



TO: Members of the Senate Committee on Local Government
FROM: Randy Gross, Michigan Chamber of Commerce
SUBJECT: MI Chamber Opposition to SB 960
DATE: September 22, 2026

The Michigan Chamber represents approximately 5,000 job providers across all 83 counties of our state. Our members range in size from the sole proprietors to large multi-national corporations. On behalf of that membership, we oppose SB 960 for reasons outlined below.

Private covenants and restrictions are established through contracts, deeds, leases and other legally recognized instruments. They can serve legitimate purposes by defining how property may be used, protecting neighboring property values, preserving investment expectations and providing certainty to property owners and businesses.

Under the proposed legislation, a local government could ask a court to permanently remove such restrictions simply because a piece commercial property has been vacant for at least two years and has been determined to be blighted. If the statutory conditions are met, the court would be required to strike the restriction from the public record.

Vacancy or blight should not, by itself, invalidate a private property right. A property owner should not lose contractual or deed-based rights because a property becomes temporarily underutilized or because market conditions make a particular use economically difficult. In fact, it is not uncommon for large commercial pieces of property to take 3-5 years to sell.

Michigan businesses and developers rely on predictable property rights when acquiring, financing, developing and investing in commercial real estate. Allowing a local government to initiate litigation seeking to eliminate recorded restrictions creates additional uncertainty for property owners, lenders, investors and prospective purchasers.

The legislation creates a chilling effect on future commercial investment. Businesses considering development or acquisition need confidence that recorded property rights will remain

enforceable. Government authority to eliminate those rights after the fact could increase perceived risk and ultimately make commercial projects more difficult or expensive to finance.

Rather than creating a new mechanism to extinguish private property rights, policymakers should focus on removing regulatory barriers that prevent redevelopment, streamlining permitting and approvals, encouraging private investment, and providing municipalities with appropriate tools to facilitate productive reuse of vacant properties.

Conclusion

The Michigan Chamber supports efforts to revitalize vacant and blighted commercial properties and return them to productive economic use. However, those efforts should respect established property rights and preserve the legal certainty necessary for private investment.

Legislation should not make it easier for government to eliminate privately property rights or negotiated restrictions. Instead, Michigan should pursue policies that encourage redevelopment through voluntary agreements, market-based incentives and regulatory reform. For these reasons, we urge you to oppose SB 960.