

Tuesday, June 16, 2021

Speaker Jason Wentworth
164 Capitol Building
P.O. Box 30014
Lansing, MI 48909-7514

Speaker Wentworth and members of the Michigan House of Representatives:

We write to you today to express our united opposition to House Bill 4722(H-1). An identical bill, Senate Bill 446(S-1), is also moving through the Senate. These bills, as currently drafted, leave communities unable to sufficiently regulate non-residential land use in residential neighborhoods across the state.

Short-term rentals have become a thriving part of Michigan's tourism economy, and we wish for them to remain long into the future. This bill before you attempts to support short-term rentals – but it does so by imposing a top-down, one-size-fits-all policy that ignores the unique needs of our individual communities.

Backers of these bills claim short-term rentals are a private property rights issue and appear to be reacting out of fear that some communities may ban the practice of short-term renting. This fear is unfounded. We are not aware of a single community in Michigan that has or is seeking to ban short-term rentals. **In fact, exclusionary zoning is already against the law.**

Some communities have found it necessary to place reasonable regulations on short-term vacation rentals to ensure they are balancing the needs of long-term residents alongside those of visitors. There are many places in Michigan facing an affordable housing crisis where residents struggle with housing that is too expensive for their budgets—or they spend more money and time on long commutes to and from work and services. When short-term rentals are allowed to proliferate without oversight, it can further deplete the available housing supply and drive up costs for residents. Communities should decide for themselves how to balance their housing needs, not Big Government.

The private property rights argument also fails to recognize that short-term vacation rental businesses in residential properties are a commercial activity. They are mini-hotels, and are **increasingly operated by out-of-state investors**. Just like communities set limits on the amount of other commercial activity in residential neighborhoods, such as in-home daycares or home salons, so too should they be able to decide what level of short-term rental activity is appropriate to maintain the residential character of a neighborhood.

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Short-term rental regulation is also an issue of public safety. Local fire marshals have found these properties lacking smoke and carbon monoxide detectors, gasoline and liquid propane stored in the basement, as well as other serious hazards. As currently written, House Bill 4722 would impede a local government's ability to inspect these mini-hotels to ensure they are being operated safely.

Again, we strongly believe that short-term rentals are a vital part of Michigan's tourism economy. We do not want to see them banned.

Instead of House Bill 4722, we urge you to seek compromise legislation that balances the basic rights of homeowners to rent their properties on a short-term basis with the individual needs of our local communities. Such a compromise should also create a more level playing field between these predominantly commercial short-term rentals with the hotels and resorts that invest and operate in our communities.

Please vote House Bill 4722 down so that such a deal can be constructed.
Thank you for your consideration of this important local matter.

Co-Signed:

Community Economic Development Association of Michigan
Conference of Western Wayne
Frankenmuth Bavarian Inn, Inc.
Housing North
Michigan Bed & Breakfast Association
Michigan Association of Fire Chiefs
Michigan Association of Planning
Michigan Historic Preservation Network
Michigan Lakes & Streams Association
Michigan Municipal League
Michigan Poverty Law Program
Michigan Restaurant and Lodging Association
Michigan Townships Association
Saginaw County Chamber of Commerce
Southeast Michigan Council of Governments
Superior Lakes Investments

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