

**Mt. Pleasant Planning Commission
Minutes of Regular Meeting
June 28, 2018**

I. Vice Chair Horgan called the meeting to order at 7:00 p.m.

Present: Horgan, Irwin, Kostrzewa, Liesch, Ortman, Rise.

Absent: Dailey, Friedrich, Hoenig.

Staff: Kain, Murphy

II. Approval of Agenda:

Motion by Kostrzewa, support by Irwin, to approve the agenda.

Motion approved unanimously.

III. Approval of Minutes

A. May 3, 2018 Regular Meeting:

Motion by Ortman, support by Liesch, to approve the minutes from the May 3, 2018 regular meeting as submitted.

Motion approved unanimously.

IV. Zoning Board of Appeals Report for May and June:

Kain reported that the ZBA did not meet in the months of May or June.

V. Communications:

Kain reported there were three communications; two which were included in packets and one that came in later and was placed on the dais.

Kain noted that the first communication was from staff regarding short term rentals as there are three requests on the agenda and staff has received several questions.

Kain reported that the zoning ordinance defines short term rentals, also sometimes referred to as "Airbnb's" as a dwelling unit providing temporary accommodations for periods of less than 28 days. Kain explained that short-term rentals were included in the new zoning ordinance as a proactive measure, as this type of rental is becoming more popular and requiring special use permits for this use will help mitigate any potentially adverse effects to the neighborhoods and help ensure the dwellings are safe for tenants.

Kain explained some of the challenges experienced in other communities, and noted that this type of rental is more popular in beach communities.

Kain explained the difference between a short-term rental and a bed and breakfast (B&B), noting that a bed and breakfast must be owner-occupied whereas a short term rental may or may not be owner

occupied. In addition, a short-term rental may only be occupied up to the maximum occupancy permitted in that particular dwelling, whereas a B & B can offer accommodations in up to 4 guestrooms. B&B's are also subject to separation requirements from other B&B's and have other requirements that do not apply to short term rentals.

Kain also explained that short-term rentals are required to have a rental license the same as other types of rental housing in the city.

Commissioner Rise asked if conditions differ from other rentals in the character districts and if it is anticipated that this will increase the number of rental properties. Kain noted that every new rental request is checked to assure it is allowed in the zoning district and, assuming it is, as long as the property meets the housing licensing code, any home can be licensed as a single-family rental. Kain further noted that it could appear that there is an increase in the number of licenses as some properties that remain owner occupied may offer short-term rentals.

Commissioner Irwin asked if there were currently any short-term rentals in the city. Kain noted that the three properties on the agenda tonight were operating as short term rentals and were informed that this type of use is regulated under a special use permit. If approved, these would be the first in the city.

VI. Public Hearings:

A. SUP-18-04 & SPR-18-05 – 1015 Douglas

Kain introduced SUP-18-04 & SPR-18-05 submitted by Olivieri Builders on behalf of Washington Village LLC.

Kain explained that this is a request to construct a two-unit rooming dwelling for 9 occupants. The property is zoned CD-4 which allows the use regulated under a special use permit. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain reported that the property is currently a one-unit rooming dwelling for 9 occupants. The property is located on Douglas Street, between Clayton and Bellows.

Kain shared photos of the existing dwelling and surrounding area and reviewed the SUP criteria for rooming dwellings, noting that the request satisfies all four criteria. Kain also shared proposed elevations and floor plans for the new dwelling.

Kain reported that the building meets all setbacks and building standards. He further reported that the applicant is proposing 10 parking spaces which are consistent with the design and material standards of the zoning ordinance. The ordinance requires 9 bicycle parking spaces, which the applicant is proposing; however, the site plan does not include specifications for the proposed bike racks. The applicant will need to provide these specifications to assure compliance with the City's bicycle parking specifications.

Kain further reported that the proposed fencing will need to conform to the material requirements for the CD-4 zoning district. Kain noted that the proposed screening meets the requirements.

