

**From:** [ANGELA PIPER](#)  
**To:** [CouncilHearing\\_English \(CI-StPaul\)](#)  
**Subject:** Voice Mail (1 minute and 34 seconds)  
**Date:** Sunday, August 21, 2022 4:09:49 PM  
**Attachments:** [audio.mp3](#)

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My name is Angela Piper. I live at 777 Berry St, Legends at Berry, owned by Dominion Corporation. I want to protest...we can't afford any extra money, especially with the price of other things going up as well. So please take this into consideration. My phone number is 715-417-0636. Again, my name is Angela Piper P-I-P-E-R apt 4O3A, at Legends at Barry. Thank you very much.

You received a voice mail from [ANGELA PIPER](#).

Thank you for using Transcription! If you don't see a transcript above, it's because the audio quality was not clear enough to transcribe.

[Set Up Voice Mail](#)

Dear St. Paul City Council,

My name is Ivory Taylor and I am a Coalition Organizer with The Alliance for Metropolitan Stability, located at 2525 E Franklin Ave # 200, Minneapolis, MN 55406. As a coalition of community-based organizations and advocacy groups in the Twin Cities region dedicated to racial equity and sustainability in growth and development, the Alliance has long worked with city leaders and local organizations to advance shared goals around housing policy in St. Paul.

I am also a member of the State of Minnesota Olmstead Implementation Office's Affordable, Safe, Accessible Housing Workgroup.

I am submitting written testimony today in support of the strong rent stabilization policy passed overwhelmingly across race, income, and ward last November in St. Paul. The passage of the rent stabilization policy in November was a significant step for housing justice and stability, not just for the city of St. Paul, but a model for the region in its strength, scope, and flexibility. That is why I strongly urge the city to honor the expertise of renters, the will of voters and the specific intent of this particular policy intervention: renter stability.

In November, voters approved a detailed and specific policy carefully crafted by renters, researchers, and housing experts to avoid the pitfalls of rent stabilization policies in other localities, including closing loopholes that undermine the intended protections for renters, and meeting the specific needs of St. Paul.

Because I support the rent stabilization ordinance as passed by St. Paul voters, I am submitting testimony today in opposition to Ordinance 22-37 as it is currently written.

**Crucially, I do NOT support Ordinance 22-37's 20-year blanket new construction exemption.** As outlined in the proposed ordinance, cities such as Oakland include new construction exemptions in their policies. Resultantly, Oakland and others have experienced landlords using this legal loophole to demolish properties and rebuild in order to skirt the protections afforded to tenants in the policy. Incentivizing landlords to tear down critically important, unsubsidized affordable housing to replace it with housing that is exempt from rent stabilization is a direct consequence of carve outs like this and serves to undermine the intent and success of the policy.

Moreover, the Rent Stabilization Task Force, that the City of St. Paul convened, recommended a 15 year new construction exemption with no lookback period. It's unclear why the city council would consider something longer or more restrictive than what the stakeholder group recommended, which represented a cross-section of interests in the city. Doing so adds insult to the extensive public engagement that has happened, including among the nearly 31,000 voters who approved the original policy last November, and the citizens who in good faith participated in the stakeholder group. Making this and other substantive changes serves to undermine the confidence of citizens in both voting and engaging in city processes.

Alarming, the new construction exemption proposed seems not to consider at all the disparate impact it will have on disabled renters, individuals who are disproportionately represented among Black, Indigenous, and other nonwhite communities. Many disabled and senior renters live in newer buildings that, due to ADA law, have built-in accessibility features that allow these tenants to experience dignity and independence in their homes. Additionally, as the State of Minnesota prioritizes supporting disabled residents to acquire and maintain housing independently in the community, the need for affordable and accessible housing grows. Unfortunately, the higher rental cost of newer housing, even in so-called “affordable” properties, often represents a cost-burden to many disabled and senior renters living on fixed incomes, as their options for accessible units remain limited.

