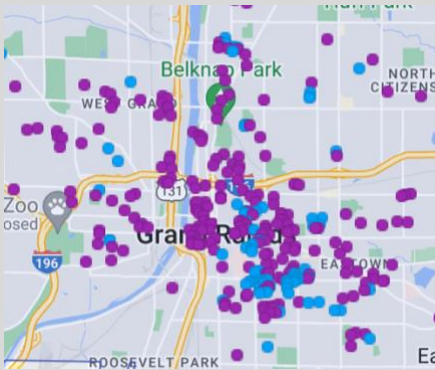


MICHIGAN: AIRBNB'S NEGATIVE IMPACT ON HOUSING

Studies Show Airbnb & Short-Term Rentals Deplete Housing & Raise Rent Pricing

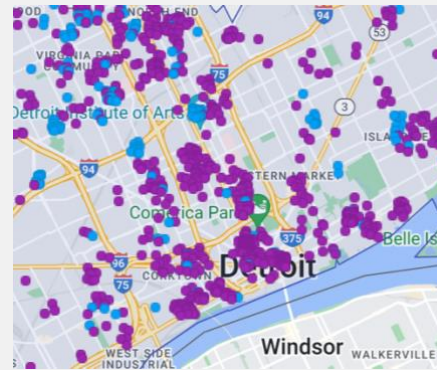
These Airbnb hotspots boast a combined total of more than 4,000 active rentals across Michigan. The growing trend of commercial investors buying up residential homes to convert properties into short-term rentals on Airbnb is harming communities as neighbors are replaced with a revolving door of strangers. Through the proliferation of short-term rentals in communities and popular vacation destinations across Michigan, commercial Airbnb operators are increasing the cost to rent or buy a home by taking large swaths of potential housing off the market for local residents.

AIRBNBS TAKING OVER NEIGHBORHOODS ACROSS MICHIGAN



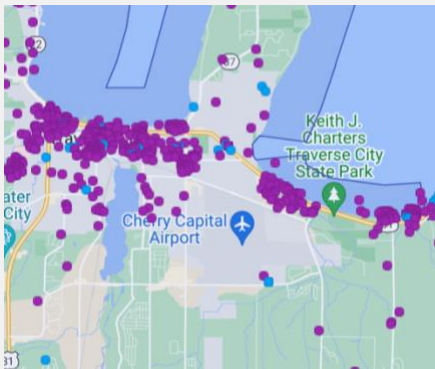
Grand Rapids

66% of Airbnbs are now commercially operated – **up 25%** since 2021 – taking **457 homes** off the market.



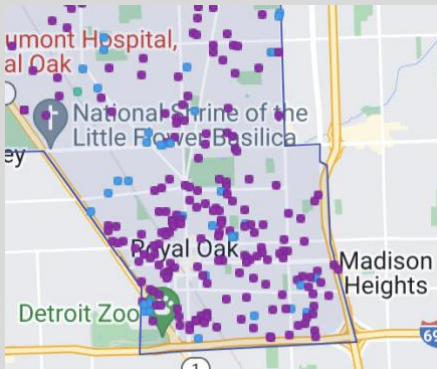
Detroit

60% of Airbnbs are now commercially operated – **up 80%** since 2020 – taking **1,397 homes** off the market.



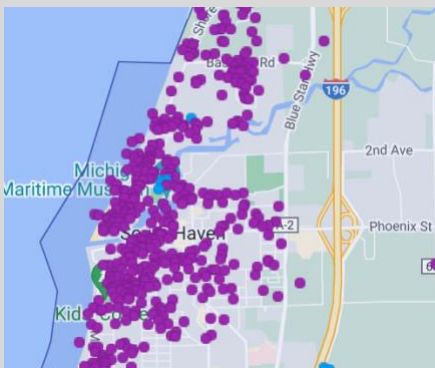
Traverse City

75% of Airbnbs are now commercially operated – **up 64%** since 2021 – taking **1,120 homes** off the market.



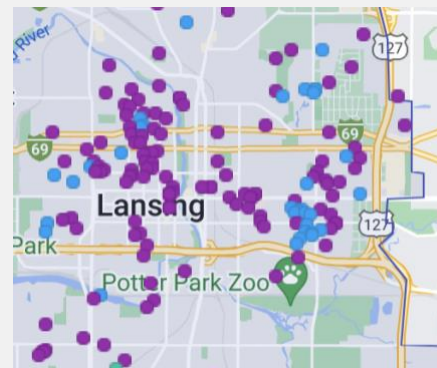
Royal Oak

55% of Airbnbs are now commercially operated – **up 61%** since 2021 – taking **271 homes** off the market.



South Haven

81% of Airbnbs are now commercially operated – **up 47%** since 2022 – taking **661 homes** off the market



Lansing

69% of Airbnbs are now commercially operated – **up 66%** since 2021 – taking **247 homes** off the market



Statewide Michigan Survey on Short-Term Rental Regulations

TargetPoint Consulting conducted a survey of voter preferences on short-term rental regulations in Michigan from October 4-7, 2022. The data were weighted to approximate a target sample of adults based on age, gender, educational attainment, race, and region. High-level findings from the 400 respondents include:

Most Michigan voters (75%) favor local control of short-term rentals.

- **75%** think local government should set rules and regulations for short-term rentals. Only 17% think state government should.
- **84%** agree that local governments better understand the needs of their communities and creating a one size fits all solution at the state level that will be almost impossible to change doesn't make any sense.

8 out of 10 Michigan voters are concerned about Airbnbs' negative impact on neighborhood safety, housing costs and character of neighborhoods.

