

TOWNSHIP OF COVERT
VAN BUREN COUNTY, MICHIGAN

ORDINANCE NO. 118

SHORT TERM RENTAL ORDINANCE

ADOPTED: APRIL 18, 2024

EFFECTIVE: **May 2, 2024**

An ordinance addressing short term rentals registrations, inspections, standards, and requirements in the Township of Covert.

The Township of Covert ordains:

Sec. 01-1. Purpose.

- A. The Township Board finds that the Short-Term Rental of dwellings in Covert Township is a matter closely connected with the public health, safety, and welfare of the community. The Township Board has enacted this Ordinance in an attempt to strike an appropriate balance between the interests of community residents, land owners, community business owners, visitors to the community, and real property owners wishing to engage in Short-Term Rentals.
- B. While visitors to the community who rent dwellings on a short-term basis bring many benefits to the community, they can simultaneously create concerns surrounding issues of traffic, parking, congestion, litter, noise, and other similar issues. Meanwhile, issues related to fire safety and life safety codes must be considered to maximize the safety and well-being of all in the community. This Ordinance is intended to strike a balance between competing interests.
- C. The Township of Covert further recognizes that the establishment of a permit and hearing system is needed to effectively enforce the short-rental regulations provided in this Ordinance in a cost-efficient manner. Final determinations made in any permit hearing may be appealed to circuit court.

Sec. 01-2. Definitions.

For the purpose of this Ordinance, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

- A. *Bedroom*. A room intended for sleeping or placement of a bed, separated from other spaces in a dwelling unit by one or more functional doors. The following spaces, which must be included in every dwelling unit, do not qualify as bedroom: (i) kitchens; (ii) dining areas; (iii) gathering spaces such as family rooms, dens, or living rooms; and (iv) attics or basements without egress meeting standards in applicable building, residential, and fire codes. To count as a bedroom, a room must comply with applicable requirements for bedrooms and habitable spaces set forth in Housing and Property Maintenance Code and/or the Covert Township Zoning Ordinance.
- B. *Code Enforcement Officer(s)*. Any employee or designee of the Township of Covert designated by the Township Board whose responsibilities include enforcement of the provisions of this Ordinance, the Covert Township Rental Housing Ordinance, the Housing and Property Maintenance Code and the Zoning Ordinance.
- C. *Construction Board of Appeals*. A Board designated by the Covert Township Board that presides over and adjudicates permit revocation hearings as described in Section 01-13. To ensure impartiality, an

individual who serves as a Construction Board of Appeals may not be involved in enforcing this chapter in any way other than as described in Section 01-13.

- D. *Dwelling*. As defined by Covert Township Zoning Ordinance Article 2 Section 2.02
- a. **Dwelling Unit** - A building or a mobile home or portion thereof connected to an approved sanitary wastewater collection and disposal system and having cooking, sanitary, bathing, dining, and sleeping facilities, intended for occupancy by one (1) family for residential purposes, either on a permanent or transient basis. A mobile home can be classified as a dwelling or dwelling unit only after meeting the standards of a mobile home as defined in Zoning Ordinance Article 18, Sections 18.24 and 18.25.
 - b. **Dwelling, Single-Family** - A building containing not more than one dwelling unit designed for residential use.
 - c. **Dwelling, Two Family** - A building containing not more than two separate dwelling units designed for residential use.
 - d. **Dwelling, Multiple-Family** - A building containing three or more dwelling units designed for residential use.
- E. ***Housing and Property Maintenance Code: The International Property Maintenance Code, provisions of the State of Construction as administered and enforced by Covert Township.***
- F. *Local Agent*. An individual designated by the owner of a short-term rental unit to: (i) oversee the short-term rental of a rental unit in accordance with this Ordinance; (ii) respond to calls from renters, concerned citizens, and representatives of the Township; (iii) act as an agent of the owner with respect to a short-term rental unit, which shall include the authority to accept service of legal paper's relating to the unit on the owner's behalf.
- G. *Occupant*. An individual who is living in, sleeping in, or otherwise having possession of a short-term rental dwelling unit. An individual present in a dwelling unit during the term of a short-term rental shall be presumed to be an occupant unless circumstances clearly indicate that the individual is visiting between the hours of 8:00 a.m. and 10:00 p.m. and will not stay overnight.
- H. *Off-Street Parking Space*. Shall mean a parking space that is provided on the same lot as the short-term rental unit that satisfies the requirements to count toward the minimum-parking calculation in Article 19 of the Zoning Ordinance.
- I. *Owner*. A natural person who is the legal or equitable titleholder of the premises in question. In situations where the record title holder is a trust, corporation, limited liability company, or other similar legal entity, the term "owner" shall refer to natural persons with control or partial control over such entity, e.g., a trustee, designated corporate representative, any and all members and managers of a limited liability company, etc.
- J. *Rental Unit*: Any dwelling which is in whole or in part not occupied by the owner/mortgagee/registered land contact holder thereof and/or occupied by one or more persons pursuant to an oral or written agreement for monetary consideration, for which gifted rent is provided to a non-owner/occupant, or any other consideration, but which persons are not acquiring an ownership interest in the dwelling.
- K. *Short-Term Rental Activity*. The rental of a dwelling for a term of less than 31 days. However, short-term rental activity does not include the following: transitional housing operated by a nonprofit entity, group homes such as nursing homes and adult foster care homes, hospitals, or housing provided by a substance abuse rehabilitation clinic, mental health facility, other health care related clinic, or dwelling units owned by a business entity and made available on a temporary basis to employees of that business entity or employees of a contractor working for that business entity.
- L. *Short-Term Rental*. A dwelling in which short-term rental activity is permitted to occur subject to the

