

CALUMET VILLAGE PLANNING COMMISSION MEETING AGENDA
THURSDAY, DECEMBER 21, 2023 – 5:30 PM
CALUMET VILLAGE TOWNHALL, 340 SIXTH STREET

- I. Call to Order / Roll Call / Pledge of Allegiance
- II. Petitions from the Public (*members of the public have 5 minutes to speak*)
- III. Approval of Agenda
- IV. Review and approve meeting minutes of November 30, 2023
- V. Unfinished Business
 - 1. Engaging the Public
 - 2. Marihuana Ordinance
 - 3. Short-Term Rentals
 - 4. Master Plan/Capital Improvement Plan Updates
- VI. New Business
 - 1. Emails, Letters, Notices from the Public
 - 2. Planning Commission as Zoning Commission
 - 3. FY 2025 Budget Needs
- VII. Summarize Action Items
- VIII. Adjourn

CALUMET VILLAGE PLANNING COMMISSION MEETING MINUTES - DRAFT
THURSDAY, NOVEMBER 30, 2023 – 5:30 PM
CALUMET VILLAGE TOWNHALL, 340 SIXTH STREET

Present: Chair Riggins; Commissioners Green, Hahn, Ryan (*via Zoom*)

Absent: Commissioner Que

Also Present from the Village: Manager Haselden

Present from the Public: None

I. Call to Order / Roll Call / Pledge of Allegiance

Riggins called the meeting to order at 5:33pm with roll call and led the Pledge of Allegiance.

II. Petitions from the Public (*members of the public have 5 minutes to speak*)

None.

III. Approval of Agenda

Green moved, seconded by Hahn to approve the agenda as presented.

Motion Carried 3/0

IV. Review and approve meeting minutes of October 19, 2023

Hahn moved, seconded by Green to approve the minutes as presented.

Motion Carried 3/0

V. Unfinished Business

1. Engaging the Public

Discussion on progress of Master Plan survey. Haselden to add pdf of the survey to the website. Public engagement session scheduled for January 10, 2024 @ 12:00 and @ 5:30.

Deadline to complete the survey set to January 31, 2024. Board to organize 5 targeted questions to pose to the public on a walk-about of the community.

2. Marihuana Ordinance

i. Discuss Strategy for presenting to public

ii. Review Crystal Falls Ordinance

Discussion on progress of the Ordinance. Research needed to determine the current amount of funds from the state for having dispensary as well as legal issues in Menominee.

3. Master Plan/Capital Improvement Plan Updates

Discussion on progress and engaging the community.

VI. New Business

1. Emails, Letters, Notices from the Public

CALUMET VILLAGE PLANNING COMMISSION MEETING MINUTES - DRAFT
THURSDAY, NOVEMBER 30, 2023 – 5:30 PM
CALUMET VILLAGE TOWNHALL, 340 SIXTH STREET

- i. Complaint received regarding 2011 Zoning Variance: 105 7th Street Garage

Discussion on the zoning variance that was provided for a garage at 105 7th Street, which now has living quarters above the garage and is being rented out as a short-term rental.

Haselden to follow-up with the Houghton County building inspector to see if permits were pulled and to review Zoning related to short-term rentals, as this is a possible violation.

2. Planning Commission as Zoning Commission

Follow-up regarding 105 7th Street Garage at next meeting.

VII. Summarize Action Items

- Haselden to draft 5 questions as discussed, and to organize a group walk-about to survey the community.
- Haselden to follow-up with Building Inspector LaRoux regarding 105 7th St garage.
- Next meeting, December 21, 2023 @ 5:30pm.

VIII. Adjourn

Hahn moved, seconded by Green to adjourn the meeting at 6:37pm.

Motion Carried 3/0

Respectfully Submitted,

Megan Haselden, Village Manager

Pamela Que, Secretary

1. What do you think is the biggest concern or obstacle facing the Village of Calumet?
2. What would you say is Calumet's biggest opportunity?
3. What is your vision for Calumet?
4. If the Village of Calumet were able to receive \$50,000+ annually for having up to 2 Marijuana Retail dispensaries in the Village, on the M-203 Corridor only, would you be okay with that?
5. Should Short-Term Rentals be regulated in the Village of Calumet?