- **82%** are concerned that commercial investors are buying up residential homes and evicting families in order convert them into short-term rentals on Airbnb; removing housing options for permanent residents and raising the cost to rent or buy a home.
- **3 out of 4** women voters say they feel less safe with an Airbnb in their neighborhood.
- **82%** are concerned about their children playing outside if they lived next to a short-term rental where strangers were coming and going every night.
- **76%** agree When a family buys a home, sometimes investing their life savings, they have an expectation of living in a safe community with full-time neighbors, not living next to homes that have been turned into short-term rentals with a revolving door of strangers every weekend.
- **82%** are concerned that If a commercial investor bought up multiple homes in their neighborhood, replacing neighbors with a revolving door of strangers, it would have a negative impact on the character of their neighborhood.

Michigan voters oppose H.B. 4722 limiting localities' ability to regulate short-term rentals. Voters are less likely to vote for a legislator who supports the bill, by nearly a 3 to 1 margin.

- **55%** oppose state legislation that would limit the ability of local governments to regulate short-term rentals, like Airbnb and VRBO. Would you support or oppose this bill that would limit local control of short-term rental laws.
- **58%** would be less likely to vote for a legislator who voted to take away local government control of regulating short-term rentals in their communities.

Michigan voters believe short-term rentals should pay their fair share of taxes and respect neighbors' rights.

- **8 in 10** voters say Airbnb should "pay the same as everyone else" after hearing that they enter into "voluntary tax agreements" with state and local governments.
- **7 in 10** voters agree that "properties that are rented out like commercial real estate should be restricted to doing so only in areas that are zoned for commercial use not in residential zones."
- **Nearly 2 in 3** voters disagree that "homeowners should have the absolute right to rent out their homes as they see fit without consideration of their neighbors."



Statewide Michigan Survey on Short-Term Rental Regulations: Partisan Breakdown

TargetPoint Consulting conducted a survey of voter preferences on short-term rental regulations in Michigan from October 4-7, 2022. The data were weighted to approximate a target sample of adults based on age, gender, educational attainment, race, and region. High-level findings from the 400 respondents include:

Most Michigan voters favor local control of short-term rentals.	GOP Response	IND Response	DEM Response
75% think local government should set rules and regulations for short-term rentals. Only 17% think state government should.	78%: Local Gov 15%: State Gov	75%: Local Gov 14%: State Gov	71%: Local Gov 22%: State Gov
84% agree that local governments better understand the needs of their communities and creating a one size fits all solution at the state level that will be almost impossible to change doesn't make any sense.	82%: Agree 11%: Disagree	83%: Agree 11%: Disagree	87%: Agree 9%: Disagree

Michigan voters are concerned about Airbnbs' negative impact on neighborhood safety, housing costs and character of neighborhoods.	GOP Response	IND Response	DEM Response
82% are concerned that commercial investors are buying up residential homes and evicting families in order convert them into short-term rentals on Airbnb; removing housing options for permanent residents and raising costs to rent or buy a home.	76%: Concerned 15%: Not	85%: Concerned 9%: Not	84%: Concerned 16%: Not
Nearly 3 out of 4 women voters say they feel less safe with an Airbnb in their neighborhood.	1%: Safer 75%: Less Safe	2%: Safer 58%: Less Safe	5%: Safer 53%: Less Safe
82% are concerned about their children playing outside if they lived next to a short-term rental where strangers were coming and going every night.	85%: Concerned 9%: Not	79%: Concerned 14%: Not	80%: Concerned 16%: Not
76% agree When a family buys a home, sometimes investing their life savings, they have an expectation of living in a safe community with full-time neighbors, not living next to homes that have been turned into short-term rentals with a revolving door of strangers every weekend.	79%: Agree 17%: Disagree	76%: Agree 18%: Disagree	73%: Agree 20%: Disagree
82% are concerned that if a commercial investor bought up multiple homes in their neighborhood, replacing neighbors with a revolving door of strangers, it would have a negative impact on the character of their neighborhood.	87%: Agree 7%: Disagree	80%: Agree 13%: Disagree	82%: Agree 11%: Disagree

Voters are less likely to vote for a legislator who supports H.B. 4722 by nearly a 3 to 1 margin.	GOP Response	IND Response	DEM Response
55% oppose state legislation that would limit the ability of local governments to regulate short-term rentals, like Airbnb and VRBO. Would you support or oppose this bill that would limit local control of short-term rental laws.	29%: Support 55%: Oppose	22%: Support 61%: Oppose	42%: Support 47%: Oppose
58% would be less likely to vote for a legislator who voted to take away local government control of regulating short-term rentals in their communities.	21%: More Likely 56%: Less Likely	17%: More Likely 60%: Less Likely	21%: More Likely 57%: Less Likely

Michigan voters believe short-term rentals should pay their fair share of taxes and respect neighbors' rights.	GOP Response	IND Response	DEM Response
8 in 10 voters say Airbnb should "pay the same as everyone else" after hearing that they enter into "voluntary tax agreements" with state and local governments.	80%: Pay Same 9%: Voluntary	73%: Pay Same 12%: Voluntary	83%: Pay Same 7%: Voluntary
7 in 10 voters agree that "properties that are rented out like commercial real estate should be restricted to doing so only in areas that are zoned for commercial use not in residential zones."	74%: Agree 18%: Disagree	69%: Agree 22%: Disagree	70%: Agree 22%: Disagree
Nearly 2 in 3 voters disagree that "homeowners should have the absolute right to rent out their homes as they see fit without consideration of their neighbors."	29%: Agree 68%: Disagree	31%: Agree 66%: Disagree	36%: Agree 59%: Disagree

FAIL

MICHIGAN SHOULD LEARN FROM ARIZONA'S MISTAKE

Striking local oversight of vacation rentals created major neighborhood impacts and loss of housing for Arizona residents. Arizona had to repeal most of the law in 2022 due to safety and housing being depleted.



