

CITY OF KEEGO HARBOR

COUNTY OF OAKLAND, MICHIGAN

RESOLUTION 23C-03

AN ORDINANCE ADOPTING AND ENACTING A NEW CODE FOR THE CITY OF KEEGO HARBOR, MICHIGAN; PROVIDING FOR THE REPEAL OF CERTAIN ORDINANCE NOT INCLUDED THEREIN; PROVIDING A PENALTY FOR THE VIOLATION THEREOF; PROVIDING FOR THE MANNER OF AMENDING SUCH CODE; AND PROVIDING WHEN SUCH CODE AND THIS ORDINANCE SHALL BECOME EFFECTIVE.

Minutes of a Meeting of the City Council of the City of Keego Harbor, County of Oakland, Michigan, held in the City Hall of said City on November 16, 2023, at 7 o'clock P.M.

The Following Resolution was offered by Michael Karson and supported by Theresa Shimanovsky

Section 1. The Code titled "

THE CITY OF KEEGO HARBOR ORDAINS:

Chapter 50 Licensing & Registration of Short Term Rentals Ordinance

Licensing & Registration of Short Term Rentals

Sec. 50-1 Findings and Intent.

Whereas the past ten years have seen a rapid increase in the number of properties offered for short term rental, and whereas The City of Keego Harbor's position as a waterfront community increases its appeal for short term rental properties, and whereas several short term rentals have been established within the City, and complaints have been reported to the City with regard to certain of those units, the City of Keego Harbor seeks to regulate the use of dwelling units as short term rentals.

The City Council finds the rental of dwelling units in the City of Keego Harbor provides value to our local economy but also brings with it potentially negative externalities affecting the year-round quality of neighborhoods, housing supply, health and safety. The City Council has enacted this regulatory ordinance of short-term rental units to strike a regulatory balance between the interests of community residents, business owners, property owners, and visitors.

Sec. 50-2 Definitions.

For the purposes of this Ordinance, the following terms shall have the meaning set forth herein:

Owner. The word "owner" shall mean and include persons, firms, associations, corporations, trusts, clubs and partnerships, whether acting by themselves or as a servant, agent, or employee. The word "owner," applied to a building or land, shall include any part owner, joint owner, tenant in common, tenant in partnership or joint tenant of the whole or of a part of such building or land.

Local Agent. An individual, firm, joint venture, partnership, corporation, or other organization designated to oversee the short-term rental of a dwelling unit in accordance with this ordinance.

Tenant; occupant. The words "tenant" and "occupant," applied to a building or land, shall include any person holding a written or oral lease of or who occupies the whole or a part of such building or land, either alone or with others for any period of time.

Short Term Rental. Any dwelling or condominium, duly registered as a principal residence exemption under Section 211.7cc of the General Property Tax Act, or portions thereof, that is available for use or is used for accommodations or lodging of guests, paying a fee or other compensation for a period of less than thirty consecutive days. Short term rentals are commonly referred to as Air B'n'Bs, tourist homes, vacation rentals, VRBOs, or corporate leasing, and include any third party leasing or vacation rental services.

Dwelling unit. One or more rooms with bathroom and principal kitchen facilities designed as a self-contained unit for occupancy by one family for living, cooking and sleeping purposes.

- (a) Dwelling Unit, Manufactured: A dwelling unit which is substantially built, constructed, assembled, and finished off the premises upon which it is intended to be located.
- (b) Dwelling Unit, Site Built: A dwelling unit which is substantially built, constructed, assembled, and finished on the premises which are intended to serve as its final location. Site built dwelling units shall include dwelling units constructed of pre-cut materials and panelized wall, roof and floor section when such sections require substantial assembly and finishing on the premises which are intended to serve as its final location.

