

**ORDINANCE NO \_\_\_\_\_**  
**COUNTY OF OTSEGO**  
**SHORT-TERM RESIDENTIAL RENTAL ORDINANCE**

AN ORDINANCE INTENDED TO PROTECT AND PROMOTE THE HEALTH, SAFETY, AND GENERAL WELFARE OF THE CITIZENS OF OTSEGO COUNTY BY REQUIRING THE REGISTRATION AND PERMITTING OF SHORT-TERM RENTING OF SINGLE-FAMILY DWELLINGS, DUPLEX DWELLINGS, AND MULTIPLE FAMILY DWELLING UNITS. SHORT-TERM RENTALS PROVIDE THE COMMUNITY A VARIETY OF LODGING FACILITIES FOR GUESTS TO UTILIZE, SUPPORTS THE LOCAL ECONOMY BY INCREASING THE NUMBER OF VISITORS TO THE AREA AND ASSISTS OWNERS OF SHORT-TERM RENTALS BY PROVIDING REVENUE WHICH MAY BE USED FOR MAINTENANCE UPGRADES AND DEFERRED COSTS.

WHEREAS, Section 11(j) of the County Board of Commissioners Act, MCL 46.11(j), provides that a county board of commissioners, by majority vote of the members of the county board of commissioners, elected and serving, may pass ordinances that relate to county affairs and do not contravene the general laws of the State of Michigan or interfere with the local affairs of a township, city, or village within the limits of the county, and can further provide suitable sanctions for the violation of those ordinances.

NOW, THEREFORE, THE COUNTY OF OTSEGO, MICHIGAN, HEREEBY ORDAINS:

**ARTICLE 1 SHORT-TERM RENTALS**

The provisions of this Ordinance are necessary to prevent the continued burden placed upon county services and impacts on residents affected by short-term rentals.

The purpose of this Ordinance is to regulate short-term rentals by:

- Identifying the short-term rentals in Otsego County;
- Lessening complaints involving noise, litter, disorderly conduct, overcrowding, traffic, congestion, and parking;
- Making the enforcement and administration of existing ordinances easier, since the nature of the occupants are transitory;
- Assuring the preservation of the residential character of the community and the quality of life for all residents.

**Section 1 Applicability**

All requirements, regulations and standards imposed by this Ordinance are intended to apply in addition to any other applicable requirements and standards imposed elsewhere in this Ordinance. Furthermore, this Ordinance does not affect additional requirements placed on use of property (or a portion thereof) imposed by deeds, associations, or rental agreements.

**Section 2 Definitions**

**AUTHORIZED OFFICIAL:** All Law Enforcement Officers, Zoning Administrators, Code Enforcement Officers, and Building Officials authorized to investigate all complaints of violation of this Ordinance and who are further authorized to issue municipal civil infractions.

**BASEMENT:** The portion of a dwelling which is more than fifty percent (50%) below finished grade. A finished basement with egress shall be counted as a floor, a basement without egress shall not be counted as a floor.

**BEDROOM:** A room intended for sleeping or placement of a bed separated from other spaces in the dwelling unit by one or more functional doors. The following spaces, which must be included in every dwelling unit do not qualify as bedrooms: kitchens; dining areas; gathering spaces such as living rooms, dens, family rooms, and attics or basements without egress meeting standards in applicable building, residential, and fire codes.

**BOARDING HOUSE:** SEE ROOMING HOUSE

**CALENDAR YEAR:** January 1<sup>st</sup> to December 31<sup>st</sup>

**CAP:** Maximum number of Short-term Rental Units.

**COMPENSATION:** Money or other consideration given in return for occupancy, possession, or use of property.

**DWELLING UNIT:** A self-contained unit within a building that is designed for human occupancy and provides complete living facilities, including permanent provisions for sleeping, eating, cooking, and sanitation. Dwelling Unit does not include Bed & Breakfasts, hotels, motels, and boarding houses.

**ENFORCEMENT OFFICER:** The official designated by the County who shall carry out various functions or cause other officials, inspectors, or relevant professionals to carry out various functions for implementation and enforcement of the terms of this Ordinance.