'They killed our city': Locals feel helpless as vacation rentals overrun Sedona, Arizona

Airbnb takes over 20% of housing in one Arizona city

Resident, business leaders speak out

inman

A small town in Arizona has been overrun with short-term rentals

Residents and state legislators in Sedona are debating how to reclaim the 20% of housing now used as Airbnb rentals

THE ARIZONA REPUBLIC

Ducey says Arizona lawmakers will revisit laws on short-term rentals after outcry in Sedona

UNREGULATED VACATION RENTALS ARE WREAKING HAVOC IN ARIZONA AFTER LEGISLATORS PASSED SAME BILL BEING CONSIDERED NOW IN MICHIGAN

"STATE LAWMAKERS CAN'T FIX THE MESS THEY CREATED WITH AIRBNB, VBRO RENTALS": "It's unsettling to see new folks coming in and out of the house next door or down the street, many of whom are out-of-towners in a partying or boisterous mood. The home-sharing law envisioned in 2016 has evolved into big business — homes bought by out-of-state investors and converted into vacation rentals are commonplace. Residents feel cheated." ([Arizona Republic](#), 11/25/19)

REPUBLICAN STATE REPRESENTATIVE: "THEY KILLED OUR CITY": LOCALS FEEL HELPLESS AS VACATION RENTALS OVERRUN "We never anticipated that somebody would go into a neighborhood, purchase a home and turn it into a mini-hotel." — State Rep. Bob Thorpe - R ([Arizona Republic](#), 1/25/19)

"UNREGULATED SHORT-TERM RENTALS LEAD TO HOUSING SHORTAGES AND NEIGHBORHOOD DISRUPTION": "Short-term rentals, listed on sites like Airbnb and VRBO, have exploded in the Valley over the last decade. That's great for tourists or business travelers, but the unfettered growth of Airbnb homes also exacerbates housing shortages and encourages nuisance-prone party homes. Local regulations could potentially keep such unintended consequences at bay, but Arizona Legislature passed law making that impossible." ([Phoenix News Times](#), 1/17/20)

REPUBLICAN AZ GOVERNOR DUCEY: "TIME FOR CHANGE IN VACATION RENTAL LAW" "Ducey conceded that the 2016 law may be being used in ways that were not intended and have been 'disruptive.' And that, he said, may include the practice of real estate speculators buying up homes in neighborhoods for the sole purpose of turning them into short-term rentals." ([Arizona Capitol Times](#), 8/23/19)

CHAMBER OF COMMERCE PRESIDENT: AZ BILL DEPLETING WORKFORCE HOUSING FOR SMALL BUSINESS EMPLOYEES: "Affordable housing is already in limited supply and I believe this law virtually eliminates Sedona's chance to mitigate this issue. Also, with this new legislation, the city of Sedona virtually loses its ability to manage visitor capacity and makes it even harder to balance tourism and quality of life for our residents." - Sedona Chamber of Commerce President & CEO Jennifer Wesselhof ([Wrangler News](#), 8/7/19)

20% OF SEDONA'S HOUSING INVENTORY IS BEING USED AS VACATION RENTALS: "Airbnb vacation rentals took over one city in Arizona, frustrating its citizens and causing business leaders to speak out...But now, Sedona is learning what happens when short-term rentals are not limited. One state law forces cities to allow Airbnb-type rentals, and limits regulations cities can impose." ([Housingwire](#), 8/21/19)

TEMPE VICE MAYOR: UNRESTRICTED STRS THREATEN CHARACTER OF NEIGHBORHOODS AND INCREASED RENT: "Cities enact zoning regulations to separate businesses from residential neighborhoods and maintain a high quality of life. Unrestrained vacation rentals lead to conversions of homes to boarding houses, increased rent, and noise issues. All these unintended consequences of state law serve to endanger the sense of community in our neighborhoods." - Lauren Kubly, Vice Mayor of Tempe, AZ ([KTAR News](#), 9/15/19)

**MICHIGAN CAN'T AFFORD TO MAKE THE SAME MISTAKE AS ARIZONA:
Contact your legislator and tell them to oppose H.B. 4722**

Michigan STR Talking Points

What are short-term rentals (STRs) and how did they start?

- A short-term rental is an apartment/home/room that is rented on a nightly basis and are often seen as an alternative to hotels.
- STRs were popularized on internet platforms like Airbnb and Vrbo.
- Homeowners saw it as an opportunity to make additional passive income with a minimal initial investment.
- Out of town commercial investors jumped on the opportunity to maximize revenue on individual properties, buying up large quantities of homes.
- Investors consider STRs a more lucrative venture than long-term rentals.

Why should Michiganders care about unregulated STRs?

- Unregulated STRs are problematic to Michiganders in terms of housing availability, safety, and generating local tax revenue.
- As the availability of homes decreases, prices go up – making it less affordable for local residents to buy or rent a home. This impact is especially acute on the working class.
 - In Grand Rapids, 64% of Airbnbs are now commercially operated – a 40% increase over the last three years – taking nearly 500 homes off the market for local residents and workers.¹
 - In Kalamazoo, 59% of Airbnbs are now commercially operated – up 44% since the end of 2020 – taking nearly 200 homes off the market for local residents and workers.²
- Neighborhoods have become less familiar as a revolving door of strangers at STRs often creates unsafe communities.
 - Unfortunately, STRs are commonly used for party houses and/or illegal activities, and many Michiganders have already expressed concern about this.
 - 8 out of 10 Michigan voters are concerned about Airbnbs' negative impact on neighborhood safety, housing costs and the character of neighborhoods.³
- “Voluntary tax agreements” between localities and companies like Airbnb cause a loss of state and local tax revenue in Michigan.
 - Airbnb has been pushing state and local leaders to accept voluntary tax agreements called “VCAs.”
 - State preemption laws mean that more STRs are likely to operate illegally in Michigan with limited oversight of these tax deals, which are done behind closed doors without any transparency, public input or disclosure.
 - With little to no auditing allowed, taxpayers and government agencies have no idea if Airbnb is paying the correct amount of taxes to support public services.
 - 8 in 10 Michigan voters say Airbnb should “pay the same as everyone else” after hearing that they enter into “voluntary tax agreements” with state and local governments.⁴

How can the issue of unregulated STRs be remedied?

