

LELAND TOWNSHIP PLANNING COMMISSION

Ross Satterwhite, Chairperson – term expires 8/25

Skip Telgard, Secretary – term expires 8/25

Sam Simpson – term expires 12/24

Clint Mitchell, Township Board Rep – term expires 12/24

Lee Cory, ZBA Rep – term expires 12/26

PLANNING COMMISSION MEETING Wednesday, October 2, 2024; 5:30 p.m. Leland Township Library/Munnecke Room 203 E Cedar Street, Leland, MI 49654

DRAFT MEETING MINUTES

- I. Call to Order at 5:30 pm– Pledge of Allegiance
Commissioners Telgard, Mitchell, Cory, Simpson, Satterwhite in attendance
ZA Cypher, Recording Secretary Bufka
Visitors:
Lynn Telgard, Keith Ashley, Larry Mawby
- II. Approval of Agenda (additions/subtractions) – Cory moves to accept the agenda as modified with the addition of Larry Mawby added to new business per Simpson request. Mitchell seconds the motion, all vote aye and the agenda is approved with an addition to new business
- III. Declaration of Potential Conflicts of Interest – there are none stated
- IV. Approval of Minutes: September 4, 2024 - amended with the correction of “Marshall” to Mitchell – Satterwhite moved to approve amended minutes, Mitchell seconded as amended, all vote aye and the amended meeting minutes are approved.
- V. Correspondence – none to report
- VI. Public Comment - (limited to three minutes per person unless extended by Chair)
Keith Ashley: has put together a committee from the Main St project, and will focus now on the C1 district. He will provide written copies of what language they would like to propose.
- VII. Reports:
 1. Township Board representative
Mitchell reports that the Oct 14 meeting has the Master Plan on the agenda, and he will report back about the outcome next month. The PC discussed that the Board approved the residential character language, and it’s now in a 180 day moratorium period, not yet part of the zoning ordinance.
 2. ZBA representative – Cory reports that there is an October 30th meeting scheduled with 2 variance requests.
- VIII. New Business
 1. PC Members’ lists for ordinance update topics
Satterwhite asks if members identified topics that have the potential to be modified in the ordinance and wants to first generate a list.

Simpson wants to survey people about AC and AR – agricultural tourism, and he states that there are things worth discussing. Some language is written to allow trailer parks, he wants to focus on agricultural. Simpson states that on the macro level ag property owners are seeing a

downward pressure on commodities and they want options for their properties. They want to add things like glamping, onsite farm stays (agricultural tourism) AR as well. Need to discuss differences in AR vs AC, and common uses. Simpson states that wineries want to increase acreage requirement. There should be a higher barrier to be a winery. Current language is 1 acre in Leland Township, based on how many cases produced. Phil Halstead was requested to provide the language that Leelanau Township used, Simpson thinks it's a good template or starting point for language. (18.25)

18.26 references AC, he wants to know why not AR. Owner occupied is a requirement to avoid a nuisance. Simpson states that C2 – worth discussing whether or not they want to allow an automotive dealership, carwash, and other special uses that are currently by right in the ordinance language.

18.09-18.10 – The PC discusses setbacks, specifically front setbacks and neighborhoods being consistent.

Cory states that she is concerned about short term rentals (STR's) and she's not clear about where the PC is on the topic. She doesn't feel like it's being addressed. Wonders what should be in the Master Plan and zoning ordinance to address this. Satterwhite clarifies that there are a lot of discussions that have happened, but got set aside.

ZA Cypher informs the PC that the state legislature is currently reviewing this. It could still have township directed rules. The State is looking at getting taxes for these, but allowing local control of STR's. Mitchell reports that a registry would be created and people would have to sign up for it. The PC discusses that the topic of the tax is bouncing around, they're not sure how it would work at local level, but the registration would help with enforcement.

The PC discusses whether they should wait for state to finalize requirements for them to discuss or put something in place now. Telgard says they spent a lot of time on this in the past, and someone should still have this information. Cory reports that people are asking if they can build for a short term rental only. Enforcement is based on the nuisance criteria. Cory believes people give up on reporting things and Cypher reports that he maybe gets 2 calls a year.

Cory gives an example about an STR that is managed remotely. Telgard: Suttons Bay has an STR registry, which requires a contact person for that rental. That list of contacts gets distributed, so people know who to call. Mitchell: clarifies that the state would require the registry, but that it would be voluntary. Enforcement from state wouldn't happen, they are only looking for the 6% tax. Mitchell would like to wait to see how it shakes out and it seems like the state has made a lot of progress and has created a framework.

