

Drummond Island Tourism Association (DITA) & Drummond Island Township

Special Joint Meeting Agenda

July 7, 2025 6 p.m.

Purpose: Discussion of Recent Township Survey

Meeting Objective: To foster a collaborative dialogue between the Drummond Island Township Board and the Drummond Island Tourism Association regarding the future of short-term rentals, address recent communication issues, and explore cooperative solutions for community challenges.

1. Welcome & Introductions

2. Township Survey Discussion

- Request for complete and legible digital survey results
- Clarification of misleading "sneak peek" article and its impact on tourism - Such communication negatively impacts Drummond Island's vital tourism image and local businesses
- Discuss how the survey was drafted, approved and disseminated, and analyze survey reach in proportion to number of residents
- Request for public clarification or correction

3. Short-Term Rental Fee Proposal

- Acknowledgement of Township's interest in regulation
- Legal concerns regarding fee vs. tax under Michigan law (Bolt v. City of Lansing)
- The "Bolt Test": This legal precedent (from Bolt v. City of Lansing) has three criteria for a valid fee:
 - Regulatory purpose: Is it for regulation, not just revenue?
 - Proportionality: Is the charge proportionate to the actual service cost?
 - Voluntary: Is the service voluntary for those paying the fee?
- A broad, flat fee on all short-term rentals would likely fail the Bolt Test, making it unconstitutional.

4. Economic impact of short-term rentals on local businesses

- Short-term rentals are crucial to our island's economy, supporting jobs and driving significant spending far beyond just lodging (restaurants, shops,

marinas, local services, etc.). An unconstitutional fee would harm this vital sector.

5. Conflict of Interest Concerns

- Conflict involving Supervisor Truax and ongoing litigation
- Request for clarification of Township's Conflict of Interest policy - We need clarity on the Township's Conflict of Interest policy and how such situations are managed to ensure transparent and fair governance
- Importance of public trust and impartial governance

6. Collaborative Alternatives & Solutions

- Proposal for cooperative approach over contentious regulation
- Affordable housing discussion
- Alternative options:
 - Clear complaint resolution process
 - "Good Neighbor" education program for guests and hosts
 - Voluntary community contribution fund for local projects

7. Closing Remarks