Kain noted that sidewalks already exist along Douglas Street. The applicant has proposed two new street trees; however, staff is recommending that only one new street tree be added to maintain proper tree spacing with the neighboring property. He further commented that tree species should be coordinated with the Division of Public Works.

Kain concluded his report with the recommendation to approve with conditions noted in the staff report.

Joe Olivieri, applicant, addressed the Board offering to answer any questions. The board had no questions for Mr. Olivieri.

Vice Chair Horgan opened the public hearing. There being no one who wished to speak the public hearing was closed.

Motion by Liesch, support by Ortman, to approve SUP-18-04 and SPR-18-05 subject to the following conditions:

1. Provide an updated site plan which demonstrates compliance with the conditions below, shows setback requirements, relocates site plan notes to the margins of the plan sheet, and corrects the north arrow orientation.
2. Demonstrate compliance with City specifications for bicycle parking, size of landscape plants at time of planting, and fencing material.
3. Remove the northernmost proposed street tree.
4. Coordinate with DPW on the selection of an appropriate street tree species.
5. Comply with the requirements of the Divisions of Public Works and Public Safety.

Commissioner Rise proposed striking condition number three, citing section 154.413 in regards to preserving and protecting significant trees. Kain clarified that the tree referred to was not an existing one but a newly proposed tree.

Vice Chair Horgan called the question.

Motion approved unanimously.

B. SUP-18-05 – 510 S. University

Kain introduced case SUP-18-05 submitted by William O'Dell, noting this is the first of three requests on the agenda for short term rental.

Kain reported that the property is located on the west side of University between Locust and Maple and is zoned CD-3, with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain noted that the dwelling is owner occupied and shared photos of the site.

Kain reviewed the nine criteria for short term rentals, noting that the request meets 8 of the 9. He explained that the first criteria rests on a determination by the Planning Commission and has been noted as such.

Kain concluded his report recommending approval with the condition that the applicant comply with the requirements of the Division of Public Safety.

Bill O'Dell, 510 S. University, addressed the Board offering to answer any questions.

Commissioner Kostrzewa asked if this property was an Airbnb in the past. Mr. O'Dell responded that they had listed it this summer and then found out that the use required a SUP so he pulled it from the advertising site. He commented that the property has a valid rental license.

Commissioner Kostrzewa asked about the rental history. Mr. O'Dell responded that they rented it once to a woman whose daughter was participating in the Special Olympics and it was only for one night.

Vice Chair Horgan opened the public hearing. There being no one who wished to speak the public hearing was closed.

Motion by Ortman, support by Liesch, to approve SUP-18-05 subject to the following condition:

1. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

C. SUP-18-06 – 1334 Center Drive

Kain introduced SUP-18-06 submitted by Eric and Elizabeth Barz seeking approval for a short-term rental. Kain noted that the property is owner occupied.

Kain reported that the property is zoned CD-3L with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain reported that the property is located on the west side of Center, directly south of Preston and shared photos of the property.

As in the last case, Kain reviewed the nine criteria for short term rentals, noting that the request meets 8 of the 9. He explained that the first criteria rests on a determination by the Planning Commission and has been noted as such.

Staff concluded his report recommending approval with the condition that the applicant comply with the requirements of the Division of Public Safety.

Eric Barz, 1334 Center, addressed the Board noting that he owns and occupies the home and offered to answer any questions. The board had no questions for Mr. Barz.

Vice Chair Horgan opened the public hearing.

Marja Nothstine, 1361 S. Crawford, addressed the Board, noting several concerns and questions that she has in regards to short-term rentals.

Dell Hunt, 900 Center, addressed the board commenting that although he originally had concerns, he supports the idea of short term rentals, noting that it provides options for visitors to stay in a real home and experience what makes Mt. Pleasant special.

There being no one else who wished to speak the public hearing was closed.