TREASURY

Treasury: Adult-Use Marijuana Payments Being Distributed to Michigan Municipalities and Counties; More Than \$59.5 Million Going to 224 Municipalities and Counties

February 28, 2023

Ron Leix, Treasury, 517-335-2167

The Michigan Department of Treasury today announced that more than \$59.5 million is being distributed among 224 municipalities and counties as a part of the Michigan Regulation and Taxation of Marijuana Act.

Over the next few days, 81 cities, 26 villages, 53 townships and 64 counties will receive payments from the Marijuana Regulation Fund. For the state of Michigan's 2022 fiscal year, this means each eligible municipality and county will receive more than \$51,800 for every licensed retail store and microbusiness located within its jurisdiction.

"Municipalities and counties will begin seeing these payments appear in their banking accounts," State Treasurer Rachael Eubanks said. "Through a partnership, the dollars received from the adult-use marijuana taxes and fees are distributed to our participating communities."

Revenue was collected from 574 licensees among the state's cities, villages and townships during the 2022 fiscal year. Some of these municipalities host more than one licensed retail store and microbusiness.

For the 2022 state fiscal year, there was \$198.4 million available for distribution from the Marijuana Regulation Fund.

[State law outlines](#) how much is distributed from the Marijuana Regulation Fund.

Aside from the more than \$59.5 million in disbursements to municipalities and counties, \$69.4 million was sent to the School Aid Fund for K-12 education and another \$69.4 million to the Michigan Transportation Fund.

In total, more than \$1.8 billion in adult-use marijuana sales was reported for Fiscal Year 2022.

"The team at the CRA does an amazing job and our effective regulatory approach allows our licensees to provide Michigan's cannabis consumers the safest possible product," said CRA Executive Director Brian Hanna. "The funding that makes its way to local governments through the excise tax collected by licensed retailers is an important benefit of the regulated cannabis industry and the CRA is committed to doing our part in supporting our law-abiding licensees."

For more information about adult-use marijuana tax distributions - [including a breakdown of how much municipalities and counties received](#) - go to Michigan.gov/RevenueSharing. To learn more about Michigan's adult-use marijuana industry, go to Michigan.gov/cra.



Treasury: Adult-Use Marijuana Payments Being Distributed to Michigan Municipalities and Counties; More Than \$59.5 Million Going to 224 Municipalities and Counties

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TREASURY

Adult-Use (Recreational) Marijuana

Adult-Use (Recreational) Marijuana

Marijuana funds collected under the *Michigan Regulation and Taxation of Marihuana Act* (Initiated Law 1 of 2018) are distributed, upon appropriation, as follows:

1. 15% to municipalities in which a marijuana retail store or a marijuana microbusiness is located, allocated in proportion to the number of marijuana retail stores and marijuana microbusinesses within the municipality.
2. 15% to counties in which a marijuana retail store or a marijuana microbusiness is located, allocated in proportion to the number of marijuana retail stores and marijuana microbusinesses within the county.
3. 35% to the School Aid Fund to be used for K-12 education.
4. 35% to the Michigan Transportation Fund to be used for the repair and maintenance of roads and bridges.

Licensee by Municipality Reports

[Licensee Listing by Municipality for FY 2021 Distribution](#)

Distribution Reports

[FY 2022 Adult-Use Marijuana Distributions \(updated 2/23/2023\)](#)

[FY 2021 Adult-Use Marijuana Distributions \(updated 3/24/2022\)](#)

[FY 2020 Adult-Use \(Recreational\) Marijuana Distributions \(updated 2/26/21\)](#)

Short Term Rental Market Report: Zip Code 49913

The short-term rental (STR) industry is rapidly growing in the Keweenaw region. Affordable property, combined with a strong tourism demand, had led to the proliferation of STRs in the Calumet area.

According to AirDNA, the number of STR listings in the 49913 zip code area increased by 30% over the past year and doubled since the beginning of 2021. At its peak in September '23, there were 108 active listings.

The majority (89%) of these listings are considered "entire house" units which are most likely to compete with long-term rental and residential housing stock.

