From: Michael Daigh

To: <u>CouncilHearing (CI-StPaul)</u>; \*CI-StPaul Contact-Council

**Subject:** Rent stabilization

**Date:** Tuesday, April 8, 2025 12:13:00 PM

Some people who received this message don't often get email from michael.daigh@gmail.com. <u>Learn why this is</u>

important

### From:

Michael Daigh 525 Montrose Ln. St. Paul, MN 55116

Rent controls and stabilization measures have never proven successful, anywhere they have been enacted. With the usual caveats about correlation and causality, rent regulations are strongly correlated with enduring housing stagnation, housing scarcity, increased homelessness, and unaffordable communities.

I think what needs to be addressed is a gestalt of policies and ideologies that lead to the statistical fact that Democratic controlled government is also correlated with all the above, to include the fact that, statistically, a 10 point Democratic margin in deeply "blue" cities (like St. Paul) correlates to housing permits being issued at a rate 30% below national average.

Democrats need to show they can govern places where people want to live. Increasing the vetocracy and adding more impediments and layers of "no" to growth isn't the way.

I've been a Democratic voter since George W. Bush. I moved here to live in a "blue" state and city. After 9 years here, I would have voted Republican in the last election if the Republican party hadn't had an insurrectionist demagogue as their standard-bearer. Food for thought.

Regards,

Michael Daigh.

From: <u>Cathy Capone Bennett</u>

To: \*CI-StPaul Contact-Council; CouncilHearing (CI-StPaul)

Subject: Re: Public Comment For April 9 Council Meeting Public Hearing - Rent Stabilization and Tenant Protections

**Date:** Tuesday, April 8, 2025 12:01:44 PM

Attachments: Outlook-ghddxbdf

Outlook-guifnlne

TCHA - Real Cost of Rent Control updated Feb 5 short version.pdf

TCHA Public Comment on St Paul Rent Stabization Ordinance Modifications.pdf

Some people who received this message don't often get email from cathy@tchousingalliance.com. <u>Learn why this</u> is important

## Attached is the letter as a pdf. Sorry for the error. Thanks

Cathy Capone Bennett Executive Director

## **Twin Cities Housing Alliance**

cathy@tchousingalliance.com

612-670-8147



For more information visit our website:

https://tchousingalliance.com/

From: Cathy Capone Bennett <cathy@tchousingalliance.com>

**Sent:** Tuesday, April 8, 2025 11:59 AM

**To:** Contact-Council@ci.stpaul.mn.us <Contact-Council@ci.stpaul.mn.us>; CouncilHearing@ci.stpaul.mn.us>

Subject: Public Comment For April 9 Council Meeting Public Hearing - Rent Stabilization and Tenant

Protections

Please see that attached letter of public comment for the City Council meeting on April 9th.

Cathy Capone Bennett
Executive Director
Twin Cities Housing Alliance
cathy@tchousingalliance.com
612-670-8147



For more information visit our website:

https://tchousingalliance.com/



April 8, 2025

Dear City of St. Paul City Council Members:

RE: Ordinance 25-29 and 25-31

Thank you for the opportunity for Twin Cities Housing Alliance's (TCHA) to provide input on the proposed Ordinance 25-29 and 25-31.

The Twin Cities Housing Alliance (TCHA) is a collaborative network dedicated to addressing the housing challenges and strengthening community vitality in the Twin Cities region. Our network of over 100 experienced housing professionals advocate for policies to create a more affordable, equitable, economically vital, and environmentally sustainable future for the Twin Cities community. We are deeply involved in and concerned about finding practical solutions to address the alarmingly short supply of housing of all types.

Elimination of new housing from rent control may help increase new housing production. However, TCHA believes that only a full repeal of the rent stabilization policy will create a healthy housing ecosystem in St. Paul and the entire region. We note that 90% of St. Paul's existing rental housing will still be affected by the 3% rent cap, potentially limiting property improvements for safe and quality housing. The impact of these regulations is detailed in <a href="ICHA's Public Cost of Rent Control">ICHA's Public Cost of Rent Control</a> resource linked and attached to this letter.

