

**PENINSULA TOWNSHIP  
PLANNING COMMISSION  
SPECIAL MEETING MINUTES**

13235 Center Road  
Traverse City, MI 49686  
October 30, 2017  
7:00 p.m.

1. **Call to Order** – 7:00 p.m. by Chair, Alan Couture
2. **Pledge**
3. **Roll Call:** Wunsch, Serocki, Peters, Couture, Hornberger, Shipman, Elliott  
**Also Present:** Brian VanDenBrand, Gordon Hayward, Greg Meihn, Township Attorney
  
4. **Approval of the Agenda:** Motion by: Hornsberger / Support by: Wunsch  
Motion by, Hornsberger to remove Item No. 8 from the Agenda / Supported by, Serocki  

**Pass Unan**
  
5. **Brief Citizen Comments:** None
6. **Conflict of Interest:** None
7. **Approval of Consent Agenda:** Motion by: Peters / Support by: Serocki
  - a. Reports and Announcements
  - b. Correspondence (as provided)

**Pass Unan**
  
8. **Business:**
  - a. Explanation of Township's current status and policy regarding Short Term Rentals
  - b. Open discussion / roundtable / information sharing regarding Short Term Rentals

Chair Couture, Request Planner to Introduce the Short Term Rental Ordinance.

**Brian VanDenBrand;** As everyone knows Short Term Rentals are one of the hottest topics that all of our communities are dealing with around the state. Regarding vacation home rentals, Air B&B's, at this point anything less than 30 consecutive days is considered to be a Short Term Rental. The Township Board has requested that the Planning Commission address the issue and to find out if we want to change that policy. Tonight is the first meeting regarding this issue. As you have mentioned Mr. Chair, this is just a forum and informational gathering to discuss this issue there will not be any deliberation or decision made tonight. We are just in the listening phase. Please be respectful of neighbors as everyone has their own opinion. We are interested in your opinions and this will help the Planning Commission in giving a recommendation to the Township Board at a later time for any changes in the policy. This is a very complicated topic, many communities deal with this issue in different ways. Tonight's meeting is to provide the Planning Commission some guidance in how to move forward on a policy to be recommended to the Township Board. We have Gordon Hayward here to help we also have our Township Attorney, Greg Meihn present as well to explain the Townships current policy regarding Short Term Rentals.

**Greg Meihn;** We have an Ordinance that restricts short term rentals under what the ordinance provides. The statutory scheme governs the actions that you can take. From a legal perspective I always

look at the words and what the paragraphs provide. Whether you can have a short term rental or a B&B and if you can what are the requirements, 30 days or more, if it is a B&B then it has to be owner occupied. There are safety reasons for everything that you do and enforcement reasons. Most people see it from their own perspective. You unfortunately have the duty to see it from all sides. Be mindful of the fact that you are governed by the current ordinance. Also be mindful that there is a greater issue involved than short term rentals; what impact does that have on the community, drawing people into the community, on the existing community and more importantly your existing uses. Again this is a good way to engage your citizens like this. Your citizens provide you the jobs that you have, they elect you, thoughts and processes as to where they would like to see the community go. I would like to restate what Brian had said, this is not for you to deliberate, engage or give your opinions. This is just a way for you gather information.

**Wunsch;** I would like to encourage everyone to be as constructive as possible. We will try to run this in the format tonight where you present your ideas and concerns with short term rentals. Please refrain from commenting on the comments that are provided by others. I think it is important to note that at the present in the Township short term rentals are not allowed under the ordinance. So if we decided we would allow some policy change would be necessary. We have heard a lot of the pros and cons of short term rentals. If we were to make a policy change what would that change be and how can we help those that are interested in support those that are for short term rentals while minimizing the impact on neighbors.

**Couture;** suggest that the audience go into a round table.

**Hayward;** There are a couple of rules; we here to gather information we are not here to debate. What we really do need any concerns that you may have or ideas relative to short term rentals. We currently treat short term rental as anything less than 30 days we do allow rentals as B&B or 30 days or more.