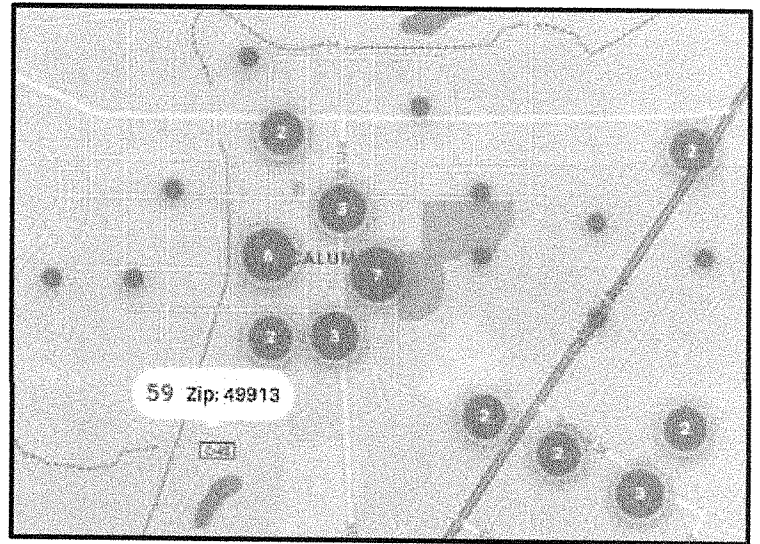
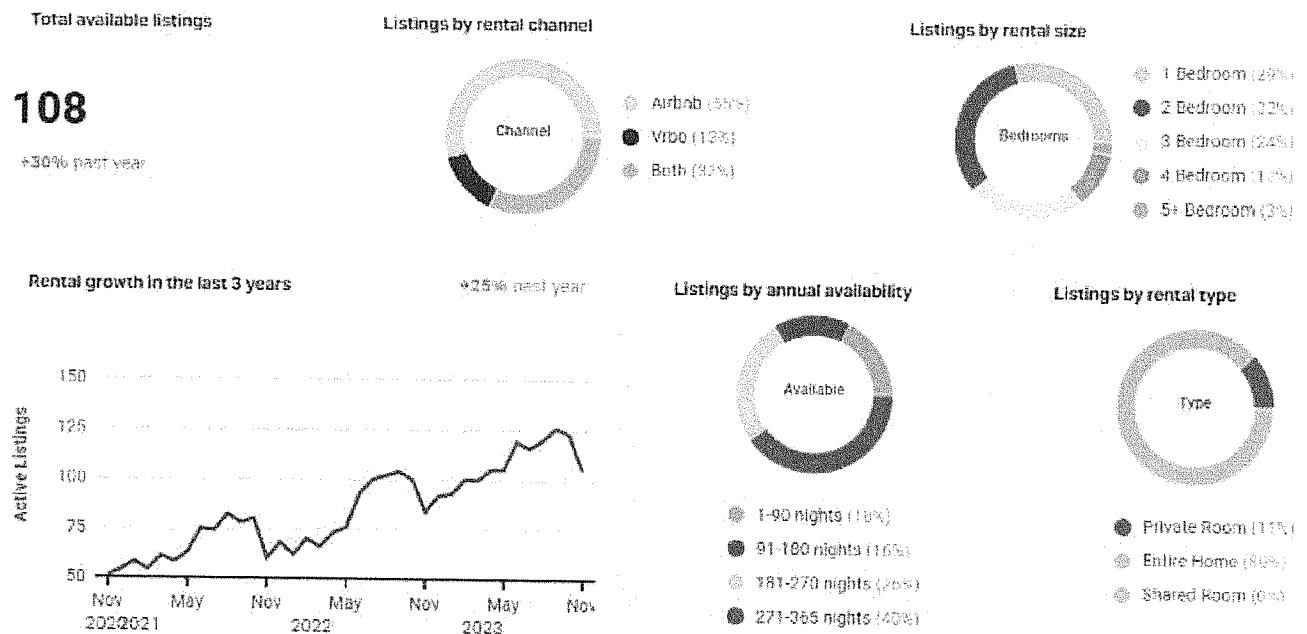


Figure 1: Short-term rental concentration in Calumet market

Calumet Market Snapshot



Report as of December 19, 2023

Michigan cities ban short-term rentals — a black market is sure to follow

New York City shows what happens with overregulation

October 16, 2023



By [Jarrett Skorup](#)



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Cities across Michigan are banning short-term rentals. The inevitable results of this regulatory crackdown will include more expensive vacations, less tourism and, in all likelihood, an emerging black market for rentals.

The problem is growing. Despite few complaints, [Park Township](#), near Holland, banned short-term rentals within its limits. The city of Detroit [quietly banned short-term rentals](#) in residential areas before pulling back after an outcry. St. Clair Shores said its zoning ordinance [doesn't permit short-term rentals](#), cutting Airbnb-affiliated properties in the city from 15 down to zero. The city prosecuted a homeowner for engaging in a short-term rental.