ZA Cypher informs the PC that if they are contacted, they should forward issues to him. He can create a violation, and if need be get a use restricted. He doesn't want anonymous complaints, but if they get involved there are limits to what people can do. Mitchell, parking can be an issue too and that's in the ordinance. Satterwhite doesn't feel like the PC is anxious to get ahead of what the state is doing, so they should wait to see what the state provides as a framework. The PC members agree and it's noted that that bed and breakfasts must be owner occupied.

Telgard: C1 – can only have 1 upstairs dwelling, and he wants them to review this. Peterson case, it was tested in court and the township prevailed. The ruling was in favor of the ZBA. He thinks they should consider increasing that. C1 – a vacant C1 could be developed have more dwellings available – could use as workforce housing. You can do it in residential now, can't do that in commercial (Effies given as an example), can't do it in C1 or C2. State regulated (assisted living) 2.7 is what Telgard is referencing – allowed in residential in the village. Telgard reads from the foster care section, calls it a group home situation. Effies is assisted living. He

thinks they could come up with another type of building that could accomplish the same thing but support workforce housing. Telgard wants the PC to consider a new type of building for workforce housing in C1 and C2. C2 doesn't have a lot of C2 compared to Lake Leelanau. C2 allows for all kinds of businesses, has a much more active type of use. Not in residential area, so it could lend itself to something like this (workforce housing). Satterwhite asks if uses should be disbanded by right.

ADU – perhaps in C1/C2 owner occupied designation could be removed. They should consider the possibility of ADU's. ZA Cypher clarifies that owner occupied does not affect the commercial district. Satterwhite reads from the ordinance. PC discusses that AC is the only exception – add this to C1 and C2. Dwelling size is currently 720 square feet min, maybe they could change to tiny houses.

Mitchell wants to discuss that carwash and car dealerships in C2 should move to special use. Peterson project – have the attorney review the condominiumization language? Satterwhite: wants to know what the ZBA overturned. Mitchell: language in C1 that refers to residential uses, he thinks they should change the language for consistency. The ruling was based on the ZBA, not on the PC. Multiple uses in residential wasn't allowed in that zoning district. Likes one single family dwelling by right, likes that if someone wants more it triggers a special use. Add quantifiable language to C1, like PUD language. Instead of triggering a PUD, have quantifiable language that talks about multiple dwellings without requiring a PUD.

The PC discusses the Peterson case and PUD. Mitchell suggests pulling language from PUD and put it in special use. AR zoning – look at this, it's all over the place. Look at where it's adjacent to the village. Look at reducing acreage in AR to 1 acre, within X feet of Village commercial. Specifically in Lake Leelanau, where you look at west and north edge – all agricultural residential. Walkable areas, close to where you work to keep it affordable. Have chunks of AR around the village, could make sense with proximity to the Village Commercial district. Doesn't make sense to allow if for all of AR. Maybe reduce 3 acres down to 2, but it might still be cost prohibitive, so look at going down to 1 acre.

Telgard asks for a larger, more detailed zoning map. Cypher will look for a larger map, but reports that the PDF of the zoning map can be blown up.

Satterwhite: ADU is on his list. He wants to discuss this. Suggests a cap on being able to do this, or look at a cap on the number of STR's. The surge of what's happening in peak months is significant. Simpson – suggests that this might be something people need to age in place and stay at their home, would rather cap the number of STR's. Cory is concerned that ADU's could become STR's. Telgard thinks people use them for family members, and could use them for workforce housing. He reminds the PC that the commerce generated with the surge is a very short season. Satterwhite still wants to discuss it. Cory states that people are building STR's solely for STR's and not living there. Mitchell suggests a cap how many STR's an entity can have. He thinks caps are arbitrary. STR's will get oversaturated and economics won't make sense eventually. He wants to let it play out.

Cypher: the public likes to know what's going on next to them. Unless the public pays attention to every agenda, they might miss something. A use by right discussion might only take 1 meeting. Right now we only do that for special use. Last ordinance (2012) they spent over 4 years doing it. The referendum was voted down by 15 votes. Not every item stated tonight has been addressed. He encourages the PC members to review what they did then – a lot of time and effort went into that with professional reviews. (attorneys) Some amendments since then had already been incorporated in that document. It's long but a good read. Current ordinance was from the early 1980's with amendments. ZA Cypher is asked to provide a comparison

document between current ordinance and what they did in 2012.