**Wunsch;** Question for Gordon or Brian, are either of you familiar enough with the Air B&B ordinance to just give a quick overview as to how that ordinance is structured? I don't know if we want to use that as a starting point for the conversation or not.

**VanDenBrand;** Right now we do not have a distinction between someone renting out a house on the lake for a week at a time versus someone having a bachelor party or someone that rents out one bedroom in their house while the guest is there. The discussion should be is there a point to meet in the middle. Is that where you were going?

**Wunsch;** We have the owner occupancy requirements for B&B's .

**VanDenBrand;** For Bed and Breakfast. B&B may be approved by a Special Use Permit.

**Meihn;** He is looking for what the mechanics are. The mechanics are someone can come in and use a B&B but the structure is that the owner has to be there all the time. The principles have to be there for that very purpose of safety, fire, control and other issues. They essentially are responsible for their guests. There are also lot size requirements. For rentals that are 30 days or greater communities are looking to avoid the scenario of people coming in day to day so you don't have an excessive amount of cars.

**Louis Santucci, 12602 Center Rd., Traverse City, MI 49686;** Admitally we have run an Air B&B for several years. There is a difference between an Air B&B and a Bed and Breakfast and the difference is that you don't serve breakfast. We have had guest from all around the world. Most often the people that come here are coming to enjoy the Peninsula or guest for weddings. What all these people have in common is a love for the Peninsula. We have never had a bad experience with the guest causing too much noise or causing any damage. Yes we may hear of a rare horror story of people partying until late into the night or causing too much noise, but that has not been our experience. There is a group of us that has come together and if you move to allow Air B&B's we pledge ourselves to be respectful to our neighbors and operate a simple code of conduct in that regard. What you need to know about Air B&B's is that there is a vetting system where the guest and host can make comments about each other. Read some of the guest comments that were made on the Air B&B site. (Guest rating Host). We are good ambassadors for the Peninsula and what it has to offer. Don't prohibit Air B&B's with minimal regulations.

**Kathy Ferguson, 7332 Maple Terrace, Traverse City, MI 49686;** I have lived on the Peninsula for more than 50 years. I have seen a lot of changes. Everyone that I know that host for Air B&B is very responsible I have nothing but the best interest in the quality of life here. Some restrictions that the homeowner would have to be present.

**Nancy Heller, 309 Blue Water Rd., Traverse City, MI 49686;** The Planning Commission formed a committee about a year and a half ago to amend the B&B ordinance, but the current Town Board chose not to adopt that but weeks were spent working on it. It has a lot of very good substance to it. That would apply to both Air B&B's and B&B's . I feel that Air B&B should be held to the same standards as B&B's Special Use permit. Peninsula Township has a Code Enforcement Officer now to be fair to that officer he needs something to enforce not just pick it out of the air or complaints. So it is very important to have clear cut rules and regulations.

**Michelle Steffens, 13295 Blue Shore Dr., Traverse City, MI 49686;** Here with the backing of the Blue Water Bluffs association and the 22 owners. It is difficult to sit here and listen to people say that their guest were never a problem. I have had to get up in the middle of the night and close my doors in the middle of summer because I don't want to smell my neighbors Air B&B guest smoking weed again. I have to clean up the empties from my yard and beach. I have had individuals pulling into my yard at 1 am mistaking it for the hotel that is next door. I have had people swear at me in front of my children and have had to asked people not to trespass on my property. My neighbor has flipped me off as she has driven by. My high school aged child has not been able to get a good night sleep before his academically talented classes at school because I have neighbors outside screaming at 1:30 in the morning. My neighbor calls me nasty and rings my doorbell at 2 am to accuse me of harassing her. Lights shine into my living room about every ½ hour all night, every night all summer. I hear doors slam 50 times every single day. Intoxicated guest stumble home after a night of fun when I have to work the next day. Guest take photos of my home and there is nothing that I can do about it. There are traffic jams in my neighborhood. I have watched people treat the road like a race track with no regard for my child or the other children that live nearby. But if you ask the people running the Air B&B's their guest are never the problem and in the case with my neighbor her response to all this is literally a middle finger. I think that the people that don't care to follow the law now are going to continue to play cat and mouse with you. You will never be able to prove that someone is renting one more night than what

