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JARRETT SKORUP It's Time to Build

Michigan House Economic Development and Small Business Committee





In Support of House Bills 6095, 6096, 6097, and 9098

I'm Jarrett Skorup, vice president for marketing and communications at the Mackinac Center for Public Policy. We are a free-market economic think tank here in Michigan. We are proud to support this legislation. In sum, these bills would limit parking spot mandates, prohibit unnecessary planning studies, permit multifamily housing in larger communities when people want it and make housing approvals move along faster.

Right now, Michigan is a slow growth state. We are a laggard on many economic indices. There are a lot of factors that go into whether states are growth states or decline states. But perhaps the most important one is housing. Broadly speaking, the fastest growing states make it much easier to build housing than the slowest growing states.

And that means all types of housing. Single-family homes of all shapes and sizes. Apartment buildings. Duplexes. Manufactured homes. Modular homes. Low-income housing, high-income housing, missing middle housing and everything else.

Across Michigan, as well as in many places across the nation, government rules are disrupting or flat-out banning what people want to build and what people want to buy. Most of this comes from local government rules through zoning and other regulatory requirements. Today, metro Detroit has among the strictest zoning requirements in the country. But these problems exist in community after community across the state.

So far, the solutions to the housing crisis in Michigan have been focused on subsidies. Either by subsidizing demand though homeowner vouchers or by literally paying for the building or rehabbing of apartment buildings. Whether this is a good idea or not, it simply isn't enough. In total, Michigan has announced \$250 million in taxpayer spending in order to build 1,117 housing units. Gov. Whitmer called for \$1.4 billion for 10,000 units. Even if we spend every dollar as wisely as we hope and developers build all of that, this is a tiny fraction of the 200,000-plus homes that we need.

Lawmakers need to focus on the supply side of the equation. Only the private sector can build enough housing to meet the demand here in Michigan. These bills make it easier for builders to respond to demand and offer what people want.

Other states are doing something about it. The Democratic-controlled state of California and the Republican-controlled state of Montana both passed bill packages similar to what is being discussed here. If they can do it, so can Michigan.

The obstacles put in place by local governments are not focused on health, safety or anything else that lawmakers should care about. This package thoughtfully rebalances regulations on behalf of the millions of Michiganders trying to find a place to affordably live.

Jarrett Skorup

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The Mackinac Center for Public Policy is dedicated to improving the understanding of economic principles and public policy among private citizens and public officials. A nonprofit and nonpartisan research and education institute, the Mackinac Center has grown to be one of the largest state-based think tanks in the country since its founding in 1987.

Additional information about the Mackinac Center and its mission to improve the quality of life in Michigan through sound public policy can be found at **www.mackinac.org**.

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