Kain responded to several questions/concerns that were raised by Ms. Nothstine, explaining that short-term rentals may or may not be owner occupied and even if the owner lives there, they are not required to be

present during the time that a renter is there. He noted that if the family is present then only one unrelated individual could rent the space; however, if the owners are not present they could rent to a family but not a group of three or more unrelated persons.

Kain acknowledged that a special use permit goes with the property; however, further noted that if the use was discontinued or if the housing license expires the SUP would also expire. In addition, he noted that there are specific triggers built into the special use permit criteria for short-term rentals that cause expiration of the special use permit. There is also the ability to revoke a SUP if a site fails to remain in compliance with the special use permit standards. Kain reported that the Zoning Board of Appeals is responsible for decisions about revocation of a SUP.

Kain also noted that rental licenses are allowed by right in the CD districts and there is no distinction in the type of occupancies permitted for short-term rentals. He noted that annual inspections for SUP's are conducted to confirm conditions are maintained and the fire department conducts annual rental inspections to confirm the home remains in compliance with the Housing Licensing Code.

Motion by Liesch, support by Kostrzewa, to approve SUP-18-06 subject to the following condition:

1. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

Commissioner Rise thanked those who spoke during the public hearing for coming forward with their concerns and comments and being part of the process.

D. SUP-18-07 – 515 Sunset

Kain introduced case SUP-18-07 submitted by Leslie Johnson for a short-term rental at 515 Sunset.

Kain noted the property is located on the south side of Sunset, between Highland and Meadow and is zoned CD-3L, with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain shared photos of the site. As in the last two cases, Kain reviewed the nine criteria for short term rentals, noting that the request meets 8 of the 9. He explained that the first criteria rests on a determination by the Planning Commission and has been noted as such.

Staff concluded his report recommending approval with the condition that the applicant comply with the requirements of the Division of Public Safety.

Leslie Johnson, owner of the property, addressed the Board. Ms. Johnson stated she has owned the property for two years and it was a rental for a time and then her son lived in it while attending CMU.

Ms. Johnson stated that Airbnbs operate on a review process and further noted that the property is for sale which will limit how many times it is rented. Ms. Johnson commented that most renters of Airbnbs are there for no more than 5 days, noting that it is generally a family coming to see a student, attend a family reunion, or some similar reason.

Vice Chair Horgan opened the public hearing.

Marja Nothstine, 1361 S. Crawford, addressed the Board, noting additional concerns that she has regarding parties and enforcement.

Mary Sorenson, 1725 Stockman, addressed the board with concerns of parties, enforcement and property maintenance.

Steve Stressman, 215 E. Chippewa, addressed the board wondering why someone would need a SUP for a short-term rental if they are already licensed as a rental, commenting it puts an additional burden on the property owner.

Susan Hunt, 900 Center, addressed the Board, noting concerns when the owner is not there to oversee things and expressed concern for the safety of the neighborhood children when renting for a short time to strangers.

There being no one else who wished to speak, the public hearing was closed.

Leslie Johnson, owner of the property addressed some of the concerns, noting again that Airbnbs have a review process and that she only hosts those who have reviews. She also has her own screening questions and requires those who wish to rent from her have at least an hour drive to get there. She indicated that she will give business cards to all the neighbors with her number on it and if there is ever an issue they can call her and she will personally call the police.

Commissioner Irwin asked if the rental license was different for short-term rentals and commented that even if the SUP was not granted they could still lease for more than 28 days. Kain commented that it is the same licensing process and Commissioner Irwin was correct. Commissioner Ortman commented that the SUP is more specific to short-term use.

Commissioner Kostrzewa asked if short-term rentals would have to meet the same licensing requirements in regards to egress windows, etc. Kain stated they would.

Motion by Liesch, support by Rise, to approve SUP-18-07 subject to the following condition:

1. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

E. SUP-18-08 – 610 ½ N. Arnold

Kain introduced SUP-18-08 submitted by Samuel Cascarelli for an accessory dwelling unit.

