From: Luke Hanson
To: *CI-StPaul_Contact-Council
Subject: Vote YES for rent control exemptions, tenant protections
Date: Tuesday, April 1, 2025 10:47:32 PM

Hello Councilmembers,

I'm writing to urge you to pass Ordinance 25-29, which would permanently exempt new apartments and those constructed since 2005 from the rent stabilization ordinance; and Ordinance 25-31, which would provide several new tenant protections for renters in Saint Paul.

Saint Paul's rent control ordinance is significantly impeding new housing construction; although there are other macroeconomic factors outside of municipal control that are also inhibiting development (high interest rates, Trump tariffs on Canadian lumber, etc.) Minneapolis and other nearby municipalities have not seen nearly as steep a decline as Saint Paul. This poses a major threat to the long-term housing affordability and the fiscal health of the city. Housing experts broadly agree that the production of new housing-- including market-rate housing-- is critical to a city's long-term affordability. In cities where housing production is too low, problems mount: renters lose leverage to landlords, would-be buyers are forced into bidding wars, prices surge, people struggle to find and afford homes, and on and on. For the sake of long-term housing affordability, Saint Paul needs a steady supply of new homes, and it needs policies that don't prevent developers from building it.

Saint Paul also desperately needs the property tax revenue that new apartments could provide. Just a few months ago, you had a bitter budget fight with Mayor Carter over the difference of a few million dollars in your budget proposals; you held the line at a 5% property tax increase, and warned that the pace at which property taxes have increased in Saint Paul has become a major burden to low-income homeowners and renters in your wards. A single new apartment building can produce hundreds of thousands of dollars in property tax revenue in a single year: just imagine how many millions of dollars of additional property tax revenue the City could generate if new apartments were built in the empty office towers downtown, at Highland Bridge, United Village, and The Heights! If we're serious about stabilizing low-income residents' property taxes and maintaining city service and infrastructure, we need developers to build.

Exempting new apartments and those constructed since 2005 is eminently sensible. It would significantly reduce the risk factor that has deterred developers and lenders from building housing in Saint Paul for four years. Even so, 94% of all apartments in Saint Paul were built before 2004, and would remain rent-stabilized. The proposed amendment represents a win-win-- a common-sense change.

Passing the tenant protections ordinance at the same time as the rent stabilization amendment would be a powerful affirmation that Saint Paul remains committed to care for the needs of its renters. I was excited to support these protections when the Council first passed them and disappointed when they were struck down because one clause was deemed unconstitutional. I'm glad that the language has finally been revised so that they can be passed again-- this time for good.

Thanks for your consideration.

Luke Hanson
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