Having organized directly with disabled renters in St. Paul at the grassroots level, I can tell you stories of tenants with physical disabilities who waited in shelter settings for 7 years to find accessible, affordable units; residents who pay the majority of their income to rent because they’re in newer properties that offer features they need like elevators and underground parking or stand up showers or even shopping carts to bring in their groceries. Amenities that are luxuries to some but basic necessities to those living with disabilities that prevent them from being housed in settings they do not choose, like congregate care or nursing homes. Since the ADA law is only 32 years old, housing stock with accessible features is already limited, with the proportion of fully accessible units remaining microscopic. With the idea that older stock is what residents should seek in order to have more affordable rents (a trickle-down housing fallacy that tenants and advocates know does not functionally operate in this way for renters; although this housing is more affordable than newer stock, it is not affordable at 30% of most people’s income), we are telling disabled renters that they do not and will not be given opportunities for accessible rental housing in St. Paul where they get the rights and protections afforded to them of rent stabilization that their non-disabled peers receive.

If the City of St. Paul is going to pass a new construction exemption, then it should also move to pass an [Inclusionary Housing Policy](#) similar to the City of Richfield, which mandates that new construction contain both a percentage of affordable units AND a percentage of units deemed fully accessible. Unless the city plans to remedy the disparate harm it will create with a new construction exemption by passing this supportive policy, there are serious implications for a fair housing complaint.

A strong rent stabilization ordinance protects renters who are already stretching limited incomes to remain in homes that meet daily accessibility needs; renters who are disproportionately cost-burdened as compared to other renters. For more information on how vital the link between affordable and accessible housing and rent stabilized new construction is to the stability of disabled renters, you can [read more here](#). Accordingly, “Even as the nation’s inventory of accessible housing expands, affordability will remain a salient concern for renters living with a physical disability. While newer homes tend to be more accessible, they also tend to be more expensive.”

Similarly, I do **NOT support Ordinance 22-37 exemption for affordable housing**. Tenants who live in affordable housing are disproportionately low-wealth, BIPOC, disabled, queer, immigrant, elderly, and families with young children — these are the people who need renter protections the most! Excluding affordable housing from rent stabilization would remove protections from nearly 20,000 St. Paul renters and further entrench racial inequities in our housing system. As an organizer, I have worked extensively with tenants facing displacement due to unethical business practices that some affordable housing providers engage in which prioritize maximizing profits over supporting housing stability for St. Paul residents-despite having significant public investment in their properties for the purpose of providing affordable housing. We cannot allow for a policy loophole which rubber stamps practices that serve to exploit both our public housing support programs and low-wealth renters. Affordable housing providers who need exemptions for covered reasons already have an opportunity to submit a request via the current ordinance's exemption procedure, and blanket exemptions only serve to provide opportunities for circumvention of the ordinance, codifying discriminatory housing practices within the City.

Finally, I'm thankful that Ordinance 22-37 preserves important parts of the rent stabilization policy that voters passed, such as the 3% cap on annual rent increases, and reaffirms existing Minnesota state law prohibiting retaliation against renters who file complaints against their landlords for violation of the ordinance. I also support Ordinance 22-37 providing further clarity on the relationship between utilities and rent.

I appreciate Ordinance 22-37's tenant notification piece, and believe with a little work it can be more effective. Tenants should be notified when DSI receives an exception request, not after it is approved, because they need as much notice as possible to connect with housing resources and obtain legal support if they believe the rent increase is illegal. I equally appreciate Ordinance 22-37's proposal for just cause, but think it needs to be much stronger to truly protect all renters. The version of Just Cause passed by the St. Paul City Council in 2020 (and rescinded in 2021) exemplifies what an effective Just Cause policy should look like.

Thank you for the opportunity to testify and provide feedback.

With sincerity,

Ivory Taylor

**From:** [Kris Knoll](#)  
**To:** [CouncilHearing \(CI-StPaul\)](#)  
**Cc:** [#CI-StPaul\\_Ward7](#)  
**Subject:** Ordinance 22-37  
**Date:** Monday, August 22, 2022 7:40:30 AM

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In May I moved back to the Twin Cities from out-of-state and selected St Paul section 42 housing due to the 3% rent cap. This, I thought, would be an affordable place for me to live out my senior years.

Now I've learned that the mayor and city council are considering contradicting the will of the voters who voted in the 3% rent increase limit last fall.

