

401 N Robert Street, Suite 150
St. Paul, MN 55101

December 10, 2024

Council President Mitra Jalali
Councilmember Anika Bowie
Councilmember Rebecca Noecker
Councilmember Saura Jost

Council Vice President Hwa Jeong Kim
Councilmember Nelsie Yang
Councilmember Cheniqua Johnson

Re: Council Modifications to the FY 25 Budget Proposal and Mayor Carter's Rent Stabilization Amendment.

Dear Council President Jalali and Councilmembers:

On behalf of the St. Paul Area Chamber and our 1,800+ members and affiliates, I write to express our concerns regarding possible budget cuts for public safety and downtown revitalization positions as you deliberate on the FY25 budget proposal. I also want to express our support for Mayor Carter's rent stabilization amendment that would exempt properties built after December 31, 2004.

We acknowledge the difficult task the council faces with the city's budget. Our request, as it relates to cuts to the budget, is that they protect investments in public safety. Economic growth to move us forward absolutely requires continued investment in all our public safety people and initiatives. The police department is struggling with staffing challenges - we actually need more police - and we can't waver from this focus either downtown or in particularly challenged parts of the city.

Throughout the budget process, Chief Henry Axel has reported on the challenges the police department has with staffing. Police officers do not have the luxury of deciding when they want to work; they must have adequate levels of staffing to meet the needs of our community. By cutting \$1 million from their budget, we will put additional pressure on a department charged with driving the very safety and security we need to keep our residents safe and invite more workers/visitors to return. Such a move also will force the department to continue relying on an already overworked workforce. In turn, the city will pay more in overtime.

Our downtown is at an inflection point. The declining property tax valuations of our commercial buildings and over two million square feet of vacant office space will have a significant impact on the city's budget for years to come. Cutting funds that support the revitalization of the area will not only add to this decline but also will hurt the city's own commitment to expanding our downtown resident population. These proposed cuts may save money in the short term, but they will come at the expense of long-term growth and revitalization.



ST PAUL

AREA CHAMBER

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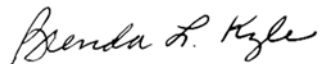
MAKING CONNECTIONS THAT COUNT

Thank you for your commitment to controlling tax increases. Our ask is that, as you prioritize areas of investment, you keep public safety – including police officers and other public safety investments – front and center. We can't take our eye off the ball on this one.

As it relates to rent control, Mayor Carter's proposal absolutely will lead to more housing development, and we need it. As it stands today, Saint Paul's current rent control ordinance has led to a precipitous drop in permits for new construction. What we need is more supply, and we strongly support this proposal. If we truly want to add more housing, especially affordable housing, supporting Mayor Carter's amendment will bring us closer to that goal. The city is already falling behind in its housing stock, and without action, the gap will widen further.

We ask that you modify the proposed reductions to the FY25 budget proposal to ensure full funding of public safety priorities and support the rent stabilization amendment. Thank you for your time and attention to this matter. Please don't hesitate to reach out if you have any questions.

Sincerely,



B Kyle
President and CEO
Saint Paul Area Chamber