**GOOD VISITOR GUIDE:** Information prepared by the County's Planning and Zoning Department for distribution at all Short-term Rental Units.

**LICENSE:** An annual Short-term Rental license duly issued by Otsego County in accordance with the provisions of this Ordinance.

**LICENSE HOLDER:** The owner who applies for and receives a Short-term Rental license.

**PRIMARY AGENT:** An individual designated to oversee the operations of the short-term rental unit in accordance with this Ordinance and to respond to calls and complaints from renters, citizens and the County's representatives. The primary agent must reside within thirty (30) miles of the property and be available in person 24-7. The primary agent may assign a representative as a secondary agent who must meet the same criteria.

**MAXIMUM OCCUPANCY:** The maximum number of allowable occupants and the guests of those occupants for a short-term rental, as established by this Ordinance.

**OCCUPANT:** A person occupying or renting pursuant to a rental agreement. The term 'occupant' as used herein does not include guests of the occupant or renter who are visiting outside quiet hours. [per Health Department regulations]

**OWNER:** Any person holding legal or equitable title to a property or to real improvements upon a property solely, jointly, by the entireties, in common, or as a land contract vendee, trust, or other legal entity.

**NON-DOMESTIC SPECIES:** Species that are not under human control, and have not been domesticated or modified by selective breeding.

**PERSONAL UNIT:** An owner-occupied property with an accessory dwelling unit that is used as a short-term rental.

**PARKING SPACE (Residential):** An **onsite** designated parking area legally available to the dwelling unit for overnight parking of a motorized vehicle(s) or trailer(s).

**RECREATIONAL EQUIPMENT:** A new or used vehicle that has its own motor power or is towed by a motor vehicle; is primarily designed to provide temporary living quarters for recreational, camping, travel or seasonal use; complies with all applicable **state and federal** vehicle regulations. The term includes, but is not limited to:

- **Camping Trailer:** A vehicular portable structure mounted on wheels and constructed with collapsible partial sidewalls of fabric, plastic, or other pliable material which fold for towing by another vehicle and unfold at the campsite to provide temporary living quarters for recreational, camping, or travel use.
- **Motor Home:** A vehicular structure built on a self-propelled motor vehicle chassis, primarily designed to provide temporary living quarters for recreational, camping, or travel use.
- **Tent:** A collapsible shelter of canvas or other fabric stretched and sustained by poles and used for camping outdoors.
- **Park Model Trailer:** A vehicle designed and built for use as temporary recreational, camping, or seasonal accommodations resembling a mobile home or tiny house. Must remain transportable and must not require a special highway movement permit under MCL Section 257.719a
- **Travel Trailer:** A vehicular portable structure mounted on wheels, of such a size or weight as not to require special highway movement permits when drawn by a vehicle, primarily designed and constructed to provide temporary living quarters for recreational, camping, or travel use
- **Truck Camper:** A portable structure designed to be loaded onto, or affixed to, the bed or chassis of a truck, constructed to provide temporary living quarters for recreational, camping, or travel use. Truck campers are of two (2) basic types:
  - **Slide-In Camper:** A portable structure designed to be loaded onto and unloaded from the bed of a pickup truck, constructed to provide temporary living quarters for recreational, camping, or travel use;
  - **Chassis-mount Camper:** A portable structure designed to be affixed to a truck chassis, and constructed to provide temporary living quarters for recreational, camping, or travel use.

