

City Council

Regular Meeting Minutes

Monday, April 18, 2016
7:00 p.m., Council Chambers



1. **Call to Order by Mayor Burr at 7:00 p.m.**
2. **Invocation – Reverend Eric Jarvis, Pastor at the First Assembly of God**
3. **Roll Call**

Present: Jeff Arnold, Clark Gruber, Andy Klavins, Vickiy Kozlik Wall, Steve Schlack, Scott Smith, Bob Burr
Absent: None

4. **Approval of Agenda**

Moved by Arnold, seconded by Smith, to approve the agenda.
Voted Yes: All. Motion carried.

5. **Consent Agenda: Items A through G (Roll Call Vote Required)**

Moved by Arnold, seconded by Klavins, to approve the Consent Agenda as follows:

- A. Council will be asked to approve the City Council Regular minutes for April 11, 2016.
- B. Council will be asked to approve invoices totaling \$1,451,799.97 for the period ending April 10, 2016 be approved and forwarded to the Clerk and Treasurer for payment.
- C. Council will be asked to consider approval of Resolution 2016-22, a resolution approving the Michigan Department of Natural Resources "Michigan Natural Resources Trust Fund" (MNRTF) grant agreement for improvements to North Beach Park in the amount of \$300,000.
- D. Council will be asked to consider approval of Resolution 2016-23, a resolution approving the Michigan Department of Natural Resources "Michigan Natural Resources Trust Fund" (MNRTF) grant agreement for replacement of two skid piers at Black River Park Boat Launch in the amount of \$37,500.
- E. Council will be asked to consider approval of Resolution 2016-24, a resolution approving the Michigan Department of Natural Resources grant agreement for Southside Marina Dock Extension Engineering.
- F. Council will be asked to consider approval of Resolution 2016-25, a resolution approving the Michigan Department of Natural Resources grant agreement for Southside Marina Improvements.
- G. Council will be asked to approve the following minutes:
 - 1) December 14, 2015 Brownfield Authority meeting minutes;
 - 2) December 14, 2015 Local Finance Development Authority meeting minutes; and
 - 3) March 8, 2016 Parks Commission meeting minutes.

A Roll Call Vote was taken:

Yeas: Arnold, Gruber, Klavins, Kozlik Wall, Schlack, Smith, Burr

Nays: None

Motion carried.

OLD BUSINESS

6. The City Council will be asked to take the following actions related to the proposed amendment to the short-term rental ordinance and the amendment to the zoning ordinance:

A. Host a public hearing related to the proposed short-term rental ordinances.

B. Consider a motion to forward one of the following proposed ordinance amendments, related to the short-term rental ordinance, to the city's Planning Commission for review and comment on the areas of alteration:

- i. Consider draft ordinance, option A, which limits maximum adult occupancy to 12, and implements stricter standards for new rental properties in the R-1A, R-1B, and R-1C zoning districts.**
- ii. Consider draft ordinance, option B, which limits maximum adult occupancy to 14, and implements stricter standards for new rental properties in the R-1A, R-1B, and R-1C zoning districts.**
- iii. Consider draft ordinance, option C, which follows the Planning Commission's recommendation and limits maximum adult occupancy to 16.**

C. Consider a motion to forward the proposed amendment to the zoning ordinance to the city's Planning Commission for review and comment.

City Manager Brian Dissette spoke on the proposed short-term rental ordinance as received by the Planning Commission and detailed the process for tonight's meeting. Over the week, the Council has worked with staff trying to answer questions stemming from the proposed changes to the recommended short-term rental ordinance. Too many potential errors were found in the alternative versions. In speaking with councilmembers individually, opinions on the occupancy limits vary widely as does the issue of grandfathering. Council should consider revising the Planning Commission's recommendation and send those specific proposed revisions back to that body for review and then consider the revised ordinance and the Planning Commission's report on those revisions at the next Council meeting.

