

**BIRMINGHAM CITY COMMISSION
SPECIAL MEETING AGENDA
WORKSHOP
VIRTUAL MEETING ON ZOOM
MONDAY, JUNE 14, 2021
MEETING ID: 655 079 760
6:30 P.M.**

WORKSHOP SESSION

This will be considered a workshop session of the City Commission. No formal actions will be taken. The purpose of this workshop is to participate in a discussion regarding Short Term Rentals.

I. CALL TO ORDER

(6:30PM)

Pierre Boutros, Mayor

II. ROLL CALL

Alexandria Bingham, City Clerk

III. PRESENTATION & DISCUSSION

Introduction – Tom Markus, City Manager

A. Presentation

1. Current Statistics for Rental Properties in Birmingham
2. Birmingham's Current Regulations for Rental Properties
3. Allowable Regulations

B. Discussion

1. What specific concerns does the Commission have about Short Term Rentals?
2. What additional regulations, other than what is already in place, should be implemented to address the specific concerns the Commission has about Short Term Rentals?
3. What are the advantages, or disadvantages, in regulating Short Term Rentals?

IV. PUBLIC COMMENT

V. ADJOURN

This meeting is open to the public and the public is welcome to attend.

PLEASE NOTE: This meeting will be held virtually on Zoom.

NOTICE: Individuals requiring accommodations, such as mobility, visual, hearing, interpreter or other assistance, for effective participation in this meeting should contact the City Clerk's Office at (248) 530-1880 (voice), or (248) 644-5115 (TDD) at least one day in advance to request mobility, visual, hearing or other assistance.

Las personas que requieren alojamiento, tales como servicios de interpretación, la participación efectiva en esta reunión deben ponerse en contacto con la Oficina del Secretario Municipal al [\(248\) 530-1880](tel:248-530-1880) por lo menos el día antes de la reunión pública. (Title VI of the Civil Rights Act of 1964).



CITY COMMISSION WORKSHOP PROTOCOLS

WORKSHOP PURPOSE

- Workshops are for seeking deeper levels of understanding in order to make informed decisions in the City's best interest. While discussion is encouraged, debate and advocacy will be discouraged in this forum.
- No formal decisions will be made in a workshop session, decisions must be made in regular City Commission meetings.

WORKSHOP ROUTINES

- The Mayor will open the workshop meeting.
- The City Manager will give an overview of the workshop. This may include introducing the topic, objectives and pacing, as well as reminders of expected conduct as needed.
- City Staff and Guest Speakers will prepare and present a series of short informative modules throughout the workshop framed around the big questions on the topic for the City Commission to explore.
- After each informative module the City Commission will have time to discuss the essential question or big idea for the topic at hand.
- The Mayor will call for public comment at the end of the workshop to make sure the City Commission has as much time as possible throughout the workshop to learn, explore, discuss and hear the publics' thoughts as well.
- The workshop must end on time or hopefully a few minutes early to allow for a quick break as the regular City Commission Meeting must start on time.

WORKSHOP CONDUCT

- Start on time and end on time.
- Cell phones must be on mute, no outside or behind the scenes communication on the content is permitted.
- Stay focused on the topic or question at hand.
- Actively listen and participate in discussion.
- Attack the issue, not the person.
- Maintain an open and positive mindset, explore multiple perspectives, and discuss potential outcomes.
- Workshops are not a place to argue or set policy. Formal decisions can only be made at the regular City Commission meeting, not during a workshop.
- Public comment is to be heard, not responded to.

ADOPTED BY RESOLUTION ON FEBRUARY 8, 2021

- Resolution #02-028-21
- Motion by Commissioner Baller, Second by Mayor Pro Tem Longe
 - 7 Ayes, 0 Nays

