CITY OF BUCHANAN

COUNTY OF BERRIEN, STATE OF MICHIGAN ORDINANCE 2025.XX/XXX

THE CITY OF BUCHANAN ORDAINS THAT CHAPTER 14 BUILDINGS AND BUILDING REGULATIONS, ARTICLE IX, DWELLING UNIT REGISTRATION-GENERALLY OF THE CITY OF BUCHANAN CODE OF ORDINANCE IS HEREBY AMENDED BY ADDING THE FOLLOWING SHORT-TERM RENTAL ORDINANCE

ORDINANCE 2025,XX,XXX

Section 1: Purpose

The purpose of this ordinance is to protect and promote the health, safety and welfare of the City's residents, property owners, visitors, and neighborhoods by allowing short-term rentals (STRs) within the City under certain conditions and in certain zoning districts and establishing standards and regulations for the operation of the same.

- A. The City recognizes that tourism can provide economic development benefits in the form short-term rentals in the vacation rental marketplace. This marketplace has grown exponentially with the increasing use of online booking websites, and it will likely continue to grow as surrounding municipalities limit, restrict or eliminate the practice.
- B. While short-term rentals can provide community benefits, their proliferation in single-family neighborhoods can also cause difficulties where the character of the use takes on a more transitory and commercial character. Michigan courts have recognized that transitory and commercial uses are in tension with the traditional use of single-family dwellings.
- C. The City wishes to take a proactive position with the adoption of this ordinance to ensure that the operation of short-term rentals is done in a safe and beneficial manner for the well-being of all in the community. The character of residential zoning districts must also be protected and preserved.

Section 2: Intent

The intent of this ordinance is to protect and promote the health, safety and welfare of the City's residents, property owners, and visitors by licensing short-term rentals and establishing standards and regulations for the operation of short-term rentals. The City recognizes that short-term rentals may potentially promote tourism, increase property values, and provide valuable business opportunities for property owners. Also, absent reasonable regulation and enforcement, short-term rentals may potentially create conflicts with adjacent properties, degrade the residential character of neighborhoods, impact long-term housing availability, and create nuisance conditions. Therefore, the intent of this ordinance is to license and regulate short-term rentals in order to

promote responsible development of short-term rentals, maintain the City's status as a desirable tourist destination, address potential adverse impacts of short-term rentals, and preserve the character of the City.

Section 3: Definitions

For the purpose of this ordinance, the following definitions shall apply.

BEDROOM. A room intended for sleeping or placement of a bed, separated from other spaces in a dwelling unit by one or more functional doors. The following spaces, which must be included in every dwelling unit, do not qualify as bedroom: i) kitchens; ii) dining areas; iii) gathering spaces such as family rooms, dens, or living rooms; and iv) attics or basements without egress meeting standards in applicable building, residential, and fire codes. To count as a bedroom, a room must comply with applicable requirements for bedrooms and habitable spaces set forth in Chapter <u>3</u> of the Michigan Residential Code.

ENFORCING OFFICER. The City of Buchanan's Zoning Administrator or his or her designee.

LOCAL AGENT. An individual designated to: i) oversee the short-term rental of a rental unit in accordance with this chapter; ii) respond to calls from renters, concerned citizens, and representatives of the City; and iii) act as an agent of the owner with respect to a short-term rental unit, which shall include the authority to accept service of legal papers relating to the unit on the owner's behalf. Status as a Local Agent must be established by submitting to the City an original written document signed under notary by the Owner that specifically authorizes the Local Agent to carry out the duties described in this definition.

OCCUPANT. An individual who is living in, sleeping in, or otherwise having possession of a short-term rental dwelling unit. An individual present in a dwelling unit during the term of a short-term rental shall be presumed to be an occupant unless circumstances clearly indicate that the individual is visiting between the hours of 8:00 a.m. and 10:00 p.m. and will not stay overnight.

OFF-STREET PARKING SPACE. A parking space that is provided on the same lot as the short-term rental unit that satisfies the requirements to count toward the minimum parking calculation per the City Zoning Ordinance.

