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TO: Honorable Detroit City Council

FROM: David D. Whitaker

Legislative Policy Division Staff

DATE: June 7, 2021

RE: RESOLUTION IN OPPOSITION TO MICHIGAN SENATE BILL 0446

(2021) AND HOUSE BILL 4722 (2021)

Councilmember Janee' Ayers, requested that the Legislative Policy Division draft a resolution in opposition to Michigan Senate Bill 0446 (2021) and House Bill 4722 (2021).

Attached, please find our draft of the resolution and contact us if we can be of any further assistance.

BY HONORABLE COUNCIL MEMBER JANEE' AYERS

RESOLUTION IN OPPOSITION TO MICHIGAN SENATE BILL 0446 (2021) AND HOUSE BILL 4722 (2021)

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, seeks to amend the Michigan Zoning Enabling Act, which defines a short term rental as any rental less than 30 days as a residential use of the property that should be permitted in any area zoned residential. It would not be 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, These bills would hinder the City's ability to regulate short term vacation rentals by removing the requirement for rental-inspection programs, effectively making such regulations null and void; and

WHEREAS, The legislation fails to address if short term rentals should have 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 actions of these bills will also exacerbate the problem of affordable housing and renting stock, with speculators and businesses buying up homes to serve as 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 disturbs 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 are not the same; and

WHEREAS, Senate Bill 0446 and House Bill 4722, serves as an overreach of state government, that cripples the City's ability to implement appropriate and measured solutions toward maintaining control over 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, **THEREFORE BE IT FINALLY**

RESOLVED, That copies of this resolution be transmitted to the office of the Detroit City Clerk, Mayor Duggan, the Senate Committee on Regulatory Reform, the House Committee on Commerce and Tourism, the Detroit delegation in the State legislature and Gov. Whitmer.