CITY OF BIRMINGHAM SHORT TERM RENTAL WORKSHOP

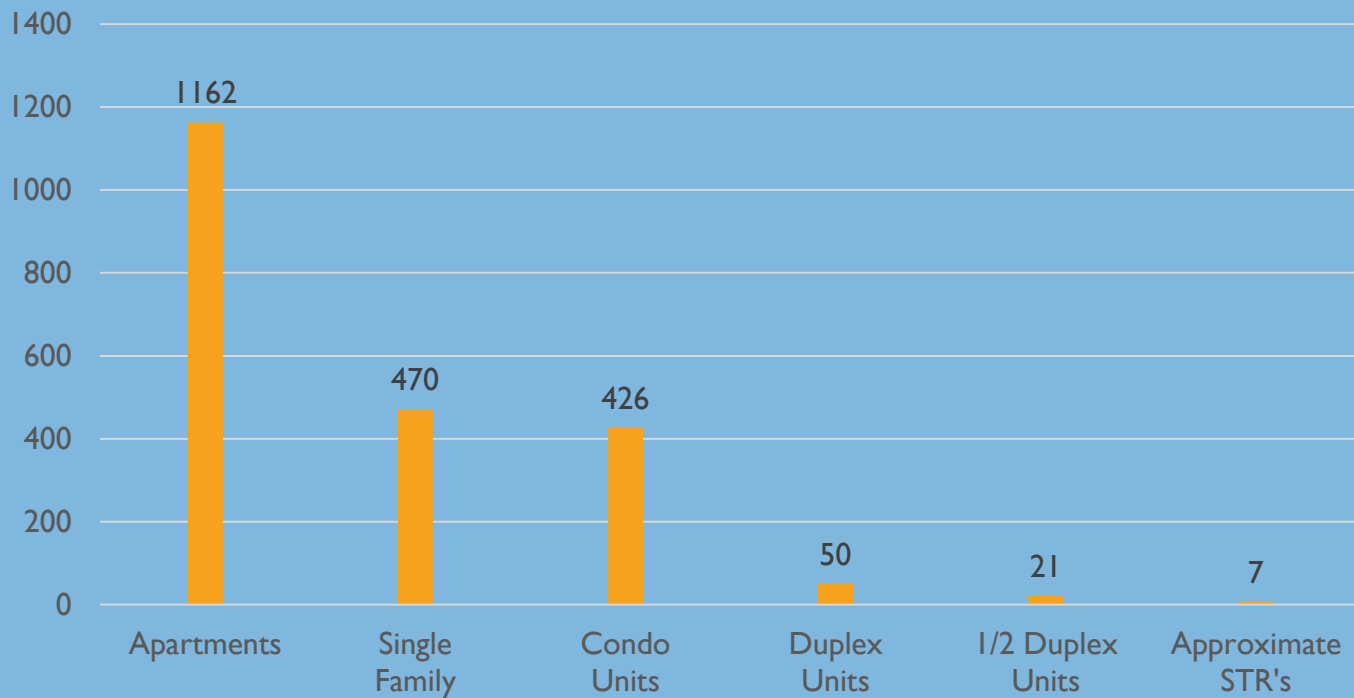
Monday, June 14, 2021

WORKSHOP OUTLINE

- Current Statistics for Rental Properties in Birmingham
- Birmingham's Current Regulations for Rental Properties
- Allowable Regulations
- Discussion Questions

