

May 5, 2025

Dear St. Paul City Council members:

I am writing today, on behalf of the more than 55,000 healthcare workers in our Union – and in particular, of the nearly 4,000 of those members who live in St. Paul – to urge you to vote YES for new tenant protections and to vote NO against further weakening the city's rent-stabilization ordinance by replacing the current 20-year new-construction exemption with an exemption for all new construction since 2004.

Jamie Gulley President

Jigme Ugen Executive Vice President

Phillip Cryan Executive Vice President

Brenda Hilbrich Executive Vice President

Rasha Ahmad Sharif Executive Vice President The simple part here is tenant protections. The City Council adopted a strong, prorenter ordinance in 2021, but it was challenged in court and quickly overturned by the City Council. The measure before you now would adopt several of the key components of what was in that earlier policy, while leaving out the pieces challenged by the courts. We appreciate the hard work done by former Council President Jalali, Council Member Johnson, and many other Council members and staff since 2021 to develop a strong new tenant protections ordinance. We hope it will pass with support from the entire Council.

On to the more complicated matter of making changes to rent stabilization. Our Union strongly supports rent stabilization policies, including the current St. Paul ordinance. Why? The healthcare workforce, and in particular the lower-income positions within healthcare – most nursing home employees, Personal Care Attendants providing in-home care, and the dietary, housekeeping and nursing-assistant employees in hospitals – is made up disproportionately of women of color, and with the overwhelming majority of workers in these positions being women. Most of these members of our Union are renters, and they consistently report that housing insecurity and the soaring cost of rent are among their greatest sources of economic anxiety. Even when we have been able to win large pay increases in contract negotiations with employers in recent years, many of our members have seen their new, higher incomes evaporate through increases in the amount of rent they have to pay to remain in their homes. St. Paul's rent stabilization ordinance has provided a modest amount of protection against that experience.

I served as one of the two co-chairs of the 41-person stakeholder group tasked by Mayor Carter and the City Council with evaluating rent stabilization policies across the country and recommending changes the City Council should consider to the rent stabilization policy that had been adopted by St. Paul voters in the 2021 election. Throughout that long and contentious stakeholder process, I do not remember anyone ever suggesting that the new-construction exemption be pegged to a specific year on the calendar. The members of the stakeholder group who were most opposed to rent stabilization surely would have preferred to overturn the policy entirely, but with that option not on the table, their consistent proposal regarding a new-construction exemption was that it be for 30 years.

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After a great deal of debate, the stakeholder group voted to recommend a 15-year exemption from the rent stabilization policy for new construction. The City Council then decided to move to a 20-year exemption instead, in the rent stabilization ordinance they adopted in 2022 and that is now in place.

Why exactly should the city move from the position consistently taken by developers, financial institutions, and large-unit landlords throughout the stakeholder process – advocating for a 30-year new construction exemption – to the Mayor's current proposal of pegging the new-construction exemption to calendar year 2004? We urge City Council members to consider, before you vote on this proposal, whether anyone has offered you a coherent answer to that question.

Jamie Gulley President

Jigme Ugen Executive Vice President

Phillip Cryan Executive Vice President

Brenda Hilbrich Executive Vice President

Rasha Ahmad Sharif Executive Vice President A final, critical point: whatever you each decide to do with regard to Mayor Carter's proposed change to the new-construction exemption from the rent stabilization ordinance, we urge you to create a prevailing wage prerequisite as a condition of any exemption of multifamily residential rental properties containing twelve or more units that are newly constructed. Whatever happens with the underlying proposal from the Mayor about changing the new-construction exemption, having this new prevailing wage protection in place will be a big and long-overdue step forward for city residents and workers.

Sincerely,

Phillip Cryan

Executive Vice President SEIU Healthcare MN/IA

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