Kain noted the property was zoned CD-3 with future land use designated as Urban Residential. Kain reviewed the zoning, current use, and future land use for the surrounding properties.

Kain shared photos of the site showing both the principal building and the accessory dwelling, noting that it was currently unoccupied.

Kain noted that from 1971 until the adoption of the current zoning ordinance in 2018 accessory (or rear) dwelling units were not permitted. Under the current ordinance they are permitted with a special use permit provided they meet the eleven SUP criteria, one of which is the primary dwelling must be owner-occupied. He reported that Mr. Cascarelli is an owner-occupant in the primary dwelling.

Staff concluded his report recommending approval with the stipulation that the applicant comply with the requirements of the Division of Public Safety.

Sam Cascarelli, 610 N. Arnold, addressed the Board. Mr. Cascarelli reported that he had rented the unit for several years not realizing a rental license was required. He reported on some issues with the tenant that brought to light the fact that the unit was not licensed.

Mr. Cascarelli reported that he has cleaned up the mess left by the previous tenant and has updated the unit in the hopes to get it rented again. Mr. Cascarelli stated that there will be no changes to the site.

Vice Chair Horgan opened the public hearing. There being no one who wished to speak, the public hearing was closed.

Motion by Kostrzewa, support by Irwin, to approve SUP-18-08 subject to the following condition:

2. The applicant shall comply with the requirements of the Division of Public Safety.

Motion approved unanimously.

VII. Public Comments

Vice Chair Horgan opened the floor for public comments.

Marja Nothstine, 1361 S. Crawford, addressed the Board commenting that she feels not enough thought has been put into allowing short-term rentals and protecting neighborhoods and feels people will take advantage of the 28-day rental business.

There being no one else who wished to speak, the public comments section was closed.

VIII. Site Plan Reviews:

None

IX. Unfinished Business:

None

X. New Business:

- A. RFP subcommittee:** Kain reported that a Request for Proposal (RFP) was released on June 11 seeking bids to assist in the creation of the 2050 Master Plan. Kain noted that bids were due July 24.

Kain noted that a committee will review and filter the bids to identify which responding firms will be interviewed by the Planning Commission. Kain stated the committee would be made up of two Planning Commissioners, one member of the Parks & Recreation Commission, one member of the Downtown Development Authority and one City Commissioner. The committee will meet on July 31st to review the bids.

Kain commented that he is looking for two actions from the Planning Commission:

- 1) Recommend two Planning Commissioners to serve on the RFP committee.

2) Set a special meeting for Wednesday, August 15, 2018 to hold interviews.

Commissioner Liesch recommended Commissioner Hoenig, stating he had spoken with her earlier in the day and she indicated she would be interested in serving on the committee.

Kain noted that Commissioner Friedrich had also indicated interest. Commissioner Horgan indicated she would be willing to serve as an alternate.

Motion by Kostrzewa, support by Irwin to set a special meeting for Wednesday, August 15, 2018 at 7:00 p.m. in the City Hall Chambers.

Motion approved unanimously.

As there were no objections and no other interest for committee membership, Commissioners Hoenig and Friedrich will serve on the RFP committee with Commissioner Horgan as alternate.

XI. Other:

A. Staff Report: Kain reported that the City Commission adopted the medical marihuana ordinances on June 11. He reported that the City Commission did not take the Planning Commission's recommendation to adjust the buffer in the downtown, but did make some changes in the number of licenses permitted. Facility types will be limited as such:

1. Not more than 5 growers operating under Class A licenses;
2. Not more than 3 growers operating under Class B or C licenses
3. Not more than 3 provisioning centers
4. No limit on the number of processors, secure transporters, and safety compliance facilities.

Kain further reported that the Planning Commission will likely not see any SUP applications for medical marihuana facilities until next year.

XII. Adjournment:

Motion by Kostrzewa, support by Liesch, to adjourn.

Motion approved unanimously.

Meeting adjourned at 8:15 p.m.

bam