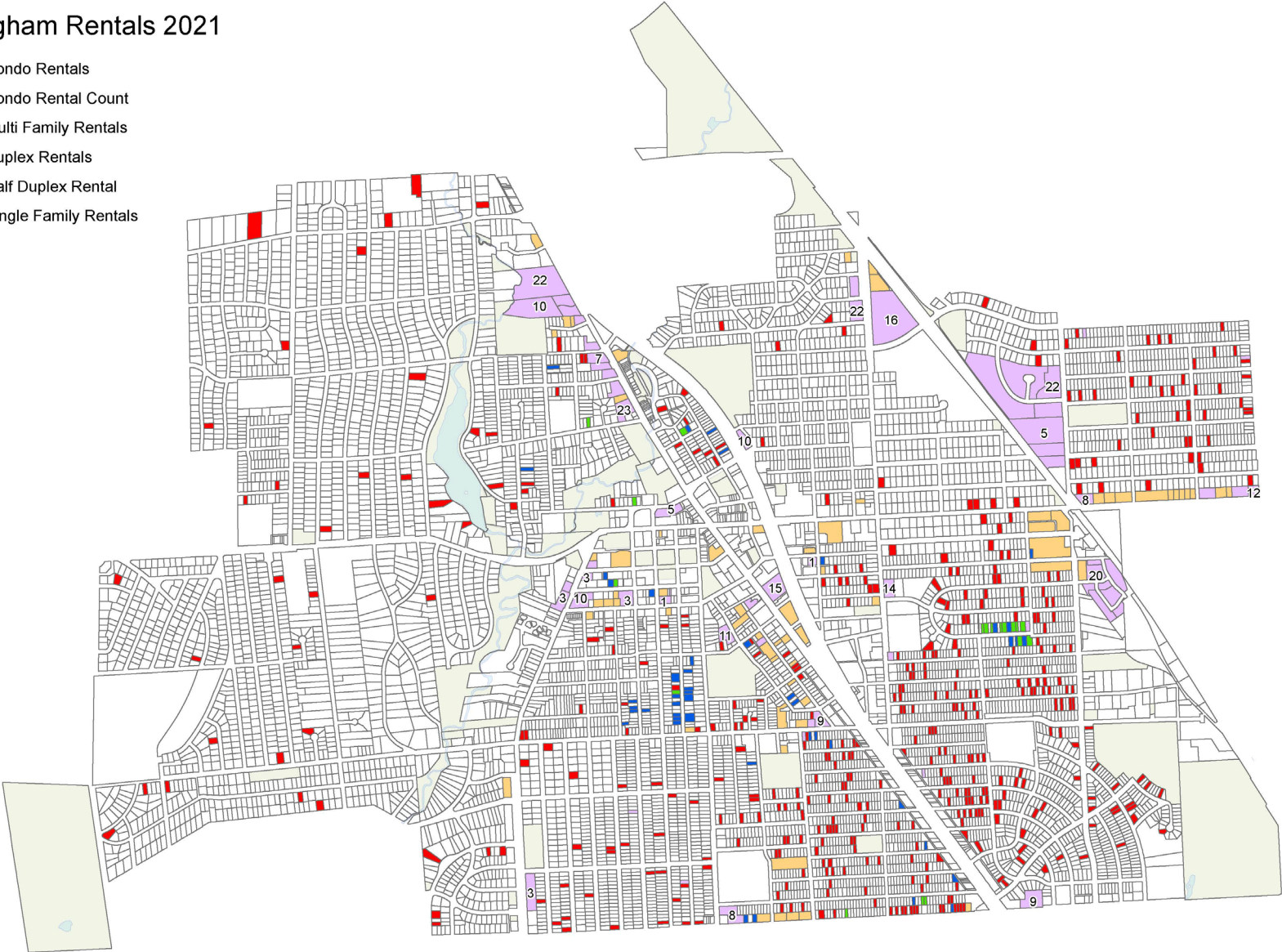
CURRENT STATISTICS

Rental Dwelling Units



Birmingham Rentals 2021

- Condo Rentals
- (#) Condo Rental Count
- Multi Family Rentals
- Duplex Rentals
- Half Duplex Rental
- Single Family Rentals



CURRENT CITY REGULATIONS

Overview of the Current Rules for Rental Properties

- City Code Chapter 22 Division 4, License for Rented, Leased Premises
- Annual license required
- Maximum number of occupants is established
- Minimum parking space requirements
- Rental units are inspected every two years
- Property owners are responsible for maintenance
- Provisions for violations and penalties provided

ALLOWABLE REGULATIONS

Overview of laws regarding short term rentals

- Current law permits regulations for Short Term Rentals
- Pending legislation
- Additional regulations to address Short Term Rental situations

DISCUSSION QUESTIONS

- What specific concerns does the Commission have about Short Term Rentals?
- What additional regulations, other than what is already in place, should be implemented to address the specific concerns the Commission has about Short Term Rentals?
- What are the advantages, or disadvantages, in regulating Short Term Rentals?

DIVISION 4. - LICENSE FOR RENTED, LEASED PREMISES

Sec. 22-331. - Required.

No person shall rent or lease or offer to rent or lease a dwelling or a room in a roominghouse until either a temporary or annual license for such rental or leasing has been issued by the building official for the premises being rented or leased or being offered for rent or lease.

