

# Memo

**To:** City of Cadillac Planning Commission

**From:** John Wallace, Community Development Director

**cc:** Marcus Peccia, City Manager

**Date:** November 15, 2023

**Re:** Codification of Community Development Director's Short-Term Rental Memo

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In October of 2021 I was asked to decide in what zoning districts short-term rentals were permitted in. I issued a memorandum on October 15, 2021, which stated that through my analysis of the zoning ordinance short-term rentals are only permitted in the TS-1, TS-2, B-1, and B-2 zoning districts. In the TS-1, TS-2, and B-1 they are "permitted by right", and in the B-2 they are permitted by "special use permit". I would recommend that you review this memorandum to see the rationale behind my determination.

At a recent city council meeting the city council requested that the city staff process the necessary zoning ordinance amendments which would serve to codify the October 15, 2021, memorandum in the interim while we go through and review/consider the entire zoning ordinance updates. The zoning ordinance amendments which are in your packet are the amendments necessary to achieve this codification. It was also important to add a definition of what constitutes a short-term rental for zoning administration purposes.

The tentative timeline, subject to quorum and availability of documentation, would be as follows:

- November 27: Planning Commission public hearing and action on codification of short-term rental memorandum.
- December 4, 2023, City Council introduction of planning commission's recommendation and setting of public hearing in January.

In regard to the adoption of the complete rezoning rewrite, the proposed time frame is below.

**December/January.** A joint meeting with the Planning Commission, Downtown Fund, and Downtown Development Authority to present how the new draft zoning ordinance regulates downtown zoning districts, parking, signs, and the rationale for the newly proposed names of the district.

**January/February.** Planning Commission public hearing on codification of all zoning updates.

These dates may be extended if it becomes necessary to hold additional public meetings.

## **Proposed text amendments to the Cadillac zoning ordinance.**

Add the definition “*Short-term rental*, means a furnished residential unit – either an apartment, house, room or any living space in a house or apartment that owners rent out for periods of less than 30 days.” to Section 46-4 – Definitions.

*Short-term rental*, means a furnished residential unit – either an apartment, house, room or any living space in a house or apartment that owners rent out for periods of less than 30 continuous days in any one month.

Add “(6) Short-Term Rentals” to Section 46-456 - Principal uses permitted in the TS-1 tourist service district.

### **Sec. 46-456. - Principal uses permitted in TS-1 tourist service district.**

The following principal uses are permitted in the TS-1 tourist service districts:

- (1) Motels and hotels for temporary lodging only.
- (2) Tourist-related offices.
- (3) Public buildings.
- (4) Religious institutions.
- (5) Accessory buildings and uses customarily incident to any of the permitted uses in this section.

#### **(6) Short-Term Rentals**

(Prior Code, § 5.132; Ord. No. 96-11, 8-5-1996)

Delete “(15) Other uses similar to the principal uses permitted in this section.” and add “(15) Short-term rentals.” to Section 46-458 – Principal uses permitted in the TS-2 tourist service district.

### **Sec. 46-458. - Principal uses permitted in TS-2 tourist service district.**

The following principal uses are permitted in the TS-2 tourist service districts:

- (1) Motels, hotels, tourist cabins and tourist homes for temporary lodging only.

- (2) Gift and souvenir shops.
- (3) Restaurants, taverns and bars.
- (4) Bowling alleys and pool or billiard parlors.
- (5) Marine and boat livery facilities, including boat rental, sales and service facilities.
- (6) Recreation and sporting goods shops.
- (7) Private clubs or lodge halls.
- (8) Theaters, assembly halls, concert halls or similar places of assembly when conducted completely within enclosed buildings.
- (9) Accessory buildings and uses customarily incident to any of the permitted uses in this section.
- (10) Condominiums, subject to parking requirements set forth in [section 46-459](#), pertaining to residential, multiple-family.
- (11) Laundromats and dry cleaning establishments, subject to parking requirements set forth in [section 46-459](#), pertaining to laundromats, coin-operated and dry cleaners.
- (12) Generally recognized retail businesses which supply commodities on the premises, such as, but not limited to: groceries, meats, dairy products, baked goods or other foods, drugs, dry goods, clothing and notions or hardware.
- (13) Business establishments which perform services on the premises, such as, but not limited to: banks, loan companies, insurance offices and real estate offices.
- (14) Personal service establishments including barbershops, beauty shops and health salons.
- (15) **Short-term rentals.**

(Prior Code, § 5.134; Ord. No. 92-22, 12-7-1992; Ord. No. 96-11, 8-5-1996)

Change “(8) Incidental accessory uses customarily related to the principal use.” to (9) Incidental accessory uses customarily related to the principal use.” and add (8) Short-term rentals.” In Section 46-372 – Principal uses permitted.