In addition, the city is proposing tenant protections including security deposits, application screening, notice of nonpayment of rent, notice of sale, relocation assistance, and complaint process. Minnesota has some of the strictest tenant protections of any other state in the country. Any additional requirements only make it more difficult for housing providers to provide quality, safe housing for <u>all</u> of their residents. We urge you to maintain tenant protections that align with current state law.

Thank you for your consideration of the materials attached regarding rent stabilization. We encourage you to focus on meaningful solutions to address the housing crisis by removing barriers, providing flexile funding for production and increasing rent subsidies for those who are most impacted.

Thank you for your consideration.

Sincerely,

Robb Bader, TCHA Board President President, Bader Companies

Cathy Capone Bennett Executive Director, TCHA



# THE PUBLIC TOLL (AND COST) OF RENT CONTROL

While rent control aims to address housing affordability, it does not directly solve the challenges that many renters face. Lower-income renters are burdened by limited incomes that make it difficult to afford their housing costs even more, and wages have not kept pace with the escalating cost of housing. Rent control hinders the ability to accommodate population growth necessary to support thriving communities and an economically sustainable region and state. These realities highlight the urgency of addressing housing affordability, but rent control fails to effectively tackle them. Instead, it leads to decreased housing production, discourages capital investment, reduces property maintenance, and disproportionately impacts the very renters it seeks to protect. By limiting the ability to increase housing supply, rent control worsens the existing housing shortage, making it harder for new residents to find affordable housing.

## **Disproportionately Impacts Low Income Renters**



- Affluent Renters Reap the Benefits at a Higher Rate Housing Mobility and Opportunity is Reduced
- · Does not Address Predatory Practices

 <u>Data:</u> In New York City, 39% of affluent renters and 37% of white renters receive a discount due to rent control, compared to only 16% of black and 17% of Hispanic renters.

# **Reduces Housing Production**



- Housing providers are discouraged from building new housing due to reduced returns on investment
- Investor interest in the market is diminished making it difficult for housing providers to access necessary capital.
- <u>Data:</u> St. Paul experienced an 80% decline in multifamily building permits after adopting rent control. In the first half of 2024 in St Paul, permits dropped to 140 units compared to 1,025 units during the same period the previous year.
- <u>Example:</u> At Highland Bridge, plans for over 2,000 marketrate apartments were largely suspended, with only a fraction of the intended units completed or under construction.

# **Negative Economic Consequences**



- Property Values are Diminished
- Public Budget Deficits Increase
- Less Funding for Essential Services: police, fire, parks, infrastructure, maintenance.
- Shifts Tax Burden to Single Family Owners
- · Adds Costs to City Regulatory Services
- Misallocates the Burden to Small Businesses Owners and Operators
- Study: A recent study In St. Paul found that rent control will result in an aggregate loss of \$1.6 billion in total property values impacting not only city revenues but also county and schools resulting in a nearly 25% property tax increase across the city, school district, and county
- <u>Example:</u> The Landmark Tower redevelopment in St. Paul required \$21 million in tax increment financing to proceed; This is estimated to be a 20% increase in public financing needed due to the added risk and cost of rent control.

# Discourages Housing Maintenance = Lower Quality Buildings & Communities

- Deferred Maintenance and Deterioration: property owners defer maintenance or repairs due to limited ability to recoup these costs. This disproportionately impacts lower- income renters who are more likely to live in older properties
- Deterioration of Neighborhood Quality: When housing providers' costs go up and maintenance goes down, there's a notable rise in residents reporting serious crimes, complaining of trash and litter in the streets and on sidewalks, and finding that their units are severely inadequate.
- Displacement through Demolition and Conversion: Rent control
  policies often create incentives for owners to demolish older
  buildings and replace them with new ones to avoid rent control
  restrictions, leading to tenant displacement and a decrease in
  overall neighborhood affordability.

