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CITY OF EAST LANSING

SUBSTITUTE ORDINANCE NO. 1035C

AN ORDINANCE TO AMEND ARTICLE VII. - OTHER DISTRICTS - OF CHAPTER 50 - ZONING - BY ADDING DIVISION 5 - RESIDENTIAL RENTAL RESTRICTION OVERLAY DISTRICTS - SECTIONS 50-772, 50-773, 50-774, 50-775, AND 50-776 TO THE CODE OF THE CITY OF EAST LANSING TO ESTABLISH AND PROVIDE PROCEDURES FOR THE ADOPTION OF RESIDENTIAL RENTAL RESTRICTION OVERLAY DISTRICTS.

THE CITY OF EAST LANSING ORDAINS:

Division 5 - Residential Rental Overlay Districts - and sections 50-772, 50-773, 50-774, 50-775 and 50-776 therein are hereby added to Article VII - Other Districts - of Chapter 50 - Zoning- of the code of the City of East Lansing to read as follows:

DIVISION 5: RESIDENTIAL RENTAL RESTRICTION OVERLAY DISTRICTS

**Sec. 50-772. Residential rental restriction overlay districts R-O-1, R-O-2 and R-O-3.**

Residential rental restriction overlay districts R-O-1, R-O-2 and R-O-3 are hereby established.

**Sec. 50-773. Purpose and objectives .**

The Residential Rental Restriction Overlay Districts R-O-1, R-O-2 and R-O-3 are zoning classifications which permit owners of property within R-1, R-2 and RM-8 residential zoning districts to petition City Council to establish an overlay district, and district use regulations in their residential neighborhood, which would prohibit or restrict the rental uses of one-family dwellings within the neighborhood. These districts establish three levels of restrictions which operate to preserve the attractiveness, desirability, and privacy of residential neighborhoods by precluding all or certain types of rental properties and thereby preclude the deleterious effects rental properties can have on a neighborhood with regard to property deterioration, increased density, congestion, noise and traffic levels and reduction of property values. The goal of the overlay district is to allow owners of property within residential neighborhoods to control the types of rental properties, if any, that are permitted in one-family dwellings within their neighborhood.

It is also the purpose of the districts to achieve the following objectives:

- (1) To protect the privacy of residents and to minimize noise, congestion, and nuisance impacts by regulating the types of rental properties
- (2) To maintain an attractive community appearance and to provide a desirable living environment for residents by preserving the owner occupied character of the neighborhood
- (3) To prevent excessive traffic and parking problems in the neighborhoods.

**Sec. 50-774. Uses permitted .**

Uses permitted in the R-O-1, R-O-2, and R-O-3 residential rental restriction overlay district are as follows:

- (1) In the R-O-1 Residential Rental Restriction overlay district, permitted uses are all uses in the underlying zoning district except the use or occupancy of a one-family dwelling unit so as to require a rental housing license pursuant to Article 10 of Chapter 101 of the Code of the City of East Lansing.
- (2) In the R-O-2 Residential Rental Restriction overlay district, permitted uses are all uses in the underlying zoning district except the use or occupancy of a one-family dwelling unit so as to require a rental housing license pursuant to Article 10 of Chapter 101 of the Code of the City of East Lansing unless the use or occupancy is in accordance with a Class I rental license and the owner of the property owned it on the date the overlay district ordinance was approved by City Council.
- (3) In the R-O-3 Residential Rental Restriction overlay district, permitted uses are all uses in the underlying zoning district except the use or occupancy of a one-family dwelling unit so as to require a rental housing license pursuant to Article 10 of Chapter 101 of the Code of the City of East Lansing unless the use or occupancy is in accordance with a Class I rental license.

**Sec. 50-775. Procedures.**

The following procedures must be complied with in order to establish a residential overlay district:

- (1) A petition requesting an overlay district must be submitted to the City Clerk on forms provided by the City Clerk. The petition requirements are as follows:
  - a. The petition must identify the specific overlay district that is sought by specifying either an R-O-1, R-O-2 or R-O-3 overlay district.
  - b. Each petition must be circulated by a person who owns property within the

proposed district and be signed by the circulator.

c. The petition must contain the signature and address of two thirds of the parcel owners within the proposed boundary of the overlay district, exclusive of public property. Jointly owned parcels will be considered owned by a single person for purpose of petitioning and any co-owner may sign a petition for such parcel. Only one owner of each parcel will count towards the two third requirement. If a person owns more than one parcel of property within the proposed district, they may sign the petition for each parcel they own.

d. Each person signing the petition must also enter, on the petition, adjacent to their signature, the date that the person signed the petition.