I'm 75 years old. I worked for over 55 years and managed to qualify for a moderate social security income and a small fixed pension. On a fixed income, rent increases beyond 3% will have me priced out of decent housing. Social Security increases do not keep up with inflation; my pension payments do not increase at all.

Tenants who live in affordable housing are disproportionately low-wealth, BIPOC, disabled, queer, immigrant, elderly, and families with young children — these are the people who need renter protections the most! How are we to live? On the streets with a suitcase, freezing in the winters?

In addition, **I do NOT support Ordinance 22-37's 20-year blanket new construction exemption.** It unjustly impacts the elderly and disabled neighbors who rent their homes. ADA-compliant units can be incredibly difficult for renters to find, and are more likely to be found in newer housing because of new requirements and policies. Exempting new construction means we are taking away the right to stable rent from disabled renters who already experience disproportionate housing instability.

This proposed end-run around the will of the people feels like the ultimate "bait-and-switch" scam.

Please, stand up and protect the people of St. Paul who depend on reasonable rents to survive.

Thank you,

Kristine Knoll

720 7th St E, Apt 306

St. Paul 55106

**From:** [Adam Duininck](#)  
**To:** [\\*CI-StPaul Contact-Council](#)  
**Subject:** Rent Stabilization policies  
**Date:** Monday, August 22, 2022 1:27:36 PM  
**Attachments:** [image001.png](#)

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Council Members—

On behalf of the Carpenters who live and work in the city of St. Paul, I write urging the council to promote, protect, and produce more housing. The rent stabilization/rent control policy has had detrimental effects on the production of housing in the city which, in turn, will continue to create cost pressures for developers, landlords, workers and renters alike.

The growth in multifamily housing construction has paralleled the growth in union members both in the United Brotherhood of Carpenters as well as the growth in union membership across the state of Minnesota. I want to recognize St. Paul as always being a strong ally to working families and strong unions; that's a partnership we are proud of and one of the reasons why we feel so strongly about getting the rent stabilization/rent control policy right.

Our organization has two minds about the rent control policy that is up for discussion this week. Should we try to improve the disastrous policy, or should we continue to advocate for its full repeal? We applaud the council members who have put time into forging compromise and working to lead on such a complicated issue.

With new housing permits down 80% across the city, clearly the status quo is broken.

If we are working within the proposal that some form of rent control be in place, we would advocate for a 30-year new construction exemption. This exemption could mean that projects could be financed and union carpenters could build projects that our city needs. We would also support a cost of living-style, CPI + Adjustment approach to the policy – similar to the anti-gouging policy in Oregon. Third, we join our partners who build projects here and in other regions in supporting vacancy decontrol. Lastly we would also support an exemption for landlords making capital improvements, including climate resiliency capital improvements within their projects. We believe that these policy improvements are in line with the Council's values and we believe it could help keep rents affordable while not harming the housing supply problem.

We appreciate and recognize the movement in the last couple months by the mayor and council on some of these issues. Our hope is that the policy can be fixed.

If these changes are not feasible, we would advocate that to fully mitigate the damages caused by Saint Paul's rent control policy, the city council should consider fully repeal the existing ordinance. We urge the council to allow the time to pass and take the policy into their own hands, which it always should have been in. Without the ability to finance, plan, and construct new housing, the city of St. Paul will continue to be a policy island unto itself and an outlier in a region that is starving for housing solutions.

Thank you,  
Adam Duininck

\*\*\*\*\*

Adam Duininck  
651-341-0074  
[aduinick@ncsrcc.org](mailto:aduinick@ncsrcc.org)

Director of Government Affairs  
North Central States Regional Council of Carpenters  
Serving Iowa, Minnesota, Nebraska, North Dakota, South Dakota and Wisconsin

700 Olive Street  
Saint Paul, MN 55130

[www.northcountrycarpenter.org](http://www.northcountrycarpenter.org)

Find us on [Facebook](#), [Twitter](#), [Instagram](#) & [LinkedIn](#)

To receive text messages, text the phrase "NCSRCC" to the number 855-464-3996. Message and data rates may apply.



