From: <u>Larry Gallatin</u>

To: *CI-StPaul Contact-Council

Subject: Rent Stabilization Ammendment

Date: Thursday, April 3, 2025 1:03:46 PM

You don't often get email from lgallatin@comcast.net. Learn why this is important

I would like to express my strong support for the Rent Stabilization Ammendment that is being considered. Saint Paul needs to get housing construction moving again. Isn't that an expressed goal of the council?

Larry Gallatin 1938 Palace Avenue Saint Paul, Mn 55105

To: *CI-StPaul Contact-Council
Subject: FW: Support Rent stabilization
Date: Thursday, April 3, 2025 11:57:45 AM

Please attached the following email to the record for Ord 25-29.

Tom Basgen (he/him)

Legislative Aide to Councilmember Saura Jost

Saint Paul City Council – Ward 3 15 W Kellogg Blvd. Suite 310C

Office: 651-266-8631 Direct: 612-360-9506

From: Char Mason <char@masoncreative.biz>

Sent: Thursday, April 3, 2025 11:36 AM

To: #CI-StPaul_Ward3 <Ward3@ci.stpaul.mn.us>

Subject: Support Rent stabilization

Some people who received this message don't often get email from char@masoncreative.biz. Learn why this is important

Think Before You Click: This email originated outside our organization

Dear. Councilmember Jost-

I support the rent ordinance change and rent protections proposal and the proposed change to the rent control ordinance that went into effect in 2021. It is clear that not only is it not working, it is stifling the city's ability to meet its housing supply needs. Development of new housing in Saint Paul has ground to a halt, even where the public already paid for costly construction of roads and other infrastructure like at the former Ford site. Banks are not inclined to loan money to developers if there's a risk they won't be able to raise revenue to pay back the loans. This is so important for keeping our city vital and ensuring we can pay for the services we need without continued massive increases to residential property taxes.

We hope you will vote in favor.

Thank you,

Char Mason

695 Mount Curve Blvd. Saint Paul, MN

To: <u>*CI-StPaul Contact-Council</u>

Subject: Ord 25-29

Date: Thursday, April 3, 2025 11:56:20 AM

Attachments: Rent Stabilization Adjustment Support Letter- Ryan Co.pdf

Please attach this email's attachment to the public record for Ord 25-29

Tom Basgen (he/him)

Legislative Aide to Councilmember Saura Jost

Saint Paul City Council – Ward 3 15 W Kellogg Blvd. Suite 310C

Office: 651-266-8631 **Direct:** 612-360-9506





February 4, 2025

St Paul City Council 15 W Kellogg Blvd Saint Paul, Minnesota 55102

Re: Rent Stabilization Amendment Proposed Adjustment

Dear City Council Members,

We are writing today to express our support of the Mayor's proposed adjustment to the City of St Paul's rent stabilization policy, which would set the new construction exemption date at 2004-making any projects built after 2004 exempt from the rent stabilization ordinance. We encourage the council to take action on this item as soon as possible, while it is still able to have an impact on advancing key projects in the City of St Paul.

In particular, this adjustment would improve the development landscape at the 122 acre Highland Bridge project, which has struggled to deliver the 3,800 housing units originally envisioned for the site. Of the 655 market rate apartment units built to date- 425 of those have been non-profit led senior housing, which has different financing and aims than standard market rate projects. The 230 remaining market rate units were financed prior to the adoption of the rent stabilization ordinance. In short, the impact of the rent stabilization ordinance on new apartment housing production has been chilling at Highland Bridge. We believe that the proposed rent stabilization adjustment will prompt advancement of additional multifamily housing units at the project- both supporting the originally intended market rate apartments, as well as the 760 proposed affordable housing units (380 of which are intended at 30% of area median income) planned to be developed by our non-profit housing partners.

We urge the council to adopt this policy adjustment as soon as possible while it is still able to have an impact on advancing housing development at Highland Bridge.

