



Planning Commission  
97 North Broad Street  
Hillsdale, Michigan 49242-1695  
(517) 437-6440 Fax: (517) 437-6450

**Planning Commission Agenda**  
**March 17, 2020**

- I. Call to Order 5:30**
  - A. Pledge of Allegiance
  - B. Roll Call
  
- II. Public Comment**
  - Any Commission related item – 3 min. limit
  
- III. Consent Items/Communications**
  - A. Approval of agenda – **Action**
  - B. Approval of Planning Commission 02-18-2020 minutes – **Action**
  
- IV. Old Business**
  - Short Term Rental Resolution – **Action**
  
- V. New Business**
  - 58/60 N. West St. Development – **Discussion**
  
- VI. Master Plan Review**
  - Goals and Objectives
  
- VII. Zoning Ordinance Review**
  
- VIII. Zoning Administrator Report**
  
- IX. Commissioner’s Comments**
  
- X. Adjournment**

**Next meeting April 21, 2020 at 5:30 pm**



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## **PLANNING COMMISSION MINUTES**

**HILLSDALE CITY HALL,**

**97 N. Broad Street**

**February 18, 2020 at 5:30 PM**

### **I. Call to Order**

Vice Chairman Eric Moore opened the meeting at 5:01pm.

Members present: Commissioners Eric Moore, Secretary Penny Swan, Mayor Pro-tem Will Morrissey, Elias McConnell, Jacob Parker.

Members absent: Ron Scholl, Chair Sam Nutter

Others Present: Alan Beeker

Public Present: Mary Wolfram

### **II. Public Comment**

Mary Wolfram spoke as a representative of the Heritage Association, and as an individual resident of the City of Hillsdale, Mary spoke on some of the homes being built in Hillsdale, she was encouraging the planning commission to consider keeping homes being built in line with the historic architecture of Hillsdale. She was specifically talking about some of the pole barn type buildings being built in Hillsdale.

### **III. Consent Items and Agenda**

Commissioner Swan moved to approve minutes and agenda, Commissioner Morrissey seconded, motion carried.

### **IV. Public Hearing on Capital Improvement**

Opened at 5:42pm by Commissioner Moore.

Alan Beeker spoke how Jack McClain had spoken at a City Council meeting about an issue in the TIFA budget about roadwork at Manning and West that was not in the TIFA district. Alan also discussed the road diet and information from MDOT.

Public Hearing Closed at 6:01pm

Motion made by Commissioner Morrissey to send the Capital Improvement Plan to City Council, Commissioner McConnell seconded, Motion carried.

### **V. Old Business**

Zoning Board of Appeals liaison.

Commissioner Swan volunteered to fill the position, motion to appoint Commissioner Swan as the planning commission liaison to the ZBA made by Commissioner Moore, seconded by Commissioner Parker, motion carried.

### **VI. New Business**

None

### **VII. Master Plan Review**

Alan Beeker spoke on the joint meeting on Jan 25th between the Hillsdale City Council, TIFA, Planning Commission, and the EDC, the visions that came up during that meeting for the City and the things he

has been working on since that meeting. He asked the planning commission to give him input on more ideas to work on making Hillsdale a more pleasant, walkable, and drivable city.

**VIII. Zoning Ordinance Review**

Alan Beeker discussed a few ordinances he would like to address this year if possible.

**IX. Zoning Administrator Report**

Alan Beeker spoke on the Region 2 Act and what it means for the planning commission and changes they are trying to make.

Motion to adjourn by Commissioner Swan, seconded by Commissioner Morrisey, Motion carried at 6:58pm.

**Next meeting: March 17, 2020 at 5:30 pm.**



**TO: Planning Commission**

**FROM: Zoning Administrator**

**DATE: March 17, 2020**

**RE: State Short Term Rental (STR) Bill Opposition Resolution**

**Background:** The State has recently proposed two bills to remove the ability of local municipalities to regulate and enforce home ordinances regarding short term rentals. During the February meeting, Commissioner Morrisey suggested that the Planning Commission pass a resolution opposing the State legislature's proposed House Bill 4046 which would amend the Michigan Zoning Enabling Act. Included in the packet is a proposed resolution for the Commission's discussion and action.



# ONE SIZE DOES NOT

## Local Governments Struggle with State-Wide Short-Term Rental Regulations

By Ulrik Binzer

The number of short-term vacation rental listings grew 100 percent across the United States and Canada between 2016 and 2019. In Michigan, listings grew 233 percent during the same period.

