

From: John Ank [mailto:johnank11@gmail.com]
Sent: Friday, July 07, 2017 8:58 PM
To: Dadlez, Kady (CI-StPaul)
Subject: Re: Short-Term Rentals

Thanks for the clarification, Kady. Let me fill in some details about my situation:

- 1) I have hosted for several years as a renter with the advance consent of the property owner.
- 2) In February of this year, a new building manager began to convert long term housing units in the building to short term rentals. In less than 5 months he has converted six units to Airbnb apartments.
- 3) If these ordinances take effect, I will in all likelihood be barred from continuing to host in the building. The building manager, as an employee of the property owner, will most likely receive the available licenses and I, as "competition" will be forced out. A couple hundred or so other tenants of the building will be also be blocked from renting out their apartments to pay for a vacation or unexpected bills. All of the potential income will go to the top with no room for competition. In a building with 200 residents, only one person will be allowed to participate.
- 4) As for keeping attractive, eclectic lodging options in the area, tourists will be out of luck. The building manager's units will be all that remains. Instead of small-time hosts with a personal touch and close relationships to nearby independent bookstores, coffee shops, and record stores, the available units will be a series cookie-cutter apartments with generic furniture (a "quasi hotel" if there ever was one), operated by an investor.

Do you see my point? This aspect of the ordinance all but ensures that major property owners will be able to monopolize the local home sharing economy. It's already happening. If we limit by number of listings *per host* instead of *per building* we can keep these commercial hosts (who are the ones that actually compete with the hotels and B&Bs) from taking over the whole sharing economy while still keeping the total number of STRs under control.

Thank you,
J

On Fri, Jul 7, 2017 at 4:28 PM, Dadlez, Kady (CI-StPaul) <Kady.Dadlez@ci.stpaul.mn.us> wrote:

Jeff-

As proposed both renters and property owners would be able to host guests, though renters would likely need permission from property owners to do so. A license would be required for each short term rental dwelling unit. If a property owner wished to have more than 4 units in a building they would need to obtain a conditional use permit. A single conditional use permit for a building would allow a specified number of short term rental dwelling units over and above the 4 allowed without a permit. It would be up to the property owner to decide if they want to allow short term rental dwelling units in their building and if so, whether they want to apply for a permit to allow more than 4 units.

I hope this answers your questions.

-Kady

From: John Ank [mailto:johnank11@gmail.com]
Sent: Friday, July 07, 2017 11:18 AM
To: Dadlez, Kady (CI-StPaul)
Subject: Re: Short-Term Rentals

Hi Kady,

Thank you for your response. A quick question: A huge percentage of Airbnb hosts are *renters* who host with the permission of their landlords. As the proposal stands, would this only allow *property owners* to apply for these permits? So tenants at the building I mentioned, even if they already have a standing agreement with Madison Equities which gives permission for them to host short term visitors, would not be legally allowed to use these sharing services unless they convinced Madison Equities to apply for a permit on their behalf or appear in front of the council for a conditional use permit if needed?

All the best,

Jeff

On Fri, Jul 7, 2017 at 8:48 AM, Dadlez, Kady (CI-StPaul) <Kady.Dadlez@ci.stpaul.mn.us> wrote:

Hi Jeff-

Thanks for your comments on short term rentals. The Saint Paul Planning Commission held a public hearing on the proposed zoning amendments on June 2, 2017 and the public hearing period is now closed. The proposed amendments will go to the City Council for consideration and adoption in mid-August and a second public hearing will be held at that time. I encourage you to submit your comments during the City Council public hearing period so they can become part of the official record. Once a City Council public hearing date is set it will be posted on the [Short Term Rental Website](#).

I wanted to clarify the language in the proposed amendment as it relates to the number of units allowed in a multi-unit building. The language states that 50 percent of units in a multi-unit building can be short term rental dwelling units, to a maximum of four dwelling units. More than four short term rentals dwelling units could be allowed if a conditional use permit is obtained. The language from the proposed ordinance states, "...up to 50 percent of dwelling units on a zoning lot, to a maximum of four (4), may be short term rental dwelling units, ... except that more than four (4) short term rental dwelling units may be permitted when a conditional use permit is obtained by the building owner for a specific number of short term rental dwelling units." The Planning Commission grants conditional use permits and a public hearing is required as part of the process. Please feel free to call me with any questions.

-Kady Dadlez

From: John Ank [mailto:johnank11@gmail.com]
Sent: Friday, July 07, 2017 2:19 AM
To: Dadlez, Kady (CI-StPaul); #CI-StPaul_Ward1; #CI-StPaul_Ward2; #CI-StPaul_Ward3; #CI-StPaul_Ward4; #CI-StPaul_Ward5; #CI-StPaul_Ward6; #CI-StPaul_Ward7
Subject: Short-Term Rentals

Hello,

I wanted to quickly share a concern I have about the suggested regulations on short-term rentals.

I'd like to use the recently renovated Lowry Hotel building, across the street from City Hall, as an example. Since February of this year, the building manager there has been converting apartments to Airbnb rentals (see [here](#)). After just five months, he now has six apartments available for short term rental and surely more to come. My concerns are as follows:

- a) In a building that is otherwise popular with workers at nearby offices, bars and restaurants his mass conversion of apartments to short term rentals removes long-term, affordable, housing in a part of downtown that *really* needs it.
- b) The building's tenants, should they wish to rent out their own apartments, find themselves in competition with their own building manager. This is bound to create complications, especially if tenants are unable to take advantage of housing sharing at all because the owner has secured all of the allowed permits for the building.
- c) While short term rentals can add vibrant lodging options and supplement the incomes of local citizens, commercial hosts like this do the opposite. These are six nearly identical units with similar, generic furniture all run by an employee of the company that owns the building. This is a quasi-hotel if there ever was one, and it should be regulated as such.

According to the proposed zoning amendments, that the method to prevent such "quasi-hotels" is to limit buildings to 50% short term rentals. In a building like the former Lowry Hotel, that would allow this building manager to convert 75+ apartments short term rental units in a part of downtown with already has very limited housing options. If the building is limited to fewer permits, will the building manager be allowed to secure all of them and prevent the hundreds of other tenants (perhaps currently established hosts with previous permission from the landlord to act as hosts) from participating in the sharing economy and competing with him?

This isn't a potential future problem. This has already started.

The solution is to do what San Diego did and **limit the number of permits allowed *per host*** and not per building. If hosts are only allowed a few listings, it is easier to enforce, keeps the lodging options vibrant and unique, allows for small-time hosts to supplement their incomes without competition from major property owners, and removes the incentive for building owners to convert long term housing to short term rentals *en masse*.

Thanks for your time.

Best,

Jeff Angel