**From:** [C Gunsbury](#)  
**To:** [CouncilHearing \(CI-StPaul\)](#)  
**Subject:** St Paul Rent Control  
**Date:** Monday, August 22, 2022 11:38:15 AM

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To Whom it May Concern:

Prior to implementation of rent control in St. Paul, our company had been actively considering several new residential rental construction projects in the city.

Our company builds "attainable", "missing middle", "workforce" housing that targets residents in the 70-100% AMI category of renters. We build about 500 units per year in the metro.

But with rent control, we have stopped considering St. Paul for new development since the numbers do not work.

We advocate for a full repeal of rent control as a starting point.

We would not consider building new construction in St. Paul without a 30 year new construction exemption, floating CPI + adjustment, and some form of vacancy decontrol.

Thank you,

Curt Gunsbury



**Curt Gunsbury** (He/Him)  
Founder / CEO

724 n 1st st ste 500  
minneapolis mn 55401

[curt@solhem.com](mailto:curt@solhem.com)  
direct: 612.598.9416  
office: 612.216.2825  
now open! [724 lofts](#)  
follow us [@solhemcompanies](#)



**From:** [Elizabeth Brine](#)  
**To:** [#CI-StPaul\\_Ward2](#); [\\*CI-StPaul\\_Contact-Council](#)  
**Cc:** [ISAIAH Vivian Ihekoronye](#)  
**Subject:** Responding Rent Stabilization Ordinance Amendments  
**Date:** Monday, August 22, 2022 11:50:17 AM

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Dear CM Rebecca Noecker,

I'm a leader with ISAIAH and live in your Ward.

I believe that whether we are white, black or brown, our city should be a place for everyone, no matter the color of your skin, how much money you make, or whether you rent or own your home. I'm contacting you about amendments being advanced to change the rent stabilization policy.

Amendments to Support (In order of greatest importance)

- \* Re-include certain types of affordable subsidized housing (LIHTC, S8 voucher, etc.) in the rent stabilization policy so renters in affordable housing can benefit from the policy
- \* Rolling 15 year new construction exemption beginning Jan 1 2023 with no look back (exemption would only apply to buildings built starting in 2023 and would last for 15 years)
- \* The revised just cause language that gets rid of the subjective "disorderly conduct" category and adds relocation assistance to tenants displaced by certain landlord-driven actions
- \* If a landlord requests for an exemption to the 3% rent increase limit, a tenant needs to be notified when the request is received by the city (not when the exemption request is approved) to give tenants more time to appeal a final determination.

I ask that you vote in favor of these amendments. I look forward to hearing from you about this.

With Gratitude,  
Liz Brine  
Pronouns: she/her/hers  
Please excuse typos  
758 Lincoln Avenue  
St. Paul, MN 55105



22 August 2022

The Honorable St. Paul City Council  
City Hall & Court House  
15 West Kellogg  
St. Paul, MN 55101

In The Matter of Amendments to Rent Control Ordinance:

Council Members:

Lupe Development Partners is a family business developing and managing property in the metropolitan area for the last 30 years. We own approximately 1,500 unit the majority of which we have built. Most of our residential housing work is in the affordable segment of the market, and we own 216 affordable units in the Dayton's Bluff neighborhood. 114 are LIHTC units built in 2017 and 102 are NOAH units remodeled in 2020.

The Metropolitan Council projects our 9-county metro is short of 40,000 units of housing today. That is a very real housing crisis. At our current rate of production, we cannot build fast enough to meet demand – thus rents continue to escalate. St. Paul needs no less than 5,000 of those units - today. You will not get them with rent control any time soon.

Our position on rent control is that it is counter-productive to solving the housing crisis. We need more production to build our way out of the shortage of housing. Regulating rents against market forces has never proven to be successful anywhere. The plebiscite ordinance and only modest amendments will not solve the housing crisis. Our concerns include:

- Rent control will compel existing owners to reduce maintenance expense and staffing to compensate for lower yields, reducing the tax value and your operating levy base.
- St. Paul will annually spend millions in rent control regulation – funds that could otherwise go to production.
- The proposed 20 year-exemption for new construction is insufficient. Developers need 30-year life cycle to recover pre-development, construction, lease-up, concessions, stabilization, sale, and recapitalization.