Today, Michigan has roughly 25,000 short-term vacation rentals. A short-term vacation rental (STR) is the rental of a residential dwelling unit usually for a period of less than a month. They are commonly booked through one of many online platforms, such as Airbnb and Vrbo. There are currently over 125 such providers of this service.

The STR market's growth has created controversy across the United States, from large tourist destinations to sleepy towns. Through my involvement in over 300 local government STR programs, I've learned that STRs can boost the local economy and provide additional income to homeowners. However, communities with STRs are often faced with parking problems, trash, noise, housing shortages, and safety issues. Hotels and traditional bed and breakfasts may also express concerns that hosts are not paying the same taxes or following the same rules. Legislators across North America are grappling with how to best regulate STRs, from banning them to deregulating them completely.

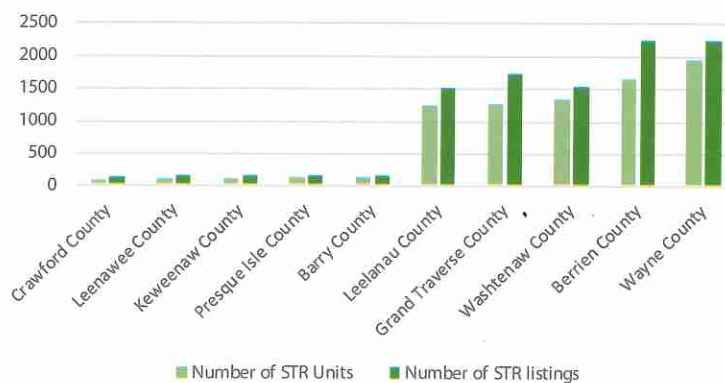
### A Local Issue

The best regulations for STRs are made by local governments, which have the most to gain or lose from those regulations. Common objectives of STR policies are to preserve affordable housing, maintain neighborhood character, provide safety for residents and visitors, and ensure a level playing field between local businesses and STRs. Without proper STR regulations

and enforcement, cities and counties may see an increase in code violations and citizen complaints that can easily progress into a crisis, as some municipalities have described. Other communities have lost out on revenue from hosts not paying permit fees or taxes.

Additionally, STRs may represent a large share of permanent households in one community while they are nonexistent in another. In Michigan, Wayne County will require vastly different regulations for its over 2,000 rental units than Crawford County may need for its roughly 75 units. The same policy for two counties with drastically different situations simply wouldn't work.

Number of STR Units and Listings





# FIT ALL

## The Case Against State Preemption

Perhaps the most obvious examples of one-size-fits-all policies are those currently proposed at the state level. House Bills 4046 and 4554 currently sit with legislators in Michigan. Both bills place varying limits on local governments to create regulations related to zoning of STRs. In recent years, these types of laws have interfered with local governments' ability to adopt and enforce STR regulations that work for their communities.

Recent history from other states provides a great example of how state preemption can easily go wrong. In 2016, the State of Arizona passed Senate Bill 1350, which preempted local control of STRs. The law prohibits cities and counties from regulating STRs. Local governments can't place limits on usage, including occupancy limits, which means rental homes can have high occupancy rates and large parties and act as event venues. The bill also defines STRs as "individual or collectively owned" and as a "single-family or one-to-four family house." This definition allows companies to own STRs and STRs could act as mini hotels.

The bill's outcome has been disastrous. STRs are so profitable in high-demand tourist areas that they are displacing residents. According to an article published in the Arizona Republic, 20 percent of the City of Sedona's housing is STRs. More than 150 Sedona residents expressed outrage when the city manager displayed a map of Sedona's STRs during a June 2019 meeting. At the same meeting, long-term renters expressed fears that their landlords may turn their homes into STRs when their lease ends. The majority sentiment was to seek local control of STR regulations. One resident is quoted as saying, "We have a

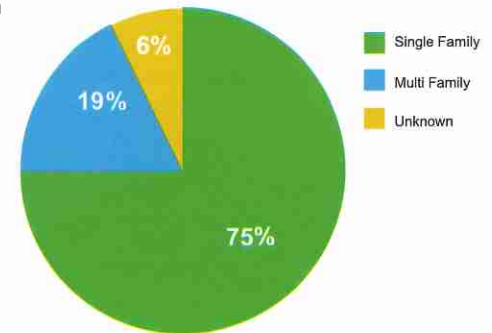
very good city council, and the state of Arizona has emasculated them in this area."