**RECREATIONAL VEHICLE:** A vehicle designed for use on public roads, off-road trails, or waterways, licensed and/or permitted as required by the State of Michigan. Recreational vehicle includes the following:

- **ATV:** A vehicle with three (3) or more wheels that is designed for off-road use, has low-pressure tires, has a seat designed to be straddled by the rider, and is powered by a 50cc to 1000cc gasoline engine or an engine of comparable size using other fuels.
- **Motorcycle:** Every motor vehicle having a saddle or seat for the use of a rider and designed to travel on not more than three (3) wheels in contact with the ground but excluding a tractor
- **ORV:** A motor-driven off-road recreation vehicle capable of cross-country travel without benefit of a road or trail, on or immediately over land snow, ice, marsh, swampland, or other natural terrain. A multitrack or multi-wheel drive vehicle, a motorcycle or related 2-wheel vehicle, a vehicle with 3 or more wheels, an amphibious machine, a ground effect air cushion vehicle, or other means of transportation may be an ORV.
- **Snowmobile:** Any motor-driven vehicle designed for travel primarily on snow or ice of a type that utilizes sled-type runners or skis, an endless belt tread, or any combination of these or other similar means of contact with the surface upon which it is operated, but is not a vehicle that must be registered under the Michigan vehicle code. (1949 PA 300, MCL 257.1 – 257.923)
- **Vessel (Watercraft):** Every description of watercraft used or capable of being used as a means of transportation on water.

**ROOMING HOUSE:** A residential building where rooms or suites of rooms are rented with renters using common facilities, such as hallways and bathrooms. A rooming house shall not include hotels, motels, apartment houses, two and multi-family dwellings or fraternity and sorority houses.

**SHORT-TERM RENTAL UNIT:** A property that offers the rental of a dwelling unit for compensation for not more than thirty-one (31) consecutive days total per tenant per calendar year.

**EVENT – SPECIAL:** A celebration, ceremony, wedding, reception, corporate function, or similar activity for the benefit of someone other than the property owner or lessee that takes place on a periodic basis, involving the gathering of individuals assembled for the common purpose of attending the gathering. **Events may operate entirely within a structure, outside of a structure or both inside and outside a structure.**

\*\*Uses that are accessory to a single-family residential use including private parties, gatherings and similar activities that are not subject to a use agreement between a private individual or group and the homeowner are not defined as a special event.

**TOURIST HOME:** One (1) dwelling unit used or designed for rent to the transient public for compensation. Such a use shall have the appearance of and be consistent with surrounding neighborhood character. The dwelling need not be occupied by the family to be used as a Tourist Home.

**TRANSFER:** A transfer of property of any type from a person to another person as defined under MCL 211.27a (6)(a)-(j), being part of Public Act 206 of 1893, as amended.

### **Section 3 Severability**

Should any one or more sections, provisions, phrases or words of this Ordinance be found to be invalid by a court of competent jurisdiction, such holding shall not affect the validity or the enforcement of the remaining sections, provisions, phrases or words of this Ordinance.

### **Section 4 General Standards**

The following standards shall apply to all short-term rentals:

#### **1) Permits**

All short-term rentals shall be required to register with, and be permitted by Otsego County. **The maximum number of short-term rental permits issued by the county in any calendar year shall be capped at \_\_\_\_.**

##### **Permits shall:**

- a)** Be valid for one (1) calendar year;
- b)** Be required for each short-term rental;
- c)** Be issued prior to advertising a short-term rental;
- d)** Not transfer with the sale of the property or be transferred from one property to another;
- e)** Be displayed on the front door or in a prominent location on the façade or nearby window not more than five feet (5') from the front door, measured from the edge of the doorframe;
- f)** Display the maximum number or occupants allowed;

Furthermore, the short-term rental permit number shall be posted and clearly visible on any, and all advertisements related to the short-term rental of the property.

#### **2) Exceptions – Exemptions**

A dwelling unit does not need a short-term rental permit as required in this Ordinance when the occupancy of the dwelling unit occurs under the following circumstances:

- a)** Family Occupancy – Any member of a family (and that family member's guests) may occupy a dwelling if any other member of that family is the owner of the dwelling or dwelling unit. Family occupancy also exempts guest houses or similarly separate dwelling units located on the same premises as the owners' domicile, when occupied by family guests, exchange students, visiting clergy, medical care givers and child care givers without compensation to the owner;
- b)** House Sitting – During the temporary absence of the owner and the owner's family, the owner may permit non-owner occupancy of the premises, without compensation to the owner and without a short-term rental permit;

- c) Dwelling Sales – Occupancy by a prior owner after the sale of a dwelling under a rental agreement;
- d) Estate Representative – Occupancy by a personal representative, trustee or guardian of the estate and their family, with or without compensation.

