



City of South Haven

**For Immediate Release**

**Contact:** David Wright  
City of South Haven, 269.637.0760

## **South Haven Adopts New Regulations on Short-Term Rentals** *Owners Must Designate STRs as ‘Business’ or ‘Personal’ by Dec. 17*

**South Haven, Michigan, Dec. 4, 2018** – After a comprehensive seven-month process, the South Haven City Council has adopted new regulations for short-term rentals.

The new regulations are designed to acknowledge the differences among STRs, offering regulations for STRs based on the intended use by the owner. Under the new regulations, current STR owners should identify whether the owned unit is a business or personal STR, and should provide this designation to the City’s zoning department no later than Dec. 17.

The designation is at the owner’s discretion, and will impact the number of times the unit can be rented per year, the frequency of inspections, the annual fees paid, the occupancy allowed and potential “saturation controls” put in place. A home can be designated as a business STR even if the owner uses it as a permanent residence.

“After several months of collecting input from homeowners, residents and realtors and reviewing the best practices from communities around the state, we developed regulations we feel will best serve our community and the short-term rental owners within South Haven,” City Manager Brian Dissette said.

“These designations allow owners to choose how the City regulates their short-term rentals, equipping landlords with the ability to make the decision best for them and their rental property, while balancing the needs of our long-term residents and vacationers.”

As owners look to understand the differences between designating their STR as a business or personal rental, notable differences include:

- Personal STRs can be rented up to six terms per year for a total of up to 28 days, while business STRs can be rented an unlimited number of times per year.
- Personal STRs must pass inspection every two years, while business STRs must pass inspection every year.
- Personal STR owners must pay a fee every two years, proposed at \$100. Business STR owners must pay an annual fee, proposed at \$500. Fees will cover the cost of inspection and offset the cost of the City’s regulation of STR program.
- A property owner may only have one personal STR in the city, but may have several business STRs.
- The maximum occupancy of a personal STR is calculated based on the formula in the City Code, but cannot exceed 12 persons even if the formula would provide for a higher occupancy.

Additionally, owners should note that once currently registered STRs are designated, there will be a number of “saturation controls” that limit the creation of new business STRs. These saturation controls, however, will not apply to the initial designation of existing STRs or new personal STRs.

Those who are not current owners of STRs but interested in registering a new STR can apply for a permit. At the time of application, owners will be asked to choose personal or business. New business STR registrations are generally granted only through an annual allocation process that occurs in the winter of each year, but the City will continue to issue registrations throughout year if there are remaining available registrations under the 4:1 ratio, which determines the amount of new business STRs allowed in the community.

Exhibit A: Registration Fee Schedule on attached page.

For more information on the new regulations, review the approved ordinance [here](#)

##### END #####

EXHIBIT A

Short-Term Rental Registration Fee Schedule

<b>Description:</b>	<b>Fee:</b>
Business STR annual registration fee	\$500 per dwelling unit
Personal STR bi-annual inspection fee	\$100 (\$50 per year) per dwelling unit
Building capacity increase request application	\$500 per dwelling unit

## South Haven – Short-Term Rental FAQs

### **1. What is the difference between a personal STR and a business STR?**

Notable differences include between a personal STR and a business STR include the following:

- Personal STRs can be rented up to six terms per year for a total of up to 28 days, while business STRs can be rented an unlimited number of times per year.
- Personal STRs must pass inspection every two years, while business STRs must pass inspection every year.
- Personal STR owners must pay a \$100 fee every two years. Business STR owners must pay a \$500 annual fee. Fees will cover the cost of inspection and offset the cost of the City’s regulation of STR program.
- A property owner may only have one personal STR in the city, but may have several business STRs.
- The maximum occupancy of a personal STR is calculated based on the formula in the City Code, but cannot exceed 12 persons even if the formula would provide for a higher occupancy.

### **2. What are the fees for personal vs. business STRs?**

Personal STR owners must pay a \$100 fee every two years. Business STR owners must pay a \$500 annual fee. Fees will cover the cost of inspection and offset the cost of the City’s regulation of STR program.

### **3. Why do I have to choose a designation now?**

After several months of collecting input from homeowners, residents and realtors, and reviewing the best practices from communities around the state, the City of South Haven has developed regulations that will best serve the community and short-term rental owners within South Haven. These designations allow owners to choose how the City regulates their short-term rentals, equipping them with the ability to make the decision best for them and their rental property. To best manage short-term rentals going forward, we are asking all those currently approved to make a designation now.

### **4. What’s the deadline for choosing a designation?**

Current STR owners should identify whether the owned unit is a business or personal STR and should provide this designation to the City’s zoning department no later than Dec. 17.

### **5. If I live at my personal STR, can I choose to designate it as a business STR?**

A home can be designated as a business STR even if the owner uses it as a permanent residence. The designation is at the owner’s discretion, and will impact the number of times the unit can be rented per year, the frequency of inspections, the annual fees paid, the occupancy allowed and potential “saturation controls” put in place.

### **6. How do the parking regulations in the new ordinance work?**

The new ordinance requires new business STRs to comply with the zoning ordinance's current parking regulations for the underlying dwelling use. In other words, dwelling units with non-conforming parking will have to come into conformance in order to register as an STR. This parking requirement does not apply to:

- Dwelling units registering as personal STRs;
- Dwelling units that were registered as STRs before the adoption of the new STR ordinance; and
- Dwelling units in attached condominium developments or the following PUDs: Sherman Hills, Maple Gate, Woodland Harbor, and Everett Park.

## **7. What do I do with my current STR?**

Under the new regulations, current STR owners must identify whether the owned unit is a business or personal STR and provide this designation to the City's zoning department no later than Dec. 17.

## **8. If I want a new STR, what is the process?**

Those who are not current owners of STRs but interested in registering a new STR can apply for a permit. At the time of application, owners will be asked to choose personal or business. New business STR registrations are generally granted only through an annual allocation process that occurs in the winter of each year, but the City will continue to issue registrations throughout year if there are remaining available registrations under the 4:1 ratio, which determines the amount of new business STRs allowed in the community.

Dwelling units in attached condominium developments in Sherman Hills, Maple Gate, Woodland Harbor, and Everett Park do not have to wait for the annual allocation process in order to be registered as a business STR.