City Attorney Scott Smith spoke on efforts to answer multitude of questions from Council on issues on the alternatives to the short-term rental ordinance. He has worked with the City Manager over the last week and weekend analyzing the input received from Council in order to tweak the Planning Commission's recommendation.

City Manager Dissette said that there were too many questions from the elected officials to move forward any proposal of the short-term rental ordinance. The simplest approach is to move to send the Planning Commission's recommendation back to that body to review these specific changes:

- (1) To direct the staff and legal counsel to prepare a draft of the ordinances that

- (a) relies on the Planning Commission's version of a cap of 16 occupants (assuming the same 2 per bedroom and 2 per floor formula) with a revision to drop the exception for children from 6 years to 24 months – making this cap applicable to existing short-term rental units in the R-1 districts;
 - (b) provides that new short-term rentals in the R-1 districts have the same formula with a hard maximum of 12 occupants over 24 months of age;
 - (c) Provides that there be no new short-term rentals exceeding 3500 square feet in total interior space in the R-1 districts;
 - (d) Allows for greater occupancy of up to 24 occupants in the RM-1, B-3 and R-2 districts provided for those units with over 16 occupants sprinkling and other additional safety codes are met;
 - (e) Requires registration, and local agents, provides a public hearing, prior to amendment or repeal, and provides for consequences for violators as provided in the currently drafted alternatives; and
- (2) To refer that draft to the Planning Commission for a report back to the council at its first meeting in May.

Public Comment:

Sue McCabe, 511 Kalamazoo Street, has concerns about the grandfathering provision and whether or not there will be inspections.

Connie Schaffer, 735 North Shore Drive, is concerned with higher occupancy rentals in her neighborhood.

Susan Ryan, 37 Cass Street, wants the occupancy set at 10 and safety inspections.

John Lohrstorfer, 712 Maple Street, believes rental registration is a different issue and that the zoning ordinance should be enforced.

Gail Patterson-Gladney, 914 Kalamazoo Street, sought clarification on the Council's action to be taken at tonight's meeting and at future meetings regarding this issue.

Karl Andrews, 810 St. Joseph Street, wants rentals to have occupancy set at 10 and minimum weekly rentals.

Joe Reeser, 615 Monroe Boulevard, wants the Council to preserve neighborhoods and occupancy to be limited to 10.

Dorothy Appleyard, 806 Wilson, wants the occupancy limit to be set at 10 and proposed restrictions for signage on rentals. She wants quiet hours for visitors.

Bill Bradley, 746 Lee Street, property rights are basic human right - to take away property rights is theft.

Marie Maxwell, 70920 CR 388, and property owner of 351 Cherry Street and 1270 Monroe Boulevard asked for clarification on various points in the proposed rental ordinance.

Chris Kolenda, 60 Kalamazoo Avenue, wants the Council to not rush into this issue and not be ruled by emotion and to get the facts.

Ryan Huizenga, attorney for Susan Ryan and Susan Woodhull, believes that the construction codes dictate that occupancy must be limited to 10.

Michael Biedermann, 64 North Shore Drive, is a third-generation rental property owner in the South Haven area and doesn't support an occupancy limit at 10.

Tom Erle, 37 North Shore Drive, sees deep divisions in South Haven of full-time residents versus part-time residents and he hopes that this ordinance will stop the divisiveness.

Maureen Moravec, 1034 Midway Drive, approves of the Planning Commission's work and believes that the registration must be enacted to get the data on rentals.

John Matthews, 44 Cass Street, believes that the building permit for 51 Cass Street should be revoked.

Missy Harms, 334 Van Buren Street, is a new homeowner who must rent her home to be able to keep it and retire in it and agrees with some of the proposed changes.

Pat Gaston, 97 Superior Street, says that the occupancy limit must be set at 10.

Mary Lynn Bugge, 70 Gabriel Drive, approves, with some changes, the rental registration ordinance.

