

Tuesday, May 25, 2021

Hon. Senator Aric Nesbitt
201 Townsend Street
Suite #6100
Lansing, MI 48933

Sen. Nesbitt and members of the Senate Regulatory Reform Committee:

We write to you today to express our united opposition to Senate Bill 446. An identical bill, House Bill 4722, is also moving through the House. These bills as currently drafted leave communities unable to regulate non-residential property uses 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 so long into the future. This bill before your committee also 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. We urge you to vote this legislation down.

Backers of these bills claim short-term rentals are a personal 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.

What some communities have found necessary is to place reasonable regulations on short-term rentals to ensure they are balancing the needs of long-term residents and those of vacationers. 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 overview, it can further deplete available housing supply and drive up costs for residents. Communities should decide for themselves how to balance their housing needs, not Big Government.

The personal property rights argument also fails to recognize that short-term rentals are a commercial activity. They are mini-hotels. Just like communities set limits on the amount of other commercial activity in residential neighborhoods, such as in-home daycares or home

We love where you live.



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.

Short-term rental regulation is also an issue of public safety. Local fire marshals have found short-term rental properties lacking smoke and carbon monoxide detectors, gasoline and liquid propane gas stored in the basement, as well as other serious hazards. As currently written, House Bill 4722 and Senate Bill 446 would limit 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 and Senate Bill 446, 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 Senate Bill 446 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.
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 Restaurant and Lodging Association
Michigan Townships Association
Southeast Michigan Council of Governments

CC:

Senate Regulatory Reform Committee

We love where you live.

