March 20, 2024

To: Empire Village Council Members

Short-Term-Rental Committee

From: Roy Sonnema & Debra De Witt

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Please Note: We wish this letter publicly posted at the committee website, and ask both the Village Council and STR Committee members to read it and consider our suggestions. We'd also request that only the conclusion be read out loud at the next committee meeting since our letter ended up being so long.

We recently learned that the Council is actively developing an ordinance with respect to short term rentals in the Village of Empire, and we and have read the letters, memoranda, and materials posted online by the committee. We also obtained copies of the *Seasonal Rental Committee Final Report* of 2020 and the Committee update of 2003. All of this is so that we can better understand this issue in Empire, and form a responsible opinion.

About us: we are home owners in the New Neighborhood who retired here two years ago. We don't use our home for short term rentals, and we own no such property elsewhere in the village. We are not seasonal residents; we live here 12 months of the year (and we love it!) Nor do we operate a business in the village, so a new ordinance would have no direct impact on us. But a new ordinance will surely affect our neighborhood, so we'd like to express our opinions on this matter and make some suggestions to the Short-Term-Rental Committee.

We have a lot of personal experience with STRs: for 8 years we lived in a dense urban environment with many Airbnbs around us, and we have used them many times ourselves when on vacation or travelling.

Caution: Bad Thinking Can lead to Bad Decisions

In their memorandum to the Committee, our neighbors Blacquiere/Marks/Weller/Young have argued for a restrictive STR ordinance because: 1) regulating STRs is good for the community; 2) many other communities in Michigan and the USA are doing it; and 3) although short term renters have economic benefit to the community, "regulation is needed to prevent and correct STR problems we have observed taking place in Empire." But surprisingly, they do not present or discuss any of these problems they claim to have observed. Instead, in very next sentence they state: "the following is a list of reported problems with short term rentals that we believe impact communities, including Empire." It's really just a laundry list of generic complaints about STRs: excessive noise, speeding traffic, more vandalism, lack of privacy, overflowing trash, damage to septic systems, and so forth.

As Mr. Taghon has already correctly pointed out (02.06.2024), they are only expressing *opinions*, not presenting evidence or facts specific to our situation here in Empire. The essential logic of their memorandum--and one that is often used to talk about STR issues--basically boils down to something like this:

Everybody knows that short term renters can cause problems (noise, trash, septic systems, etc.);

These problems might be or could be happening in Empire; so

We need to cap the number of STRs in Empire

This is a faulty way of thinking called *prejudicial speculation based on hearsay*. If you apply the exact same logic and the exact same word-smithing to the issue of "Pets in Empire," for example, it would sound like this:

Everybody knows dogs can cause problems (they bark loudly, bite people, dig holes and poop in neighbor's yards, etc.)

These problems might be or could be happening in Empire; so

We need to put a cap on the number of pet dogs in Empire

Notice that the argument is not based on specific evidence or facts; it merely enshrines an opinion about a category of people—renters--and then calls for action to redress the presupposed "problems". Please do not misunderstand--we are glad to hear our neighbors sharing their opinions about STRs, and it is certainly important for committee members to know people's opinions. Nothing wrong with that. But we hope the committee and the council keep a clear head and use real evidence and data to logically inform your decisions, not just the opinions of people.

All of which begs the question:

Are We Really Having Problems with STRs in Empire?

According to Village Council's own self-reporting, the answer is a clear "no." In 2023 the council issued their *Seasonal Rental Committee Final Report* which contains a lot of useful information about the of STRs in Empire, ordinances by surrounding communities, and some general recommendations. One of the "Knowns" stated in the conclusion is that: "the general behavior of short-term rental guests is acceptable and very few problems have been reported officially or anecdotally." (p.139). And not only that, in the more recent *Report of the Short-Term-Rental Committee* (November 2023—just 5 months ago) the Committee's own report concluded "the general behavior of STR guests is acceptable with very few problems." (p. 3).

So, we are confused when some of our neighbors say Empire is having problems with STRs and therefore call on the Village to quickly develop an ordinance with caps in order to solve this non-problem.

Why So Much Chatter from the South New Neighborhood?

With some neighbors here on the southside of the New Neighborhood calling for a restrictive STR ordinance, you might get the impression that well, after all, maybe there really are some problems with STRs in our corner of the neighborhood, and it's just that residents are graciously not reporting them.

Let us assure you--if there were problems, we'd be the first to know it. There is only one short term rental property in our corner of the New Neighborhood, and our house is directly adjacent to this rental property. We see everyone who comes and goes from this house and are aware of everything going on there. We can tell you with absolute certainty: since we've lived here, there have not been any problems whatsoever from the short-term rental guests next door.