OWNER. A person who is the legal or equitable titleholder of the premises in question. In situations where the record titleholder is a trust, corporation, limited liability company, or other similar legal entity, the term "owner" shall refer to persons with control or partial control over such entity, e.g., a trustee, designated corporate representative, any and all members and managers of a limited liability company, etc.

SHORT-TERM RENTAL ACTIVITY. The rental of a dwelling unit for compensation for a term of less than one month. However, short-term rental activity does not include the following: transitional housing operated by a nonprofit entity, group homes such as nursing homes and adult foster care homes, hospitals, or housing provided by a substance abuse rehabilitation clinic, mental health facility, other health-care-related clinic, or dwelling units owned by a business entity and

made available on a temporary basis to employees of that business entity or employees of a contractor working for that business entity.

SHORT-TERM RENTAL TERM

The duration of a short-term rental occupancy by a given renter or group of renters. A rental term shall be deemed to end when there is a complete turnover in the occupancy of the dwelling unit.

SHORT-TERM RENTAL UNIT

A dwelling unit in which short-term rental activity is permitted to occur subject to the terms and conditions of this chapter and the City's Zoning Ordinance.

SHORT-TERM RENTAL UNIT PERMIT

A written document issued by the City indicating that the dwelling unit identified thereon is authorized to operate as a short-term rental unit in accordance with this chapter. When used in this chapter, the word "permit" refers to short-term rental permits. Short-term rental unit permits are not assignable or transferable to any parties by any means, including sale or other disposition of the Owner's premises. A short-term rental unit permit shall expire on the effective date of any sale or other disposition of the premises.

Section 4: Short-term rental permits: requirements, applications, and review procedure.

- A. Short-term rentals in the City are only allowed in the areas depicted in Map Exhibit 1 of this ordinance, City of Buchanan Short-Term Rental Map, except as noted below in Sub-Section B.
- B. Short-term rentals that were pre-existing uses and that operated prior to the adoption of Resolution 2025.03/12, A Resolution to Impose a Moratorium on the Registration of Short-Terms Rental Units in the City of Buchanan, are allowed to continue their operation regardless of their location under the provisions of this ordinance but shall otherwise comply with registration and permit procedures of this Ordinance.
- C. Permits required. All dwelling units used for short-term rental activity must be registered with and have a short-term rental unit permit issued by the City and must comply with any applicable provisions of the City's Zoning Ordinance.
- D. Application. To apply for a short-term rental unit permit, the owner(s) shall:
 - 1. Provide and certify as true the following on a form provided by the City:
 - a. The street address of the short-term rental unit, along with other identification if more than one short-term rental unit has the same street address.
 - b. The number of short-term rental units in the building, if more than one.
 - c. The number of bedrooms in each short-term rental unit.

- d. The number of off-street parking spaces provided on the lot that are reserved exclusively for occupants of the short-term rental unit. Valid off-street parking spaces include space in a garage, on an improved driveway, or in a carport.
- e. A statement certifying that the owner(s) consents to inspections by the City and that the owner(s) or local agent will make the dwelling unit available to inspections upon request.
- f. Such additional information as the City may require from time to time in an amended application form.
- 2. Sign the application form and provide the signature of the local agent. If the application form is signed by a local agent, documented proof of agency status as required in this ordinance must also be submitted with the application form.
- 3. Pay an annual administrative fee, as set forth by the City Commission.
- 4. Submit the property to an annual inspection for compliance with applicable codes and ordinances. Failure to satisfactorily complete an inspection shall be grounds for withholding a permit or deeming an existing permit to be immediately void.
- E. Permit issuance. To the extent permits are available in the pertinent zoning district at the time of the application, a short-term rental unit permit shall be granted after a successful inspection if the requirements in this chapter for short-term rental units and applications for a short-term rental unit permit are met.
- F. Validity and renewal. Short-term rental unit permits become invalid in each of the following circumstances:
 - 1. A permit expires one year from the date of issuance of the permit;
 - 2. A permit is terminated when the property to which the permit applies is conveyed to another party by sale or lease or any other form of conveyance under State or Federal law;
 - 3. A permit is terminated when revoked in accordance with provision of this ordinance.
 - 4. Short-term rental unit permits are not assignable or transferable to any parties by any means, including sale or other disposition of the Owner's premises. A short-term rental unit permit shall expire on the effective date of any sale or other disposition of the premises. A new owner of a property previously permitted for short-term rental by a prior owner must file a short-term rental permit application with the city no later than 365 calendar days following the effective date of any sale or other disposition of the premises.
- G. Delinquent payments. No permit shall be issued or renewed unless the owner is current on the payment of all real property taxes, utility rates, fees, charges, special assessments,

