal fee.
 - ii. Continued compliance with the provisions of this ordinance.
 - iii. A review inspection by the Building Official shall be required every three years, unless an earlier inspection is required by the Building Official, in accordance with subsection 3, above.

Section XX.05 Regulations.

1. **Compliance with Codes.** The short term rental must meet all applicable zoning ordinance, building, health and safety codes.
2. **Designated Zoning Districts.** Short term rentals shall only be allowed in designated zoning districts as specified within the Sanilac Township Zoning Ordinance.
 - a. **Separation Requirement.** Separation distance requirements between short term rentals shall be as specified within Section 6.53 of the Sanilac Township Zoning Ordinance.
3. **Local Agent.** Each short term rental shall have a designated local agent, as defined in this ordinance.
4. **Attics and Basements.** No attic or basement shall be counted for the purpose of determining the maximum number of occupants in a short term rental, unless the attic or basement has adequate egress as required by the Michigan Construction Code, Michigan Residential Code and applicable Fire Codes.
5. **Sleeping Accommodations.** No accessory building or structure shall be used for the purposes of sleeping accommodations, unless such structure is in compliance with applicable building codes and is connected to a sanitary sewer system

permitted by the Sanilac County Environmental Health Department. In no circumstance shall any car, recreational vehicle, boat, motor home, trailer, tent or similar temporary or portable structure or vehicle be used for the purposes of sleeping accommodations.

6. **Maximum Occupancy.** The following occupancy requirements shall apply:
 - a. The overnight occupancy of a short term rental shall not exceed two (2) occupants per bedroom plus two (2) additional occupants which meets the applicable egress requirements for occupancy in the Michigan Construction Code, subject to any other local, state, or federal requirements. (Example 3 bedrooms equals 6 people plus 2 would be 8 people).
 - b. In addition to the maximum occupancy specified in subsection (a) above, a short term rental may have a total number of people on site, including occupants and non overnight occupants (allowed to be present at most from sunrise to sunset), up to 1.5 times the maximum number of occupants allowed by subsection (a) above.
7. **Nuisances.** Short term rentals shall not cause a nuisance to any other property due to noise, odor, lighting or traffic.
8. **Fireworks:** Fireworks of any kind are not allowed on a short term rental property except in accordance with Michigan Fireworks Safety ACT, Act 256 of 2011, MCL 28.457. Nothing herein prevents the owner of a short term rental establishing more stringent rules or requirements for their renters.
9. **Pets.** Short term rental guests shall abide by all applicable state, county, and local rules applicable to the keeping and/or control of animals.
10. **Safety.** Short term rentals shall follow the following safety requirements:
 - a. Every short term rental shall contain a functional smoke detector, and an approved fire extinguisher shall be located on each floor on which such sleeping room is located.
 - b. The property address shall be indicated on the structure or property and shall be visible from the street. The address of the premises must also be prominently displayed inside the main area of the short term rental and one additional location in the case of an emergency.
11. **Good Neighbor Guidelines.** Good neighbor guidelines must be prepared and clearly displayed within the short term rental. Good neighbor guidelines materials may contain a summary of critical ordinances, trash and other useful utility data and safety information, including:
 - a. Name and contact information of local agent and/or property owner and secondary emergency contact.
 - b. Address of the short term rental.
 - c. Summary of ordinances and applicable penalties.
 - d. Reminder of operating guidelines regarding refuse and recycling collection, noise, fireworks, etc. to avoid any nuisance to neighboring properties.
 - e. Emergency services contact information.
 - f. Evacuation procedures.

12. **Recreational Vehicles and Equipment Storage.** No recreational vehicles or equipment shall be stored.
13. **Signage.** No more than one (1) sign mounted to the building or yard and not exceeding two (2) square feet in area may be installed. Such sign shall not be internally illuminated. The address of the short term rental must be clearly visible from the street through the use of reflective address numbers on the mailbox or similar location.