[Ann Arbor](#), [Holland](#), [Mackinaw City](#), and [Spring Lake](#) ban short-term rentals in residential zones. [Grand Haven](#) and [South Haven](#) issued moratoriums on new short-term rentals, though some rental properties have existed for a century. New Buffalo [has a moratorium](#) on short-term rentals, and officials there are pushing restrictions that would essentially ban the practice by

requiring costly insurance and imposing extreme compliance burdens. Traverse City has [severe restrictions as well](#). As the city's zoning administrator told The Detroit News, "We don't allow (some) short-term rentals."

What's the likely result of all these restrictions? One need look no further than New York City. Like many Michigan municipalities, it essentially banned short-term rentals across most of the city. The results have been less than stellar. As [noted by Wired](#):

[M]any illegal short-term rental listings are now being advertised on social media and lesser known platforms, with some still seemingly being listed on Airbnb itself.

...New York's crackdown on short-term rentals has dramatically reshaped the vacation rental market in the city. People are using sites like Craigslist, Facebook, Houfy, and others, where they can search for guests or places to book without the checks and balances of booking platforms like Airbnb. Hotel prices are expected to rise with more demand.

Michigan can expect to see the same. Property owners have a strong incentive to continue renting under the table and off the (official) books. Had Michigan's communities chosen a less heavy-handed approach to short-term rentals, they could have benefitted from the associated taxes and fees. Overregulation, meanwhile, drives rentals (and the accompanying benefits to municipalities) underground. That's hardly a satisfying solution for any of the interests involved.

A better way would be for communities to adopt a [balanced](#) approach. Cities should enforce ordinances – particularly those regarding noise, traffic and safety – without total bans. Doing so would protect the peace and character of our communities without infringing on private property rights.

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[news / michigan](#)

Short-term rental bans across Michigan threaten rental-heavy cities

[Kyle O'Connor](#)

November 17, 2023

Listen to this article with



Landmark Apartments and Newman Lofts as seen from M.A.C. Avenue, photographed on Aug. 12, 2019.

— Photo by [Matt Zubik](#) | The State News

Throughout cities within Michigan and even across the United States, cities are banning short-term rentals for living spaces.

Major cities such as Detroit, Ann Arbor and Mackinaw City have enacted this rental ban at a varying spectrum.

In Detroit, the short-term rental property must be owned by a resident who primarily lives at that said property. There is also a limit as to how many days the resident can rent their property on a short-term basis per year.

Ann Arbor has a slightly different approach: a ban on short-term rentals only in residential areas. In other words, any short-term rental outlets, like Airbnbs, are strictly prohibited in neighborhood spaces.

Similar to Ann Arbor, Mackinaw City also bans short-term rentals in the surrounding neighborhoods. However, short-term rentals are permitted if the occupant stays for more than thirty days.

This growing trend affects both landlords and those who stay on the property, in terms of commerce.

In terms of the City of East Lansing, the short-term rental ban is yet to be enacted.

"Currently, we do not have any proposed ordinances that would change our current rental regulations," housing and university relations administrator Annette Irwin said.

Being occupied primarily by students that attend MSU, the short-term rental ban within the city would cause issues in regard to housing across the city limits.

Freshmen and sophomores attending MSU are required to live in on-campus dorms unless granted alternate accommodations. By the end of fall, it's common for second year students to start seeking rental properties for their junior year lodging, usually having to rent on one-year leases at the most as well as school year leases that would only span nine months.

"At city council, we tend to hear from homeowners," East Lansing council member Dana Watson said. "It should be known that renters can also stay connected and reach out to people as far as getting their voice and perspectives heard."

Watson said she is aware the East Lansing has a large amount of renters.

"It's fair and makes sense that we find the feedback, and are receptive to the feedback from renter's experiences as we make these decisions," Watson said. "It should not just be led by the homeowners."

Though East Lansing hasn't adopted any new ordinances for rentals, many students will face difficulty if a short-term rental ban is introduced in the future.

Watson said alternatives may have to be introduced in order to successfully provide housing to students not living within university housing.

"I think there has to be (alternatives)," Watson said. "It's a real disconnect if it's happening especially in communities where we do have renters for under a year, as this is a university town. Conversations need to be had and renters should definitely not be put in a place where they're panicking."

