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City of Detroit **CITY COUNCIL**

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The Honorable Detroit City Council TO:

David Whitaker, Director FROM:

Legislative Policy Division Staff

DATE: November 2, 2022

RESOLUTION TO OPPOSE MICHIGAN HOUSE BILL 4722 RE:

Council Member Angela Whitfield-Calloway requested that the Legislative Policy Division (LPD) draft a resolution to oppose Michigan House Bill 4722.

Please contact us if we can be of any further assistance.

BY COUNCIL MEMBER ANGELA WHITFIELD-CALLOWAY

RESOLUTION TO OPPOSE MICHIGAN HOUSE BILL 4722

- WHEREAS, The mission of the Detroit City Council is to promote the economic, cultural and physical welfare of Detroit's citizens and residents through Charter-mandated legislative functions; and
- WHEREAS, Currently in the state of Michigan, short-term rental means a dwelling unit, or portion thereof, that is offered or provided to a guest by a short -term rental owner or operator for a fee for fewer than thirty consecutive nights; and
- WHEREAS, House Bill 4722, sponsored by Rep. Sarah Lightner, R-Springport, would alter the regulation of rental properties in residential areas within the state of Michigan. House Bill 4722 if passed, would prevent a city, county, township, or village from adopting or enforcing zoning ordinance provisions that have the effect of prohibiting short-term rentals. Furthermore, the bill would amend the Michigan Zoning Enabling Act to establish that the rental of a dwelling, including a short-term rental:
 - Is a residential use of property that is permitted in all residential zoning districts
 - Is not subject to a special use or conditional use permit or procedure different from those required for other dwellings in the same zone
 - Is not a commercial use of property; and
- WHEREAS, Several local government and business groups including the Michigan Townships Association, Michigan Restaurant and Lodging Association, and Michigan Municipal League all urged the Legislature earlier this year not to limit local control over short-term rentals. Some communities spent months planning and discussing regulations of short-term rentals, only to have them threatened by HB 4722; and
- WHEREAS, The Michigan Municipal League strongly opposed the legislation, which its officials called an avoidable "calamity," and urged the Senate "to reject this rolling disaster headed to a neighborhood near you" "This bill will pour lighter fluid on an already red-hot housing market should it become law, making it even harder for families to put roofs over their heads," said Dan Gilmartin, CEO and executive director for the league. "Those voting yes on this legislation hold the responsibility for the entirely predictable and disastrous outcomes this measure will produce.;" and
- WHEREAS, In fact, House Bill 4722 would restrict how Michigan communities regulate short-term rental properties by allowing 30% of homes in a community to be used as a permanent vacation rental. In other words, allowing for a conversion of up to as many as 1 in 3 homes within a given community, thereby potentially negatively changing the fabric of Michigan's residential communities; and
- WHEREAS, Michigan's hotel industry remains in a weakened state from a pandemic that is still presenting very real challenges to its survival. House Bill 4722 will make the hotel industry's recovery that much harder. House Bill 4722 it is not a thoughtful solution to a complicated issue that needs to balance residential safety, fair competition and property rights. In fact, the bill is a tone-deaf handout to mostly out-of-state corporations that will erode neighborhoods, increase crime and cost jobs.²

¹ House approves controversial short-term rental protections in overnight session (detroitnews.com)

² <u>Michigan Restaurant & Lodging Association President & CEO Provides Statement on HB 4722 - Michigan Restaurant & Lodging Association (mrla.org)</u>

- WHEREAS, Among the opponents of the legislation earlier this year were several Michigan tourist destinations: Frankenmuth, Traverse City, Petoskey, Mackinac Island and Grand Haven. In Detroit, this legislation could negatively impact area property values, increase traffic and noise levels in residential neighborhoods and ultimately lead to unaffordable housing for individuals and families; NOW THEREFORE BE IT
- **RESOLVED,** The Detroit City Council opposes losing its ability to regulate zoning and strongly urges the Michigan Legislature to oppose House Bill 4722; **BE IT FINALLY**
- **RESOLVED,** That copies of this resolution be forwarded to the Detroit delegation in the State Senate and State House, Senate Committee on Regulatory Reform, Mayor Mike Duggan and Governor Whitmer.