

Minutes of Public Forum on the Subject of Short Term Rentals
Hosted by the Crystal Lake Township Planning Commission
7:30 PM, Wednesday, Aug. 23, 2023
Crystal Lake Township Hall

PUBLIC FORUM OPENED: Planning Commission Chairnan Greg Wright opened the Public Forum at 7:30 pm. He said the Commissioners are here to listen. He asked each speaker to limit their comments to three minutes, and to state their name and place of residence.

PLANNING COMMISSION PERSONNEL PRESENT: Commission Chair Greg Wright, Commission Secretary Bill Northway, Commissioner Lee Ewing, and Commissioner Mike Pasche. Excused was Commissioner Bill Herd. Also present were Zoning Administrator Tom Kucera and Recording Secretary Jeannette Feeheley.

PUBLIC PARTICIPATION: In attendance were many visitors who filled the room. Those wishing to make a statement were asked to sign a sign-up sheet so that their comments could be taken in order. Those not wishing to speak did not sign. Commissioner Pasche said he would call on commenters in the order in which they had signed up, and he asked them to state their name before commenting.

PURPOSE STATED: Commissioner Mike Pasche, who served as Facilitator, stated the purpose of the Forum is for the Commissioners to have opportunity to learn the thoughts of the community on the subject of short term rentals, whether the community feels an ordinance is needed or not, and what problems, if any, the community wishes the Township to address, including whether any problems that need addressing have to do with behavior overall, that is, behavior that might not be limited to those involved in short term rentals. The Commissioners explained that it is the Township Board that would have to pass any ordinance on the subject of short term rentals, and that the Planning Commission is serving as gatherer of information at this point, and may or may not be making a recommendation to the Township Board in the future, and that the Commissioners have not formed an opinion nor made a decision and really want to hear from the community on this subject.

Commissioner Pasche asked Zoning Administrator Tom Kucera if he had any prefacing remarks to get the forum started. Kucera said he receives two to three phone calls a week from realtors and others who ask if there are any requirements regarding Short Term Rentals. He said there is a lot of interest by persons who intend to build rental homes here. He said the City of Frankfort has instituted a licensing program. He said Lake Township and Benzonia Township are currently looking into doing something similar.

Commissioner Pasche said some of the goals of their investigation is to look at the impact, if any, of short term rentals on neighbors; the preserving of affordable housing and whether short term rentals impact such; and the recognition that tourism is a big part of our economy.

Comments were offered by:

Sue Sullivan, said she is a former Township resident: Ms. Sullivan passed out some copies of one page comments she had written. She spoke on the several difficulties she has encountered since her previous long-time landlord converted his building to short term rentals and she lost

what was her former home. She lost her job as Township Clerk because she could not find another long term lease within the Township. The Township requires that the Clerk reside in the Township, a requirement she supports, but she did not like losing her job. She now lives in a trailer park in Benzonia Township. This experience has made her a strong advocate on this issue. She said short term rentals need to be balanced with the housing needs of current residents, and there are moral issues regarding displacement. She suggested three responses:

1. An immediate moratorium on further conversions of housing units from long term to short term until the Township can determine how many long term housing units have been lost;
2. Work with organizations that specialize in housing issues;
3. Accept that those property owners who use their property primarily for short term rentals and not their own habitation are operating commercial enterprises which should be licensed and taxed accordingly.

Larry Reed said he is a Township resident: He asked how can there be so many AirB&B's sprouting up around his house? He said his road has become a drag strip. He said there are noise problems, partying problems, traffic problems and the Sheriff tells him it is the Township problem to address - because currently there is no law or ordinance for the Sheriff's Department to enforce. He said the rentals on his street are a revolving door and it is getting out of hand.