(Ord. No. 2070, 10-24-11)

Sec. 22-332. - Application.

Application for a license required by this division shall be made to the building official on such forms as may be prescribed therefor.

(Ord. No. 2070, 10-24-11)

Sec. 22-333. - Fee.

- (a) An application for a license shall be accompanied by such fee as set forth in the schedule of fees, charges, bonds and insurance.
- (b) There shall be no registration fee charged under this division for the calendar year in which a dwelling unit is constructed and a certificate of occupancy issued by the building department. Thereafter, all applicable fees under this article shall be due and payable.

(Ord. No. 2070, 10-24-11)

Sec. 22-334. - Temporary license.

After application for a license under this division, but prior to the time of issuance of the annual license, the building official may, at his discretion, issue without inspection of the premises, a temporary license until such time as a building official has inspected and determined whether or not the dwelling unit or room is in violation of any provision of this Code.

(Ord. No. 2070, 10-24-11)

Sec. 22-335. - Denial.

The building official shall not issue an annual license for any dwelling unit or room which is in violation of any provision of this article or where the proposed use of the building within which the dwelling unit is located is in violation of any provision of this Code.

(Ord. No. 2070, 10-24-11)

Sec. 22-336. - Issuance, expiration.

Temporary or annual licenses for leasing or renting of premises located within the city shall be issued by the building official. Each license issued by the building official, whether temporary or annual, shall terminate as of April 15 next following its issuance.

(Ord. No. 2070, 10-24-11)

Sec. 22-337. - Revocation.

The building official may revoke any license issued under this division, whether temporary or annual, prior to its expiration upon a determination that the licensed premises does not comply with all the provisions of this article or with all the provisions of this Code.

(Ord. No. 2070, 10-24-11)

Sec. 22-338. - Appeals.

Any person who has applied for a license and feels aggrieved by any decision of the building official may appeal such decision to the housing board of appeals.

(Ord. No. 2070, 10-24-11)

Sec. 22-339. - Maximum occupancy.

No annual license for the renting or leasing of a dwelling or a room in a roominghouse shall be issued unless the following occupancy requirements are met in full:

- (1) The property owner shall be the responsible party for all violations relating to the maximum number of occupants at a rental property;
- (2) At the time of application or renewal of a rental license, a maximum number of occupants for a rental property shall be established by the building official, or his designee. The maximum number of occupants established for a rental property shall be stated on the rental license;
- (3) The maximum number of occupants for which a rental property may be licensed shall be based upon the size and number of bedrooms as defined by the International Property Maintenance Code, as amended from time to time;
 - a. The minimum area for a one-occupant bedroom shall be 70 square feet;
 - b. The minimum area for bedrooms other than a one-occupant bedroom shall be 50 square feet per occupant;
- (4) A rental property shall comply with the, provisions regarding overcrowding as set forth in the International Property Maintenance Code, as amended from time to time;
- (5) The property owner shall provide to any prospective renter or lessee written notice of the maximum number of occupants, as established by the building official, for the dwelling or room in a roominghouse being offered for rent or lease. A copy of said notice shall be furnished to the building official or his designee upon written or verbal request;
- (6) Following the issuance of a notice and order of violation as described in section 22-343, if all violations are not corrected within the allotted time the building official may, at his discretion, issue a code violation ticket and/or revoke the rental license.

(Ord. No. 2070, 10-24-11)

Sec. 22-340. - On-site parking.

No annual license for the renting or leasing of a dwelling or a room in a roominghouse shall be issued unless the following on-site parking requirements are met in full:

- (1) The property owner shall be the responsible party for all violations relating to the required number of on-site parking spaces at a rental property;

