

From: [Jeffery](#)
To: [#CI-StPaul_Council](#)
Subject: Vote NO on the proposed zoning ordinance.
Date: Tuesday, October 10, 2023 8:50:53 AM

Think Before You Click: This email originated **outside** our organization.

Council Members;

Please vote NO on the proposed zoning ordinance if up to 50% of new units created are eligible to be short-term rentals. This goes against the original purpose of rezoning. This does not create good long term housing. Jeffery Thole 810 W Idaho Ave. St. Paul, MN 55117 -----

From: [Kristin Koziol](#)
To: [Greg Weiner](#)
Subject: Fw: Short-term rentals hurt housing availability - 1-4 unit phase 2 amendments
Date: Tuesday, October 10, 2023 11:46:47 AM
Attachments: [Short-term rental hurts housing availability.pdf](#)

Kristin Koziol | Executive Assistant to Councilmember Russel Balenger

Pronouns: she/her

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From: Gaius Nelson <gaius@ntp.cc>
Sent: Tuesday, October 10, 2023 11:38 AM
To: #CI-StPaul_Ward1 <Ward1@ci.stpaul.mn.us>
Subject: Short-term rentals hurt housing availability - 1-4 unit phase 2 amendments

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Council Member Balenger,

Attached is an excerpt from a collection of studies that conclude that Short-term rentals exacerbate shortages of long-term housing availability. It also seems to be associated with rent increases.

Why would the City of Saint Paul encourage short-term rentals within zoning amendments that have the stated purpose of increasing housing availability?

If this type of inconsistency exists within a single portion of the proposed zoning amendments – it is difficult to image that there are not similar negative impacts hidden within other changes to these far-reaching zoning code changes.

Please take more time to evaluate all aspects of the changes and to reconsider approval of the 1-4 Unit Housing Study – Phase 2 Zoning Amendments in its current form.

Thank you.

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A Modern Guide to

the Urban Sharing Economy

Edited by
Thomas Sigler
Jonathan Corcoran

ELGAR MODERN GUIDES

Potential Negative Consequences

1. “Airbnb brings rent-increase”

Since Airbnb is effectively serving to convert long-term rentals into short-term rentals, one may presume that the falling prices in tourist accommodation will be matched by a corresponding rise in rents for long-term residents. Several studies have examined how Airbnb affects local housing markets, and the overall results point to this indeed being the case.

Horn and Merante (2017) examine the impact of Airbnb on the housing market in Boston, finding a 0.4% rent increase per 12 Airbnb listings per census tract. Schäfer and Braun (2016) find that increasing presence of Airbnb listings correlates with increasing rents in Berlin. However, Brauckmann (2017) does not find any such correlation for Hamburg. Sheppard and Udell (2016) look at neighbourhoods of New York City, and find that a doubling of Airbnb activity within a tight geographic zone surrounding a home sale is associated with a 6% to 11% increase in sales prices. Looking at cities from around the United States, Barron, Kung, and Proserpio (2018) similarly find that a 10% increase in the number of Airbnb listings in a ZIP code leads to a 0.42% increase in ZIP code rental prices and a 0.76% increase in house prices, with coefficient values similar to those of Sheppard and Udell (2016).

Finally, Wachsmuth and Weisler (2018) use Barron et al.’s (2018) regression results to analyse the impact of Airbnb’s expansion on the explosive growth in rents in New York City in recent years. They find that 1.4% of the increase in New York rents from 2015 to 2017 was attributable to Airbnb’s expansion. This corresponds to a US\$384 annual increase in rent for the medium renter.

In summary, Airbnb’s business is to convert long-term rentals to short-term rentals. This results in exacerbated shortages in long-term housing availability, and, while findings differ depending on research methods and varying impact in different cities and areas, it seems to be associated with rent increases. The presence of rent increases, however, seems to depend on local factors, such as how rents are set and existing shortages in the housing market.