John Curtis said he owns property at 39 Linden, which he operates, on occasion as VRBO. He said he second mortgaged his home in Detroit to be able to buy this property and needs the rental money to be able to afford the property. He does only 5 days-or-more rentals. He said you cannot regulate people not to be jerks. He said he likes being here in the community and that we are people, too, and that he vets people who comes into his VRBO. He said some improvements might be considered but asked that the Township not go full bore against short term rentals.

Larry Burnside said he also lives on Linden Road. He said people in the two rentals on his road have been generally good people. However, one is supposed to be a single family home and he worries that the septic might be overloaded, and he said there's too much traffic. He complained about six cars in the one driveway.

John Curtis replied that the six cars were himself and his brothers, not his renters, and that they were merely enjoying the day as family together, and that they have 6,000 square feet.

Steve Nugent said he has voted in Crystal Lake Township his entire life, raised his children here, and doesn't know how one can enforce some of these things. They bought a little place on Crystal Lake years ago when they were living downstate in Detroit. His son bought a place on Crystal Lake a few years ago and he still has to rent for the funds to afford it. People have been renting up here forever. People come into the community that way – renting to get the wherewithal to locate and eventually be part of the community here, and they bring in good things to the community – employment of landscapers, using beauty shops, etc. He is against additional growth restrictions. There are already rules about septic system capacity. He doesn't understand how regulation will help to make homes more affordable – just look at land prices. His youngest daughter is trying to buy a place on Crystal Lake but every time she makes a bid, she is outbid. He doesn't see how you can stop people from renting.

Kerry Nugent (Mrs. Steve Nugent) said they probably would not have been able to buy here years ago and live here if rentals had not been allowed at the time. They bought early in the

1990's. Rentals are a benefit to people who live here year round. There's a lot of talk about "Don't let people come here" but if we don't allow renters, we shall end up only with millionaires who will keep everyone else out. Think about all the people impacted.

Larry Shoffner (*last name spelling slightly illegible on sign-up sheet*) said he has property on Molineaux Road. He said look at the quality of life issue for the residents. Dogs running amok, drag racing, etc., do not add to quality of life for anyone. The real answer is regulation and strict licensing under zoning laws so that it does not continue to be a massive flood of short term rentals. When police are called, there needs to be an ordinance they can enforce. Balance can be achieved with the number of limits, annual inspections, fees – and can be done at this level of Township government. Miss Sullivan's points are well taken.

Zoning Administrator Tom Kucera: Offered clarification that zoning ordinances will not address this issue – it is only a police ordinance that might be passed by the Township Board, not a zoning ordinance, nor anything the Planning Commission can do by themselves, that will address the issues.

Commissioner Mike Pasche also clarified it would have to be a Township Ordinance.

Andy Miller said he resides at 1506 Michigan Avenue. He said that, in his former capacity as a County Commissioner, he attended meetings of various communities and heard much input. He is not for or against regulation. He is also on the Housing Commission which has identified that the County needs at least 200 new houses right now. Also, as a business owner of his pizza shop, he is losing a good worker who has to move to Traverse City because the young man cannot find rental housing in this County.

Patrick Quinlan said he has been on Figg Road since 1948 and also worked (works?) in San Francisco as an operator of rental units. He spoke about the difficulties encountered in San Francisco. He said there should be a more enlightened approach to Sue Sullivan's problems, for instance, a tenant buyout fee to require a long term renter to leave. He mentioned rent control in San Francisco. Group housing also is a way and he finds Gateway Housing in Frankfort nice, and he'd like to see more of that kind of development. He said they also tax unused buildings in San Francisco to help people who need housing and there's a tax on AirB&B's there. He said along Lobb Road one person has bought two farms and much land and is already sculpting the land. He said if they put in a big development there, there should be a hefty price for doing such. He said it is also happening on Graves Road with plans for ten or more fancy houses. He said such development will yield the developer lots of money and there needs to be a fee to improve the community affected. He said tax the AirB&B's.

Karen & Mark (*last name on sign up sheet illegible*) said they have a place on South Shore East that they rent out about four weeks in the summer and not in the winter. They haven't seen any problems like drag racing along the Lake Shore. Their caution is that if you write some enforcement, then think long and hard how you will enforce it.

