VILLAGE OF STEVENSVILLE BERRIEN COUNTY, MICHIGAN ORDINANCE NO. _ 0 6 0 5 2 3 - 2

AN ORDINANCE TO AMEND SECTIONS 1.04, 3.02, 4.02, 5.02, 6.02, 7.02, 8.02, AND ADD A NEW SECTION 17.05 TO THE VILLAGE OF STEVENSVILLE ZONING ORDINANCE TO DEFINE AND REGULATE OWNER-OCCUPIED SHORT-TERM RENTAL UNITS AND INVESTOR-OWNED SHORT-TERM RENTAL UNITS AS DISTINCT ZONING USES

Section 1. <u>Additional Definitions</u>. Section 1.04 of the Village of Stevensville Zoning Ordinance is amended to add the following definitions into the appropriate subsections so that the list of definitions in Section 1.04 as a whole remains in alphabetical order:

SHORT-TERM RENTAL UNIT— A dwelling unit for rent in part or in its entirety for less than 30 consecutive days per occupant. Short-term rentals must be registered in compliance with Article V, "Rental Units" of Chapter 6, "Buildings and Building Regulations" of the adopted Code of Ordinances of the Village of Stevensville.

SHORT-TERM RENTAL UNIT, INVESTER-OWNED — A short-term rental unit that is not the principal residence of the owner, meaning that it is a location where the owner does not reside for at least half of the year. If the unit has not been issued a personal residence exemption issued by the Village Assessor, there shall be a rebuttable presumption that it is investor-owned for purposes of this ordinance. A zoning use which consists of 5 or more units on a single lot that are rented on a short-term basis shall be deemed to be and must be approved as a hotel or motel.

SHORT-TERM RENTAL UNIT, OWNER-OCCUPIED — A short-term rental unit that is the principal residence of the owner, meaning the location where the owner resides for at least half of the year. If the unit has a personal residence exemption issued by the Village Assessor, there shall be a rebuttable presumption that it is owner-occupied for purposes of this ordinance.

OWNER — Any person, agent, firm, partnership, or other entity recorded in the official records of the state, county or village as holding title to the property; or otherwise having control of the property, including the guardian of the estate of a person. In situations where the record title holder is a trust, corporation, limited liability company, or other similar legal entity, the term "owner" shall also refer to natural persons with control or partial control over such entity who occupy or manage the property in question, e.g., a trustee, designated corporate representative, and members and managers of a limited liability company.

Section 2. Other Changes to Definition Section. Section 1.04 of the Village of Stevensville Zoning Ordinance is amended so that the definitions of "dwelling or dwelling unit" and "hotel or motel" read as follows, and so that the definition of "short-term rental" is deleted.

DWELLING OR DWELLING UNIT — A building or portion thereof that is used exclusively for human habitation and which provides complete living facilities, including permanent provisions for sleeping, eating, cooking and sanitation.

HOTEL or MOTEL — An establishment containing 6 or more units designed for use by transients or travelers or temporary guests. The units provided may include a kitchen, maid service, laundering of linen used on the premises, telephone and secretarial or desk service, meeting rooms, restaurants, cocktail lounges, and other ancillary uses.

Section 3. <u>Amendments</u>. Sections 3.02, 4.02, 5.02, 6.02, 7.02, and 8.02 of the Village of Stevensville Zoning Ordinance are amended to read as follows:

Sec. 3.02. Permitted Uses (R1)

The following uses shall be permitted by right:

- 1. Accessory buildings and uses
- 2. Dwellings, single-family
- 3. Home occupations
- 4. Owner-occupied short-term rental units*
- 5. Public and quasi-public uses
- 6. State licensed residential facilities (1-6 persons)

*Note - Investor-owned short-term rental units are prohibited in the R1 District except when existing as a lawful nonconforming use and operating in compliance with the regulations in Section 17.05.

Sec. 4.02. Permitted Uses (R2)

The following uses shall be permitted by right:

- 1. Accessory buildings and uses
- 2. Dwellings, single-family
- 3. Dwellings, two-family
- 4. Home occupations
- 5. Owner-occupied short-term rental units*
- 6. Public and quasi public uses
- 7. State licensed residential facilities (1-6 persons)

*Note - Investor-owned short-term rental units are prohibited in the R2 District except when existing as a lawful nonconforming use and operating in compliance with the regulations in Section 17.05.

Sec. 5.02. Permitted Uses (R3)

The following uses shall be permitted by right:

- 1. Accessory buildings and uses
- 2. Dwellings, multiple-family
- 3. Dwellings, single-family
- 4. Dwellings, two-family
- 5. Home occupations
- 6. Owner-occupied short-term rental units*
- 7. Public and quasi public uses
- 8. State licensed residential facilities (1-6 persons)

*Note - Investor-owned short-term rental units are prohibited in the R3 District except when existing as a lawful nonconforming use and operating in compliance with the regulations in Section 17.05.