Sincerely,

Maureen Michalski

Senior Vice President, Development

To: <u>*CI-StPaul Contact-Council</u>

Subject: Ord 25-29

Date: Thursday, April 3, 2025 11:49:25 AM

Attachments: Developer Letter in Support of Amending 193A.08 St. Paul.pdf

Attachment for Public Record on Ord 25-29

Tom Basgen (he/him)

Legislative Aide to Councilmember Saura Jost

Saint Paul City Council – Ward 3 15 W Kellogg Blvd. Suite 310C

Office: 651-266-8631 **Direct:** 612-360-9506



Letter of Support Amending Chapter 193A.08 of the Legislative Code pertaining to rent stabilization

Dear Members of the St. Paul City Council,

I am writing to you as the owner and operator of Afton Park Development, a local development company based in the Twin Cities, to urge your support for Councilmember Saura Jost's proposal to amend the existing Rent Stabilization Ordinance in St. Paul. As a stakeholder in our community's housing market, I believe this amendment represents a critical step toward addressing our region's housing crisis while fostering sustainable development and economic vitality.

The current rent stabilization policy, while well-intentioned, has inadvertently exacerbated housing challenges in St. Paul. Research and data from respected industry experts, including Jay Parsons, Chief Economist at RealPage, highlight the unintended consequences of strict rent control measures and point to a more balanced approach. In his recent analysis, Parsons outlines key reasons why policies like Councilmember Jost's proposal are essential. I ask you to consider these points, alongside local insights from the Twin Cities Housing Alliance, as you deliberate this amendment.

- 1. Rent control reduces the supply of rental housing: A Stanford University study (Diamond, McQuade, & Qian, 2019) shows that rent control in San Francisco led to a 15% reduction in rental housing supply as landlords converted units to condos or exited the market. When St. Paul adopted rent control, multifamily building permits plunged 47% in St. Paul while rising 11% in nearby Minneapolis and rising in most of the U.S., too. (U.S. HUD data)
- 2. **Rent control drives up rents in uncontrolled units:** The same Stanford study found that rents in uncontrolled units rose by 7% as supply tightened. Amending the ordinance to exempt new construction could prevent this ripple effect, keeping rents more affordable across the market.
- 3. **Rent control reduces property tax revenue**: A National Bureau of Economic Research paper (Autor, Palmer, & Pathak, 2014) found that lifting rent control in Cambridge, MA, increased property values by \$2 billion and boosted tax revenue. St. Paul's budget could benefit from a similar stabilization policy that encourages investment.

- 4. **Rent control discourages maintenance and improvements**: A study by the National Multifamily Housing Council (NMHC, 2021) notes that landlords under rent caps often defer maintenance due to limited revenue. Councilmember Jost's proposal could ensure properties remain well-maintained by allowing developers flexibility to reinvest in housing stock.
- 5. **Rent control benefits higher-income renters disproportionately**: A 2019 American Economic Review study (Diamond et al.) shows that rent-controlled units often go to wealthier tenants who can navigate the system. A refined ordinance would better target relief to those who need it most.
- 6. **Rent control creates a mismatch in housing allocation**: The Urban Institute (2020) found that rent control leads to "locked-in" tenants staying longer than necessary, reducing turnover and access for new renters. An amended policy could improve housing mobility in St. Paul.

Locally, the Twin Cities Housing Alliance's research reinforces these findings. TCHA details how restrictive policies have stifled multifamily development, contributing to a regional housing shortage of over 50,000 units. It notes that St. Paul's 3% rent cap, implemented in 2022, has deterred investment, with permit applications for new rental projects dropping significantly compared to precap levels. Councilmember Jost's proposal aligns with this evidence, offering a pragmatic way to boost supply and stabilize rents over time.

As a developer, I see firsthand how overly restrictive policies discourage the private sector from addressing our housing needs. Afton Park Development is committed to building quality housing in the Twin Cities, but we need policies that make such projects viable. Amending the Rent Stabilization Ordinance to include a permanent exemption for new construction, as proposed, would unlock investment, create jobs, and increase housing options for St. Paul residents—all while preserving protections for current tenants. This is not about dismantling rent stabilization but refining it to work for everyone. Let's seize this opportunity to lead the way in solving our housing crisis with a policy grounded in data, local context, and a vision for growth. I am happy to discuss this further or provide additional insights from my experience in the industry.

Thank you for your time and consideration.