they are allowed to do. In our case the homeowner says she is present and she is not her response to that is "prove it". How would it work to regulate just for noise and trash? Who do I call when I wake up and find beer bottles in my yard and who do I call when we hear the 50<sup>th</sup> door slam for the day? Who do I call when I smell marijuana again or another traffic jam on my road? Things I think you should do: At the time the B&B rules were good why aren't they good anymore? Is it unreasonable to want a minimum lot size so I don't have to smell my neighbor's marijuana? Is it unreasonable to not want lights shining in my house every ½ hour? Is it unreasonable to not want to have to hear the drunks stumbling around? These were good rules at the time why are they not good rules now? Is a fire escape plan so bad or a guest registry? Looking at Air B&B there is a way to keep bad reviews out. You can remove the 14 day ban with not just renting but also offering to rent and then arguments. Make the fines painful make it \$1,000 for a first offense and \$5,000 for a second. New York is doing it and they are shutting them down. It works.

**Sandy Floraday, 13617 Bluff Rd., Traverse City, MI 49686;** I am pretty upset about this whole thing myself. Jim and I have been putting up with this for the last 2 years. We have no weekends left in the summers to ourselves in our own quietness. We deal with cars coming and going all the time. The house on Blue Water is being run as a business. You are exchanging money. Nothing is being done to stop it. Dave has tried to help us numerous times it is out of control. There are 6 homes that surround this home. We are all full-time residents. We get up for work and school. They disobey the ordinance because the renters don't even know the ordinances. Last summer when there was a ban to burn we had a fire in the field behind us if the field goes up in fire then so do all 6 homes. You can say that we control our guest and someone checks on our guests but they are out of control and they are here for one reason and that is to have a good time. We have had to deal with drunk and disorderly. The sheriff has had to go to that home 4 times this summer twice on the same group of renters. They come on Thursday and leave on Sunday and sometimes on Monday. These people come into our little area, these people are complete strangers to us. We have no idea who any of these people are. Two highly intoxicated young men were hanging around our 90 year old neighbor's property. She deserves better. Everyone on the Peninsula deserves better. We are losing the Peninsula to greed. Something does need to be done. I would like higher fines and maybe jail time.

**Harold Edmonson, 12414 Center Rd., Traverse City, MI 49686;** I kind of like the concept of Air B&B, but I don't like to hear what these ladies are saying. I followed a car a few weeks ago that had clearly come from a winery. I am a 4<sup>th</sup> generation farmer been here all my life and I am 67 years old. This Peninsula is out of control. Are we going to allow someone to get killed? There is no control I have asked Township Officials time and time again on clear violations. There is no motivation to do anything. I like Air B&B it gives people a chance to make a little money. Like the other night regarding the 81 meeting. You can come up with all these restrictions and fines if you need to. I have not heard a peep on Louie Santucci's Air B&B over there.

**Mary Joe McClane, 1709 Alpine Dr., Traverse City, MI 49686;** I run an Air B&B at my house it is just myself and my daughter with Down Syndrome. I limit is to two guest and I have very restrictive house rules that they have to abide by. The guests as well as the host have to be accountable because you do get graded. Bad reviews are posted. I got the idea from my son in Tennessee that runs 2 Air B&B's and I have a son in medical school that rents out his apartment on the weekends. I don't allow children at mine, it is an adult retreat. They have to be responsible, no parties, they know that I am there on site. They are home in bed before I am they come in at 10:00 and they are quiet. I moved up here 7 months

ago. I sold real estate for Remax. I needed something to subsidize my income. I just had this dream of moving to the Peninsula. In order for me to keep that house I need to offset my income with my Air B&B income. I have been doing this for 3 months and I have had 35 couples come through, the last just this past weekend. They write wonderful reviews, I have a guest book for them to sign. They tell me all about the adventures they have, they are not all here just to party. A letter goes out a couple of days prior to them coming out. I give recommendations to the guest to different places for them to go and visit while here on the Peninsula. Here on the Peninsula and in the Township rules the way that I read it before I purchased the property, I made sure that I read the guidelines because I am in real estate I do that. It sounds like it is okay to rent a room as long as you live on the property. Unless I read it incorrectly but I did confirm it with my broker.