- Allow Michigan localities to set their own regulations regarding zoning, safety, taxes and maintain local oversight – which the majority of voters already agree with.
 - 75% of Michigan voters favor local control of short-term rentals.⁵
- Oppose preemption laws.
- Eliminate voluntary tax agreements that hurt the state economy.
- Tax multi-unit owners the same way other lodging companies are taxed.

¹ AirDNA.co

² AirDNA.co

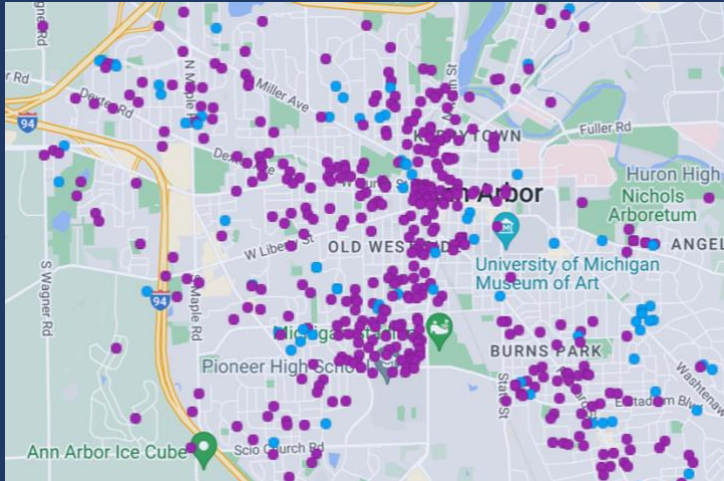
³ TargetPoint Consulting survey (TargetPoint Consulting conducted a survey of voter preferences on short-term rental regulations in Michigan from October 4-7, 2022. The data were weighted to approximate a target sample of 400 adults based on age, gender, educational attainment, race, and region)

⁴ TargetPoint Consulting survey

⁵ TargetPoint Consulting survey

ANN ARBOR: AIRBNB'S NEGATIVE IMPACT ON HOUSING

Airbnb & Short-Term Rentals Deplete Housing & Raise Rent Prices



COMMERCIAL AIRBNB OPERATORS ARE TAKING OVER THE CITY OF ANN ARBOR

In Ann Arbor, 57% of Airbnbs are now commercially operated – up 23% in 2022 alone – taking more than 500 homes off the market for local residents and workers.

Source: AirDNA.co

The Michigan Daily

"All we do know is that the number of short-term rentals has indeed grown and that every home used for short term rental is one less unit of permanent housing."

-Fmr Ann Arbor City Councilor Jane Lumm (11/9/21)

Ann Arbor Bans Dedicated Airbnb Short-Term Rental Properties (9/10/20)



While short-term rental properties that aren't owner occupied were recently banned in Ann Arbor's residential neighborhoods, **nearly six in ten short term rental properties are still listed as available more than 90 days per year.** Nearly 25% of listings are available year-round.



"The average sales price for a single-family home in the Ann Arbor school district was **\$621,749** as of April — up from **\$358,103** a decade ago — while the median was **\$565,000**, according to the Ann Arbor Area Board of Realtors' latest market report, which notes homes are selling about **6% above** list price on average." (5/22/22)

The Michigan Daily

"I've heard Airbnb investors say... 'Oh well, my house is so valuable anyways,' but that's not the point. **The point is that housing prices are escalating, and (short-term rentals) are part of the reason they are escalating.**"

-Ann Arbor City Councilor Elizabeth Nelson (3/28/21)

EVEN AIRBNB ADMITS ITS IMPACT ON HOUSING & NEED FOR LIMITS:

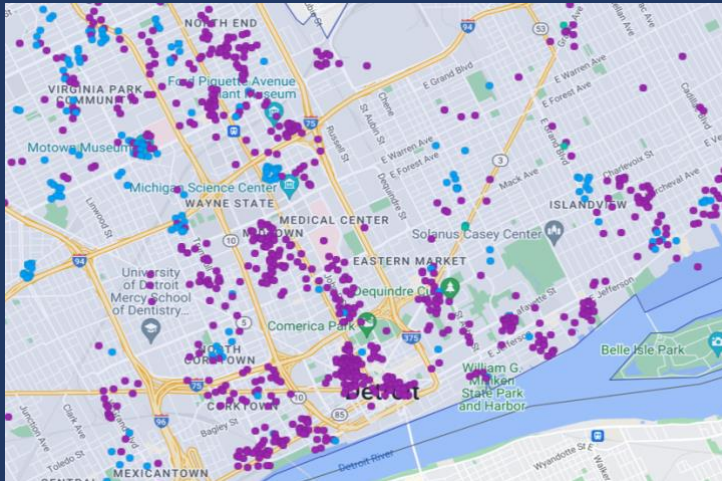
"We want to limit hosts to one home – just the home you rent. The basic premise is if a city has a housing constraint – [like] San Francisco and New York City – we want people to rent the homes they live in and not take units off the market."

-Airbnb CEO Brian Chesky (Economic Club Of New York, 3/27/18)



DETROIT: AIRBNB'S NEGATIVE IMPACT ON HOUSING

Airbnb & Short-Term Rentals Deplete Housing & Raise Rent Prices



COMMERCIAL AIRBNB OPERATORS ARE TAKING OVER THE CITY OF DETROIT

In Detroit, 66% of Airbnbs are now commercially operated – up 71% since the end of 2020 – taking more than 1,300 homes off the market for local residents and workers.

