

# PRELIMINARY DRAFT ZONING ORDINANCE FOR PUBLIC FORUM

## TUESDAY, JUNE 13, 2023

### Short-Term Rentals – Draft

**Introduction** - Dwelling units rented for intervals of **less than ninety (90) days** shall be classified as short-term rentals. Such rentals are commonly identified as Airbnb, HomeAway rentals, VRBO rentals, FlipKey rentals, and the like. In providing for short-term rentals, the city recognizes the need for such housing for purposes of accommodating tourists and other guests desiring a unique alternative to hotel stays, meeting temporary housing demands, and providing financial benefits to property owners. Concurrently, the city also recognizes the importance of ensuring that short-term rental housing is compatible with surrounding development and area development trends, does not negatively impact the tranquility of the neighborhoods in which said housing may be located, and is maintained in a safe and orderly fashion. All short-term rentals shall meet the requirements of this Ordinance.

**Ninety Day Occupancy Limit Provision** - Dwelling units that are rented for continuous periods of **ninety (90) days or more** to the same party, or to any members thereof as recorded under the requirements of this Ordinance, shall not be classified as short-term rentals and shall be subject to the registration, inspection, and other requirements of **units rented for ninety (90) days or more** as provided for by Article IV, Section 8 of the Cadillac City Code.

**Standards** - Short-term rentals shall adhere to the standards and Management Availability and Responsibilities detailed as follows:

**Table \_\_\_\_**

**Short-Term Rental Standards (Refer also to Management Availability and Responsibilities following this table.)**

| Standard  | Requirements  |
|---|---|
| Permitted zone districts with site plan approval. [1]   | C-T, C-DT, C-DTC &<br>C-G Districts   |
| Required Inspection Period – all units shall be subject to the registration and inspection of rental units as provided for by Article IV, Section 8 of the Cadillac City Code <b>and for compliance with the standards of this Ordinance.</b> | Every two years   |
| Maximum number of bedrooms that may be used for short-term rental purposes.   | All bedrooms containing windows capable of permitting egress by room occupants in the event of an emergency |
| Maximum number of renter occupants.   | 2 per bedroom   |
| Maximum days in which a home or unit may be rented per year.  | 365 days provided no rental period to a party shall exceed 89 continuous days per year                      |
| Barrier-free access required.   | Yes   |
| Required off-street (on-site) parking.[2]<br>a) One and two-bedroom rental.<br>b) Three or four-bedroom rental.<br>c) Five or more-bedroom rental.  | a) 2 spaces<br>b) 3 spaces<br>c) 4 spaces   |
| Exterior signage and advertising.   | Not permitted   |
| Use of the premises for holding special events or gatherings.[3]  | Not permitted   |
| Pets (If permitted by the property owner).  | Permitted   |
| Property owner must reside on the premises.   | Not required  |
| Management responsibility.  | Property owner of record or property management firm  |
| Notes:  |   |
| [1] Site Plan Approval – all short-term rentals shall be subject to site plan approval as required by this Ordinance.   |   |

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[2] Parking – all on-site parking shall be confined to locations specifically identified on an approved site plan for parking. The use of lawns and other undesignated areas shall be expressly prohibited.

[3] Special Events or Gatherings – In order to help assure that the use of short-term rentals does not upset the peace and tranquility of the neighborhoods in which they are located, special events and gatherings drawing non-registered occupants to the site of a short-term rental is prohibited.