other ordinance violations and other amounts due to the City. Delinquencies on any such payments to the City, regardless of whether they relate to the rental unit for which a rental unit permit is sought, shall result in denial of the permit.

H. Changes in information. An owner or local agent shall notify the City in writing within 15 days of any change in the information provided on the application form. An owner of a short-term rental unit shall notify the City in writing within 15 days of any change in the designated local agent and shall submit the proof of agency status required by this Ordinance.

Section 5: Responsibilities of short-term rental operators.

The owner(s) and local agent for each short-term rental unit shall each be responsible for ensuring compliance with the following regulations, except where expressly provided otherwise:

- A. Local agent availability. During each short-term rental term, the local agent shall be available 24 hours per day, seven days per week, for the purpose of complaints regarding the condition, operation, or conduct of occupants of the short-term rental unit or their guests.
- B. Timely and effective response. The owner or local agent shall, upon notification that any occupant or guest of the short-term rental unit has created unreasonable noise or disturbances, engaged in disorderly conduct, parked vehicles in violation of this chapter, or committed any other violations of applicable laws, rules or regulations pertaining to the use and occupancy of the short-term rental unit, respond in a timely and appropriate manner to halt and prevent a recurrence of such violations.
- C. Reasonably prudent business practices. The owner and/or the local agent shall use reasonably prudent business practices to ensure that the occupants and/or guests of the short-term vacation rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate any applicable law, rule or regulation pertaining to the use and occupancy of the subject short-term vacation rental unit.
- D. Maximum occupancy; advertising regulations. Each short-term rental unit permit shall indicate the maximum occupancy for the unit. A Short-term rental unit shall not be advertised for an occupancy that is greater than the allowed maximum occupancy calculated pursuant to this section. Any advertisement posted on an online short-term rental platform must state the maximum occupancy.
- E. Reservation requirements. At least 24 hours prior to the commencement of a short-term rental term, the owner or the local agent shall:
 - 1. Obtain the contact information for at least one of the occupants who will be staying in the unit;

- 2. Inform the prospective occupants in writing of the maximum occupancy of the short-term rental dwelling unit; and
- 3. Inform the prospective occupants in writing of the number and location of offstreet parking spaces provided on the lot.
- F. Basement regulations. No basement can be used for a bedroom unless it has an egress window approved by the City inspector and found in compliance with local and state code requirements.
- G. Curbside refuse pickup. The owner or local agent must make provisions to have refuse picked up (curbside) at least once per week when the short-term rental unit is being rented. Where curbside pickup is not reasonably available, this requirement may be satisfied by provision of a communal dumpster available for use by occupants of the short-term rental unit.
- H. Renter turnover procedure. For short-term rental units, the owner or local rental agent shall, at least once per month, inspect the premises (or ensure inspection by a designee of the agent) using a City-designated checklist and shall ensure that all smoke detectors, carbon monoxide detectors, lights in common areas and stairways, egress doors, and railings are in a safe and working condition; any defects discovered shall be corrected promptly.
- I. Compliance with safety equipment requirements and applicable codes. All short-term rental units shall comply with the safety equipment requirements for all applicable zoning, construction, fire, and property maintenance codes, ordinances, or other regulations. A violation of any of the foregoing shall also be a violation of this section.

Section 6: Responsibilities of short-term rental occupants and guests.