terms and conditions of this Ordinance, the Housing and Property Maintenance Code, and the Zoning Ordinance.

- M. *Short-Term Rental Unit Permit.* A written document issued by the Township of Covert which indicates that the dwelling unit identified thereon is authorized to operate as a short-term rental unit in accordance with this Ordinance. When used in this Ordinance, the word “permit” refers to short-term rental permits.
- N. *Township.* The Township of Covert and all authorized agents of the Township of Covert, when acting within the scope of their authority.

Sec. 01-3. Short-Term Rental Permits; Requirement, Applications, and Review Procedure.

- A. *Permits required.* All dwelling units used for short-term rental activity must be registered annually, on or before March 1 of each year must have a short-term rental unit permit issued by the Township of Covert and must comply with any *applicable* provisions of this Ordinance, the Covert Township Rental Housing Ordinance, the Housing and Property Maintenance Code, and the Zoning Ordinance.
- B. *Application.* To apply for a short-term rental unit permit, the owner(s) shall:
 - 1. Provide and certify as true the following on a form provided by the Township of Covert:
 - a. Name, address, email address, and telephone numbers (local and cell phone) of each and every owner of the property, as well as the local agent designated by the owners.
 - b. The street address of the short-term rental unit, along with other identification if more than one short-term rental unit has the same street address.
 - c. The number of short-term rental units in the building, if more than one.
 - d. The number of bedrooms in each short-term rental unit.
 - e. The number of off-street parking spaces provided on the lot are reserved exclusively for occupants of the short-term rental unit. Valid off-street parking spaces include space in a garage, on an improved driveway, or in a carport.
 - f. A statement certifying that each bedroom has a working smoke alarm, that there is a working carbon monoxide detector on each floor, and that the owner(s) or local agent will check those devices at least every 90 days.
 - g. A statement certifying that each kitchen has a working fire extinguisher and that a working fire extinguisher is located near each outdoor cooking device.
 - h. Such other information as the Township of Covert requests.
 - 2. Sign the application form and provide the signature of the owner and/or local agent.
 - 3. Pay an annual administrative fee, as set by resolution of the Covert Township Board.
 - 4. Submit the property to an annual inspection for compliance with the Housing and Property Maintenance Code, the Rental Housing Ordinance and the Zoning Ordinance. Failure to satisfactorily complete an inspection shall be grounds for withholding a permit or deeming an existing permit to be immediately void. Voiding a permit under this section is not subject to the procedures provided in Sections 01-11 and 01-13.
- C. *Local agent required.* All short-term rental units must have a designated local agent that satisfies the following:
 - 1. The local agent shall be a natural person who resides within 20 miles of the geographic boundaries of the Township of Covert.