Jill Burnside said that, of the Short Term Rentals on Crystal Lake, most are people who come for just a week to enjoy themselves but don't respect the Lake as the people who live here do. She said there should be a limit on how many, and someone should be on the property to respond if there is a complaint. She said it is getting out of hand.

Mark (husband of Karen with illegible last name on sign-up sheet) said they got married and rented two years and bought in 1993 on South Shore Drive. They use it in the winter when no one else is here. Some of the people they've rented to have since bought homes themselves. You have not described what Short Term Rental is – how many days? The taxes are high because these are second homes. There is a 25 mile per hour speed limit on South Shore which the Sheriff enforces in the summer but in winter people just speed down the road. He is against one night rentals but okay with a week plus.

Steve Nugent said they are on Crystal Lake. He mentioned a gentleman whose house burned down 8-10 years ago and who stayed at their place during that time. He is in an Association whose members are talking of allowing their members to rent only six weeks or more – so discussion of a township Ordinance might turn out to be different from Association rules. He said people within the community who have suffered divorce or fire or damage to their homes have rented their place as shelter during their hard times.

Larry Shoffner (spelling?) said licensing is the answer. It's enforceable, a mechanism.

Sue Sullivan said she is not opposed to family rentals. The kind of issues she is concerned about are those who are renting strictly for profit – just to make a profit as opposed to a family with a need to rent part of the time.

David Belknap said he's been in the CSA 70 years and very lucky to have got the family cottage there. He has rented three weeks or longer to friends, and he's happy to pay the taxes here. Consider adjacency limits. In Austin TX, you can only have two rentals per street, for instance, and a minimum number of nights. Life safety, like smoke detectors, are also concerns and requirements that should be enforced. You need a local responder for complaints, and how you get that person's name to the Sheriff Department Dispatcher is important. 24-hour enforcement would be needed. There are two levels of rentals: family cottages vs. commercial establishments, and each should have commensurate level of fees. It's worth it to try. Probably any new ordinance will need edits in the future as time reveals how they work.

Melanie Frey asked how does it pay to require an owner to have a responder and continue to pay the taxes and all the additional things that cost money?

David Belknap said Melanie discussed the impact of fees and that those fees should be passed on as costs to their renters.

Melanie Frey said it's different for family cottage owners. They're just sharing their cottage without gouging their renters.

Karen (last name illegible) likes the way it is now.

Gentleman who spoke earlier but did not re-identify himself said there are compliance and education issues for people whom others are renting from. The owners should have liability insurance and a fee that covers such issues.

Denise Gunderson said with AirB&B's there is insurance and what about property management companies – that's who should be involved. That's how she makes money, that is, working for a property management company. She said the company puts their business cards out to all those

people who live around the properties they manage.

Someone said a 30-day limit is what other communities have done.

Gentleman who spoke earlier but did not re-identify himself talked about a neighbor who he said is a land hoarder.

Gentleman who spoke earlier but did not re-identify himself said we might want to look at what's coming down the pike on this issue in the State Legislature as they are currently looking into this issue statewide.

Gentleman who spoke earlier but did not re-identify himself said the one-night, two-night rentals is the control the State Legislature is looking at. He mentioned the property management company he uses and said the Sheriff Dispatcher has that number to call.

As all who wished had spoken, Planning Commission Facilitator Mike Pasche thanked everyone. Planning Commission Chair Greg Wright also thanked everyone. He said that all the issues brought up that night by persons present were issues the Planning Commission had been dealing with, and so thanks again to everyone here.

The Public Forum ended around 8:35 pm.

Attachments:

- Emailed comments by Ms. Johanna Bridges in support of some regulation
- Emailed comments by Ms. Cathy Morris in support of some regulation
- Emailed & oral comments by Ms. Sue Sullivan in support of some regulation