Sec. 50-3 Licensing and Registration of Short Term Rentals

- (a) Generally. All dwelling units which are used for short-term rentals for more than 4 days per calendar year shall be registered and licensed with the City as stipulated in this Ordinance. Licenses are valid for one (1) year and must be renewed each December; an inspection shall be required at renewal. When a short term rental property is sold, the registration(s) and license(s) will expire at sale and are not transferable.
- (b) Available licenses. The City of Keego Harbor shall grant or renew licenses to no greater than ten short term rentals in any given calendar year.
- (c) Fees. There shall be a fee for registration collected at the time of registration. An additional fee shall be collected at time of licensing. Council shall set a fee(s) from time to time by resolution; such fee(s) may vary depending on the type of property, dwelling, or other distinction Council may deem advisable.
- (d) Forms. The City of Keego Harbor Building Department shall develop a form(s) to properly carry out this ordinance. The registration form shall collect not less than the following information and other items as the Department may deem necessary for implementation of this chapter:
 - 1. Name, address, and telephone number of the property owner.
 - 2. Name, address, and telephone number of the local agent for the dwelling unit, if different from 1. above.
 - 3. The street address of the dwelling unit.

4. The number of bedrooms in the dwelling unit.
 5. The maximum number of occupants to which the applicant intends to rent the unit in any given rental period.
 6. A statement certifying that each bedroom has a working smoke alarm, that there is a working carbon monoxide detector on each floor, and that the owner or local agent will keep those devices in good, working order.
 7. A statement certifying that the property owner consents to inspections by the City and will make the dwelling unit available to inspectors upon request.
 8. A floor plan accurately representing the number of bedrooms in the unit and the number of finished floors.
 9. The number of days the dwelling unit is available for short term rental each calendar year;
 10. A statement indicating which year the dwelling unit was first used as a short-term rental, and for how many days it was rented in the previous calendar year;
 11. Acknowledgement of this ordinance and the rules contained herein, including an acknowledgement that the City-provided rules document shall be posted in the unit;
 12. Such other information as the City deems appropriate.
- (e) Regulations. All dwelling units used for short-term rentals shall be bound by the following regulations:
1. Each rental shall have a designated local agent. A notice shall be posted in a prominent location within any dwelling unit used for short-term rentals stating (in at least 16-point type) the name of the local agent and a 24-hour telephone number at which the local agent can be reached.
 2. The dwelling unit must meet all applicable Residential Building, Health Department, Nuisance and Safety Codes as necessary to protect the safety of occupants.
 3. Noise during quiet hours must be limited to that which does not disturb the quiet, comfort or repose of a reasonable person of normal sensitivities. Quiet hours shall be from 10:00 p.m. to 7:00 a.m.
 4. Fireworks of any kind are not allowed on rental property, except in accordance with the city's fireworks ordinance.
 5. All parking shall be accommodated on-site, within a garage and/or on an improved driveway. The owner of the unit shall demonstrate that the site can accommodate one vehicle per three occupants at maximum occupancy.
- (f) Maximum occupancy. Short-term rentals shall be permitted maximum occupancy of two persons per bedroom but at no time shall that number exceed the limitations set forth by the Michigan Building Code and the International Property Maintenance Code. An individual present in a dwelling unit during the term of a short-term rental shall be presumed to be an occupant unless it is between the hours of 8:00 a.m. and 10:00 p.m., and circumstances clearly indicate the individual will not stay overnight. No dwelling unit used as a short-term rental may be built or modified hereafter to exceed the limitation of ten persons as described above.
- (g) Required posting. Each vacation rental shall post, in a clearly visible location, the Short Term Rental Notice of Rules provided by the City, and a diagram clearly showing where on the property parking is permitted.