### **3) Primary Agent**

Each owner of a short-term rental shall designate a primary agent meeting the criteria as defined in this Ordinance, who has access to and authority to assume management of the short-term rental and take remedial measures.

### **4) Good Visitor Guidance**

A copy of the Good Visitor Guidelines established by Otsego County shall be provided to all occupants for review and remain on premises.

### **5) Campfires**

Campfires shall be in a suitable designated area. Fires shall not be left unattended and must be fully extinguished.

### **6) Events**

Special events as defined in this Ordinance, shall not be permitted.

### **7) Fire Safety**

All short-term rental operations shall meet the necessary safety standards by all state and county regulations, including but not limited to smoke detectors, carbon monoxide detectors and fire extinguishers. An inspection by the Building Department will be required to ensure compliance.

### **8) Fireworks**

The use of fireworks at a short-term rental shall comply with all State of MI regulations. These complaints should be addressed with the **local agent** and/or **local law enforcement**.

### **9) Parking**

All parking by the occupants and guests of a short-term rental shall only park in designated parking spaces as defined in this Ordinance.

### **10) Pets**

Dogs and other pets shall be governed by the Otsego County Animal Control Ordinance. The Ordinance requires any animal be confined to the property, unless restrained by a leash and animals must not cause unreasonable annoyance, alarm or noise disturbance at any time of the day or night. These complaints should be addressed with the local agent and/or County Animal Control.

### **11) Quiet Hours – Noise**

Quiet hours for short-term rentals shall be observed every night from 10:00pm to 8:00am. No person within the county shall cause or create any unreasonable or improper noises or disturbances, injurious to the health, peace or quiet. These complaints should be addressed with the **local agent** and/or **local law enforcement**.

### **12) Recreational Equipment**

Recreational equipment shall not be used on the property by occupants or the property owner while a short-term rental is being occupied.

### **13) Refuse - Recyclables**

All refuse and recyclables disposal shall be the responsibility of the property owner or primary/secondary agent. Refuse must be contained in properly sealed receptacles with no overflow that may attract non-domestic species.

#### **14) Signage**

See Section 21.38 of the Otsego County Zoning Ordinance

#### **15) Septic Systems**

The property owner shall maintain a properly functioning septic system. Any short-term rental determined to have a failing septic system, determined by the Northwest Michigan Health Department, shall immediately cease short-term rental operations until approved by the Health Department. Septic Systems shall have the septic tank pumped at least once every three (3) years. Proof of septic tank pumping within the past three (3) years must be provided prior to issuance of a short-term rental permit or renewal. An inspection by the Health Department will be required to ensure compliance.

#### **Section 5 District**

Short-term rentals are permitted in the R2, R3, RR, FR, and AR Zoning Districts and in any commercial or mixed-use district with a lawful non-conforming existing residence (B1, B2, B3, and MUZ Districts).

#### **Section 6 Maximum Capacity**

The maximum occupancy of any short-term rental shall be based on the following:

- a) Overnight occupancy shall not to exceed a maximum of two (2) persons per bedroom plus an additional two (2);
- b) Occupancy during non-quiet hours shall not exceed a maximum of five (5) persons per 100 square feet; adequate off-street parking must be provided per parcel;
- c) At no time shall additional individuals be allowed to sleep outside of the dwelling unit.

#### **Section 7 Application**

- a) **Responsibility** – It shall be the responsibility of the owner of a short-term rental to register the operation and obtain a permit from the county;
- b) **Application** – The property owner shall provide requested documentation and certify as true the following on a form prepared by the county:
  - Name, address, telephone number, and email of the owner of the short-term rental
  - Name, address, telephone number, and email of the designated primary agent
  - Name, address, telephone number, and email of the designated secondary agent (if applicable)
  - The number of bedrooms in the short-term rental intended to be used by occupants
  - Health Department approval verifying occupancy/ Septic system pumping verification
  - Building Department safety verification/ Certificate of occupancy
  - A sketch of the designated parking area
  - Affidavit signed by the property owner acknowledging the provisions of this Ordinance and all applicable local and state laws
- c) **Fee** – An application for a short-term rental permit under this Ordinance may be issued with payment in the amount established by the Board of Commissioners. There shall be no proration of fees. Fees are non-refundable once a permit has been issued by the county.