**Kurt Peterson, 1356 Bucken Dr., Traverse City, MI 49686;** Saturday night I gave a couple a ride home the were staying at Mary Joe's Air B&B. I too feel real responsibility to this Peninsula I want to protect it as well. Stated properties for sale around the Peninsula. I too am a part of this group for responsible home sharing. My wife and I do Air B&B and we are present. Air B&B has many different forms it is whole house rental or partial home rental. We are present when our guests are here and we have been doing this since 2015. We are totally legal in following the ordinances and with regards to our principle residence exemption with the State of Michigan. We are also legal as far as we are not classified as a B&B. We make recommendations to our guests as to the businesses on the Peninsula we also buy local wines and products. Everybody has been wonderful. The model that does not work is when the homeowner is absent, but the process that does work is when the owner is present. Read regulations from Minneapolis and the regulations being imposed in that area. I hope that I will not be under any new regulations for renting a shared Air B&B home.

**Gussie Peterson, 1356 Bucken Dr., Traverse City, MI 49686;** I am just shocked with the stories that I am hearing tonight. For us having an Air B&B has been a great experience.

**John Dolton, 10862 Eagles Landing Dr, Traverse City, MI 49686;** I have a question for the Commission. I heard at the beginning of this that rentals less than 30 days are not permitted or that if you have a B&B you are required to have a Special Use Permit. I am hearing a number of you saying that you are running Air B&B's does that mean you have Special Use Permits? **Kurt Peterson;** No. **John;** What is the current law? **VanDenBrand;** We are enforcing Air B&B's when we find them and we currently do not recognize anything less than 30 consecutive days as a legal rental. **John;** It just seems to me that the concerns that these ladies have would not occur if there was enforcement of the current ordinance.

**Gordon Liechti, 2460 Neahatawanta Rd., Traverse City, MI 49686;** I moved here from California, I love the Peninsula. I moved from an area where people were living on top of each other, a lot of noise and drunks. I do not have any issues with B&B's if someone is there and managing the place keeping a watch on the guest coming and going. What I see are more and more weekly rentals where bonfires and parties are going on all night long. This issue is getting worse and worse so where I draw the line are these weekly rentals. If the B&B's are being managed properly then I don't see an issue. It might be good to have rules and regulations as long as the owner is there. You have to be respectful of your neighbors. We have Dave, who does not have enough authority to stop these Air B&B rentals. Sometimes we will see 26 cars at a rental or 13 tents on the beach. It is the weekly rentals that we are seeing the issues with. We need the Planning Commission to establish the rules and then make them enforceable. You have to give the Code Enforcement Officer the authority to enforce these rules.

**Monnie;** Are the owners present? **Gordon;** the owners are not present. Outlined times when cleaning people come in and that the owners are very rarely present.

**Jane Boursaw, 12875 Bluff Rd., Traverse City, MI 49686;** Just another question for reporting purposes, I am the Owner of the Old Mission Gazette and I have been reporting on these meetings. Running this Air B&B's is really not legal right? **Kurt;** No, it is, our particular model is, but I don't think that we need to go into the legalities tonight. **Jane;** I just wondered as you have mentioned that anything less than 30 days does not comply with the ordinance. **VanDenBrand;** Correct **Meihn;** We are going outside of the work meeting here so I would like that to stop. Whether or not someone is doing it the right way or not is not what we are here to establish. We are here to find out if the concept of rentals, B&B or Air B&B's are appropriate. Your questions are good, but I do not want to have to have the Board respond to questions as it turns a workshop into a meeting which would mean that we would be in violation of the Open Meetings Act and I don't this to go that direction and the only reason. This is simply to get ideas as to what direction the Planning Commission should move forward in. This meeting is not a decisional issue on who is right or wrong only to gather information. I want to give these people the opportunity to express their concerns and that is what we are here tonight for.

