

From: Trudy Ohnsorg [<mailto:tohnsorg@hotmail.com>]
Sent: Sunday, October 08, 2017 7:00 PM
To: Dadlez, Kady (CI-StPaul); Jane Prince
Cc: Tess Galati; Harr, Stephanie (CI-StPaul)
Subject: STR Ordinance Testimony - ADUs

Dear Saint Paul City Council,

Thank you for this opportunity to provide additional feedback regarding the draft regulations of Short Term Rentals (STRs). I am passionate about the opportunities for connection that sharing platforms such as Airbnb make possible in this rapidly disconnecting world. I was encouraged by the Council's positive stance regarding STRs in last week's public hearing, and would like to stress one more point before you cast your votes next week:

This is an ideal time to incorporate Accessory Dwelling Units into the Short Term Rental regulations. As you are likely aware, Saint Paul is simply packed with ADUs that are operating undercover. This beautiful city is full of gorgeous, turn-of-the-century dwellings that have long-since been converted into separate, smaller living spaces for the convenience of the owners and to generate additional revenue. There are also many separate living structures that are currently fully-equipped with heat, plumbing, electrical, and all manner of modern conveniences. People live in ADUs now. People have been living in them, happily and for the most part safely, for decades.

It's time to acknowledge that these underground **ADUs are already an essential part of our city's affordable rental housing stock.** Of course, we need to make sure that these units are up to code. However, the only path to legitimacy currently involves going through a costly and laborious Conditional Use Permit process. Homeowners simply won't go this route - they would have done it already if this were a reasonable option.

When Minneapolis passed regulations in 2014 that allowed ADUs, city officials were astounded by the number of ADUs that came out of the woodwork! (This was a comment from the Minneapolis staffer who presented the draft STR ordinances at our Host Club meeting in July.) Saint Paul currently has a study of ADUs in one small geographic area - but no plans to move beyond the "study" stage. **With the STR ordinance, we now have the opportunity to inventory ADUs,** check for fire code and safety as per current rental lodging requirements, and showcase these dwellings! What better study of ADUs than this real-world effort! There's an opportunity now to ensure that ADUs are safe, to bring their owners into compliance, to bring revenue to the city, and to demonstrate that our city is open and innovative.

I strongly suggest that Saint Paul include ADUs in the STR ordinance with the same restrictions as duplexes.

Finally, thank you again for hearing us out and for carrying on a transparent, fair, reasonable process that will result, we believe, in a fair and reasonable STR Ordinance.

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From: Tess Galati [<mailto:tessgalati@gmail.com>]
Sent: Saturday, October 07, 2017 4:38 PM
To: Anastasia (Tess) Galati
Cc: Dadlez, Kady (CI-StPaul)
Subject: STR Ordinance Testimony

Dear Saint Paul City Council,

Thank you for this opportunity to address you, esteemed Members of the Council, regarding something critical to the City of Saint Paul and its citizens: Regulation of Short Term Rentals (STR). I wish to address two areas: taxation costs and alternative STR dwellings.

We hosts surely do appreciate the reasonable licensing and tax rates. As you witnessed at Wednesday's Public Hearing, citizens who welcome guests to their homes, and who introduce them to this wonderful city, are neither powerful nor affluent. If we were, we probably would not be renting portions of our houses. We use funds from our STRs to do the repairs—painting, electricity, plumbing, structural work. It's also our STRs that allow us to pay property taxes that will soon rise more than we expected. St. Paul is rich in Victorian and early 20th century homes that require expensive upkeep. If we were forced to leave our homes, a small rash of foreclosures could follow. After all, I counted three empty mansions on my block, two of them inhabited by vagrants while the owners—banks—did nothing.

You may rightly demur that, as fees and taxes rise over the years, we will pass additional fees to our guests. That presents another problem. Just two weeks ago, two guests—champagne makers from France—requested my guest room, which accommodates only one person. I passed the guests on to Corbin House, Pam and Cory's B&B. Within minutes, this is what they wrote: They couldn't afford the B&B, so they would stay in a cheap hotel on the west end of University Avenue. We missed an opportunity to turn a beautiful face of our city to these international guests, and there will be others like them. **We need to keep our rates low enough to ensure that our places remain competitive in a segmented market.**

The second point I wish to make concerns alternative lodging. My granddaughter and I stayed in an Airbnb in Decorah, Iowa, last summer: a converted old silo. Our host was busy converting a caboose, on the same property, into a STR. Now we have a bucket list! We want to stay in a treehouse, a tiny house, a yurt, and of course a caboose. Will we be allowed those options in Saint Paul? I wonder. For now, not even perfectly safe and beautiful Accessory Dwelling Units (ADUs) have not been inventoried. Bringing these into conformance is a necessary and logical first step, and the STR Ordinance may give us all that chance.

Yes, I know you have a study of ADUs in progress, but I see no end date or progress report, so it's hard to see when action might be taken. Why not include ADUs in the STR Ordinance with the same restrictions as duplexes? I guarantee a number of people will come forward, as they have in other cities who adopted this strategy, and the inventory process will begin. What better

study of ADUs than this real-world effort! **There's a chance here to ensure that ADUs are safe, to bring their owners into compliance, bring revenue to the city, and demonstrate that our city open and innovative.**

Finally, thank you again for hearing us out and for carrying on a transparent, fair, reasonable process that will result, we believe, in a fair and reasonable STR Ordinance.

Sincerely,
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