



# Village of Elk Rapids

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Dear Chair Lower and House Committee Members:

May 1, 2019

The Village of Elk Rapids is not opposed to Short-term Rentals (STRs), but we vehemently oppose HB 4046 (S-1). This issue is deeper than appears on the surface and different for every community. Furthermore, *residents choosing to live in a certain community—just like you—have a right to local public hearings that they can actually attend and participate in, along with the right to full representation by their local elected officials on this issue.*

Do you know the following facts of the Elk Rapids Village home crisis?

- In Elk Rapids (pop 1642), nearly half our residences are seasonal.
- This makes our water system inefficient half the year for year-round residents (yet we need the capacity the other six months).
- 40% of our housing stock is engaged in the on-line STR industry.
- **We don't have a hotel--we rely on STRs; we also need homes for workers and families.**
- Our median home price is \$240,000 and rising. (In greater Grand Traverse, the median home price exceeds \$470,000--the highest in the state.)
- Last summer, our restaurant patios could not be fully utilized due to lack of workers, not lack of visitors. Yet our business owners struggle to survive due to seasonal residences.
- Elk Rapids High School ranked higher than 96.5% of Michigan high schools on average standard test scores in 2018.
- This year, our district enrollment declined 50 students (-\$400,000 loss in one year—for a high-performance, foundation-funded school).
- This year, 24% of students are schools-of-choice from out of district (a precarious situation).
- Declining enrollment has been the trend for nearly a decade—a loss of millions.
- Our village struggles to find candidates for local office, volunteers for village commissions, churches and other non-profits. Why? We have housing, but lack homes for year-round residents to work and raise families in our neighborhoods.
- The Village of Elk Rapids Council Goals for 2019-20 rank housing across all sectors as #1.
- In essence, Elk Rapids is a gated community that does not wish to be one.

I personally sit on the executive committee and board of Networks Northwest (a 10-county council of governments), the executive committee and board of Housing North (a 10-county non-profit housing solution agency), and the board of Northern Homes (a 4-county community development corporation). I do this because our village is diligent about finding the right solutions for a healthy, sustainable community, and this crisis of homes is very complicated.

Elk Rapids issues are different than Harbor Springs, Traverse City, Suttons Bay, Leland or any of the communities in our 10-county region. Do you know our region has 25% of the state's STRs and only 3% of the population? If you don't know all these facts about Elk Rapids and every other community in Northwest Michigan--you must not make this a statewide legislative issue. Please do not vote this out of committee.

Respectfully,

Caroline Kennedy, Assistant Village Manager, Village of Elk Rapids

Cc: Committee Clerk; Jennifer Rigterink, MML; State Rep. Triston Cole; State Senator Wayne Schmidt