Councilmember comments:

Arnold: Council has heard from the public and has had many questions. We don't like the alternatives and wants to send it back to Planning Commission.

Klavins: Thanks audience for the comments and believes inspections should be added.

Smith: We have been listening and do not have anything in place. We need data. We have to start somewhere. Wants to make sure that signage is addressed.

Kozlik Wall: Thanks citizens to bringing up problems with Cass Street but states that we must start somewhere. We can change it and modify it but we need data.

Moved by Gruber, seconded by Arnold to (1) direct the staff and legal counsel to prepare a draft of the ordinances that

- (a) relies on the Planning Commission's version of a cap of 16 occupants (assuming the same 2 per bedroom and 2 per floor formula) with a revision to drop the exception for children from 6 years to 24 months – making this cap applicable to existing short-term rental units in the R-1 districts;
- (b) provides that new short-term rentals in the R-1 districts have the same formula with a hard maximum of 12 occupants over 24 months of age;
- (c) provides that there be no new short-term rentals exceeding 3500 square feet in total interior space in the R-1 districts;

- (d) allows for greater occupancy of up to 24 occupants in the RM-1, B-3 and R-2 districts provided for those units with over 16 occupants sprinkling and other additional safety codes are met;
 - (e) requires registration, and local agents, provides a public hearing, prior to amendment or repeal, and provides for consequences for violators as provided in the currently drafted alternatives; and
- (2) To refer that draft to the Planning Commission for a report back to the council at its first meeting in May.

Voted Yes: All. Motion carried.

NEW BUSINESS

- 7. Council will be asked to approve Barbara Craig as the Lake Michigan College representative to the Local Development Finance Authority and Brownfield Redevelopment Authority boards.**

Moved by Kozlik Wall, seconded by Arnold, to approve Barbara Craig as the Lake Michigan College representative to the Local Development Finance Authority and Brownfield Redevelopment Authority boards.

Voted Yes: All. Motion carried.

- 8. Council will be asked to approve Special Event 2016-14 – South Haven Steelheader Pro-Am Fishing Tournament to be held May 13 - 15, 2016 at the Southside Municipal Marina from 6:00 a.m. to 6:00 p.m.**

Moved by Smith, seconded by Schlack, to approve Special Event 2016-14 – South Haven Steelheader Pro-Am Fishing Tournament to be held May 13 – 15, 2016 at the Southside Municipal Marina from 6:00 a.m. to 6:00 p.m.

Voted Yes: All. Motion carried.

- 9. Interested Citizens in the Audience Will Be Heard on Items Not on the Agenda**

David Walker, candidate for Van Buren County Sheriff, gave a brief overview of his qualifications for the position. He can be contacted at walker4sheriff@gmail.com.

- 10. City Manager's Comments**

MDOT has announced that they will be investing \$700,000 into the city's business loop within the city limits (Phoenix, Broadway, and Le Grange). Construction includes some night-time work which will be loud and dusty since it consists of 300 plus cuts into the concrete. It will conclude prior to Memorial Day.

- 11. Mayor and Councilperson's Comments**

Arnold: Good to see new faces and hear from new voices in giving their thoughts on this issue.

Gruber: Vegetation pickup has begun. Wants better marking for the smaller beaches designating public from private beach.

Klavins: Likes the bright red trash receptacles, they stand out. We will be cutting back the bluff vegetation so that the views will be preserved.

Kozlik Wall: No comment.

Schlack: We need to focus on occupancy formula. For a 3-bedroom ranch house, occupancy would be limited to 8 people.

Smith: Agreed with Councilmember Arnold. Reminder it is t-ball season.

Burr: One request on the budget sessions, please use landscape print out because they are hard to read.

12. Adjourn

Moved by Smith, seconded by Kozlik Wall, to adjourn the meeting.
Voted Yes: All. Motion carried meeting adjourned at 8:59 p.m.

RESPECTFULLY SUBMITTED,



Kate Hosier, Assistant City Manager
Approved by City Council: