

**RESOLUTION OPPOSING MICHIGAN HOUSE BILL 4722 AND SENATE BILL 0466
(2021) RESTRICTING LOCAL CONTROL OF SHORT-TERM RENTALS**

By Detroit City Council Member Janeé Ayers

WHEREAS, The mission of the Detroit City Council is to promote the economic, cultural and physical welfare of Detroit’s citizens through Charter-mandated legislative functions; and

WHEREAS, Michigan Senate Bill 446 and its companion legislation House Bill 4722, seek to amend the Michigan Zoning Enabling Act, to define a short-term rental as any rental of not more than 30 consecutive days as a residential use of the property that should be permitted in any area zoned residential, and not subject to a special use or conditional use permit or procedure different from those required for other dwellings in the same zone. The bills specify that such properties cannot be considered commercial, and that local governments should not adopt or enforce ordinances that prohibit short-term rentals; and

WHEREAS, The Detroit City Council expressed its opposition to these bills when they were initially introduced, but is now compelled to again communicate its continuing opposition to this proposed preemption of local zoning control following the recent passage of HB 4722 with amendments and referral to the Senate. The bills would eliminate the City’s ability to adequately regulate short-term vacation rentals through zoning provisions limiting location and density of these residential-in-name-only properties; and

WHEREAS, This proposed unregulated use of residential property as mini-hotels, while purportedly protecting the property rights of the owners, has the real and demonstrated potential to infringe on the quiet enjoyment of the owner occupied property of neighborhood residents. Giving lip service to the existing ability of a municipality to regulate for “nuisance” does not go far enough to protect residents. At the same time, the legislation appears to prohibit imposition of an excise tax similar to a bed tax at traditional hotels, that would benefit the local governments providing services to the rentals; and

WHEREAS, The proposed bills will also significantly exacerbate the problem of the lack of affordable housing and rental stock, allowing and encouraging speculators and businesses to buy up homes to serve as unregulated hotels, creating issues around housing supply and affordability; and

WHEREAS, The City of Detroit is a Home Rule City, and our residents have made it clear that they want short-term rentals regulated, because far too often they have become a nuisance that disturb the surrounding neighborhoods. These matters are essentially local matters that should be regulated at the local level. Attempting to regulate such matters at the state level is inherently cumbersome, as situations across the state vary tremendously from urban, suburban to rural areas. One size does not fit all; and

WHEREAS, While the amendments to HB 4722 as passed by the House emphasize the ability of local governments to inspect properties for health and safety compliance, it appears that such inspections must be required even-handedly for residential properties. Clearly, SB 0446 and HB 4722, present an overreach by state government, crippling the City's ability to implement appropriate and measured solutions toward maintaining control over safety and zoning practices and preserving neighborhood stability. **NOW, THEREFORE, BE IT**

RESOLVED, That the Detroit City Council strongly urges the Michigan Legislature to oppose Senate Bill 0446 and House Bill 4722; and **BE IT FURTHER**

RESOLVED, That the Detroit City Council urges Governor Gretchen Whitmer to veto SB 0446 and HB 4722 if they are adopted by the Legislature. **BE IT FINALLY**

RESOLVED, That copies of this resolution be transmitted to the office of the Detroit City Clerk, Mayor Mike Duggan, the Senate Committee on Regulatory Reform, the House Committee on Commerce and Tourism, the Detroit delegation in the Michigan Legislature and Governor Gretchen Whitmer.

November 1, 2021