**Daniel Olin, 13259 Blue Shore Dr., Traverse City, MI 49686;** My first point is enforcement for these things can be problematic if the person isn't honest or responsive. One of the things that I have noticed is that the people that are for it, want to participate in that business not people that live next to them. What happens when the host does not follow the rules like these people? If you allow X number of days per month to rent a room how do you know if they exceed that amount of time? The guest and host can give themselves a rosier picture than what is actually happening because the guest and host rate each other. What is to stop a commercial business from purchasing residential properties and turning them into a business. We have rules in the association with shared frontage the host sell the shared frontage as an amenity to their business.

**Michelle Steffens, 13259 Blue Shore Dr., Traverse City, MI 49686;** Where are the business owners, the wineries. The people that are here tonight are the people that are profiting from it and suffering from it. Some might be okay to invite men that they don't know to come stay the night with their children but I am not okay with that being next door to my 12 year old and someone else should not get to make that choice for me. In our case they say that they are there and they are not. How can we prove that someone that doesn't care to be honest now is not going to be any more honest when you meet them halfway. Our neighbor has made it clear that she does not care what we think or how we feel. Referenced different cities and some of the rules and regulations. Why can't people that want to do this comply with the B&B ordinance and have some accountability and follow the rules.

**Sandy Floraday, 13617 Bluff Rd., Traverse City, MI 49686 ;** You have an ordinance in place for 30 days or less. People are violating this ordinance and I do not understand why it is so difficult to enforce. I do not understand why we even have to have a discussion regarding this issue. It should be enforced. Dave Sanger is doing all he can to continue to enforce the ordinance. These are being run as a business there are places that have gone through the process to have a B&B that are compliant. It needs to be stopped.

**JoAnne Westphal; 12414 Center Rd., Traverse City, MI 49686:** Air B&B's are erosion to the community base that makes up the Peninsula. The erosion comes when owners fail to occupy their homes and

open them up to non-family members and guest with no responsibility to their neighbors and community. We have paid a lot of money to protect the open land and farm space and cultural ambience of the Peninsula. Is there anything in this modern digital age that enhances what we have done here. Air B&B is an ideal concept opportunity that started in large metropolitan areas such as San Francisco, Salt Lake City, L.A., Minneapolis and New Orleans, who is supporting and promoting this illegal activity in our community. Recent arrivals that came here for its beauty and solace and then decide to make money on this advantage. Why has the Bay View Association of Petoskey founded in 1883 been so successful in maintaining its identity and integrity of its Association. It is because families in the Association have bought into the rules and regulations that were established in the late 1800's when the Association was created. These rules and regulations have been bought by every generation and every family that is a part of that Association. It is longevity in a community that allows the integrity and the ambience of that community to continue on despite the on slot of new modern conveniences and economic generators that come about because of technology. Ownership is the key. The most successful Air B&B will have the owners there 24-7. The least successful are the ones that are simply turn key. There is not a single person that has traveled through Petoskey and does not know where the boundary for the Bay View Association exist because the architecture and the sense of place is absolutely overwhelming and cannot be denied. It is a crown jewel in the historic preservation arena in Michigan. Old Mission Peninsula is the same type of place if we continue to protect the very unique things that are a part of this place. We have one sheriff that comes out here to maintain law and order. It is mayhem on Saturdays and Sundays during the fall when wine season and harvest season is in full production. If we have these ordinance we have to be able to enforce them it is the only way that it will work and protect our identity out here.

**Dave Edmonson;** Our ordinance says that less than 30 day rentals are not allowed. What is stopping that from being enforced? There is no enforcement. How is Air B&B's being allowed to operate where are people coming up with the perspective that they are allowed to do it? If you are going to make changes then allow enforcement to take control.

**Mary Joe McClane;** I was not aware of this meeting. It was suggested to me by the Manager at Bower's Harbor that I attend. I live in the house so I am present. There are just a select few that should be monitored and taken care of. Please don't condemn the rest of the Air B&B's that are responsible.

**Louis Santucci;** talked about law enforcement and the need for people having issues with noise and complaints to follow up with enforcement. Open discussion regarding law enforcement duties and obligations to the community.