### Management Availability and Responsibilities

The sound management of short-term rentals is critical to maintaining the efficiency and integrity of short-term rental programs. Paramount is the ability to contact a property manager for a short-term rental property in a timely manner for purposes of responding to needs or issues that may surface, whether that manager is an on-site property owner or an owner's management agent located off-site. Moreover, it is important that rental occupants are made aware of basic rules and regulations governing their stay as required by the city. For this reason, the following management requirements shall be in effect:

1. **Responsible Party and Contact Information** - Every short-term rental shall have either an on-site owner or a management agent assigned to the rental property. The responsible party's name, address, management status, telephone number, and email address shall be provided. Notification and any change in ownership and management shall be delivered to the city, in writing, within 7 days of said change.
2. **Twenty-Four Hour Availability** - The owner or management agent must be able to accept telephone calls on a 24-hour basis at all times the short-term rental unit is rented.
3. **Access and Timing of Access by Management Agent** - The management agent must have a key to the rental unit and be able to respond to (arrive at) the short-term rental within sixty (60) minutes of a contact to address issues or must have arranged for another party to address issues within this timeframe.
4. **Management Responsibilities** - Management responsibilities at a minimum, whether managed by the owner or managing agent, shall include:
  - a. **Permit Compliance** - Compliance with the city's short-term rental permitting and inspection requirements and payment of permit fees.
  - b. **House Rules** – House rules shall be provided to short-term rental occupants detailing the rules and regulations governing their stay, emergency contacts, use of property, pet care, abatement of nuisances such as noise, and the like. A copy of the House Rules shall be provided to the city as part of the rental permitting requirements.
  - c. **Rental Log** – Maintain an ongoing, regularly updated, log of the dates for which the rental unit has been rented and the names, addresses, telephone numbers, and email addresses of **all** rental occupants.
  - d. **Tenant Issues** - Address tenant concerns and rental violations.
  - e. **Neighborhood Issues** – Address neighborhood concerns such as excessive tenant noise, improper parking, trespass, and the like.
  - f. **Property Maintenance and Repairs** - The regular inspection of properties, property maintenance, and arranging for repairs in a timely fashion.
  - g. **Trash Removal** – Maintain proper facilities for the securing and disposal of trash and the regular removal thereof. At a minimum, removal shall be on a weekly basis.
  - h. **Pets** – If permitted, the number of pets shall not exceed one (1) per short-term rental unit. Pets shall be restrained at all times.

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- i. **Postings** – In a fully conspicuous location, the following shall be posted:
  - 1) Copy of the city of Cadillac Noise Ordinance.
  - 2) Copy of the city of Cadillac Fireworks Ordinance.
  - 3) Other postings as required provided for by Article IV, Section 8 of the Cadillac City Code.

**Short-Term Rental Permit Revocation** - A short-term rental permit shall remain in effect until the occurrence of one or more of the following events:

- 1. **Code Compliance** - The dwelling unit does not meet compliance with the building, fire, and safety codes for rental units as provided for by Article IV, Section 8 of the Cadillac City Code.
- 2. **Alteration of Dwelling** - The dwelling unit is physically altered in such a way that the habitable space within the unit is increased, decreased, or re-distributed among living, sleeping, eating, or cooking areas.
- 3. **Change in Ownership and Management** – Failure of the property owner to deliver to the city, in writing, notification of a change in ownership and management. Said notice shall be delivered within 7 days of said change.
- 4. **Non-Compliance with Ordinance Standards** – Failure of the property owner to comply with the standards of this Ordinance.

**Reapplication of Permit and Conditions of the Permit** - A short-term rental permit that has been revoked or is no longer in effect may be reapplied for subject to the provisions of this Ordinance. The owner of a short-term rental permit that has been revoked due to non-compliance with the provisions of this Ordinance shall demonstrate to the satisfaction of the city that compliance with the requirements of this Ordinance shall be met. In reapproving a permit previously revoked due to non-compliance, the city may impose conditions as a requisite of said reapproval. Conditions may include, but are not limited to, reductions in allowable days in which a home may be rented, requirement of an on-site owner or on-site management party, building and site improvements, prohibition of pets, occupancy limits, and other conditions determined necessary to achieve compliance with the provisions of this Ordinance.

**Assignment** - A short-term rental permit may not be transferred or assigned to any third party except heirs and assigns, and the permit shall be void upon transfer of ownership of the property where the short-term rental is located. Upon change of ownership, the new owner must apply for a new short-term rental use permit for any short-term rental use activity to be authorized.