- <u>Data:</u> 61% of property owners in St. Paul have reported reducing maintenance spending. The requirements to receive a waiver to enable increasing rents to cover capital investments is complex and onerous. If pursued these costs are passed onto renters which is counterproductive to the intent of keeping rents stable. As an alternative, owners automatically increase their rents 3% per year to build reserves rather than pursue waivers.
- <u>Data:</u> In New York, rent control has led to landlords converting rent-controlled buildings into condominiums or cooperative housing to circumvent rent restrictions, significantly reducing the availability of affordable rental units.
- <u>Data:</u> In San Francisco, owners withdraw units from the rental market altogether, often through redevelopment.
- Example: Union Park Management, a property management company in St. Paul, acquired a building in severe disrepair for well below market value due to its condition. Without rent control, the company could have gradually increased rents to fund substantial improvements. This would have created a sustainable cycle of investment, benefiting both tenants and the broader housing market. To bring the building up to standard, they instead had to apply for a one-time exemption to raise rents significantly.

## **Alternatives to Rent Control**

Cities have ample tools to effectively address rental housing affordability, rather than imposing rent control. These public sector tools, in partnership with the private and nonprofit sectors, should be utilized to their full extent.



#### **Protect and Prioritize Vulnerable Residents.**

Why This Matters: Protecting vulnerable residents ensures they have the stability needed to thrive and contributes to the overall health and vitality of our communities. Direct assistance programs help to mitigate displacement and promote equity.

#### **Direct Rental Resident Assistance & Renter Stabilization:**

 Partner with public housing agencies to deploy over \$100 million in annual state funding from the "Bring it Home" renter assistance voucher program. Target the assistance to those who may be experiencing rent increases beyond their ability to pay.

#### **Promote Safe and Fair Housing:**

- Enforce tenant protections against unfair practices and provide legal assistance for tenants facing eviction or dealing with unsafe housing conditions. Invest in code enforcement staff for more proactive inspections and swift response to housing quality conditions where the health and safety of residents may be at risk.
- Partner with law enforcement to address safety and security concerns.



Why This Matters: Preserving existing

affordable housing ensures that current

residents are not displaced, and that the

quality of the housing stock is maintained.

It also helps prevent the loss of affordable

units due to deterioration or conversion to

## Improve Housing Quality While Retaining and Expanding Affordability.

# Maintain Affordability of Naturally Occurring Affordable Units:

- Utilize property tax incentives such as the 4D Tax Program to provide property improvements while ensuring long-term affordability.
- Expand partnerships to support the strategic housing opportunity acquisition
  program, allowing the city to buy/repossess delinquent owned buildings and sell
  them to private and non-profit housing providers who agree to maintain renter
  affordability.

## Funding for Reinvestment & Rehabilitation:

- Provide funding and support for a renter relocation fund when a property's rental license is revoked, and residents are forced to move. Recapture the fund through assessment back to the property.
- Provide capital and operating subsidies to property owners to help reinvest in and maintain older buildings. Offer tax incentives and low-income housing tax credits for rehabilitation projects.



higher-rent properties.

#### **Increase Housing Supply.**

Why This Matters: Increasing the housing supply is crucial for alleviating the pressure on the current housing market, making it easier for residents to find affordable housing and reducing overall housing costs. Public investment and strategic policy adjustments can significantly boost housing production and availability.

#### **Increase Production:**

- Leverage and/or create an affordable housing trust fund to increase new
  affordable and supportive housing. Dedicate local sales tax revenue to an
  affordable housing trust fund for new housing opportunities in partnership with the
  public and private sectors.
- Evaluate expansion of the Tax Increment Finance tool through bonding to support new income restricted housing developments.
- Support an office/hotel conversion tax credit and flexible zoning/permitting to increase housing options in place of underutilized properties.