Section XX.06 License Suspension or Revocation

1. Once a license has been issued, it may be revoked, suspended or not renewed by the STR Admin. Reasons for revoking or suspending of a license include, but are not limited to:
 - a. Failure to comply with the provisions of this ordinance or any other rules or regulations promulgated by the Township.
 - b. Maintenance of a nuisance on the premises.
 - c. Nonpayment of real and/or personal property taxes, fines, liens, renewal fees, or any other fees owed to the Township.
 - d. A demonstrated history of excessive calls for public safety (police, fire, and ambulance).
 - e. Evidence that the applicant has made or provided false information in the application or has otherwise become disqualified for the issuance of a short term rental license in accordance with the procedures for issuing a license.
2. Upon such revocation, the STR Admin shall provide written notice to the license holder by personal service or first class mail at the address listed in the application stating the reasons for the revocation. Immediately upon such notice of revocation, the license shall become null and void.
3. A licensee whose license is suspended or revoked may appeal to the Township Board by filing a written notice of appeal with the STR Admin within fourteen (14) days after the date of the written notice of revocation was issued. The Township Board shall hear and determine the appeal and its decision shall be final. Standards for approving an appeal are as follows:
 - a. The decision to revoke was arbitrary or capricious.
 - b. The decision to revoke was based on an erroneous finding of a material fact.
 - c. The decision to revoke constituted an abuse of discretion.
 - d. The decision to revoke was based on erroneous interpretation of the applicable Ordinances or regulation.
4. It shall be unlawful for any person to operate a short term rental while the license is suspended or revoked.

Section XX.07 Violations

1. Any person who violates any provision of this ordinance, including the continued operation of a short term rental after the license for that short term rental has been suspended or revoked as provided in this ordinance, shall be responsible for

a municipal civil infraction as defined in Public Act 12 of 1994, amending Public Act 236 of 1961, being Sections 600.101-600.9939 of Michigan Compiled Laws, and shall be subject to a fine of not more than fifteen hundred (\$1,500.00) dollars. Each day this ordinance is violated shall be considered as a separate violation.

2. The Sanilac Township Zoning Administrator, deputies of the Sanilac County Sheriff, and other persons appointed by the Township Board are hereby designated as the authorized Township officials to issue municipal civil infraction citations directing alleged violators of this ordinance to appear in court.
3. A violation of this ordinance is hereby declared to be a public nuisance or a nuisance per se and is declared to be offensive to the public health, safety and welfare.
4. In addition to enforcing this ordinance through the use of a municipal civil infraction proceeding, the Township may initiate proceedings in the Circuit Court to abate or eliminate the nuisance per se or any other violation of this ordinance.

SECTION 2. Severability & Conflict

1. **Severability.** This Ordinance and its various articles, paragraphs and clauses are hereby declared to be severable. If any article, paragraph, or clause is adjudged unconstitutional or invalid, the remainder of this amendatory ordinance shall not be affected thereby.
2. **Conflict.** If any part of this Ordinance is found to be in conflict with any other Ordinance or with any other part of this Ordinance, the most restrictive or highest standard shall prevail. If any part of this Ordinance is explicitly prohibited by federal or state statute, that part shall not be enforced.

SECTION 3. Effective Date

The amendatory ordinance shall take effect upon the expiration of XXXXXXXX days after the publication of the notice of adoption.

CERTIFICATION

The foregoing Ordinance is hereby certified...

I, _____, Clerk for Sanilac Township, hereby certify that the foregoing is a true and correct copy of Ordinance No. XXXXX of Sanilac Township, adopted by at a meeting of the Township Board held on _____, 2024.

I further certify that on _____, 2024 I caused notice of such adoption to be published in the _____, a newspaper circulated in Sanilac Township, and that said Ordinance and the record of publication was duly recorded and is available for public use and inspection at the Township Hall, 20 N Ridge Street PO Box 631 Port Sanilac MI 48469.

Adopted by Township Board: _____, 2024

Published: _____, 2024 Effective: _____, 2024

IN WITNESS WHEREOF, I have my official signature on _____, 2024.

STR Admin