Arizona's governor, Doug Ducey, signed House Bill 2672 in May 2019. This bill attempted to correct the 2016 bill by prohibiting large parties at rentals and mandating that hosts provide contact information to cities as well as hold a transactional privilege tax license. But Sedona's meeting in June showed that there are still issues. Gov. Ducey stated in August that he was still hearing complaints and would revisit the state law. For three years, Arizona cities and counties have been pleading for the State to help with little resolution.

## State Laws Around the U.S.

Arizona is not the only state to have passed preemptive laws related to STRs in recent years. In 2011, the State of New York passed the Multiple Dwelling Law (MDL), which applies to all cities with a population over 325,000. The MDL prohibits class A dwellings for purposes other than permanent residency. This means that most units in the City of New York can't be used as STRs.

STR UNIT BY TYPE



“Municipalities have a chance now to demonstrate successful regulations before state lawmakers step in.”

However, not all state laws are negative. Other states, like Missouri and Michigan’s neighbors, Indiana and Wisconsin, take a more balanced approach to preemptive laws. Wisconsin’s law states that municipalities can require STRs to hold a permit, but municipalities can’t prohibit rentals of 7 to 29 consecutive days. Perhaps the most promising law for local governments is Rhode Island’s law, which states, “all short-term rental units must comply with municipal laws and regulations.”

### Protect and Prepare

State lawmakers should resist the urge to pass STR bills that preempt local regulations. Instead, they can seek ways to protect local government’s ability to adopt and enforce STR regulations that work for their communities.

In the meantime, the STR market will continue to grow and change. Municipalities have a chance now to demonstrate successful regulations before state lawmakers step in. Many cities and counties across North America have already created strategic solutions based on technology, data, and public input to avoid being left behind. How will you influence the fate of your community? 

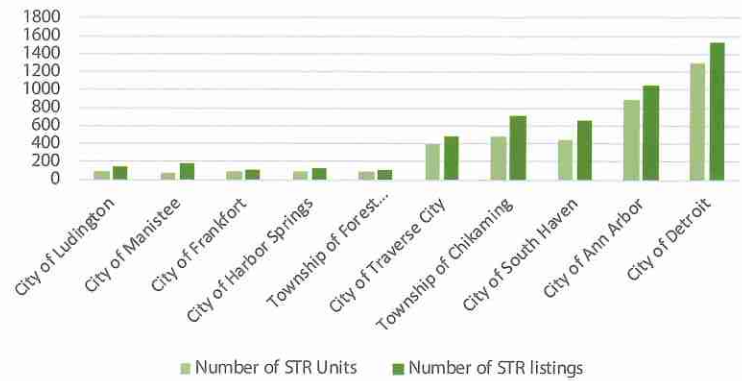
### SAMPLE ORDINANCES

Wisconsin: <http://bit.ly/2RvBGYP>

Rhode Island: <http://bit.ly/37w0Egr>

Ulrik Binzer is the founder and CEO of Host Compliance—now a part of Granicus—which helps local governments cost-effectively research, draft, and enforce short-term rental regulations. You may contact him at 415.715.9280 or [ulrik.binzer@hostcompliance.com](mailto:ulrik.binzer@hostcompliance.com).

Number of STR Units and Listings



**HOW MANY LAW FIRMS DO YOU NEED TO HIRE TO MEET YOUR COMMUNITY’S NEEDS?**

**ANSWER: ONE, IF THE FIRM IS ROSATI, SCHULTZ, JOPPICH & AMTSBUECHLER, PC**

*“You go to them with a problem or legal issue and they have an attorney there who’s been down that road before.”*  
– City Mayor



**ROSATI | SCHULTZ  
JOPPICH | AMTSBUECHLER**

**RSJALAW.COM | 248.489.4100**

A RESOLUTION BY THE CITY OF HILLSDALE PLANNING COMMISSION  
OPPOSING HOUSE BILL 4046

WHEREAS, House Bill 4046, which would amend the Michigan Zoning Enabling Act 2006 PA 110, referred to here-after as the MZEA, was introduced in January of 2019 and referred to the Committee on Local Government and Municipal Finance; and,

WHEREAS, House Bill 4046 would add Section 206b to the MZEA, stating that the 'Short-Term Rental' of dwellings is a residential use of property and a permitted use in all residential zones; and,

WHEREAS, the City of Hillsdale Planning Commission have the following concerns with House Bill 4046:

- A 'Short-Term Rental' should be regulated by local governmental units; and,
- Treating a 'Short-Term Rental' as a residential use rather than as a commercial use would weaken a local governmental unit's ability to protect home values; and,
- Local governmental units would be prevented from regulating land uses under the MZEA; and,
- The broad manner in which the bill is composed may potentially draw far more objectionable 'Short-Term Rentals' in areas which the sponsor may not have intended as well as increase the quantity of non-conforming uses in single family residential districts; and,
- Permitting a 'Short-Term Rental' of twenty-eight (28) days or less suggests that any landlord simply has to adjust the terms of their lease agreements to exempt themselves from non-owner-occupied residential registration and inspection programs statewide; and,
- Local control would be undermined and local governmental units would be directly precluded from inspecting 'Short-Term Rental' properties to ensure compliance with basic building, zoning, electrical, mechanical, plumbing, and rehabilitation code standards; and,
- Established neighborhoods may be destabilized by 'Short-Term Rentals' in a time when housing markets, specifically in urban core communities, are struggling to regain strength; and,
- Owners using their properties as a 'Short-Term Rental' may continue to claim a 100% Principle Residence Exemption (PRE) which would exempt them from paying the tax levied by a local school district; and,
- A 'Short-Term Rental' would not be bound by any of the specific taxes levied against hotels and motels to support local tourism nor required to meet various public-safety laws, (e.g.,



current fire codes, building codes, zoning ordinances, etc.) because they would be considered equivalent to a single family, owner occupied use; and,

- Due to the nature of a 'Short-Term Rental', short-term tenants may be less familiar with the rules and regulations established by condominium and homeowner associations regarding common areas that are typically reserved for owners and long-term tenants, thereby increasing the short-term tenant's risk of unknowingly violating said rules and regulations.

NOW, THEREFORE, BE IT RESOLVED, that the City of Hillsdale Planning Commission opposes House Bill 4046, which would amend the Michigan Zoning Enabling Act 2006 PA 110; and,

BE IT FURTHER RESOLVED that the Planning Commission of the City of Hillsdale does hereby direct the Planning Commission Chair to sign this Resolution signifying opposition to House Bill 4046.

Passed at a regular meeting of the Planning Commission of the City of Hillsdale held on the 17<sup>th</sup> day of March.

CITY OF HILLSDALE  
PLANNING COMMISSION

By \_\_\_\_\_  
Samuel Nutter – Chair



**TO: Planning Commission**

**FROM: Zoning Administrator**

**DATE: March 17, 2020**

**RE: 58 & 60 N. West Zoning**

**Background:** A Developer interested in renovating and reopening the structures located a 58 & 60 N. West has applied for possible rezoning of the properties from the current zoning of RM-1, Multiple Family Residential to B-1 Local Business. The intent would be to create mixed use properties of both structures which would mean the lower floors would be commercial and the upper floors would be residential. The Developer desired an audience to present his plans to the Planning Commission prior to moving forward with purchase of the property or pursuit of any grant monies.

## Wilson Home 58 N. West St. Hillsdale, MI

The original owner of the home was Judge Edward Wilson, the first circuit court judge of Hillsdale County as well as one of Hillsdale's first attorneys. The home was built in 1850 where Judge Wilson, his wife Helen and one daughter and one son lived until 1870 when Judge Wilson died.



# Rowlson Home 60 N. West St.

## Hillsdale, MI

Mr. Harvey Rowlson, the original owner of the home built in 1849, was a prominent member of the Hillsdale community for 46 years. Mr. Rowlson was passionately political in the Whig Party (later becoming the Republican Party) and moved to Hillsdale to open the newspaper, *The Whig Standard* (which exists as The Hillsdale Daily News in 2020), with business partner, Stephen Clark. Within 5 years, Mr. Rowlson became the sole owner of the newspaper after buying out Mr. Clark. Harvey and his family of six (wife Margaret, two sons, one daughter and one adopted daughter) lived in the home until 1890. During his stay at the house, Mr. Rowlson served as Hillsdale County treasurer for 8 years, a representative in the Michigan State Legislature, a district IRA tax collector for over 7 years and in the Masonic fraternity.





SK1	JOB NO.	
	DRAWN BY	LMF
	CHK BY	RGC
	DATE	03.10.2020
SHEET NO.		

Proposed Renovation for the  
Wilson Building & Rowson House  
58 & 60 N. West Street, Hillsdale, MI 49242