- (h) Violation. Whenever the City determines that a short term rental property is not in compliance with this ordinance, a warning shall be issued to the owner and, if a separate entity, the local agent. Any owner not correcting the noncompliance issue within seven (7) days shall be found to be in violation. Any violation of any provision of this ordinance shall be a municipal civil infraction. Each day that a violation continues constitutes a separate violation. The fine for leasing an unregistered dwelling unit in violation of any portion of this ordinance shall be \$750 for a first violation and \$1,000 for each subsequent violation. Any notice to the owner or violation thereto shall not preclude the levying of fines, or a finding of municipal civil infraction or misdemeanor by a guest staying at the short term rental unit, or the use of local police powers to protect the health, safety and welfare of the community.
- (i) Revocation procedure. Where Code Enforcement for the City of Keego Harbor finds that a violation has not been remedied seven (7) days after an owner has been found to be in violation, they may initiate a License Revocation procedure and schedule a hearing for the owner as follows:
1. The written notice of the charges and the notice of the hearing shall be served on the owner or local agent first class mail not less than 14 days before the hearing before the Enforcement Officer.
 2. Upon a finding by the Enforcement Officer of a first or second violation within any 12-month period, the short-term rental shall be subject to a fine as provided by resolution from time to time.
 3. Upon a finding by the Enforcement Officer of a third violation within any 12-month period, the short-term rental registration may be revoked and the owner or local agent who had been issued the short-term rental registration shall not again be issued a short-term rental license for a period of 12 months and during said time the premises shall not be utilized for a short-term rental.
 4. Upon a finding by the Enforcement Officer of a fourth violation within any 24-month period, the short-term rental registration and license may be revoked and the owner who had been issued the short-term rental registration and license shall not again be issued a short-term rental registration or license under that ownership name and the premises shall not be utilized for a short-term rental.
 5. A minimum of a 14-day notice will be given to owners and agents for any suspensions. Appeal from denial or suspension or revocation of a short-term rental registration is allowed.
 6. *Appeal procedure.* Upon a determination by the Enforcement Officer that the registration of a dwelling unit is subject to revocation pursuant to this ordinance, the Enforcement Officer shall issue a notice to the owner and local agent stating that the City intends to revoke the rental registration.
 - i. The informal hearing shall be held before the building official of the City and the owner and local agent may present evidence that the requirements for revocation are not satisfied, or that the property owner and local agent should not be held responsible for one or more of the three requisite violations due to extenuating circumstances. Extenuating circumstances may include circumstances that the owner or the owner's agent could not reasonably anticipate and prevent and could not reasonably control.
 - ii. The hearing officer shall independently determine whether there is competent, material, and substantial evidence establishing a violation of this ordinance and/or

whether there is competent, material, and substantial evidence establishing that
extenuating circumstances exist by a preponderance of the evidence standard.

Sec. 50-4 Repealer.

This Ordinance hereby repeals any ordinances in conflict herewith.

Sec. 50-5 Savings Clause.

That nothing in this Ordinance hereby adopted be construed to affect any just or legal right or remedy of
any character nor shall any just or legal right or remedy of any character be lost, impaired or affected by
this Ordinance.

Sec. 50-6 Severability.

The various parts, sections and clauses of this Ordinance are declared to be severable. If any part,
sentence, paragraph, section or clause is adjudged unconstitutional or invalid by a court of competent
jurisdiction, the remainder of the Ordinance shall not be affected.

Section 2. The provisions of this Ordinance shall become effective ten (10) days from and after approval
and publication in a newspaper in general circulation by the City of Keego Harbor.

NOW, THEREFOR, BE IT RESOLVED, that the City of Keego Harbor City Council approves Resolution 23C-
03, Adopting and Enacting a New Code for the City of Keego Harbor.

AYES: Lamp, Shimansky, Kalman, Karson & Ross

NAYS: Ø

CERTIFICATION

I hereby certify that the forgoing is a true and complete copy of a resolution adopted by the City Council
of the City of Keego Harbor, County of Oakland, State of Michigan, at a regular meeting held November
16, 2023 and that public notice of said meeting was given pursuant to and in full compliance with Act
No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made
available to the public as required by said Act.

Tammy Neeb
Tammy Neeb
City of Keego Harbor, City Manager/City Clerk