Source: AirDNA.co

**DETROIT NOW RANKS
IN THE TOP 10 US
CITIES FOR COST-OF-
LIVING INCREASES
POST-PANDEMIC**

(Go Banking Rates, 9/26/22)

#9

WORST CITY
IN AMERICA

The Detroit News

"Metro Detroit's housing shortage continues to grow, currently estimated at about 47,000 units short." (9/25/22)

Detroit Free Press

"The ongoing lack of supply in the real estate market suggests that elevated housing prices may endure for awhile in metro Detroit... Housing prices in southeast Michigan were up nearly 15% year-over-year in October, after having more or less regained their pre-Great Recession peak by 2019, according to the latest figures from the closely watched S&P CoreLogic Case-Shiller index." (1/14/22)

The Detroit News

"My bedroom acts as my living room, my dining room, my den, my office – all in this 12-by-12 space. Now, even low-income housing is being priced out of the water for a lot of us who are just trying to get by."

-Sean Bailey, Homeowner (8/27/22)

EVEN AIRBNB ADMITS ITS IMPACT ON HOUSING & NEED FOR LIMITS:

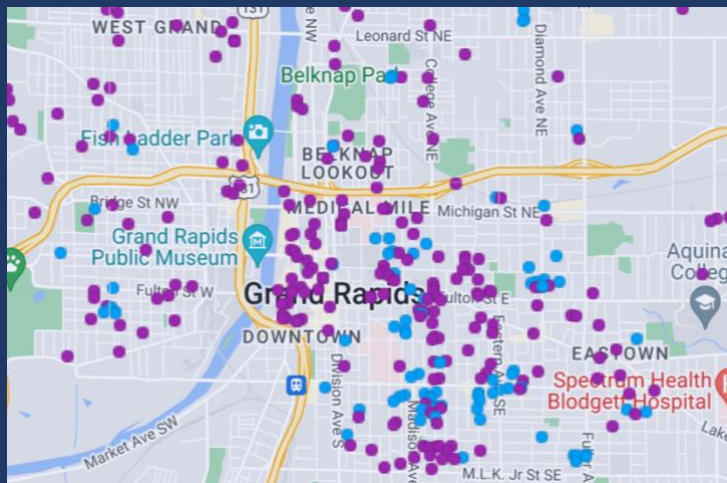
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GRAND RAPIDS: AIRBNB'S NEGATIVE IMPACT ON HOUSING

Airbnb & Short-Term Rentals Deplete Housing & Raise Rent Prices



COMMERCIAL AIRBNB OPERATORS ARE TAKING OVER THE CITY OF GRAND RAPIDS

In Grand Rapids, 64% of Airbnbs are now commercially operated – a 40% increase over the last three years – taking nearly 500 off the market for local residents and workers.

Source: AirDNA.co

"Gabi Williams, 28, describes the housing market in Grand Rapids as **"cutthroat"** and **"horrendous."** Rental costs have gone up across the country and in Michigan leaving many renters scrambling to find housing."
(MLive.com 8/26/22)

1.1 Million
Michigan renters
looking for
housing



Grand Rapids ranked in top 20 most competitive renter's markets in the nation: "Experts are reporting a housing crisis for renters in Grand Rapids... On average last year, an apartment in Grand Rapids is only on the market for 25 days, with 22 prospective renters looking at it at once. The city's occupancy rate is at 97%, while the nation's average sits almost two points lower." (2/7/22)



Grand Rapids home, rental supply bottoming out amid surging demand: "There is significantly more competition for homes...and that's really pushed prices up," said Ryan Kilpatrick with heads-up local advocacy organization Housing Next."
(2/10/22)



Be prepared for higher rents: Housing crisis continues in west Michigan: "Be prepared for higher rents. Be prepared for a shortage of housing. This cannot be changed by the builders anymore because it's been regulated beyond our ability to work within that." -John Bitely, Developer (8/18/22)

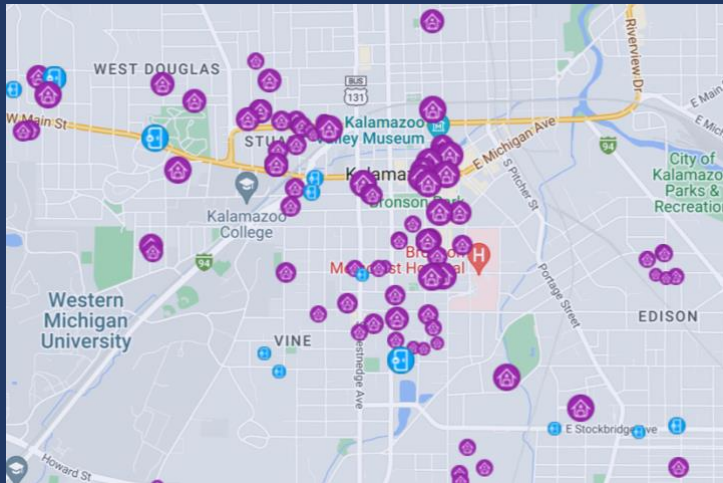


EVEN AIRBNB ADMITS ITS IMPACT ON HOUSING & NEED FOR LIMITS:

"We want to limit hosts to one home – just the home you rent. The basic premise is if a city has a housing constraint – [like] San Francisco and New York City – we want people to rent the homes they live in and not take units off the market."
-Airbnb CEO Brian Chesky (*Economic Club Of New York, 3/27/18*)

KALAMAZOO: AIRBNB'S NEGATIVE IMPACT ON HOUSING

Airbnb & Short-Term Rentals Deplete Housing & Raise Rent Prices



COMMERCIAL AIRBNB OPERATORS ARE TAKING OVER THE CITY OF KALAMAZOO

In Kalamazoo, 59% of Airbnbs are now commercially operated – up 44% since the end of 2020 – taking nearly 200 homes off the market for local residents and workers.