Indeed, quite the opposite! We love meeting these renters, answering their questions, and directing them to local businesses/resources when they are in need something. We've even developed a burgeoning friendship with one of these renters who is now thinking about moving herself and her business to the area—what a win for Empire! It's been our experience that just being kind and making a personal connection, short term renters are quick to please; they realize they're strangers in the neighborhood and they genuinely want to be good citizens, follow the rules, and not engage in egregious behavior. That's honestly what we are observing with the renters next to us.

If our neighbors Blacquiere, Marks, Weller and Young here in southside New Neighborhood are having actual problems—specific things that have happened and not just their opinions about short term renters in general—let's hear what they are and see if we can all identify solutions.

But honestly, we're not seeing it.

However, our corner of the New Neighborhood is now changing. Over the last year, two beautiful new houses have popped up right across the street from us; they are not occupied yet. Each of the new owners has indicated they wish to rent short term, at least for some of the time (see the letters by Spina [02.07.2024] and McNutt [02.23.2024]). We think this is great and have no problem with it at all. But some of our neighbors are clearly unhappy—"not in my backyard." The new owners have each made significant investments in their properties and have been transparent about their intent from the start. If the Council does implement an ordinance with a cap, we strongly believe our new neighbors Spina and McNutt should be "grandfathered in" permanently.

And let's all remember what Empire's New Neighborhood is--or was supposed to be. It was intended for a diversity of residents--as affordable housing for working families and singles as well as vacation homes and retirement homes. The entire neighborhood is designed as a "higher-density" and "high-interaction" social space. The lots are intentionally small; design guidelines require front porches, sidewalks, with no driveways or garages off the front so people naturally interact and say hello. If people want a quiet, low-interaction social experience, there are ample opportunities in the suburban-style developments surrounding our village. So it makes perfect sense to have STRs here in the New Neighborhood.

A New Ordinance?—Sure. But No Caps

Our opinion is that an STR ordinance is a good next step for Empire overall. The Village will have an official inventory of STRs, can ensure standards are met by all, and can develop basic ground rules for everyone. But we strongly oppose any implementation of a cap.

You may already be doing this, but here are three specific suggestions:

1. The Committee and Council should immediately pause any discussion about capping the number of STRs in the Village. It may not have been your intent, but you are really freaking out some people. (see Clark 03.14.2024)). Not to mention, by implementing a solution (caps) before you have empirically defined and studied the problem (STRs in Empire) you are invalidating the whole process, literally putting the cart before the horse. We hope the purpose of this ordinance is not to quickly make a cap, but to establish fair rules and guidelines so that all stakeholders—home owners who rent, the renters, and the people who live nearby—know what to expect from each other and get along. Over the long term, the committee will get real

data (not just opinions or prejudicial hearsay) about what is working and what is not, and adjust accordingly. If there is consideration of a cap on STRs, that should only come far down the line and after a reasoned evaluation of the all the information collected, specific to our situation here in Empire. (And by the way, simplistic comparisons of the percentage of STRs for Empire, compared to other nearby communities, without at least first *norming the demographic data* sets is another <u>faulty way of thinking you should avoid</u>. And if you don't know what that means, please consult an expert.)

- 2. As part of the ordinance, we recommend the committee should develop a Village-approved "packet" of materials that every homeowner is required to review with their renters before arriving. This packet of information should have all the key information--what the behavior expectations are, the limit on the number of people in the house, exactly where and where not to park, how many vehicles are allowed on-property, a reminder about speeding, what goes down the kitchen drain, etc. This simple tool will solve 95% of all problems before they occur.
 - But this packet could also have lots of other helpful information, like: maps; how to get to the recycling center; times/location for church services; where to go for medical or dental service; a reminder to respect the rights of private property owners along the beach, etc. Why not encourage renters to visit local retailers with some discount coupons? Interested in moving to Empire, starting a business here, or maybe building a home? Provide some realtor / builder / bank contacts. You get the idea.
- 3. In addition to making a list of all homeowners who have STRs, the Village might require STR homeowners each year to provide the names and contact information for every renter and create a collective database. Renters could be surveyed/sampled about their renting experience, but also kept informed about future events to bring them back. And no, you don't need to hire another clerk to do this. Just set up a web page where homeowners can enter the information themselves directly online.

We have the chance to get this right so everybody is happy. Also, we appreciate the time and effort members of the committee and council are devoting to this, and we appreciate the thoughts and opinions expressed by our fellow residents of Empire. Our contact information is below.

Thank you for taking the time to read this long letter.

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