Absent repeal, the City Council should amend the ordinance to allow the following mitigations, to avoid exacerbating the housing crisis:

1801 County Road B-West, Suite 201

Roseville, MN 55113

612.436.3200 Office

612.436.3201 Fax

- 30-year new construction exemption.
- CPI + Adjustment – like Oregon Smart Growth policies.
- Full vacancy decontrol
- Exemptions for property owners making capital improvements

As local owners and operators, we believe in holding our projects long-term. We invest and build communities. We are not merchant builders. We do believe in making a fair return for our risk and that is no longer possible in St. Paul under the ordinance. We have regrettably decided to terminate two projects that were in our pipeline including an affordable project in the Phalen neighborhood. Rent control has also influenced our staffing decisions for our existing properties and will force us to reduce amenities and upgrades that were previously planned.

A recent Wall Street Journal editorial underscored the immediate effect the new ordinance is having on your housing market. HUD data shows that since the passage of rent control new building permits are down 80% in St. Paul. If St Paul fails to add new supply and fails to give motive for investing in NOAH properties, not only will existing Saint Paul renters have fewer options for places to live, but your tax base will decline precipitously as values are recalibrated.

One final note... Our annual production is typically 100-200 units a year. This year we are having a “banner year” - producing over five hundred units of new housing in communities other than St. Paul. Costs of materials and labor were NOT barriers to our doing work in these communities so do not accept rent control advocate arguments that the current economy is the cause of your housing production decline. We and other developers with whom we compete understand how to best produce housing when market forces are in full play. The sounds of developers existing your community is a direct and immediate consequence of your rent control ordinance and nothing else. We urge you to make changes now before the cumulative effects are too great to overcome.

Respectfully,

/s/ Lucy Brown

Chief Executive Officer

/s/ Steven M. Minn

Chief Financial Officer

**From:** [David Ackos](#)  
**To:** [\\*CI-StPaul Contact-Council](#)  
**Cc:** [Noecker, Rebecca \(CI-StPaul\)](#); [Sidney Stuart](#); [Ismail Khadar](#); [#CI-StPaul Ward6](#); [#CI-StPaul Ward7](#)  
**Subject:** Protecting Rent Stabilization - My Comment against Ord 22-37  
**Date:** Monday, August 22, 2022 3:25:37 PM

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**Dear City Councilpeople and Staff,**

**My name is David Ackos. I'm a proud St. Paul Resident and voter, and I'm a renter and community organizer for my day job.**

**I am writing to stand in support of the rent stabilization bill as it was passed and written. Therefore, I do not support ordinance 22-37 as it currently stands.**

**I appreciate that the current ordinance clarifies utility costs and protects renters from retaliation. I also appreciate that there is a notification requirement. However, the notification requirement falls short, as residents deserve to be notified as soon as an exception is being applied for.**

**I appreciate the proposals inclusion of some minor just cause protections. However, I believe residents and voters need clear, overarching just cause protections that are more similar to the un-replaced SAFE tenants ordinance.**

**I do not appreciate, and strongly oppose, exemptions for new construction, exemptions for affordable housing, and any form of vacancy de-control.**

**It is a terrible mistake to exempt affordable housing. East Side renters have shown us that affordable and subsidized housing often have the worst conditions and greatest rent increases. Dominion, a private owner of thousands of subsidized St Paul Rentals, already is trying to raise rent 7.9% across the board, flaunting the directive of us voters.**

**Whether in subsidized or naturally occurring affordable housing, low income residents & voters need stability and predictability just as much as the rest of us, if not more.**

**Another segment I take issue with is vacancy de-control. Vacancy de-**

control, partial or not, is a mistake that was purposefully avoided by residents and voters when we passed rent stabilization. Any degree of vacancy decontrol creates an incentive to terrorize and kick out residents after keeping their rent low for a while. No deferral of rent increases makes sense, as this incentivizes preferential treatment for tenants landlords like, and eliminates the predictability benefit for long term residents, and those looking for new housing.