#### **Elimination of Unnecessary Barriers:**

- Remove density restrictions and allow higher densities in areas where such density is supported, such as resource-rich neighborhoods and along transit corridors
- Streamline and standardize approval processes to avoid delays and reduce costs associated with new housing projects.

From: Nathaniel M Hood

To: \*CI-StPaul Contact-Council; CouncilHearing (CI-StPaul)

**Subject:** Support for Rent Stabilization Amendments with Concerns on Additional Provisions

**Date:** Tuesday, April 8, 2025 9:36:10 AM

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

Dear Councilmembers,

I'm writing to express support for the proposed amendments to the rent stabilization ordinance. Please support Mayor Carter's in the effort to increasing the housing supply and help grow the city's tax base, reducing pressure on low-income homeowners and renters alike.

Saint Paul urgently needs more housing to improve affordability, stabilize the rental market, and prevent residents from being stuck in unsafe or unstable situations.

The current rent stabilization policy, while well-intentioned, has made financing new development extremely difficult. The proposed amendment offers much-needed clarity and predictability (especially for small and local developers) while preserving the core renter protections.

That said, I do have concerns about 2 other proposals currently being considered which I suggest weakening the language in order to prevent "off the books" discrimination, particularly:

## 1. Limiting Use of Credit Scores in Screening:

As someone who has managed properties on and off since 2004, I've found credit score, while imperfect, to be the most reliable predictor of tenant reliability; more so than income or rent-to-income ratio. I've learned the hard way that having a lower-income renters with stronger credit histories is better than an higher-income applicant with a poor credit scores. Removing or limiting this tool would reduce people's ability to assess risk, and could lead to unintended consequences, such as more racial discrimination in housing or increased non-refundable application fees to offset uncertainty (which some landlords are already starting to do).

## 2. Capping Security Deposits:

While well-meaning, limiting deposits might likely backfire by encouraging more non-refundable application fees nonrefundable costs that can burden high-risk applicants even more. Security deposits at least offer the potential for return, with interest. I think the number for a maximum should be bumped up to 1.5x one month's rent. It's not common for deposits to be higher (this is a niche issue currently), but it helps off-set risk and may lead to fewer low-income tenants having stable housing.

In summary, I support the rent stabilization amendment as a crucial step toward a more affordable and functional housing market. However, I urge caution on the two above elements of the tenant protection proposals that could inadvertently limit housing access, investment, and safety.

Thank you for your service and consideration.

Sincerely, Nate Hood

1907 Hampshire Ave, STP

From: Mary Henke-Haney
To: CouncilHearing (CI-StPaul)

**Subject:** Support rent stabilization amendment **Date:** Tuesday, April 8, 2025 6:41:20 AM

You don't often get email from mahenkehaney@gmail.com. Learn why this is important

Keeping it brief: I support the rent stabilization amendment and hope you do too.

Thanks, Mary Henke-Haney 1423 Charles Ave (W4) From: Chad Hermes

**To:** \*CI-StPaul Contact-Council; CouncilHearing (CI-StPaul)

Subject: Rent Stabilization Amendment Comment

Date: Monday, April 7, 2025 10:19:12 PM

Some people who received this message don't often get email from chadkhermes100@gmail.com. <u>Learn why this</u> is important

Dear members of the City Council,

My name is Chad Hermes and I live at 10xx Barrett St. I am writing to encourage you to support the proposed amendment to the rent control ordinance. I care a lot about public policy impacting this city. I attend many events and forums. I support political candidates who have similar principles to me. I try to stay up to date on how policies in other cities are working so I know what might work here.

In 2021, I supported the ballot initiative to implement rent stabilization because I believed that limiting rent increases would help low income residents. In the years since, I have changed my opinion on how much rent stabilization helps residents because the data shows that it does not help residents but instead disincentivizes development at a time when the city has a shortage of housing supply. The solution to high costs is not to place caps on price increases but to incentivize the creation of more supply.