2. An owner may serve as the local agent so long as he or she has the ability to continue residing at a location within 20 miles of the Township of Covert during the duration of any short-term rental term.
- D. *Permit issuance.* To the extent permits are available in the pertinent zoning district at the time of the application, a short-term rental unit permit shall be granted after a successful inspection if the requirements in this ordinance for short-term rental units and applications for a short-term rental unit permit are met.
- E. *Validity and renewal.* Short-term rental unit permits become invalid in each of the following circumstances:
- a. A permit expires on year from the date of issuance of the permit;
 - b. A permit is terminated when the property to which the permit applies is conveyed to another party;
 - c. A permit is terminated when revoked in accordance with Section 01-11 below.
- A permit that expires or is terminated upon the conveyance of the property can be renewed so long as the application is submitted within 12 months of expiration or termination. A permit that is revoked in accordance with Section 01-11 can be renewed at the end of the 1-year ineligibility period so long as the application is submitted within 12 months of the date when the permit first becomes eligible for renewal. The renewal process shall be subject to the same requirements as the initial application.
- F. *Delinquent payments.* No permit shall be issued or renewed unless the owner is current on the payment of all real property taxes, utility rates, fees, charges, special assessments, and other amounts due to the Township of Covert. Delinquencies on any such payments to the Township of Covert, regardless of whether they relate to the rental unit for which a rental unit permit is sought shall result in denial of the permit.
- G. *Changes in information.* An owner or local agent shall notify the Township of Covert in writing within 15 days of any change in the information provided on the application form. The owner of a short-term rental unit shall notify the Township of Covert in writing within 15 days of any change in the designated local agent.

Sec. 01-4. Responsibilities of Short-Term Rental Operators.

The owner(s) and local agent for each short-term rental unit shall each be responsible for ensuring compliance with the following regulations, except where expressly provided otherwise:

- A. *Local agent availability.* During each short-term rental term, the local agent shall be available 24 hours per day, seven days per week for the purpose of responding within 30 minutes to complaints regarding the condition, operation, or conduct of occupants of the short-term rental unit or their guests.
- B. *Timely and effective response.* The local agent shall, upon notification that any occupant or guest of the short-term rental unit has created unreasonable noise or disturbances, engaged in disorderly conduct, parked vehicles in violation of this ordinance, or committed any other violations of applicable laws, rule or regulation pertaining to the use and occupancy of the short-term rental unit, respond in a timely and appropriate manner to halt and prevent a recurrence of such violations.
- C. *Reasonably prudent business practices.* The owner and/or the owner's authorized agent shall use reasonably prudent business practices to ensure that the occupants and/or guests of the short-term vacation rental unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate any applicable law, rule or regulation pertaining to the use and occupancy of the subject short-term vacation rental unit.
- D. *Duty to provide permit and post in window.* Upon request by any occupant or prospective occupant,

the owner(s) or agent shall provide the occupant or prospective occupant with a copy of the short-term rental unit permit. Further, a full-sized copy of the short-term rental unit permit must be posted in a prominent first-floor window of any short-term rental during each short-term rental term.

- E. *Basement regulations.* No basement can be used for a bedroom unless it has an egress window approved by the Township of Covert building inspector and found in compliance with the Housing and Property Maintenance Code.
- F. *Compliance with safety equipment requirements and applicable codes.* All short-term rental units shall comply with the safety equipment requirements in Section 01-8 below, as well as all applicable zoning, construction, fire, and housing and property maintenance codes, ordinances, or other regulations. A violation of any of the foregoing shall also be a violation of this section.
- G. *Rental of partial dwelling units prohibited.* This Ordinance pertains only to the short-term rental of an entire dwelling unit. The short-term rental of partial dwelling units (e.g., a room or rooms within a dwelling unit) is prohibited.

Sec. 01-5. Responsibilities of Short-Term Rental Occupants and Guests.

- A. *Street parking prohibited.* No short-term rental occupant, nor any other guest visiting a short-term rental unit during a short-term rental term, shall park vehicles on public streets adjacent to the unit. Rather, the off-street parking spaces provided on the lot must be utilized, and any excess vehicles must be parked in public parking lots or in other permitted off-site locations.
- B. *Short-term rental reservation summary.* Occupants shall produce a copy of the short-term rental reservation summary to a Township of Covert police officer or other ordinance enforcement officer upon request.
- C. *Duty to comply with applicable laws.* Short-term rental occupants and guests shall comply with the Township of Covert any and all Township ordinances or laws. A violation of any of the foregoing shall also be a violation of this section.

Sec. 01-6. Unauthorized Rentals Without a Permit.