2. Larry Mawby to speak about affordable attainable housing

Mawby states that he doesn't know existing ordinance well. He is there to represent a land trust, to provide affordable housing for working families. Affordable, attainable, workforce housing all mean the same thing. There are different approaches for PC's to facilitate adding this to their communities. He'll be in Northport soon to discuss. A lot of communities are approaching it in their own ways, appropriate to their community.

In Leland specifically, the only district that is explicitly used for multi family housing is limited because it isn't part of the sewer system. He suggests at looking at ways to provide housing serviced by the sewer system. He believes that it's unlikely that large scale multi family developments will be done in Leland or in Leelanau county – due to state regulations on water supply and sanitary sewers. Anything over 8 units on a single well needs public water supply or at least 2 wells with a 200' radius around each well.

Usually affordable developments are a combination of homes and rentals. The biggest source of subsidy for rentals is a state subsidy. There's only 1 place that has any tax credit that qualifies, Suttons Bay or TC. Public water, sewer, walkable, etc. is a requirement. Northport only has water and sewer, but not other criteria. They are looking at a way to get some points for rural communities. He thinks the PC could consider the option of reducing the minimum dwelling size, that makes things more affordable. Many communities, particularly villages, have eliminated minimum sizes. Allows for really small apts or ADU's. ADU's can be a really good source of affordability, rental affordability.

If owner occupancy is required in principal residence, they often permit ADU's, but don't allow them to be STR's. Minimum rental of 30 days or 6 months. To avoid them being STR's. Many communities have experienced problems with STR's taking all rentals. No evictions required with STR's. Currently there are 62 STR's, 15% of rentals in Village of SB. 5-7% is what village planners want to see. Limit of 45 STR licenses now. SB township has a limit of 150 for the township. STR's consume affordable rentals. Ordinance could permit ADU's, but not allow them to be STR's. ADU's typically have a maximum size of between 600-800 square feet.

Mawby asks about what duplexes or triplexes are zoned in and not restrict those to a district. He asks about the density requirement in the ordinance. He tells them to think about a density bonus, if a portion or all of the units are affordable. Satterwhite says there's flexibility with density. He doesn't think affordable housing will be changed with density changes. Mawby suggests talking to Homestretch and states that they would like to participate. There is a committee working on affordable housing and want to work with communities and provide resources. Frank Clements – worked with Frankfort and Empire. Mawby thanks the PC for giving him time to speak and wants to support their efforts.

Keith Ashley states that he has a duplex STR. He didn't have good luck with long term rentals. (sharing a building) Suggests a workshop be advertised, 170+ rentals in Leland township. Suggests that residents be invited and have a workshop to discuss STR's and ADU's. Gives example of small houses in Harbor Springs and that it's doable.

- IX. Old Business - none
- X. Other Business (as required) - none
- XI. Zoning Administrator Comment - none

- XII. Planning Commission Comment – Simpson: what’s the next step with the list? Satterwhite wants to see the list and then look at comparisons between the suggested 2012 ordinance and current ordinance, and then ask themselves what they want to actually tackle. Next meeting they’ll review list and what Cypher provides as a comparison between the ordinances.
- XIII. Public Comment - (limited to three minutes per person unless extended by chair)
Larry Mawby – thanks them for letting him speak tonight. Encourages them to keep others informed about their process. He can’t go to every meeting but wants to know what’s going on with regard to attainable/affordable/workforce housing discussions. He is reminded that the meeting minutes are online each month.
Lynn Telgard: she thinks they need to address R3 zoning. There’s nothing for Duplexes there. She states that she has pushback on what Mitchell said about C2, she thinks it’s a slippery slope for people to be able to do affordable housing. In R3 now, there are only single family dwellings. If you try to build multi family, there will be pushback from the neighbors even though it’s allowed under the ordinance. She thinks those issues need to be addressed because she believes that the neighbors killed Petersen’s PUD project because of compatibility.
Keith Ashley: the last zoning ordinance was voted down because of farms, but there was nothing about farms in the changes to that ordinance being. Ashley describes his STR situation and believes that in rural areas it is a needed service for people who don’t want to drive from Traverse City, or can’t afford to stay there. (example attending a nearby wedding or other event)
- XIV. Next meeting; Wednesday, November 6, 2024: Leland Township Library
Satterwhite won’t be at next meeting but the PC agrees to meet on that date as planned
- XV. Adjournment – 7:20 pm