The shortage of housing is only going to get worse in this city. In the near future, we will be a climate refuge. As the Southwest becomes too hot and the Southeast is battered by increasingly harsh weather, ever larger numbers of people will seek new lives in Minnesota and many of those people will want to live close to the amenities and beauty of this city. Disincentivizing new housing construction--especially new apartment construction, which is the undeniable effect of rent stabilization policies, as decades of studies and examples show--will disproportionately harm those people at the bottom of the socioeconomic ladder, regardless of whether they already live here or not. Landlords will rent only to the "safest" tenants and push out the working class. Killing new apartment construction will make our housing shortage worse and drive up prices even higher.

Our own University of Minnesota Center for Urban Studies and Regional Affairs produced a study that said "rent regulations are shown to be related to an overall reduction in rental units" and stated that "there is considerable debate in the empirical literature about whether the majority of benefits from rent stabilization go to the neediest households." Data from Minneapolis backs this up, too. Minneapolis has not instituted a rent control policy, despite a ballot initiative to give the city council the ability to do so. With no rent stabilization policy, per a Pew study, Minneapolis rents increased by just 1% year-over-year since then because they have brought online far more housing units than we have. The residents of Minneapolis and St. Paul unknowingly and unintentionally conducted one of the best side-by-side studies of rent stabilization in history and the city that did not implement rent stabilization had better outcomes for its residents.

When the experts, the data from other cities, and the direct experiences of the last four years with this policy show that a policy has and will continue to fail, political leaders should choose

to change the failed policy. If I can change my opinion of a policy after seeing the data and the impacts, I hope that you all can, too.

Thank you all for the work you do for this city and I hope you support the amendment.

Best, Chad K. Hermes From: Faith Krogstad

To: <u>CouncilHearing (CI-StPaul)</u>

**Subject:** Support for rent stabilization change **Date:** Monday, April 7, 2025 8:31:51 PM

You don't often get email from faithkrogstad@gmail.com. Learn why this is important

As a former renter and resident of Hamline Midway neighborhood in Ward 4, I strongly support the rent stabilization amendment and proposed tenant protections.

My community has been heavily impacted by lack of housing supply. Many Hamline Midway residents live on the street because housing is too expensive. It appears our current rent stabilization policy has severely dampened housing development in Saint Paul, leaving areas vacant around the stadium, at Highland Bridge, and elsewhere. Let's amend rent stabilization to spur development and increase the supply of homes, which will activate these areas, bring in needed tax dollars, and put a roof over the heads of many of our neighbors.

Thank you,

Faith Krogstad 13xx Van Buren Ave Saint Paul, MN 55104 From: Sustain Saint Paul

To: CouncilHearing (CI-StPaul)

**Subject:** Rent Stabilization letter of support from Sustain Saint Paul

**Date:** Monday, April 7, 2025 8:15:50 PM

Attachments: Sustain Saint Paul letter to CMs 4-7-2025.docx

You don't often get email from info@sustainstpaul.org. Learn why this is important

## Dear City of Saint Paul City Council,

Please see the attached letter of support for the rent stabilization amendment from Sustain Saint Paul. Thank you!

~Melissa Wenzel Sustain Saint Paul Co-chair



**Board of Directors** 

April 7, 2025

Luke Hanson Co-Chair

Attention: Saint Paul City Council

Melissa Wenzel Co-Chair Dear City Council members,

Michele Molstead Secretary On behalf of Sustain Saint Paul, we urge your support for Ordinance 25-29, which would permanently exempt new apartments—and those built since 2005—from the rent stabilization ordinance, and for Ordinance 25-31, which strengthens essential tenant protections across our city.

Zack Farrell Treasurer

We support both ordinances because they reflect the dual priorities of expanding our city's housing supply while ensuring that renters are treated with fairness and dignity.