- A. *Unauthorized rentals.* It shall be unlawful to engage in short-term rental activity with respect to any dwelling unit that has not been issued a permit pursuant to this Ordinance.
- B. In any prosecution or action to determine a violation of this section, the following shall apply:
 - 1. Advertising that offers a property as a short-term rental home shall constitute prima facie evidence of short-term rental activity involving the property and the burden of proof shall be on the property owner or other defendant to establish that the subject property has not been used for short-term rentals.
 - 2. Any communication in which a person offers a dwelling unit for rent for a term of less than 31 days shall constitute prima facie evidence of short-term rental activity and the burden of proof shall be on the property owner or other defendant to establish that the subject property had not been used for short-term rentals.
- C. *Unauthorized advertising.* It shall be unlawful to advertise any dwelling unit that does not have a short-term rental permit issued pursuant to this section for rent for a period of less than 31 days. Such advertisement shall constitute a violation of this ordinance separate and apart from a violation described in subsection A above.

Sec. 01-7. Inspections.

- A. *Scheduling.* Upon written notice from the Township of Covert, it shall be the owner's and local agent's responsibility to schedule and allow the Township of Covert inspection of the short-term rental unit. Inspections shall generally occur during the Township of Covert regular business hours, except in emergency situations or when otherwise agreed to by the Township of Covert and the owner or local

agent. All fees shall be paid prior to the inspection.

- B. *Opportunity to correct deficiencies.* If an inspection reveals that the short-term rental unit is not in compliance with this Housing and Property Maintenance Code, the owner(s) shall be provided with a written list of deficiencies or violations that must be corrected. Failure to correct such deficiencies in a reasonable time shall be grounds for withholding a permit or voiding an existing permit.
- C. *Additional inspections.* The Township of Covert may conduct additional inspections as it deems necessary, upon reasonable notice to the owner(s) or agent, such as when:
 - 1. A complaint is filed with the Township of Covert; or
 - 2. The Township of Covert otherwise has reasonable cause to believe a short-term rental unit is in violation of any Township of Covert ordinances.
- D. *Changes in conditions following inspection.* The owner(s) or local agent shall correct if any of the items inspected pursuant to this Ordinance within the time determined by the Code Enforcement Officer

Sec. 01-8. Safety Equipment.

- A. *Smoke detectors.* The owner(s) and local agent of each short-term rental unit shall each be responsible for the installation of smoke detectors/alarms in each rental unit. All smoke detectors/alarms shall be UL (Underwriters Laboratories, Inc.) approved, and shall be installed in accordance with the provisions of the Michigan Residential Code and the household fire warning equipment provisions of the National Fire Protection Association (NFPA) Standards § 72.
- B. *Smoke detector locations.* Smoke detectors/alarms shall be installed in the following locations:
 - 1. In each sleeping room;
 - 2. Outside of each separate sleeping area in the immediate vicinity of the bedrooms; and
 - 3. On each additional story of the rental unit, including basements and cellars, but not including crawl spaces and uninhabitable attics. In rental units with split levels and without an intervening door between the adjacent levels, a smoke detector/alarm installed on the upper level shall suffice for the adjacent lower level, provided that the lower level is less than one full story below the upper level.
- C. *Carbon monoxide detectors.* The owner(s) and local agent of each short-term rental unit shall each be responsible for the installation of a carbon monoxide detector in each rental unit. All carbon monoxide detectors shall be UL (Underwriters Laboratories, Inc.) approved, and shall be installed in accordance with the provisions of the Michigan Residential Code and the household fire warning equipment provisions of the National Fire Protection Association (NFPA) Standards § 72.
- D. *Fire extinguisher.* The owner(s) of each short-term rental unit shall each be responsible for the installation of a fire extinguisher in the kitchen of each unit and near each outdoor cooking device.
- E. *Tampering prohibited.* No person shall tamper or interfere with the effectiveness of a smoke detector, carbon monoxide detector or fire extinguisher required by this section.

Sec. 01-9. Maximum Occupancy Calculation.

The number of occupants in a dwelling unit during a short-term rental shall not exceed the number determined by the Code Enforcement Officer(s).

Sec. 01-10. Violations.

- A. *Violations as municipal civil infractions.* Any person who violates any of the provisions of this ordinance is responsible and may be prosecuted for a municipal civil infraction in court of competent jurisdiction, subject to payment of a civil fine of not less than \$1,000, plus costs and other sanctions, for each infraction. Repeat offenses shall be subject to an increased civil fine as follows:
 - 1. The fine for any offense which is a first repeat offense shall not be less than \$1,000.00 plus

costs and other sanctions.