Ari Parritz Founder and President Afton Park Development

To: *CI-StPaul Contact-Council
Subject: FW: Rent control ordinance
Date: Thursday, April 3, 2025 11:48:14 AM

For Public Record on Ord 25-29

Tom Basgen (he/him)

Legislative Aide to Councilmember Saura Jost

Saint Paul City Council – Ward 3 15 W Kellogg Blvd. Suite 310C

Office: 651-266-8631 Direct: 612-360-9506

From: Cindy Syme <cindcath@me.com> Sent: Thursday, April 3, 2025 11:29 AM

To: #CI-StPaul_Ward3 <Ward3@ci.stpaul.mn.us>

Subject: Rent control ordinance

Some people who received this message don't often get email from cindcath@me.com. Learn why this is important

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

Dear Council Member Jost,

resupport the rent ordinance change and rent protections proposal. Please fight for the changes that you are proposing this month.

Cindy Syme

Cindy Syme cindcath@comcast.net 651-253-4846

symepottery.com

To: *CI-StPaul Contact-Council

Subject: FW: The Need for Compromise - Please support

Date: Thursday, April 3, 2025 11:47:30 AM

For public record on Ord 25-29

Tom Basgen (he/him)

Legislative Aide to Councilmember Saura Jost

Saint Paul City Council – Ward 3 15 W Kellogg Blvd. Suite 310C

Office: 651-266-8631 Direct: 612-360-9506

From: paul mason <pmason695@gmail.com>

Sent: Thursday, April 3, 2025 11:16 AM

To: #CI-StPaul_Ward3 <Ward3@ci.stpaul.mn.us> **Subject:** The Need for Compromise - Please support

Some people who received this message don't often get email from pmason695@gmail.com. Learn why this is important

Think Before You Click: This email originated outside our organization

Saura, you are my St. Paul city council representative.

Please support Cheniqua Johnson's request for stronger rent protection so she will side with you on passing the rent control amendment next week. This 3% cap has been a disaster for the City of St. Paul development and our tax base.

My home taxes went up another 12% this year...this has to stop.

Paul Mason 695 Mt. Curve Blvd. St. Paul, MN 55116 From: Tom Basgen
To: Greg Weiner

Subject: FW: The Need for Compromise - Please support

Date: Thursday, April 3, 2025 11:45:06 AM

Hi Greg,

Please attach Paul's testimony to the RSO amendment. Actually I'm gonna come ask you how to do it myself so I don't have to bug you.

Tom Basgen (he/him)

Legislative Aide to Councilmember Saura Jost

Saint Paul City Council – Ward 3 15 W Kellogg Blvd. Suite 310C

Office: 651-266-8631 **Direct:** 612-360-9506

From: paul mason <pmason695@gmail.com> **Sent:** Thursday, April 3, 2025 11:16 AM

To: #CI-StPaul_Ward3 <Ward3@ci.stpaul.mn.us>

Subject: The Need for Compromise - Please support

Some people who received this message don't often get email from pmason695@gmail.com. Learn why this is important

Think Before You Click: This email originated outside our organization

Saura, you are my St. Paul city council representative.

Please support Cheniqua Johnson's request for stronger rent protection so she will side with you on passing the rent control amendment next week. This 3% cap has been a disaster for the City of St. Paul development and our tax base.

My home taxes went up another 12% this year...this has to stop.

Paul Mason 695 Mt. Curve Blvd. St. Paul, MN 55116 From: Tom Basgen
To: Greg Weiner

Subject: FW: Rent control ordinance

Date: Thursday, April 3, 2025 11:43:47 AM

Hi Greg,

Will you please attach Cindy's testimony to the public record for the RSO amendment? I'll be sending more along throughout this process.

Tom Basgen (he/him)

Legislative Aide to Councilmember Saura Jost

Saint Paul City Council – Ward 3 15 W Kellogg Blvd. Suite 310C

Office: 651-266-8631 **Direct:** 612-360-9506

From: Cindy Syme <cindcath@me.com> Sent: Thursday, April 3, 2025 11:29 AM

To: #CI-StPaul_Ward3 <Ward3@ci.stpaul.mn.us>

Subject: Rent control ordinance

Some people who received this message don't often get email from cindcath@me.com. Learn why this is important

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

Dear Council Member Jost,

rsupport the rent ordinance change and rent protections proposal. Please fight for the changes that you are proposing this month.

Cindy Syme

Cindy Syme
cindcath@comcast.net
651-253-4846
symepottery.com