

**CITY OF CHARLEVOIX**  
**PLANNING COMMISSION MEETING MINUTES**  
**Monday, January 9, 2017 - 7:00 p.m.**  
210 State Street, City Hall, Council Chambers, Charlevoix, MI

**A. Call to Order/Pledge of Allegiance**

The meeting was called to order at 7:00 p.m. by Chair Chamberlain.

**B. Roll Call**

Chair: Sherm Chamberlain  
Members Present: Judy Clock, John Elizinga, Mary Eveleigh (7:04 p.m.), Toni Felter, Nelson Fletcher, Rick Golding, RJ Waddell  
Member Absent: Julee Roth  
City Staff: Interim Planner Zach Panoff

**C. Inquiry Into Potential Conflicts of Interest**

None.

**D. Approval of Agenda**

Motion by Member Fletcher, second by Member Felter, to approve the meeting agenda as presented. Motion passed by unanimous voice vote.

**E. Approval of November 14, 2016 Minutes**

Member Fletcher stated that a correction was needed on page 4, item 2b, second line should read "Michigan Residential Code". Motion by Member Clock, second by Member Fletcher, to approve the November 14, 2016 minutes as corrected. Motion passed by unanimous voice vote.

**F. Call for Public Comment not Related to Agenda Items**

None.

**G. New Business**

1. Networks Northwest Goal Setting

a. Staff Update

Chair Chamberlain noted that the memo included in the agenda packet notified the Commission that the City has come to an initial agreement with Networks Northwest for the agency to serve as the City Planner.

b. Presentation and Planning Commission Discussion with Sarah Lucas

Sarah Lucas, Networks Northwest Manager, gave a quick introduction of her company, their staff and expertise. She referenced the proposed contract with the City and the scope of work. She reviewed a brief presentation regarding the Master Plan Implementation, special Planning projects, and overall goals/priorities for the Planning Commission and how the agency could assist the City in reaching those goals.

Chair Chamberlain referenced the possibilities of the Redevelopment Ready Program. Ms. Lucas also briefly reviewed transportation recommended enhancements and their interaction with the Michigan Department of Transportation. Chair Chamberlain suggested that each member should think about what they wanted to add to the list and then they could prioritize the items. He stated that they need to finalize the summer housing issue and all the zoning amendments that relate to housing at this time.

Ms. Lucas agreed the first step was to review the Zoning Ordinance and other applicable City ordinances. Ms. Lucas stated that staff will be in Charlevoix 1-2 days a week, but she can be reached at the Traverse City office any time.

**H. Old Business**

1. Potential Summer Worker Housing Zoning Amendments

a. Staff Presentation

Interim Planner Panoff presented draft language for minor revisions to the Zoning Ordinance to provide more affordable housing. He included adding definitions of short-term (less than 30 consecutive days) and long-term (more than 30 consecutive days) rentals as well as "long term renting of no more than one individual room in a residential structure is permitted, as long as the structure is owner occupied."

Member Waddell noted that this would allow every house in R-1 and R-2 to be eligible for room rentals. He stated there was no way to control a college student from renting a room. He felt that issues discussed in the Short-Term Rental Sub-Committee such as traffic, apply with summer workforce housing. He stated that he was "not sure we're going to address the need we want and opening up another issue that we don't have right now." He stated that they had boarding house language as a special use. He questioned how they would ensure that houses had smoke detectors and were safe.

Member Fletcher felt they needed to differentiate between "owner present and owner not present". He said that short-term rentals could be apartments, single family dwellings, one room in a single family dwelling, one room in a multi-family dwelling, or seasonal. He felt there was a lot to try to regulate. He was concerned about hiring a building inspector and the City's liability.

Member Eveleigh asked if there was language to exclude the City to avoid liability. Member Golding responded that if you had a City employee performing inspections for the City, the City would then assume responsibility for the results of those inspections. Chair Chamberlain recalled Sub-Committee meeting discussion regarding the owner of the house registering the house as a summer rental. He stated whether or not the City had a similar registration for summer workforce housing is a question for the Commission, and they could have a similar list of regulations for summer workforce housing renters.

Member Fletcher questioned where does the City "have the authority to say what I do with my house with one room with one student." He felt the City should not restrict individuals from renting a room in their home if the home was owner occupied.