2. The fine for any offense which is a second repeat offense, or any subsequent repeat offense shall not be less than \$2,000, plus costs and other sanctions.
3. A repeat offense means a second (or any subsequent) violation of this ordinance:
 - a. Committed by a person within any twelve-month period; and
 - b. For which the person admits responsibility or is determined to be responsible.

Sec. 01-11. Short-Term Rental Permit Revocation.

- A. *Grounds for revocation.* The Township of Covert may revoke the short-term rental permit for any short-term rental unit which is the site of at least three separate incidents within a 12-month period (occurring on three separate days) constituting a violation of any provision of this ordinance, whether committed by an owner, local agent, occupant, or guest. In order to qualify as an incident for purposes of this paragraph: (1) the Township of Covert must have issued a civil infraction citation or administrative violation notice regarding the offending conduct prior to commencing revocation proceedings pursuant to subsection B below; and (2) the violation must be either admitted by the owner or proven by a preponderance of the evidence in a civil-infraction prosecution in state court or in a revocation hearing as provided in Section 01-13 below.
- B. *Revocation Procedure.* Upon a determination by the Township of Covert that the short-term rental permit is subject to revocation pursuant to subsection A, the Township of Covert shall serve a notice, pursuant to Section 01-12, to the property owner(s) and the local agent stating that the Township of Covert intends to revoke the short-term rental permit. The notice shall inform the owner(s) and local agent of the date and time at which a revocation hearing will be conducted before a Construction Board of Appeals, in accordance with Section 01-13. Determinations by the Construction Board of Appeals regarding revocation shall constitute final orders of the Township of Covert.
- C. *Period of ineligibility following revocation.* Upon revocation of a permit, a renewed short-term rental permit will not be issued for a period of 12 months and the unit cannot be used for short-term rentals until such permit is obtained.

Sec. 01-12. Service of Notices.

Any notice issued pursuant to this Ordinance shall be considered served as of the date of the earliest of any of the following events:

- A. The posting of the notice on or adjacent to the premises, in conjunction with the mailing of the notice to the responsible party's last known address by first-class mail;
- B. The sending of the notice by email to an email address designated on a short-term rental permit for the property;
- C. Personal delivery of the notice to the responsible party; or
- D. The responsible party's receipt of the notice by certified U.S. mail, as indicated in a notification of receipt.

Sec. 01-13. Permit Revocation and Permit-Ineligibility Hearings.

The following standards and procedures shall apply in any permit revocation or permit-ineligibility hearing conducted under this Ordinance:

- A. *Opportunity to be heard.* Property owners and local agents shall be provided with the opportunity for a hearing during which they may be represented by counsel, present witnesses, and cross-

examine witnesses. Hearings shall be scheduled with reasonable promptness, provided that the property owner(s) and local agent shall be given at least 14 days after service of process to prepare for the hearing.

- B. *Evidence.* The Construction Board of Appeals may admit and give probative effect to evidence of any type commonly relied upon by reasonably prudent persons in the conduct of their affairs. Irrelevant, immaterial, or unduly repetitious evidence may be excluded. Effect shall be given to the rules of privilege recognized by law. Objections to offers of evidence may be made and shall be noted in the record. Subject to these requirements, the hearing officer, for the purpose of expediting hearings and when the interests of the parties will not be substantially prejudiced thereby, may provide in an administrative hearing or by rule for submission of all or part of the evidence in written form.
- C. *Burden of Proof.* The Township shall have the burden of establishing the grounds for permit revocation, as described in Section 01-10, by a preponderance of the evidence. A decision and an order shall not be made except upon consideration of the record as a whole or a portion of the record as may be cited by any party to the proceeding and as supported by and in accordance with the competent, material, and substantial evidence.
- D. *Appeals.* Final determinations of the Construction Board of Appeals shall be subject to judicial review in accordance with Article VI, Section 28 of the Michigan Constitution in an appeal taken pursuant to Michigan Court Rule 7.123.

Section 2. Publication and Effective Date. The Township of Covert Clerk shall cause this ordinance or a summary thereof to be published in a newspaper of general circulation in the Township, and the ordinance shall be effective immediately upon publication.

YEAS: 4
NAYS: 0
ABSTAIN: ... 0
ABSENT: 1

CERTIFICATION

This is a true and complete copy of Ordinance No. 118 adopted at a regular meeting of the Township of Covert Board held on April 18, 2024.



Covert Township Clerk