- (2) A parking space shall meet the following criteria in order to satisfy the requirements of this section:
- Have a minimum length of 20 feet;
 - Have a minimum width of either the width of the existing driveway or nine feet, whichever is less;
- (3) Minimum parking requirements:
- For single-family or two-family residential properties, a rental property owner shall provide, at minimum, on-site parking spaces equal to two parking spaces for the first bedroom and one parking space for each additional bedroom.
 - In no case shall fewer than two on-site parking spaces be required;
 - For the purposes of this section, an on-site parking space shall be defined as being located within the legal boundaries of the property for which a rental license is being sought and located in either a driveway or a garage that has unobstructed access to the driveway, the required parking space(s) shall not be otherwise obstructed by materials, debris, or use in a manner which prohibits its intended use for parking;
 - Provided that on-street parking is permitted, a maximum of one on-street parking space may be applied toward satisfying the minimum on-site parking requirements, all other required parking spaces shall be provided off-street;
 - For all other properties permitting residential uses, the provisions of chapter 126 shall apply;
- (4) The final determination regarding the location and minimum number of required on-site parking spaces shall be made by the building official or his designee, at the time of application or renewal of a rental license;
- (5) Following the issuance of a notice and order of violation as described in section 22-343, if all violations are not corrected within the allotted time the building official may, at his discretion, issue a code violation ticket and/or revoke the rental license.

(Ord. No. 2070, 10-24-11)

Sec. 22-341. - Inspections.

- The building official, or such persons as the building official may designate, shall make an inspection of the premises, either licensed under this division or for which a license has been applied for, at such times as he may deem desirable but not less often than every two years, or as described in section 22-342.
- By filing an application for a license under this division, an applicant shall be deemed to have consented to such inspections and, upon seven days' written notice, the building official may enter upon and inspect the premises at all reasonable times.

(Ord. No. 2070, 10-24-11)

Sec. 22-342. - Maintenance of rental property.

- The property owner shall be the responsible party for all violations relating to the maintenance of a rental property;
- The property shall be maintained in a manner consistent with the criteria set forth in the International Property Maintenance Code, as amended from time to time;
- At the discretion of the building official, a property with greater than ten violations of either this Code or the International Property Maintenance Code, as amended from time to time, during the 12-month period for which a rental license is effective may be inspected on annual basis for a period of three years, beginning with the subsequent year, as described in section 22-341;
- Following the issuance of a notice and order of violation as described in section 22-343, if all violations are not

corrected within the allotted time the building official may, at his discretion, issue a code violation ticket and/or revoke the rental license;

- (e) Nothing in this section shall prohibit the building official from declaring a property unsafe or unfit for human occupancy in accordance with the provisions set forth in the International Property Maintenance Code, as amended from time to time, and proceeding with the procedures set forth for condemnation.

(Ord. No. 2070, 10-24-11)

Sec. 22-343. - Notice and order of violations.

Any rented or leased premises found by the building official to be in violation of any section of this article and/or the International Property Maintenance Code, as amended for time to time, shall have a notice and order of violation sent to both the property owner and tenant of the property in accordance with the International Property Maintenance Code, as amended from time to time.

(Ord. No. 2070, 10-24-11)

Sec. 22-344. - Violations.

Violations must be corrected in accordance with the provisions of the International Property Maintenance Code, as amended from time to time. In addition to the sanctions provided for in the International Property Maintenance Code, as amended from time to time, the building official may, at his discretion, issue a code violation ticket and/or revoke the rental license if violations are not corrected within the allotted time.

(Ord. No. 2070, 10-24-11)

Sec. 22-345. - Removal of placard of notice of necessary repair.

No person shall remove, obscure or deface a placard from any structure which has been placarded as requiring necessary repairs under this division except by authority in writing from the building official.

(Ord. No. 2070, 10-24-11)

Secs. 22-346—22-355. - Reserved.

SENATE BILL NO. 446

May 13, 2021, Introduced by Senators NESBITT, ANANICH, SANTANA, MACDONALD, HOLLIER, BARRETT, BIZON and SCHMIDT and referred to the Committee on Regulatory Reform.

A bill to amend 2006 PA 110, entitled
"Michigan zoning enabling act,"
(MCL 125.3101 to 125.3702) by adding section 206b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 206b. (1) For the purposes of zoning, all of the
2 following apply to the rental of a dwelling, including, but not
3 limited to, short-term rental:

4 (a) It is a residential use of property and a permitted use in
5 all residential zones.

6 (b) It is not subject to a special use or conditional use

1 permit or procedure different from those required for other
2 dwellings in the same zone.

3 (c) It is not a commercial use of property.