Galen Benshoof

Paul Fiesel

Cody Fischer

Faith Krogstad

Chris Smith

It's no secret that the initial rent stabilization ordinance passed in 2022 had an unintended chilling effect on housing development. Since then, our housing stock has stalled while demand continues to grow. This limited supply is contributing to rising rents and increased competition for available units. If we want Saint Paul to be a city where people of all incomes can live and thrive, we must encourage the development of new housing—while also safeguarding renters from instability and discrimination.

#### **Our Mission**

Sustain Saint Paul champions abundant housing, low-carbon transportation, and sustainable land use in the City of Saint Paul through education, advocacy and political action, to ensure a more just and equitable city for all current and future residents.

We are grateful to Councilmembers Rebecca Noecker, Anika Bowie, and Saura Jost for their leadership in supporting both proposals. Ordinance 25-29 ensures that new construction—which brings much-needed housing and increased property tax revenue—won't be disincentivized. Meanwhile, Ordinance 25-31 delivers meaningful tenant protections that are long overdue.

This includes prohibiting discrimination against renters, requiring fair notice when a building is being sold or when eviction is being considered, limiting excessive security deposits, and protecting tenants

from retaliation for asserting their rights. These are basic, commonsense standards that align with our values as a city—and should not pose an undue burden on responsible landlords.

Saint Paul can and should be a model for cities that care about both housing access and renters' rights. By passing these ordinances together, we send a clear message: Saint Paul believes in affordable, abundant, and safe housing for everyone.

Let's not wait any longer to take action. Our residents—and our city's future—are counting on us.

Sincerely,

Sustain Saint Paul Board of Directors



From: Agata Miszczyk

To: \*CI-StPaul Contact-Council; #CI-StPaul Ward4

**Subject:** Rent Control Comment

**Date:** Monday, April 7, 2025 7:27:36 PM

## Hello City Council,

I am writing to support the rent control amendment and any changes to ease the restrictions.

Ideally rent control would be repealed completely, but this amendment is a step in the right direction to un-hamper the potential growth and development of Saint Paul. Saint Paul desperately needs a larger property tax base, especially after recent developments in downtown. Individual homeowners and residents cannot take on the burden on increasing property taxes alone. The Council must signal that it values more development and investment in the City - which the current rent control ordinance does the opposite of. There is an opportunity to build and convert more housing, and I would also ask the Council to not just exempt new construction but new conversions and remodels as well. There are many existing buildings that could be converted to housing and would need to be exempted.

Again, I urge the council to pass any amendment to ease the restrictive rent control policy and also to look at completely repealing it in the future.

Agata

Unrepresented Ward 4 Resident

From: Kevin Gallatin

To: \*CI-StPaul Contact-Council

Cc: <u>Kevin Gallatin</u>

Subject: Support for rent stabilization amendment Date: Monday, April 7, 2025 6:44:12 PM

You don't often get email from kevingallatin00@gmail.com. Learn why this is important

Council President Noecker and council members,

I support amending the rent stabilization ordinance to exempt residential buildings opened after 2004. I believe this is the responsible thing to do to keep Saint Paul viable for all community members. We've seen a significant reduction in new multifamily housing construction since the ordinance was implemented, and the existing 20-year exemption for new construction has not been enough to free up financing for construction projects. Big financial interests may not be popular, but their loans allow people who want to invest in Saint Paul to build the housing that people need, usually without any public expenditure. New housing is proven to increase affordability through filtering as people shift into better housing, reducing costs by 1.9% per year, year after year.

Rent stabilization was intended to prevent malicious increases in rent, but property tax increases are exempt from this limitation. At this point property taxes are an unconstrained and growing portion of monthly rent payments. All residents are feeling the strain of higher Saint Paul property taxes and the problem will get worse as our downtown core struggles and TIF districts struggle to pay back public outlays. It's time to demonstrate your commitment to Saint Paul's financial future and pass this amendment.