Source: AirDNA.co



"...They [short-term rentals] compete with other buyers to raise prices of houses. When we have absentee landlords who are unavailable or unresponsive to concerns, sometimes there are properties that turn into party houses." (06/18/22)



Be prepared for higher rents: Housing crisis continues in west Michigan: "Be prepared for higher rents. Be prepared for a shortage of housing. This cannot be changed by the builders anymore because it's been regulated beyond our ability to work within that." -John Bitely, Developer (8/18/22)

"The majority of renters in Kalamazoo said housing was **unaffordable** in a survey conducted by the W.E. Upjohn Institute for Employment Research." (06/10/22)



Michigan Advance ➔

"Noise, trash and nuisance complaints, and a lack of affordable housing for year-round residents, are some of the issues associated with too many short-term rentals in a community. **Other studies show short-term rentals deplete housing stock and increase rent for long-term renters."** (11/06/21)



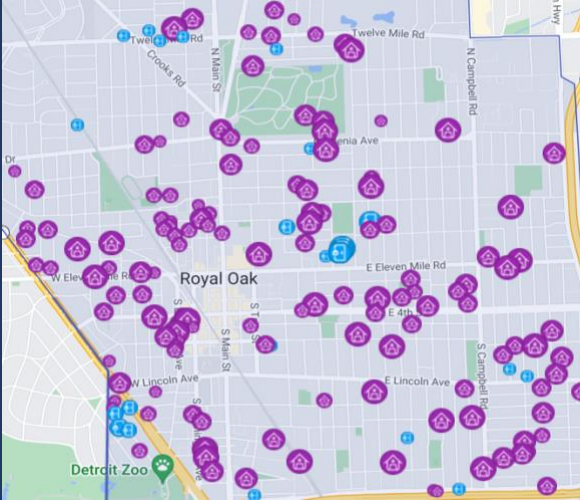
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-Airbnb CEO Brian Chesky (Economic Club Of New York, 3/27/18)

ROYAL OAK: AIRBNB'S NEGATIVE IMPACT ON HOUSING

Airbnb & Short-Term Rentals Deplete Housing & Raise Rent Prices



COMMERCIAL AIRBNB OPERATORS ARE TAKING OVER THE CITY OF ROYAL OAK

In Royal Oak, 58% of Airbnbs are now commercially operated – up 44% over the last year – taking more than 200 homes off the market for local residents and workers.

Source: AirDNA.co

"Rental costs have gone up across the country and in Michigan leaving many renters scrambling to find housing." (MLive.com 8/26/22)

1.1 Million
Michigan renters
looking for
housing

ROYAL OAK TRIBUNE

Oakland County home prices continue to skyrocket as inventory remains at historic lows: "The county's housing inventory, the number of homes listed for sale, dropped from 3,264 in May 2020 to 1,681 in May 2021, a 48.5 percent decrease. That's about a month's worth of supply.. A balanced housing market has around six months worth of supply." (7/21/21)

THE OAKLAND PRESS

Housing market squeezing buyers battling rising mortgage rates, closing costs: "We are in a crisis... In a balanced market, months supply of for-sale home inventory hovers around six months. In March, the month supply of inventory totaled 1-2 months across Macomb, Oakland, and Wayne counties." (5/2/22)

THE OAKLAND PRESS

Michiganders seeing rent costs soar, affordable housing options depleted: "Between 2015-2019, the number of affordable housing units statewide has decreased by 18% from 541,677 units in 2015 to 443,079 units in 2019, the most recent data available." (4/2/22)



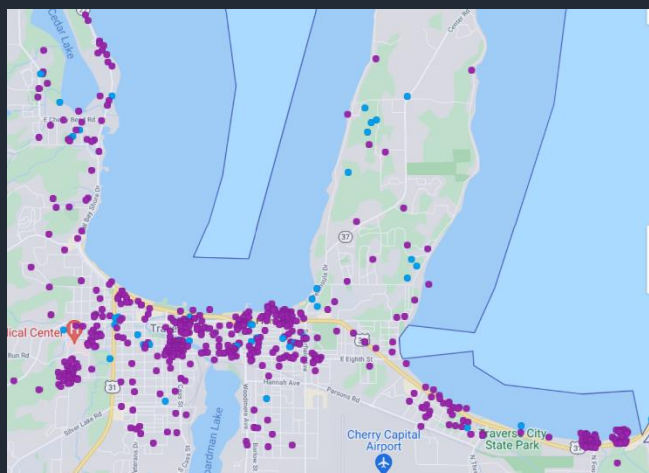
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-Airbnb CEO Brian Chesky (Economic Club Of New York, 3/27/18)

TRAVERSE CITY: AIRBNB'S NEGATIVE IMPACT ON HOUSING

Studies Show Airbnb & Short-Term Rentals Deplete Housing & Raise Rent Pricing



COMMERCIAL AIRBNB OPERATORS TAKING OVER TRAVERSE CITY

69% of Airbnbs now commercially-operated in Traverse City; 33% increase since 2018 taking more than 400 homes off the market for local residents and workforce.

Source: from Airbnb website on: [AirDNA.co](https://airdna.co) and [InsideAirbnb.com](https://insideairbnb.com)

TRAVERSE CITY IS FACING A WORKFORCE HOUSING CRISIS

TRAVERSE CITY READING EAGLE:

"Short term rentals affect year-round housing" – "Each short-term rental created is one less home in our community to house teachers, families with kids in local schools, year-round residents who will run for office, volunteer with organizations and shop at local businesses."

There are many factors making housing harder and harder to afford. In this case, the competing demand for short-term rentals drives up prices and removes homes from the local housing stock. This is happening at the same time housing demand is on the rise." **Yarrow Brown, Housing North** (*Traverse City Reading Eagle*, 5/26/21)

STUDIES SHOW AIRBNB DEPLETING HOUSING ACROSS THE U.S.



"New York City renters paid an additional \$616 million in 2016 due to price pressures from Airbnb."