4 (2) This section does not prohibit regulation applied on a
5 consistent basis to rental and owner-occupied residences for any of
6 the following:

7 (a) Noise, advertising, traffic, or other conditions, for the
8 prevention of nuisances.

9 (b) The number of persons that may occupy a dwelling.

10 (c) Inspections and inspection fees.

11 (d) Taxes otherwise permitted by law.

12 (3) As used in this section, "short-term rental" means the
13 rental of a single-family residence, a dwelling unit in a 1-to-4-
14 family house, or any unit or group of units in a condominium, for
15 terms of not more than 30 consecutive days.

16 Enacting section 1. This amendatory act takes effect 90 days
17 after the date it is enacted into law.

**SUBSTITUTE FOR
SENATE BILL NO. 446**

A bill to amend 2006 PA 110, entitled
"Michigan zoning enabling act,"
(MCL 125.3101 to 125.3702) by adding section 206b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 206b. (1) For the purposes of zoning, all of the**
2 **following apply to the rental of a dwelling, including, but not**
3 **limited to, short-term rental:**

4 (b) It is a residential use of property and a permitted use in
5 all residential zones.

6 (b) It is not subject to a special use or conditional use
7 permit or procedure different from those required for other
8 dwellings in the same zone.

9 (c) It is not a commercial use of property.

1 (2) A local unit of government shall not adopt or enforce
2 zoning ordinance provisions that have the effect of prohibiting
3 short-term rentals.

4 (3) This section does not prohibit a zoning ordinance
5 provision that is applied on a consistent basis to rental and
6 owner-occupied residences and that regulates any of the following:

7 (a) Noise.

8 (b) Advertising.

9 (c) Traffic.

10 (d) The number of occupants in a dwelling.

11 (e) Any other condition that may create a nuisance.

12 (4) This section does not prohibit a local unit of government
13 from doing either of the following:

14 (a) Inspecting a residence for compliance with or enforcement
15 of an ordinance of the local unit of government that meets all of
16 the following requirements:

17 (i) Is for the protection of public health and safety.

18 (ii) Is not a zoning ordinance.

19 (iii) Does not have the effect of prohibiting short-term
20 rentals.

21 (b) Collecting taxes otherwise authorized by law.

22 (5) As used in this section, "short-term rental" means the
23 rental of a single-family residence, a dwelling unit in a 1-to-4-
24 family house, or any unit or group of units in a condominium, for
25 terms of not more than 30 consecutive days.

26 Enacting section 1. This amendatory act takes effect 90 days
27 after the date it is enacted into law.



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 446 (Substitute S-1 as reported)
Sponsor: Senator Aric Nesbitt
Committee: Regulatory Reform

CONTENT

The bill would amend Article II (Zoning Authorization and Initiation) of the Michigan Zoning Enabling Act to do the following:

- Specify that, for the purposes of zoning related to the rental of a dwelling, including a short-term rental, that use would be a residential use permitted in all residential zones and would not be subject to a special use or conditional use permit or procedure.
- Prohibit a local unit of government from adopting or enforcing zoning ordinance provisions that would have the effect of prohibiting short-term rentals.
- Specify that the bill would not prohibit regulation applied on a consistent basis to rental and owner-occupied residences for the prevention of nuisances, occupancy, inspections, and taxes.

Proposed MCL 125.3206b

Legislative Analyst: Christian Schmidt

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 6-1-21

Fiscal Analyst: Ryan Bergan

HOUSE BILL NO. 4722

April 27, 2021, Introduced by Reps. Lightner, Wozniak, Brann, Steven Johnson, Bezotte, Mueller, Hall, Borton, Roth, Filler, Cambensy, Green, Paquette, Beeler, Steckloff and Yancey and referred to the Committee on Commerce and Tourism.

A bill to amend 2006 PA 110, entitled
"Michigan zoning enabling act,"
(MCL 125.3101 to 125.3702) by adding section 206b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 206b. (1) For the purposes of zoning, all of the
2 following apply to the rental of a dwelling, including, but not
3 limited to, short-term rental:

4 (a) It is a residential use of property and a permitted use in
5 all residential zones.