e. The petition must accurately advise the signer of what restrictions would be imposed on the property if the overlay district is established.

f. The proposed boundaries of the overlay district must be described in the petition and the boundaries must consist of streets or existing zoning district lines which totally enclose the proposed district.

g. There must be at least 50 separate lots or parcels within the proposed district as described in the petition or the proposed district must constitute a discrete neighborhood geographic area.

h. The proposed boundaries of the overlay district must be entirely within R-1, R-2, or RM-8 zoning districts and the parcels within the proposed district must be contiguous.

i. The proposed boundaries may not overlap a boundary of existing overlay districts or the boundary of an overlay district that is already the subject of an introduced ordinance pursuant to this section.

j. When submitted, no signature dated earlier than six months prior to the time the petition is filed with the City Clerk shall be counted in determining the validity of the petition.

(2) Upon presentation to the City Clerk for review, the Clerk shall verify the signatures on the petitions. If insufficient signatures are presented, the Clerk shall return the petitions to the person filing the petitions and identify the valid and invalid signatures. If sufficient valid signatures are presented, the Clerk shall refer the petitions to the Zoning Department which shall then, within 30 days, determine whether the petitions are in conformity with the remaining conditions of this section.

a. If the petition is determined to be in conformity with the requirements of this section, the Zoning Administrator shall draft an appropriate ordinance and

forward it to City Council for introduction in accordance with the petition procedures set forth in section 50-31. All procedures set forth in section 50-31 for zoning changes by petition shall thereafter be followed.

b. If the petition is not in conformity with the requirements of this section, the Zoning Administrator shall reject the petition and return it to the Clerk with a written explanation as to why the petition does not meet the requirements of this section. The Clerk shall then forward the petitions, and the explanation, to the person who filed the petitions.

c. If the petition is rejected for failure to comply with the boundary requirements, it may be resubmitted with the proper boundary lines if it is accompanied by certification that a copy of the petition and written notice was mailed to each property affected by the change, notifying them that their property was either added to or deleted from the petition and if by the correction of the boundary line the petition still meets all other requirements of the code.

d. If the petition is rejected for an insufficient number of valid signatures, it may be resubmitted with the additional signatures necessary to have it comply as long as the other signatures remain valid.

e. If an ordinance is forwarded to City Council pursuant to this section, after consideration of the petition and the recommendations of the Zoning administrator, if any, the City Council may make additions or changes in the boundaries of the proposed overlay district to prevent spot zoning, to include or exclude areas that logically should have been included or excluded in the petition, to make the boundaries of the proposed overlay district abut boundary lines of other zoning districts and overlay districts, and to adopt an alternate ordinance in conformity with the suggested changes whether or not the two thirds majority requirement of property owners would still be met with the proposed changes.

f. If The City Council, in adopting an ordinance for an overlay district, applies the ordinance to fewer parcels of property than the petition sought, the owners of at least two thirds of the parcels remaining in the overlay district must have signed the original petition.

#### **Sec. 54-776 Effect of overlay district ordinance .**

(1) Upon introduction of an ordinance to create an overlay district and at all times while the ordinance is pending final decision, there shall be a moratorium on the issuance of initial rental unit licenses to the extent that no initial rental housing license shall be issued within the proposed overlay district to the owner of a one family dwelling unit that would be precluded if the overlay district was adopted, regardless of whether the license was applied for prior to or subsequent to the ordinance's introduction.

(2) Upon passage of an ordinance by City Council establishing an overlay district, no initial rental unit license shall be issued to an owner of property in the overlay district inconsistent with the restrictions of the overlay district and it shall be unlawful to use or allow any property to be used except in conformity with the requirements of the underlying zoning district and overlay district. Any property in the overlay district that has an existing rental housing license, or has had a rental housing license within one year of adoption of the overlay district, shall be allowed to continue its use and occupancy in accordance with the law existing prior to the date of the adoption of the overlay district. No existing rental housing use or occupancy in an overlay district shall be considered to be a non-conforming use as the result of adoption of an overlay district unless the rental license expires for more than 1 year. If an owner surrenders an existing license or allows, either intentionally or unintentionally, a license to remain expired for more than one year, any subsequent use of the property shall be subject to the restrictions imposed by the overlay district.

(3) If an ordinance introduced pursuant to this section is denied, a subsequent ordinance for an overlay district that includes the same parcels may not be introduced for 1 year following introduction of the previous ordinance.

(4) Any ordinance which is not adopted within 6 months of its introduction shall be deemed denied.

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Mark S. Meadows  
Mayor

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Sharon A. Reid  
City Clerk