("The Impact Of Airbnb On NYC Rents," New York City Comptroller Report, 5/3/18)



"64 percent of Airbnbs in Los Angeles are never occupied by their owners, and operate year-round essentially as independent, unlicensed hotel rooms."

("How Airbnb Short-Term Rentals Exacerbate Los Angeles's Affordable Housing Crisis," Harvard Law & Policy Review, 2/2/16)



"Airbnb incentivizes landlords to remove properties from the long-term rental market...causing rents for long-term leases to increase."

("Sharing Economy And Housing Affordability," The University Of California, Los Angeles, 5/1/18)



"Eighty-two percent of Airbnbs are for whole-homes as opposed to an operator's residence."

("The Corrosion Of Housing Access And Affordability In New Orleans," Jane Place Neighborhood Sustainability Initiative, 3/28/18)



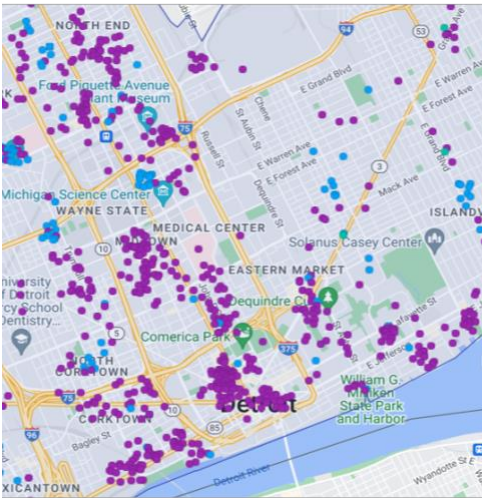
EVEN AIRBNB ADMITS ITS IMPACT ON HOUSING & NEED FOR LIMITS:

"We want to limit hosts to one home – just the home you rent. The basic premise is if a city has a housing constraint – [like] San Francisco and New York City – we want people to rent the homes they live in and not take units off the market."

Airbnb CEO Brian Chesky (*Economic Club Of New York*, 3/27/18)

AIRBNB SPURS GENTRIFICATION AND SAFETY ISSUES DISPROPORTIONATELY IMPACTING BLACK COMMUNITIES IN DETROIT

"Detroit neighborhood groups see gentrification as the enemy" – Detroit Free Press



"It was just a small building being rehabbed. But to one neighborhood group, it became a symbol of gentrification. And they fought it hard.

Developers gamble that the area will soon be desirable, and they start buying old houses, rehabbing them and then charging high rents or selling the homes for more than anyone in the area can afford. Then everyone's rent goes up, and the property taxes go up, and eventually the longtime residents who can't afford to stay are dispersed as the newcomers reclaim the neighborhoods their parents and grandparents once fled.

I call it a 'tsunami' coming," said Toyia Watts, the 65-year-old president of the Charlevoix Village Association, a neighborhood organization on Detroit's east side. "The tsunami is coming. It's half here, but it just ain't flowed all the way through yet. And beware and don't be surprised when the boogie man knocks at your door, 'cause boogie man is here.

A fight between the privileged and the poor, who wind up outnumbered in their neighborhoods by outsiders who drive them out."

Toyia Watt, Charlevoix Village Association President



RESIDENTS PUSHED FROM HISTORIC BLACK NEIGHBORHOODS

"I own this home': Detroit woman's home listed on Airbnb by scammers" – FOX Detroit



A Detroit woman said her home was listed on Airbnb by scammers who claim to own the home and are renting it out but ultimately end up ripping people off.

Imagine having a bunch of random people showing up at your home, believing they've paid to stay at your place. They're even looking for a key that's supposed to be hidden under the mat.

The first time it happened was back in May. Milton's doorbell camera alerted her to strangers on the front porch clearly looking for a way inside. She used her surveillance system and kindly asked them to leave.

"I said hi can I help you. She said oh I'm renting this house out for 3 days. I said you're the second person. I said no this house is not for rent," she said."

But according to them, the home was listed on Airbnb and they booked it. But the couple that showed up on Thursday had a confirmation email. They were visiting from Montreal for the weekend - only to be stuck with nowhere to go. "It's scary to me I just want this to stop."

Barbara Milton, Michigan Homeowner

"Imagine having a bunch of random people showing up at your home believing they've paid to stay at your place. They're even looking for a key that's supposed to be hidden under your mat. That's exactly what's happening to one Detroit woman."
(FOX Detroit, 7/15/22)

MICHIGAN: Short-term rentals are destroying the community fabric of neighborhoods and making us less safe

Gunshots, Drugs & Out-Of-Control Parties Fracturing Communities & Threatening Neighborhood Safety Through Out Michigan



HEADLINES: COMMERCIAL AIRBNBS IMPACTING NEIGHBORHOODS ACROSS MICHIGAN

NOVI: California Woman Rented Michigan Airbnb For A Month To Meet With 14-Year-Old, Police Say

A 33-year-old California woman was arrested after she flew to Michigan and rented an Airbnb to meet with a 15-year-old boy she had met online, authorities said. Stephanie Sin was taken into custody in Novi and charged with one count each of child sexually abusive activity. ([FOX News](#), 4/12/22)

CASS COUNTY: Homeowner Rents Out House On Airbnb Only To Discover Unthinkable

18-year-old Dayman Chatman was shot and killed at a large house party in Michigan. Katelyn Gregory said she rented out her house on Airbnb the night the incident took place. ([WDNU 16 News Now](#), 10/10/19)

SAGINAW: Man Dead After 5 People Shot During Gathering At Daily Rental House In Saginaw

A 29-year-old Saginaw man died of his injuries early Monday morning after he and four others were shot at a house party. The home was being operated like a daily rental spot or a "Facebook party house," according to Detective Sgt. Matthew Gerow. ([MLive](#), 5/3/21)

DETROIT: Police ask for ordinance to crack down on commercial-operated short-term rentals causing safety concerns