1 (b) It is not subject to a special use or conditional use
2 permit or procedure different from those required for other
3 dwellings in the same zone.

4 (c) It is not a commercial use of property.

5 (2) This section does not prohibit regulation applied on a
6 consistent basis to rental and owner-occupied residences for any of
7 the following:

8 (a) Noise, advertising, traffic, or other conditions, for the
9 prevention of nuisances.

10 (b) The number of persons that may occupy a dwelling.

11 (c) Inspections and inspection fees.

12 (d) Taxes otherwise permitted by law.

13 (3) As used in this section, "short-term rental" means the
14 rental of a single-family residence, a dwelling unit in a 1-to-4-
15 family house, or any unit or group of units in a condominium, for
16 terms of not more than 30 consecutive days.

17 Enacting section 1. This amendatory act takes effect 90 days
18 after the date it is enacted into law.

**SUBSTITUTE FOR
HOUSE BILL NO. 4722**

A bill to amend 2006 PA 110, entitled
"Michigan zoning enabling act,"
(MCL 125.3101 to 125.3702) by adding section 206b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **Sec. 206b. (1) For the purposes of zoning, all of the**
2 **following apply to the rental of a dwelling, including, but not**
3 **limited to, short-term rental:**

4 (b) It is a residential use of property and a permitted use in
5 all residential zones.

6 (b) It is not subject to a special use or conditional use
7 permit or procedure different from those required for other
8 dwellings in the same zone.

9 (c) It is not a commercial use of property.



(2) A local unit of government shall not adopt or enforce zoning ordinance provisions that have the effect of prohibiting short-term rentals.

(3) This section does not prohibit a zoning ordinance provision that is applied on a consistent basis to rental and owner-occupied residences and that regulates any of the following:

(a) Noise.

(b) Advertising.

(c) Traffic.

(d) The number of occupants in a dwelling.

(e) Any other condition that may create a nuisance.

(4) This section does not prohibit a local unit of government from doing either of the following:

(a) Inspecting a residence for compliance with or enforcement of an ordinance of the local unit of government that meets all of the following requirements:

(i) Is for the protection of public health and safety.

(ii) Is not a zoning ordinance.

(iii) Does not have the effect of prohibiting short-term rentals.

(b) Collecting taxes otherwise authorized by law.

(5) As used in this section, "short-term rental" means the rental of a single-family residence, a dwelling unit in a 1-to-4-family house, or any unit or group of units in a condominium, for terms of not more than 30 consecutive days.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.



Legislative Analysis



SHORT-TERM RENTALS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4722 as introduced
Sponsor: Rep. Sarah L. Lightner
Committee: Commerce and Tourism
Complete to 5-17-21

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4722 would amend the Michigan Zoning Enabling Act to provide that the short-term rental a dwelling (for 30 days or less) is a permitted residential use of property that is not subject to a special use or conditional use permit or procedure.

Specifically, under the bill, all of the following would apply to the rental of a dwelling, including a *short-term rental*, for purposes of zoning:

- It is a residential use of property and a permitted use in all residential zones.
- It is not subject to a special use or conditional use permit or procedure different from those required for other dwellings in the same zone.
- It is not a commercial use of property.

Short-term rental would mean the rental, for up to 30 consecutive days, of a single-family residence, a dwelling unit in a one- to four-family house, or a unit or group of units in a condominium.

The bill states that it would not prohibit regulation applied on a consistent basis to rental and owner-occupied residences for any of the following:

- Noise, advertising, traffic, or other conditions, for the prevention of nuisances.
- The number of persons that may occupy a dwelling.
- Inspections and inspection fees.
- Taxes otherwise permitted by law.

Proposed MCL 125.3206b

FISCAL IMPACT:

House Bill 4722 would have an indeterminate, but likely negligible, fiscal impact on local units of government that regulate short-term rentals. Local units of government regulating short-term rentals presumably either prohibit them or charge a permit or licensing fee to cover the costs of regulation. Unless a local unit of government was levying permit or licensing fees in excess of actual regulatory costs, there would be no net fiscal impact for local units of government. There would be no fiscal impact on state government.

Legislative Analyst: Rick Yuille
Fiscal Analyst: Ben Gielczyk

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.