#### **Section 8 Violations – Enforcements**

##### **1) Violations**

- a) **Violations** – Any violation of the provisions of this Ordinance, or any other applicable local, state, or federal law shall be deemed a violation of this Ordinance. Each day a violation continues shall constitute a separate violation.
- b) **Nuisance per se** – A violation of this Ordinance shall be a nuisance per se. The county shall have the right to commence a municipal civil action to enforce compliance with this Ordinance.
- c) **Administration** – The Otsego County Zoning Administrator is authorized to issue all permits under this Ordinance and issue civil infraction violation notices and/or civil infraction citations for violations of this Ordinance.

## 2) Penalties

The following penalties shall apply for violating this Ordinance:

### a) Short-term rental without a permit:

- **First Violation** – The first violation in a calendar year shall result in notice of violation delivered to the property owner by first-class mail and subject to a fine in the amount of **One Hundred Dollars (\$100)**;
- **Second Violation** – The second violation in the same calendar year shall result in a municipal infraction subject to a fine in the amount of **Two Hundred Fifty Dollars (\$250)**;
- **Third Violation** – The third violation in the same calendar year shall result in a municipal infraction subject to a fine in the amount of **Five Hundred Dollars (\$500)** and a court appearance.

### b) All Other Violations:

- **First Violation** – The first violation in a calendar year shall result in notice of correction delivered to the property owner by first-class mail and a fine of **One Hundred Dollars \$100**;
- **Second Violation** – The second violation shall result in a notice of violation subject to a fine of **Two Hundred Fifty Dollars (\$250)**;
- **Third Violation** – The third violation in the same calendar year shall result in a municipal civil infraction subject to a fine in the amount of **Five Hundred Dollars (\$500)** and a court appearance.
- **Subsequent Violation** – any subsequent violation on the same property within a thirty-six (36) month period shall result in an additional municipal civil infraction subject to a fine in the amount of **One Thousand Dollars (\$1000)** and a court appearance.

## 3) Revocation

The county may revoke a short-term rental permit for the reasons below through the subsequent procedures:

- Requirements for Revocation** – A short-term rental permit may be revoked if there are at least three (3) separate violation incidents occurring on three (3) separate days within the same calendar year;
- Revocation Procedure** – Upon determination by the zoning administrator that a short-term rental permit is subject to revocation, the following procedures shall be followed:
  - The zoning administrator shall issue a notice to the property owner and primary agent, in writing by certified mail, the county intends to revoke the short-term rental permit;
  - The property owner or primary agent may request a hearing before the Zoning Board of Appeals within fourteen (14) days of the postmarked notice, to show cause as to why the short-term rental permit should not be revoked;
  - If a hearing is requested, the zoning administrator shall inform the property owner and/or primary agent and Zoning Board of Appeals of the request to determine a hearing date;
  - The property owner and/or primary agent may present evidence showing the violations of this Ordinance were due to extenuating circumstances. If the ZBA determines the violations were due to extenuating circumstances, they may elect, to waive the revocation, otherwise, revocation of the short-term rental shall become effective.
- Duration** – Upon revocation of a short-term rental permit, property owner may not reapply for a new short-term rental permit for that dwelling or any additional dwelling in the county for a period of thirty-six (36) months;
- Subsequent Revocation** – Any property owner who has had a short-term rental permit revoked twice for the same short-term rental, shall be permanently prohibited from operating a short-term rental at that location. Furthermore, the property owner shall be prohibited from applying for any

additional new short-term rentals in the county. If the property owner has other short-term rentals permitted in good standing in the county at the time of prohibition, the property owner shall be allowed to reapply for a permit for the existing short-term rentals.