- A. Street parking prohibited. No short-term rental occupant, nor any other guest visiting a short-term rental unit during a short-term rental term, shall park vehicles on public streets adjacent to the unit. Rather, the off-street parking spaces provided on the lot must be utilized, and any excess vehicles must be parked in public parking lots or other permitted off-site locations.
- B. Duty to comply with applicable laws. Short-term rental occupants and guests shall comply with the City's noise ordinance, fireworks ordinance, trash disposal ordinances, open burning regulations, applicable offenses against the public peace, and any other applicable ordinances or laws. A violation of any of the foregoing shall also be a violation of this section.

Section 7: Unauthorized rentals without a permit.

- A. Unauthorized rentals. It shall be unlawful to engage in short-term rental activity with respect to any dwelling unit that has not been issued a permit pursuant to this chapter. In any prosecution or action to determine a violation of this section, the following shall apply:
 - 1. Advertising that offers a property as a short-term rental home shall constitute prima facie evidence of short-term rental activity involving the property, and the burden of proof shall be on the property owner or other defendant to establish that the subject property has not been used for short-term rentals.
 - 2. Any communication in which a person offers a dwelling unit for rent for a term of less than one month shall constitute prima facie evidence of short-term rental activity, and the burden of proof shall be on the property owner or other defendant to establish that the subject property had not been used for short-term rentals.
- B. Unauthorized advertising. It shall be unlawful to advertise any dwelling unit that does not have a short-term rental permit issued pursuant to this section for rent for a period of less than one month. Such advertisement shall constitute a violation of this ordinance.

Section 8: Inspections.

- A. Scheduling. Upon written notice from the City, it shall be the owner's and local agent's responsibility to schedule and allow the City's inspection of the short-term rental unit. Inspections shall generally occur during the City's regular business hours, except in emergency situations or when otherwise agreed to by the City and the owner or local agent. All fees shall be paid prior to the inspection.
- B. Opportunity to correct deficiencies. If an inspection reveals that the short-term rental unit is not in compliance with this chapter or applicable codes, the owner(s) or local agent shall be provided a written list of deficiencies or violations that must be corrected. Failure to correct such deficiencies in a reasonable time shall be grounds for withholding a permit or voiding an existing permit.
- C. Additional inspections. The City may conduct additional inspections as it deems necessary, upon reasonable notice to the owner(s) or agent, such as when:
 - 1. A complaint is filed with the City; or
 - 2. The City otherwise has reasonable cause to believe a short-term rental unit is in violation of any City ordinance.
- D. Changes in conditions following inspection. The owner(s) or local agent shall notify the City in writing within 30 days if any of the items inspected pursuant to this chapter are altered after inspection by the City.

Section 9: Maximum occupancy calculation.

The number of occupants in a dwelling unit during a short-term rental shall not exceed the lesser of:

- A. Fourteen total occupants;
- B. Two occupants per bedroom plus two additional occupants per finished story meeting the applicable egress requirements for occupancy in the Michigan Construction Code

Section 10: Violations.

- A. Violations as municipal civil infractions. Any person who violates any of the provisions of this chapter is responsible and may be prosecuted for a municipal civil infraction in court of competent jurisdiction, subject to payment of a civil fine of not less than \$250, plus costs and other sanctions, for each infraction. Repeat offenses shall be subject to an increased civil fine as follows:
 - 1. The fine for any offense which is a first repeat offense shall not be less than \$500 plus costs and other sanctions.
 - 2. The fine for any offense which is a second repeat offense or any subsequent repeat offense shall not be less than \$1,000, plus costs and other sanctions.
 - 3. A repeat offense means a second (or any subsequent) violation of this chapter:
 - a. Committed by a person within any twelve-month period; and
 - b. For which the person admits responsibility or is determined to be responsible.
- B. Administrative notices in lieu of citations. As an alternative or initial remedy, the City may seek to obtain compliance with this chapter by issuing an administrative violation notice to the owner(s) and/or local agent for the unit to which the violation pertains. Each time a violation notice is issued, the owner(s) and local agent shall immediately cease the offending conduct or take corrective action to terminate the violation described. Each violation notice shall be served and contain the following information:
 - 1. The name of the responsible person(s);
 - 2. The Code section violated;
 - 3. The address where the Code violation occurred;
 - 4. A description of the Code violation;
 - 5. The names of the issuing department and enforcement officer.

Section 11: Short-term rental permit revocation.