### **Sec. 46-372. - Principal uses permitted.**

The following principal uses are permitted in the B-1 auxiliary businesses districts:

- (1) Offices of a personal service professional or administrative nature and offices of communication media.
- (2) Restaurants or other establishments serving food or beverage, except those having the character of a drive-in.
- (3) Indoor commercial recreational facilities
- (4) Establishments providing overnight lodging accommodations.
- (5) Assembly establishments which provide entertainment or social activities.
- (6) Public or private educational facilities
- (7) Residential dwelling units, except on the primary floor at grade level
- (8) Short-term Rentals**
- (9) Incidental accessory uses customarily related to the principal use.**

(Prior Code, § 5.102; Ord. No. 87-17, 10-5-1987; [Ord. No. 2021-04](#), § 1, 3-1-2021)

Add subsection “(7) Short-term rentals.” to Section 46-397 – Special land uses Permitted.

### **Sec. 46-397. - Special land uses permitted.**

The following uses of land and structure will be permitted as stipulated in article VI of this chapter, special land use:

- (1) Open air businesses such as outdoor vendors. Open air markets, outdoor cafes, outdoor accommodations for patron use, but not including sidewalk cafes as defined by this chapter.

(2) Off-street parking areas or structures, either public or private, to afford necessary parking for nearby concerns.

(3) Establishments providing overnight lodging accommodations.

(4) Drive-through financial institutions or drive-through components of financial institutions.

(5) Retailers authorized under the Michigan Regulation and Taxation of Marihuana Act, Initiated Law 1 of 2018, subject to [section 10-2](#) of the City Code and [section 46-752](#) of this zoning ordinance, and subject to the following locational requirements:

a. A retailer in the B-2 district must be located on a parcel that has frontage on Mitchell Street, except that no retailers may be located on the section of Mitchell Street between Bremer Street and South Street unless the following two requirements are met: (1) the retailer must be located on an upper level or subgrade level of the building and not on the ground level (with "grade" and "ground level" measured at Mitchell Street); and (2) the entrance for the retailer must face the alley located behind the building and not Mitchell Street.

b. The map in Table 1 identifies the areas within the B-2 district in which retailers may be located, subject to the other locational and distance requirements in this zoning ordinance, including [section 46-752](#).

(6) Provisioning centers authorized under the Michigan Medical Marihuana Facilities Licensing Act, 2016 PA 281, MCL 333.27102 et seq., subject to [section 10-3](#) of the City Code and [section 46-753](#) of this zoning ordinance, and subject to the following locational requirements:

a. A provisioning center in the B-2 district must be located on a parcel that has frontage on Mitchell Street, except that no provisioning centers may be located on the section of Mitchell Street between Bremer Street and South Street unless the following two requirements are met: (1) the provisioning center must be located on an upper level or subgrade level of the building and not on the ground level (with "grade" and "ground level" measured at Mitchell Street); and (2) the entrance for the provisioning center must face the alley located behind the building and not Mitchell Street.

b. The map in Table 1 identifies the areas within the B-2 district in which provisioning centers may be located, subject to the other locational and distance requirements in this zoning ordinance, including [section 46-753](#).

**(7) Short-term rentals.**

(Prior Code, § 5.114; Ord. No. 87-17, 10-5-1987; Ord. No. 95-26, 10-16-1995; Ord. No. 2005-13, 8-15-2005; Ord. No. 2017-05, § 8, 4-17-2017; Ord. No. 2019-14, § 3, 11-18-2019; Ord. No. 2019-15, § 3, 11-18-2019; [Ord. No. 2021-04](#), § 2, 3-1-2021)