

December 31, 2025

City of Saugatuck City Council

Re: Proposed Administrative Amendment to the Short-Term Rental Ordinance

Dear Mayor and Members of Council,

We are submitting the attached proposed administrative amendment to the City's Short-Term Rental ordinance on behalf of property owners who unintentionally lost their STR licenses due to administrative noncompliance following adoption of the current ordinance.

This proposal is narrowly focused and procedural in nature. It does not seek to expand short-term rental use, modify zoning, increase caps, or weaken enforcement. Instead, it is intended to clarify renewal procedures, improve notice and due process, and correct unintended outcomes that arose from administrative gaps during the initial implementation of the ordinance.

Specifically, the amendment:

- Establishes clear and consistent renewal notice and cure procedures
- Clarifies license expiration and renewal continuity
- Distinguishes administrative issues from substantive ordinance violations
- Provides a one-time reinstatement opportunity for licenses lost solely due to administrative noncompliance

These changes are intended to align STR licensing with standard administrative practices used for other City permits, promote consistent and transparent administration, and restore fairness without altering the policy framework adopted by Council.

We respectfully request that Council review and consider this proposed amendment. We believe it addresses real administrative challenges while preserving the intent and integrity of the existing ordinance.

Thank you for your time and consideration.

Chad DuPont, Sans Souci Hospitality

Kevin Tringali, Bella Vita Vacation Rentals

Anne Gudith, Jacqua Realtors

Summary of Proposed Administrative Amendment

City of Saugatuck – Short-Term Rental Ordinance

What Is Being Proposed

This proposal makes administrative improvements to how Saugatuck's existing Short-Term Rental (STR) ordinance is implemented and enforced. It does not change where STRs are allowed, how many are permitted, or who is eligible to hold a license.

The goal is to ensure the ordinance is applied consistently, transparently, and fairly, while correcting unintended outcomes that occurred through administrative processes.

Why These Changes Are Necessary

Since the new Short-Term Rental ordinance took effect last year, it has become clear that some licenses were lost not due to ordinance violations, but because of unclear renewal procedures and clerical errors that resulted in missed deadlines. In most cases, licenses expired without notice and without a reasonable opportunity to correct administrative issues.

Additionally, the renewal application deadline and the license expiration date are not the same, which has caused confusion for license holders. The absence of a consistent, clearly communicated renewal process has led to unintended outcomes that these administrative updates are intended to address.

Under the current process, license expiration dates may also shift earlier from year to year, creating a moving and increasingly shortened renewal window. As a result, licenses may effectively be valid for less than a full year despite payment of the full annual fee.

These outcomes were unintended and do not reflect the original intent or spirit of the STR ordinance when it was adopted.

These proposed changes are intended to:

- Improve communication between the City and STR license holders
- Improve STR licensing and administrative practices
- Promote consistent, transparent, and predictable administration
- Restore fairness without expanding or increasing STR use

What the Amendment Does

1. Clarifies the Renewal Process

- Requires written renewal notices at least 60 days before license expiration
- Ensures notices clearly state deadlines and requirements

2. Adds a Final Notice and Cure Period

- If a renewal deadline is missed, license holders receive a final written notice
- A short cure period allows administrative issues to be corrected

3. Distinguishes Administrative Issues from Violations

- Administrative noncompliance (late filings, clerical errors) is treated differently from ordinance violations
- Safety violations and unlawful operation remain fully enforceable

4. Preserves License Expiration Consistency

- Timely renewals keep the same annual expiration date year-to-year
- Prevents shifting or “drifting” expiration dates caused by processing timing

5. Creates a One-Time License Reinstatement Program

- Offers reinstatement to former license holders who lost licenses unintentionally due to administrative noncompliance
- Requires written notice from the City to eligible former license holders
- Applies only once and does not create future precedent

What This Proposal Does *Not* Do

- Does not change STR caps or zoning rules
- Does not legalize new STRs
- Does not forgive ordinance violations
- Does not weaken enforcement
- Does not increase the number of STR licenses or number of short-term rentals operating in any neighborhood

Proposed Administrative Amendment

City of Saugatuck – Short-Term Rental Ordinance

Purpose

To clarify and standardize the administration and enforcement of the existing Short-Term Rental (STR) Ordinance, improve due process, and provide a one-time reinstatement for licenses unintentionally lost due to administrative noncompliance.

This amendment does not alter the substance, caps, or eligibility requirements of the ordinance unless expressly stated. These administrative updates support predictable enforcement, reduce unnecessary disputes, and strengthen public confidence in the City's permitting processes.

Section 1. Administrative Clarifications

1.1 License Renewal Notice

The City shall provide written notice of STR license renewal requirements to the license holder and local agent no less than sixty (60) days prior to license expiration.

The notice shall:

- Specify the renewal application deadline
 - Be sent by both email and USPS mail
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1.2 Final Notice and Cure Period

If a renewal deadline is missed, the City shall notify the license holder by certified mail and provide a thirty (30) day cure period, not to extend beyond the license expiration date, to submit required materials.

During the cure period, the license shall be considered administratively pending and not forfeited.

Failure to cure within the stated period shall result in expiration consistent with the ordinance.

1.3 Administrative vs. Substantive Violations

For enforcement purposes:

- Administrative noncompliance, including missed deadlines, clerical errors, or late payments, shall not be treated as a forfeiture event.
 - Substantive violations, including operating without a license, safety violations, or ordinance breaches, remain subject to existing enforcement provisions.
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Section 2. License Expiration and Continuity

2.1 Annual Expiration Date

Each STR license shall have an established annual expiration date.

2.2 Continuity of Expiration Date

If a complete renewal application is submitted within the sixty (60) days prior to the license's expiration date, the original expiration date shall remain unchanged from year to year.

Timely submission within this window shall be deemed a continuous renewal and shall not reset, alter, or advance the expiration date.

2.3 Administrative Processing

City processing time shall not affect the established expiration date, provided the renewal application was timely submitted and any administrative deficiencies are cured as permitted.

Section 3. One-Time License Reinstatement Program

3.1 Eligibility

A one-time reinstatement opportunity shall be offered to former STR license holders who:

- Held a valid STR license in good standing at any time following implementation of neighborhood caps
- Lost the license solely due to administrative noncompliance
- Were not subject to enforcement actions for substantive ordinance violations

Reinstated licenses are limited to properties that were previously approved and operating in compliance and are not new authorizations.

3.2 Notice of Reinstatement Opportunity

The City shall provide written notice of the one-time reinstatement opportunity to all former STR license holders and local agents, reasonably identifiable as having lost a license due to administrative noncompliance.

3.3 Reinstatement Process

Eligible applicants may apply for reinstatement within ninety (90) days of adoption of this amendment by:

- Submitting a reinstatement application
- Paying the standard license fee
- Certifying continued compliance with all ordinance requirements

Upon approval, the license shall be reinstated without counting against any existing cap and shall be deemed a continuation of the prior license, not a new issuance.

3.4 One-Time Application

This reinstatement program shall:

- Apply only once
- Expire automatically after the stated application period
- Not establish precedent for future reinstatements