Interim Planner Panoff read the Ordinance definitions for "bed and breakfasts" and "boarding and rooming house." He noted that the current Zoning Code does not differentiate between short and long-term rentals.

b. Call for Public Comments

Maureen Owens, Main Street Economic Restructuring Committee, stated that the Main Street Board was asking the Commission to remove existing restrictions so homeowners can legally rent a room in their home. She felt homeowners should decide what level of insurance coverage they carry.

Dan Barron, DDA Chairman, stated that they were looking for flexibility and felt that the proposed language was a step in the right direction. He stated that they needed to look at a matter of personal responsibility vs. government stepping in as big brother to ensure certain actions. He stated that young adults looking for this type of housing would have the opportunity to inspect the property and the homes were owner occupied.

c. Planning Commission Discussion

Chair Chamberlain stated that rentals being owner occupied was a key point. Discussion followed regarding the proposed language change, owner responsibilities, parking issues, number of people per room, and boarding house regulations. Interim Planner Panoff stated that the proposed language needed to be approved by the City Attorney and then the public hearing would be the next step.

Motion by Member Felter, second by Member Elzinga, to forward this on to the list of proposed changes [to the Zoning Ordinance and hold a public hearing at a future date.] Motion passed by unanimous voice vote.

2. Update on Short Term Rental Sub-Committee

a. Summary of December 12<sup>th</sup> Meeting

Member Waddell reported that Interim Planner Panoff and Member Golding received quite a bit of information from a seminar they attended in Grand Haven. The Sub-Committee determined that they needed to look at this issue as three prongs: 1) registration process for short-term rentals, registration fee and 24/7 contact information for the owner or representative; 2) reach out to short-term rental homeowners to ensure that their homeowners insurance covers rentals and provide sample contracts for short-term rentals; and 3) reach out to renters through something similar to South Haven's "Good Visitor Guide."

b. Planning Commission Discussion

Discussion followed regarding the three-prong approach.

c. Public comments.

Jonathan Pack, Charlevoix Inn & Suites General Manager, stated that as a hotel operator he had concerns regarding short-term rentals due to the number of regulations and codes that hotels must follow that are not applicable to short-term rentals. He felt that short-term rentals created an unfair advantage over the hotel industry. He stated that the City has not inspected their property in at least the last three years and he expressed concerns about safety issues in private homes. He felt that there will continue to be a higher demand for short-term rentals.

Maureen Owens felt that short-term rentals were displacing citizens and causing a loss of workforce and affordable housing. She stated that Traverse City was looking at perimeters for short-term rentals. Member Waddell stated that Traverse City looked at the issues a few years ago and now they are revisiting them and he noted Petoskey eliminated short-term rentals outside their downtown area.

Chair Chamberlain felt that the Sub-Committee should continue with their three-prong approach and the Commission agreed. The next Sub-Committee meeting is 10:00 a.m. on February 13, 2017.

3. Proposed PUD Rezoning for Property on Division Street

a. Staff Update

Interim Planner Panoff recalled in April 2016 they held a second public hearing regarding the proposed PUD rezoning for property on Division Street for four 12-unit apartment buildings. He stated that after hearing presentations and public comments, the Commission opted to table the decision to give the applicant more time to either revise their project or proceed with their original plan by the end of 2016. John Murray, the property owner's broker, advised that the applicant did not have anything else to submit in regard to their project and that they would not continue.

b. Tabled Motion

Motion by Member Waddell, second by Member Elzinga, to deny the [PUD rezoning on Division Street] proposal as it did not meet their requirements and the applicant had not submitted any revisions to the proposed plan. Motion passed by a unanimous vote.

4. Review of 2017 Planning Commission Meeting Schedule

There were no changes proposed to the meeting schedule as presented. Chair Chamberlain requested a motion for Chairman. Member Clock nominated Sherm Chamberlain as Chair. Member Waddell nominated Judy Clock as Vice Chairman. Motion by Member Clock, second by Member Felter to accept the nominations for the next year. Motion passed by a unanimous vote.

**I. Staff Updates**

None.

**J. Request for Next Month's Agenda or Research Items**

Member Waddell commented that per the Supreme Court, sign ordinances cannot deal with any content on the sign; they can only regulate the sign size.

**K. Adjournment**

Motion by Member Elzinga, second by Member Waddell, to adjourn. Motion passed by unanimous voice vote. Meeting adjourned at 8:48 p.m.

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Joyce M. Golding/fgm

City Clerk

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Sherm Chamberlain

Chair