Regulatory options

| Regulatory Ordinance | Purpose |
|--|--|
| Limit occupancy - often based on septic capacity or building official (if sewer) | Establishes maximum capacity for the unit, dissuades gatherings, tenting. Preserves septic system often in conjunction with Public Health. |
| Establish a local contact within X minutes to respond to complaints | A local contact must be established for nights and weekends to promptly deal with complaints. |
| Limit the number of licenses per parcel | If there are two residences (duplex or ADU) on parcel, only one of the units can be used as STR. Encourages permanent occupancy on site. |



Regulatory options

| Regulation | Purpose |
|--------------------------------------|--|
| Set maximum number | STRs are interfering with housing market: increasing housing prices, decreasing ability for permanent residents to find housing |
| Set minimum distance between rentals | Neighborhoods within high asset areas (waterfront, near beach, near attractive downtown) can become overburdened or saturated with STRs |
| Limit length of stay | One or two night turn over can be a burden to neighbors. One week stay is aligned with more traditional cabin rental in historically tourist areas (East Bay Twp.) |



Zoning vs. Police Power Ordinances

ZONING:

Regulates use of land

POLICE POWER:

Regulates activities

Blight, sound, sidewalks, fireworks, ORV, signs, historic preservation, etc.



Counties have very limited police power authority. Townships under county zoning would need to adopt an STR police power ordinance and coordinate with the County for consistency/district terms.



Zoning vs. Police Power Ordinances

Zoning

- + Designate Zone Districts
- + Definitions
- + Signage
- + Overlay zone
- + Levels of intensity- permit type
 - Nonconformities/grandfathering
 - Districts don't align with use
 - Permit revocation is difficult (vested rights)

Police Power/Regulatory

- + **No nonconformities (grandfathering)**
- + Everyone "starts new"
- + How many units, duration of license
- + Refer to location on a map (zoning district or other)
- + 1, 2 or 3-year fees/license
- + License can be revoked or temporarily suspended
- + Additional performance requirements (local contact, garbage, septic, "good neighbor" info.)
 - County cannot adopt



Currently allowed in zoning?

- If a use is not listed as a permitted or special land use in the zoning district, the use is not allowed.
- Most ordinances are written in a permissive manner:
 - “A permissive format states the permissive uses under the classification [zoning district], and necessarily implies the exclusion of any other non-listed use.” (*Independence Twp. v Skibowski*, 136 Mich App 178 (1984)).



After ordinance amendment: No vested right

- Defendants sought to stop the township from enforcing amendments to the zoning ordinance to allow STR as conditional use.
- Claimed they had a vested right to continue their STR under the old ordinance (*which did not allow STRs*)
- Appeals Court held property owners had *no vested right*; Twp. had the right to change zoning (and had updated the plan prior to doing so).