- A. Grounds for revocation. The City may revoke the short-term rental permit for any short-term rental unit which is the site of at least three separate incidents within a thirty-six-month period (occurring on three separate days) constituting a violation of any provision of this chapter, whether committed by an owner, local agent, occupant or guest. In order to qualify as an incident for purposes of this subsection: 1) the City must have issued a civil infraction citation or administrative violation notice regarding the offending conduct prior to commencing revocation proceedings pursuant to Subsection B below; and 2) the violation must be either admitted by the owner or local agent or proven by a preponderance of the evidence in a civil-infraction prosecution in State Court or in a revocation hearing as provided in Section 13 below.
- B. Revocation procedure. Upon a determination by the City that the short-term rental permit is subject to revocation pursuant to Subsection A, the City shall serve a notice, pursuant to Section 11-12, to the property owner(s) and the local agent stating that the City intends to revoke the short-term rental permit. The notice shall inform the owner(s) and local agent of the date and time at which a revocation hearing will be conducted before a hearing officer, in accordance with Section 13. Determinations by the hearing officer regarding revocation shall constitute final orders of the City.
- C. Period of ineligibility following revocation. Upon revocation of a permit, a renewed short-term rental permit will not be issued for a period of 12 months, and the unit cannot be used for short-term rentals until a new permit is obtained.

Section 12: Service of notices.

Any notice issued pursuant to this chapter shall be considered served as of the date of the earliest of any of the following events:

- A. The posting of the notice on or adjacent to the premises, in conjunction with the mailing of the notice to the responsible party's last known address by first-class mail;
- B. The sending of the notice by email to an email address designated on the Rental Registration Form for the property;
- C. Personal delivery of the notice to the responsible party; or
- D. The responsible party's receipt of the notice by certified U.S. Mail, as indicated in a notification of receipt.

Section 13: Permit revocation and permit-ineligibility hearings.

The following standards and procedures shall apply in any permit revocation or permit-ineligibility hearing conducted under this chapter:

- A. Opportunity to be heard. Property owners and local agents shall be provided with the opportunity for a hearing during which they may be represented by counsel, present witnesses, and cross-examine witnesses. A request for a hearing must be made in writing and filed with the City Clerk no later than 30 calendar days after the date of the notice of permit revocation or permit ineligibility. Hearings shall be scheduled with reasonable promptness, provided that the property owner(s) and local agent shall be given at least 14 days after service of process to prepare for the hearing.
- B. Evidence. A hearing officer will be appointed by the City Commission. The hearing officer may admit and give probative effect to evidence of any type commonly relied upon by reasonably prudent persons in the conduct of their affairs. Irrelevant, immaterial, or unduly repetitious evidence may be excluded. Effect shall be given to the rules of privilege recognized by law. Objections to offers of evidence may be made and shall be noted in the record. Subject to these requirements, the hearing officer, for the purpose of expediting hearings and when the interests of the parties will not be substantially prejudiced thereby, may provide in an administrative hearing or by rule for submission of all or part of the evidence in written form.
- C. Burden of proof. The City shall have the burden of establishing that the grounds for permit revocation by a preponderance of the evidence. A decision and an order shall not be made except upon consideration of the record as a whole or a portion of the record as may be cited by any party to the proceeding and as supported by and in accordance with the competent, material, and substantial evidence. A written decision from the hearing officer shall be issued within 30 days of the hearing.
- D. Appeals to Circuit Court. Final determinations of the hearing officer shall be subject to judicial review in accordance with Article VI, § 28, of the Michigan Constitution in an appeal taken pursuant to Michigan Court Rule 7.123.

Section 14: Effective Date

Kalla Langston, City Clerk

This Ordinance shall become effective fifteen (15) days after its adoption and publication as required by Section 7.4 of the City Charter.
BY
MARK WEEDON, MAYOR
KALLA LANGSTON, CITY CLERK
CERTIFICATION, I hereby certify that the above is a true and complete copy of an ordinance adopted by the City Commission of the City of Buchanan, County of Berrien, State of Michigan, at a regular meeting held on 24th day of March, 2025, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 as required by said act.