Sec. 6.02. Permitted Uses (R4)

The following uses shall be permitted by right:

- 1. Accessory buildings and uses
- 2. Home occupations

- 3. State licensed residential facilities (1-6 persons)
- 4. Manufactured homes, when located within an approved manufactured home park
- 5. Owner-occupied short-term rental units*
- 6. Public and quasi public uses

*Note - Investor-owned short-term rental units are prohibited in the R4 District except when existing as a lawful nonconforming use and operating in compliance with the regulations in Section 17.05.

Sec. 7.02. Permitted Uses (C1)

The following uses shall be permitted by right:

- 1. Accessory buildings and uses
- 2. Breweries or wineries
- 3. Child care facilities
- 4. Financial institutions
- 5. Gas stations
- 6. Hospitals
- 7. Hotels and motels
- 8. Live/work
- 9. Medical clinics
- 10. Mixed use developments
- 11. Owner-occupied short-term rental units or investor-owned short-term rental units, but only when operated in dwelling units allowed by right in this district (e.g., residential units over retail) or in lawfully nonconforming dwelling units
- 12. Personal service establishments
- 13. Photography studios and art galleries
- 14. Places of public assembly
- 15. Professional offices
- 16. Professional service establishments
- 17. Public uses
- 18. Open air businesses
- 19. Residential over retail
- 20. Resorts
- 21. Restaurants
- 22. Retail establishment
- 23. Vehicle sales facilities
- 24. Vehicle wash facilities

Sec. 8.02. Permitted Uses (C2)

The following uses shall be permitted by right:

- 1. Accessory buildings and uses
- 2. Hotels and motels
- 3. Medical clinics
- 4. Mixed use developments
- 5. Owner-occupied short-term rental units or investor-owned short-term rental units, but only when operated in dwelling units allowed by right in this district (e.g., residential units over retail) or in lawfully nonconforming dwelling units
- 6. Personal service establishments
- 7. Photography studios and art galleries
- 8. Places of public assembly
- 9. Professional offices
- 10. Professional service establishments
- 11. Public and quasi-public uses
- 12. Residential over retail
- 13. Restaurants
- 14. Retail establishments

Section 4. <u>Addition</u>. Section 17.05 of the Village of Stevensville Zoning Ordinance is added to read as follows:

Sec. 17.05. Nonconforming investor-owned short-term rental units.

- 1. Nonconforming short-term rental units permitted. Investor-owned short-term rental units that existed in the R1, R2, R3, and R4 zoning districts and were registered under Chapter 6 of the Code of Ordinances as of June 5, 2023, the effective date of the amendment creating this section, may be continued as nonconforming uses so long as they conform to the regulations provided herein.
- 2. Regulations. Notwithstanding any other provision of this ordinance:
 - A. The ability to operate a nonconforming investor-owned short-term rental unit is not impaired by the making of modifications, improvements, or repairs to the structure or land where the use is located.
 - B. The ability to operate a nonconforming investor-owned short-term rental unit is not impaired by any transfer of ownership or control of the property, unless the right to continue operating a short-term rental unit is later deemed abandoned by the new owner subsection 2.C. below. New owners are responsible for obtaining rental permits in accordance with the processes provided in Chapter 6 of the Code of Ordinances.
 - C. An investor-owned short-term rental unit shall be considered abandoned if:
 - 1) The rental permit for the property expires, terminates, or becomes invalid, and a new rental permit or renewal permit is not obtained within the later of: (i) 12 months from the expiration, termination, or invalidation; or (ii) in cases where the rental permit has been revoked, 6 months from the date when the permit is restored.
 - 2) The owner uses the unit as an owner-occupied short-term rental for a period of at least 12 months.

3) The structure in which the short-term rental unit is located is removed, demolished, or damaged to such an extent that it could not be restored pursuant to Section 17.04, Subsections 4 and 5 if it were a nonconforming structure.

Section 5. Effective Date. This ordinance shall become effective either 20 days after adoption or upon publication, whichever occurs later.

YEAS: Binkley, Peters, Schewe, Wenger NAYS: None ABSTAIN: None ABSENT:

Mason, Patterson, Steinberger

CERTIFICATION

As the duly appointed Clerk of the Village of Stevensville, Berrien County, Michigan, I certify this is a true and complete copy of an ordinance adopted by the Stevensville Village Council at its meeting of June 5, 2023.

PC Hearing:

June 1, 2023

Adopted:

June 5, 2023

Published:

June 15, 2023

Effective:

June 25, 2023