

To the Empire Village Council and Short Term Rental Committee Members
c/o the Clerk of the Village of Empire (clerk@villageofempire.com)

From: Jay Hoekstra

April 6, 2024

Greetings:

Thank you for working on this committee and the Council and taking on the responsibility for making difficult choices that will affect this community. I am a retired city planner who has participated in many such difficult circumstances so appreciate the situation.

My wife and I own a house on West South St. where we and members of our family live year round.

I believe it would be beneficial to the community to set a limit on the number of short term rentals in the village. In a small town in a wonderful location such as Empire's it is possible to become "hollowed out" if there are too many short term rentals. At the extreme there might be too few residents to maintain neighborhood cohesion – where neighbors know each other and help each other. The village government needs an adequate number of residents for a pool of citizens willing and able to fill civic positions such as the town council, the planning commission, library board and similar public committees. Other institutions such as churches and clubs also cannot survive without a minimum number of residents.

I believe there is a shortage of long term rental dwellings. Short term rentals bring in more money than long term rentals even if they are vacant much of the time. If there were too many short term rentals there might be empty houses in the village while people who work here cannot find a place to live.

The problems I have described would be diminished if owners lived on their rental property, that is-- if the rental property was part of a residence. These sorts of arrangements may help a homeowner pay for their housing costs or supplement their income. I believe this would be a valuable distinction to make in an ordinance about this topic. Some towns have a "one owner one rental" rule. This is to avoid a town becoming bought out by real estate investment trusts or other such other such distant, financial organizations.

The difficult question that remains is "What should be a maximum number of short term rental?", Or put another way - how many residents are needed to make a viable village, run a village government, maintain its social cohesion, and keep its existence as an actual town where people live, work, are raised, retire and are known to each other over a lifetime.

I don't know what that amount is, but it is necessary to find out. I suggest asking the Michigan Municipal League, or the Michigan Township Association, and other local governments about sensible ways to determine the number.

If an ordinance is adopted, I have found out that the following should be considered:

- a] The definition must be very clear so as to not affect ordinary long term renting.
- b] There should be a permit system with specific rules. This would make it much easier to enforce building and property maintenance codes because that would be a condition of the permit. The permit can be specific about the number of persons to be allowed at one time in a house based on the house size, sewage and water capacity and other limitations. There could be requirements for trash collection.
- c] Many communities raise revenue from an occupancy rental tax which would be similar to how hotels are taxed. The revenue could be used for any increases in public service costs or could be designated for lowincome housing.

I found the following sources to be helpful:

- 1] An article from The Municipal Research and Services Center (MRSC) website

<https://mrsc.org/stay-informed/mrsc-insight/december-2021/affordable-housing-and-the-impact-of-short-term-re>

- 2] A book called: ***Homesick: Why Housing Is Unaffordable and How We Can Change It***
By Brendan O'Brien

- 3] An interview with the author at this website:

<https://shelterforce.org/2024/02/22/how-short-term-rentals-affect-communities-with-loose-restrictions/>

Sincerely

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