**Nancy Heller, 309 Blue Water Rd., Traverse City, MI 49686;** We are paying the Grand Traverse County Sheriffs Department for the law enforcement coverage; the public could ask for some of that enforcement to take place. Enforcement is not an instant; thing there are procedures you have to follow the law. All of us want instant gratification. If you talked about enforcement with the Peninsula Township people that work in enforcement you would get an education as a lot of the things that they try to enforce and the Prosecutor won't enforce. We need to educate ourselves on the law and work from there. **Meihn;** Do you guys think that it would be a good idea for us to bring the Sheriff in at some point to discuss the laws do you think that would be beneficial? **Public;** Yes.

**Michelle Steffens;** I would ask for you to clarify the ordinance language that you need a B&B SUP to do any rentals for less than 30 days. You also need to define occupancy as being physically present. At the moment you find that the property is rented between 5pm and 7am. I would ask for you to make it easier to enforce the ordinance to eliminate the cat mouse games. Enhance the fines to \$1,000.00 for a first offense, \$5,000 for a second and \$10,000 for a third along with a misdemeanor charge violation.

**Sandy Floraday;** there is an ordinance in place that needs to be enforced. Enforce what you have. If you want to rent a room then you should have a license to do so.

**Wunsch;** what I hear is that we need to have better enforcement in the event that there is a nuisance. If it is an owner occupied structure then it doesn't seem to be a problem. **Westphal;** you need to look at where the issues are. They do not seem to be occurring on Ag land or where the owners are present. You will have to look at everything from the landscape, landforms and acreage limits. The issue is how do we deal with the individuals that are not in their homes renting the property.

Dan; requiring people to use the existing ordinance as it is today requiring people to use the B&B permit process. There is a concern of the over use of the septic on the property.

**Monnie;** We in the resort association don't have the problem. I don't see the other associations don't have the leverage that we have. This goes back to the historical past and past practices. This becomes an issue on the neighborhood when you have a huge turnover in one house. **Lechtti;** I have seen 20-26 cars in a driveway at a time. I think that anything less than 30 days has to be enforced. I don't get the sense that the Code Enforcement officer has the power to enforce shutting these down. Funnel the people to the B&B on the Peninsula. **Sanutucci;** Acme Twp has set up registry; I would be in favor of a registry to start with. I would like to have the least amount of regulations as possible. Loosen up the rules on B&B and limit the amount of regulations. As an Air B&B operator, I would be happy to have a guest book and registry. I think the people that are renting those houses are not on Air B&B but rather VRBO as you will attract more people looking for that kind of place on VRBO. **Floriday;** the current home that I am dealing with was on Air B&B. What this boils down to is that when you give people an inch they will take a mile. They don't have to deal with the ordinances as they are written. **McClain;** they need to get rid of the bad eggs. The 30 day rule, it was my understanding that if you live in your home then you are allowed to rent out a room as a tourist room. The 30 day rule was more for a vacant home. Mine is just one bedroom that is highly monitored as I live there with only one car as they come as couples. We thrive on tourism to get people here to enjoy the Peninsula and the events that happen here.

**John;** we do have certain regulations we should find a way to communicate those rules and regulations to new comers in this area.

**Michelle;** The B&B ordinance as it is written is okay. We do not need to make it shinier you need to define occupancy and make it easier to enforce and enforce it. As soon as you open the door and loosen the rules on it then everybody is grandfathered in. Enforcement is kind of like riding a bike, do one the next one is easier. Get a system going and don't be afraid to litigate. **Westphal;** there are other forms of rental that are on the horizon than Air B&B.

**Santucci;** come up with a committee on where we go on the issues of short term rentals. We have a common interest in making the Peninsula a better place.

Alan Couture: Moved to close public comments. Comments from the Board:

Wunsch; My one comment would be that we need to work with the Board and staff to determine where we go from here.

Motion to adjourn: Motion by Wunsch / 2<sup>nd</sup> by Peters  
Meeting adjournment: 8:50 pm

**Recording Secretary: Christina Deeren**