Additionally, this exemption for new construction is absurd and unjust. New construction can be priced at any point, and if teaser prices are needed to fill a building, owners should offer discounts and price breaks on an honest, listed rate, like a free month or the like. There is nothing preventing that in the current law. Three years of new construction exemption might make sense. 5 years might be acceptable, though I think that's a major carve-out and really pushing it. 20 is a slap in the face to 30,000 voters and residents who passed this law. It shows us you value investors profits more than our lives.

The new construction exemption will exempt most ADA compliant units, as these are primarily found in new builds. In that way, it will make reliable housing unavailable to disabled people. Newly built units do not have major costs like renovations, and if they did, there are already ways to raise rent for those reasons. Don't make this blanket exception.

This law was passed because we the people agree that stability and the right to a safe, high-quality home at a fair price is the right of everyone. We are highly dismayed the mayor put together a commission stacked with propertied "experts" to suggest carve-outs, and we NEED city council to stand with the will of the people and protect our law and our values from these carve-outs. Earn our trust by acting on our behalf. Replace SAFE Tenants ordinance, and fight to protect our wins. Direct the city attorney to fight to protect our wins. Don't back down, or we'll need to find people who are actually willing to champion us.

In closing, I am lucky to be a homeowner in St. Paul. I was a renter for many years before that. I ONLY was able to access homeownership, which by the way, gives me a huge amount of stability for a monthly price lower than many low income renters I work with have to pay for 2 bedroom apartments, because of my parents and Madeleine's parents

generational wealth in the form of homeownership and college degrees. My parents and my wife's parents accessed this generational wealth at a time when our neighbors of color were having their wealth siphoned from them. Even a fairly cheap home like mine, is not accessible to my neighbors and fellow voters. We know what caused this wealth gap. We know the racial wealth gap, along with our housing situation, has gotten worse the past 20 years. Rent stabilization, in its strongest form, is one small step to start giving our neighbors and fellow voters a chance at stability. A chance at shared ownership in their community, and a chance at freedom from one of the worst and most prevalent forms of exploitation today. Don't allow the proposed carveouts. Stand up for your voters and residents.

Thank you so much for your consideration and time.

David Ackos,  
Homeowner, Former Renter, and Community Organizer

--

David Lauer Ackos  
They/them  
[davidaackos@gmail.com](mailto:davidaackos@gmail.com) | +1 651-328-3396



August 22, 2022

**RE: Amending Chapter 193A of the Legislative Code pertaining to rent stabilization.**

Dear Members of the City Council,

Thank you for this opportunity to provide comments regarding the rent stabilization amendment proposed by Councilmember Tolbert.

The Mayor's office has cited a shortage of 11,000 housing units in St. Paul. The impact of the City's enactment of the Rent Stabilization Ordinance can be observed in the 80% decrease in new construction permits. To achieve the Mayor's goals of providing more housing to its residents, the city must amend the current ordinance so that investors and developers are incentivized to build more housing. But clearly, the ordinance as written is having the opposite effect. We can provide firsthand testimony as to the impact this has had on our planned developments: We own 2286 University Ave W and had purchased an adjacent building which we razed in anticipation of creating 130 new apartment units on the consolidated site. This plan has been canceled due to the current Rent Stabilization Ordinance; the project no longer makes financial sense if rents are not allowed to keep pace with inflation.

Minneapolis and the surrounding suburbs are continuing to see increases in new housing developments, so it's probably no coincidence that only St. Paul is experiencing an 80% decline in construction permits. The decline in new housing developments will continue to erode the City's tax base and, combined with the decrease in property values caused by the Rent Stabilization Ordinance, will provide fewer resources for the City and its residents. According to a March 2022 study by USC, the decrease in property values will be nearly \$1.6 billion—what plans does the City have to fill that newly created shortfall?

We feel there are 3 primary changes to the ordinance that need to be implemented in order to incentivize new housing projects:

**Rolling 30-year New Construction Exemption**

When housing loans are amortized over 30 years, allowing a 15-year exemption does not reconcile with the business cycles of a new apartment project. The new apartment building today, is tomorrow's NOAH (Naturally Occurring Affordable Housing). So the damage caused by the current ordinance not only limits today's amount of housing stock, it also reduces the future NOAH for residents.