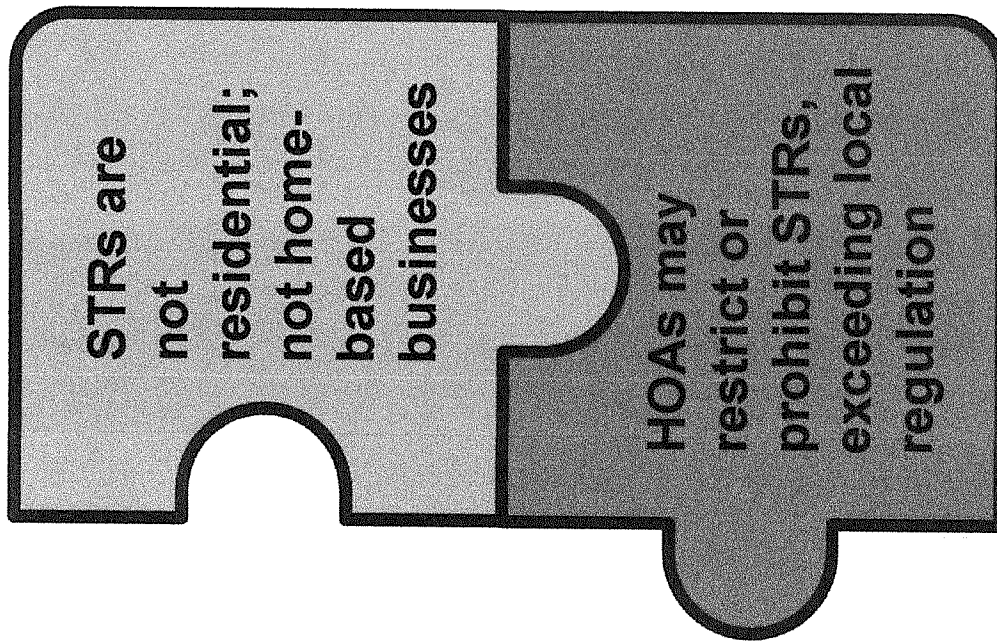
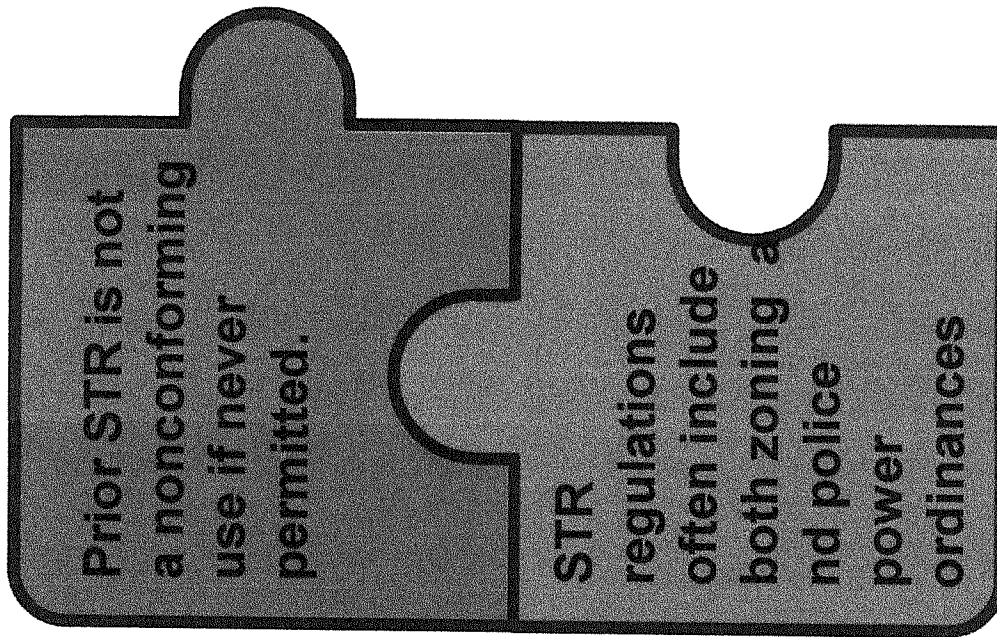
Mirabella v. Twp. of Autrain, et al., 2015

"Simply put, an illegal non-conforming use cannot ripen into a legally conforming use on its own imagination or by the unilateral determination of a zoning administrator. . . ."

Alger County Circuit Court
Opinion, *Verhame et al v AuTrain Twp*
Zoning Bd of Appeals, 09-4948-AR



Let's pause to summarize...



Exceptions to an STR in zoning

- Bed and Breakfast
- Hotel/Motel
- Adult Foster Care Homes
- Nursing Homes
- Substance Abuse- Rehab Facilities
- Dwellings that have been rented yearly since the date the ordinance took effect (i.e. 1972)



Specifically define STR to your intent

Are you allowing just one, or several:

1. **Hosted sharing** - primary occupants of a residence remain on-site with guests;
2. **Unhosted sharing** - primary occupants vacate the unit while it is rented to short-term guests;
3. **Dedicated vacation rentals** - no primary occupants



Regulatory options

| Zoning Ordinance | Purpose |
|--|---|
| Restrict to certain zoning districts (Zoning) | Can limit STRs to certain zoning districts, or designate different levels of STRs within zoning districts |
| Different classification of STRs | Commercial/downtown: fewer restrictions Residential areas: increased restrictions such as 7 night minimum, separation distances. |
| STR Overlay Zone (Grand Haven Charter Township) | Designates specific areas where STRs are permitted, STR licensing not eligible outside of overlay. |



Regulatory Options

| Regulatory Ordinance | Purpose |
|---|--|
| Limit the number of nights per year | Balances the use of the property with long-term rental and short-term rental or permanent occupancy part of the year. |
| Limit permits per applicant | Does not allow a single company, individual, LLC to purchase multiple STRs in the area. "Share the pie" |
| Type of structure (glamping, condo, apt. multi-unit, RV, single room occupancy) | STRs can come in many forms including backyard RVs and canvas tents (glamping). Restrictions on certain forms (if any) should be included in the regulatory ordinance. |