Thanks, Kevin Gallatin 1822 Highland Parkway Ward 3 From: <u>James Slegers</u>

To: \*CI-StPaul Contact-Council

Subject: Delay vote on Ordinance 25-29, pass 25-31 Date: Monday, April 7, 2025 6:26:35 PM

You don't often get email from james.slegers@gmail.com. Learn why this is important

#### Councilmembers,

I currently do not have a council member representing me, and given that rent stabilization was passed by the voters of the City of St Paul, I would very much appreciate having representation on any vote to change that policy. Ward 4 was amongst the strongest supporters of the original referendum and should have a voice.

I believe that tenant protection is a much more urgent need than new construction, and I encourage you not just to pass Ordinance 25-31 but to find routes to better staff city offices to give that ordinance teeth.

Thank you, James Slegers (he/him) Ward 4 From: <u>Joe Baierl</u>

To: <u>CouncilHearing (CI-StPaul)</u>

**Subject:** Public Comments on 25-29 and 25-31 for April 9 meeting

**Date:** Monday, April 7, 2025 5:46:44 PM

You don't often get email from joe.r.baierl@gmail.com. Learn why this is important

#### Hello.

I posted a comment to the City Council site, but noticed that I did not enter my name and address properly (my user error, I'm sure). So I am reposting my comment here so you know who I am.

My address is in Ward 2: 406 Wacouta Street Unit 210, St Paul 55101 My other contact info is below.

Here is the comment I posted for Amendment 25-29:

My wife and I moved to Lowertown in Aug 2018. We intend to stay in our condo long term and care deeply that Downtown achieve a population of 20 to 30 thousand residents so that our neighborhood can sustain grocery stores, pharmacies, and all the services needed to support a diverse, walkable community. We need new housing to achieve this goal: Small, medium and large sized units. Affordable, mid-level, and luxury units. Rental and owner occupied units. The investments needed to build these units will not come to Saint Paul without the passage of this amendment, so I urge the City Council to do so immediately. The current residents of Downtown know we need PEOPLE. We will welcome diverse people and diverse housing, so there is real opportunity here to create a special community, if you pass this amendment, build housing and plan for vital and healthy expansion of Downtown. Lastly, I also believe that this amendment is the right thing for ALL of St Paul not just Downtown.

Here is my comment for Amendment 25-31:

I view this Amendment as the other side of the coin, to Amendment 25-29. The rent stabilization law does need to be relaxed, yet tenant needs and tenant rights are truly important. This amendment will provide some relief for the deposit issue. The amounts have become larger than they need to be for landlord protection, so this Amendment should also be passed immediately. In addition I ask the City to please keep an eye on tenant issues in the future — for the sake of fairness and to help make St Paul a place where renters want to live.

Joe Baierl

Mobile: 612-963-5235 joe.r.bajerl@gmail.com



April 8, 2025

Dear Council Member Jost and St Paul City Council,

Highland Business Association is a nonprofit organization representing over 45 business owners in Highland Park and surrounding neighborhoods. We are writing to support changes to our city's Rent Stabilization ordinance. Since the ordinance took effect in 2021, development of new housing in Saint Paul has come to a halt, with few market-rate units being built anywhere in the city. Even where the public has already paid for costly construction of roads and other infrastructure at Highland Bridge, developers have been unable to build due to financing challenges. Banks will not lend money to developers if there is any material risk of their ability to generate sufficient revenue to repay loans.

This ordinance has been especially detrimental to Highland Bridge, where empty parcels have remained for years, awaiting development. There is strong interest from developers but not from lenders. One of the most exciting urban developments in Minnesota's history has been stalled. We understand this is also true at other sites around the city.

We agree with Council Member Jost' support for the sensible solution of exempting all multifamily housing opened after 2004. This measure will keep our city vital and ensure we can afford services we need without continued massive increases in residential property taxes.

We appreciate your time and hope that you can make this change to help empower more development in St. Paul.

The Highland Business Association Board

Mikael Asp - President