"The city's law department says the ordinance would address the biggest concern the city receives from neighbors about "party houses" by regulating rentals in which the owner does not remain present." ([The Detroit News](#), 11/19/19)

DETROIT: 4 Shot During Bachelor Party At Airbnb Rental On Detroit's West Side

Four men were shot during a bachelor party on Detroit's west side. The shooting happened early Saturday morning at an Airbnb rental. Police say a large group of people were at the party when an unknown suspect, armed with a rifle, drove by and fired multiple shots into the home. ([WJBK FOX](#), 6/11/22)

ROYAL OAK: Missing Michigan Teen Found Dead In Detroit Basement

She said her son had attended an Airbnb party in Royal Oak 50 miles south of their home on Friday night and reconnected with the Oxford boy, who'd been a childhood friend. She said that friend introduced him to the people he'd been socializing with the night he was fatally shot. ([Oxygen True Crime](#), 7/27/22)

CLARKSTON: Neighbors Complain About Short-Term Rentals In Clarkston

There are only three short-term rentals in Clarkston, but they are generating a fair number of complaints from neighbors... City Manager Jonathan Smith: "We're hearing from neighbors that they (short-term owners) don't care," Smith said, as they don't have the vested interest in neighborhoods that traditional property owners do. ([The Oakland Press](#), 6/29/21)

EAST LANSING: Revolving Door Of Strangers Impacting Neighborhood Safety and Community Fabric.

"Noise from the vacation rentals can create problems for long-term residents... 'The number one complaint is the constant revolving door for these short-term rentals. They've got multiple families in there for a weekend and they treat it like Vegas.' East Lansing's attorney Mike Homier ([Lansing State Journal](#))

MICHIGAN LEGISLATURE: PROTECT OUR NEIGHBORHOODS FROM UNREGULATED, COMMERCIAL AIRBNBS MAKING OUR COMMUNITIES LESS SAFE. OPPOSE HOUSE BILL 4722

REPORT: MICHIGAN AIRBNB BILL COULD CAUSE STATEWIDE HOUSING CRISIS

Michigan legislation (H.B. 4722) could take away hundreds of thousands of homes off the market for local residents; increasing cost to rent or own a home.

The Michigan state legislature is considering a bill (H.B. 4722) that would allow up to 30% of the state's available housing to be converted into short-term rentals, like Airbnbs. The bill would take away local control of regulating short-term rentals in neighborhoods and remove ordinances passed by localities to protect available housing for local residents. With a significant drop in available housing, the cost to rent or own a home would skyrocket.

MICHIGAN HOUSE BILL 4722

"...a local unit of government may limit the total number of units used for short-term rental in the local unit. The limit shall not be less than 30% of the number of existing residential units in the local unit of government and shall apply without regard to the location of dwelling units." ([H.B. 2744](#))

Potential Impact: Top 25 Michigan Cities Ranked by Housing Units

Rank	Market	Current Housing Units	# of homes allowed to be taken off market to convert into short-term rentals (up to 30%)
1	Detroit	358,145	-107,444
2	Grand Rapids	8,160	-2,448
3	Warren	56,820	-17,046
4	Lansing	55,312	-16,594
5	Flint	52,792	-15,838
6	Sterling Heights	52,085	-15,626
7	Ann Arbor	51,010	-15,303
8	Livonia	39,022	-11,707
9	Westland	37,350	-11,205
10	Farmington Hills	36,694	-11,008
11	Dearborn	34,758	-10,427
12	Southfield	34,685	-10,406
13	Troy	33,255	-9,977
14	Kalamazoo	32,438	-9,731
15	Royal Oak	31,115	-9,335
16	Rochester Hills	30,303	-9,091
17	Wyoming	29,320	-8,796
18	St Clair Shores	28,324	-8,497
19	Pontiac	27,089	-8,127
20	Taylor	26,787	-8,036
21	Novi	25,275	-7,583
22	Battle Creek	23,474	-7,042
23	Saginaw	23,378	-7,013
24	Dearborn Heights	21,702	-6,511
25	Roseville	21,604	-6,481

Source: TownCharts.com/Data from Census Bureau 2020 American Community Survey

Michigan is considering the same legislation that devastated housing in Arizona:

ABC 15 – ARIZONA: "Arizona's state legislation blocked local governments from regulating short term rentals. The bill also allowed investors to buy homes and property and turn them into short term rental properties. In Sedona, 30 percent of homes are now short-term rental. Nearly 70 percent of short-term rentals are owned by LLC's or people who do not live in Sedona. Sedona relies on long term rental housing for people who work there."

A COMMONSENSE APPROACH TO MICHIGAN'S VACATION RENTAL INDUSTRY

GOVERNMENT RESPONSIBILITIES

- **Create a short-term rental database** through the Department of Licensing and Regulatory Affairs.
- Enforce a **statewide 6% excise tax** on each short-term rental.
- **Share database with local governments**, including any filed complaints.



SHORT-TERM RENTAL OWNER RESPONSIBILITIES

Every short-term rental unit must have the following:



Carbon Monoxide Detector



Smoke Detector



Fire Extinguisher

- **Maintain liability insurance** unless the hosting platform offers greater coverage.
- **File a yearly certificate** that includes the name and address of the owner, rental address and certification of their liability insurance.

HOSTING PLATFORM RESPONSIBILITIES



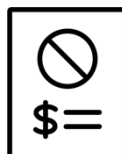
- **Register with the Department of Licensing and Regulatory Affairs** before facilitating any bookings on the platform.
- **Pay an annual registration fee** equal to \$100 per listing, but **no more than \$50,000 a year**.



- Develop and **share a report of transactions** hosted by the platform in the state of Michigan.

PENALTIES

SHORT-TERM RENTAL OWNER
→ UP TO \$1,000 PER VIOLATION



HOSTING PLATFORM
→ UP TO \$5,000 PER VIOLATION