**Variable Rate Cap, tied to CPI**

Arbitrarily picking 3% as the rate cap will result in further diminishing property values and the tax base, when 8.5% inflation is the actual environment businesses are operating in. Investors and underwriters will not



approve financing when inflation is nearly 300% higher than the allowable rent rate increases that won't cover the growing costs of operating housing communities.

### **Full Vacancy Decontrol**

Even though parts of the ordinance were cut and pasted verbatim from other cities rent control rules, it is unheard of elsewhere in the country to prevent rents from adjusting to market rates when a resident moves out. Preventing an apartment manager from adjusting rent rates to market when a resident fully moves out does nothing to protect the current resident; as noted above, all it will do is continue to decrease property values and the property tax base that's needed to pay for important City resources.

By implementing these three changes as soon as possible, the city can prevent any further decline in housing options for its residents, and ensure that its tax base is as robust as possible. Disincentivizing new housing construction projects is anti-competitive and will not lower the amount residents pay for rent.

Respectfully,

Devin Creurer  
Vice President of Property Management & Development  
[dcreurer@arcadiamanagement.com](mailto:dcreurer@arcadiamanagement.com)



**From:** [Mike Sturdivant](#)  
**To:** [CouncilHearing \(CI-StPaul\)](#); [\\*CI-StPaul Contact-Council](#)  
**Subject:** Saint Paul Rent Control Hearing - Public Comment  
**Date:** Monday, August 22, 2022 2:18:38 PM  
**Attachments:** [image001.png](#)

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Dear Councilmembers & City Stakeholders,

Paster Properties is a real estate owner and developer with a portfolio that spans the Twin Cities. Paster Properties has been an owner and operator of properties in Saint Paul for over 70+ years.

Most recently, Paster Properties redeveloped a vacant office building along the Green Line in the University and Vandalia corridor into a 150-unit multifamily property. Our stated goal for this project was to try and provide housing opportunities for those that sought budget conscious, but new age market rate housing along an important transit corridor.

Like most of our real estate counterparts, we relied on outside investor investment alongside our own investment into the project. Given the current rent control policy in place, we are confident we would **not** be successful in raising capital such that the project would not be built with the uncertainty that rent control poses. The city would be left short of at least the 150-units that we worked hard bringing to Saint Paul and allowing a resident to rent a unit for around \$1,200 per month, which in today's market for a new construction project, is hard to pull off.

We recognize and are working hard to help what we can all acknowledge is a housing affordability issue in Saint Paul and in our nation at large. We firmly believe rent control is a counterproductive solution, and we have experienced this firsthand with reduced building permits and investor pullback or outright refusal to invest.

The unintended consequences of rent control have been highlighted many times over, but we would like to highlight again:

1. Rent control is a limiter on new housing construction, which reduces supply and puts renters at risk for higher rents
2. Rent control limits the amount of new investment into existing properties and puts renters at risk for lower quality housing
  - a. This happens when the basic needs of a building become hard to maintain due to increased costs and limits on revenue, and ultimately, it is the resident that suffers.

If rent control in its entirety is not repealed, we would advocate for the following adjustments to the policy:

1. 30-year new construction exemption
2. Full vacancy decontrol
3. CPI + adjustments (we can look to our counterparts around the nation for how this can be successful)
4. Certain exemptions for capital improvements

Outside of one multifamily project within the City we are pursuing approvals for, we have halted all other project pursuits in the City of Saint Paul.

Please give residents, owners, developers, investors, and the many other stakeholders that make the city flourish the needed repeal or modification to rent control that is desperately needed.

Sincerely,

***Paster Properties***

**Mike Sturdivant, CCIM**  
**Vice President of Real Estate Development**

Direct: 651-265-7871

Cell: 651-338-6502

[MSturdivant@PasterProp.com](mailto:MSturdivant@PasterProp.com)



5320 West 23<sup>rd</sup> Street, Suite 205 St. Louis Park, MN 55416  
[www.PasterProp.com](http://www.PasterProp.com)