

MEMORANDUM

To: Ontwa Township Planning Commission and Board of Trustees
Date: April 30, 2021
From: Andy Moore, AICP
RE: **Short Term Rental Ordinance**

Enclosed with this memorandum is a draft ordinance that would permit and regulate short-term rentals in Ontwa Township. Short-term rentals are generally defined as the rental or subletting of any dwelling for a very short period, in this case, between 7 and 29 days. Rentals of a dwelling for 30 days or longer are considered ordinary occupancy.

This issue was brought to the Planning Commission and to the zoning ordinance working group by persons seeking guidance from the Township. Currently the Ontwa Township Zoning Ordinance does not expressly permit short-term rentals, and since several are operating in the Township, it was decided that an ordinance governing short-term rentals should be pursued.

The zoning ordinance working group developed this Ordinance with input from the Township planner and attorney. The group recognizes that some short-term rentals are operating in Ontwa Township currently; this can be confirmed with a quick search on AirBnB or VRBO. The group further recognizes that there is a market in Ontwa Township for short-term rentals, and there was not an appetite to completely prohibit short-term rentals or otherwise take enforcement action against something that was not necessarily objectionable. Short-term rentals are usually located in residential areas. Though they are principally commercial endeavors. That said, the group agreed that if short-term rentals should be permitted, then the Township must explicitly permit and regulate them to ensure that the interests of the entire community could be protected.

This proposed ordinance is a *regulatory* (police power) ordinance, not a zoning ordinance. It will be reviewed and considered by the Planning Commission on May 5, 2021 for recommendation to the Ontwa Township Board of Trustees at their May meeting. Because this is not a zoning ordinance, a public hearing is not required.

The proposed ordinance would require short-term rentals in Ontwa Township to register with the Township each year before using the property for short-term rental purposes, and subject short-term rentals to several conditions and regulations. Proposed regulations include:

- A list of submittal materials needed for annual registration each year.
- Limitations on guest occupancy and duration of stay
- Safety requirements, such as smoke detectors, fire extinguishers, the designation of a responsible local agent, and others.

- A requirement for \$1 million in liability insurance, with Ontwa Township named as an additional insured party.
- Requirements for parking, property appearance, compliance with applicable ordinances, quiet hours, and trash service.
- Enforcement provisions, including a prohibition on short-term renting for one year if more than two incidents occur that constitute a violation of the Ordinance (plus fines).

Also included is a letter that will be sent to property owners who are currently believed to be operating a short-term rental. This letter is not intended to function as an enforcement letter; rather, it is intended to inform the owner that (1) a short-term rental ordinance is being developed and that they will need to register, and (2) to invite their comments and participation.

We look forward to your thoughts on this issue. As always, please contact me if there are any questions or concerns.