

Thinking Twice About Rent Control in Minneapolis and St. Paul

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As President and CEO of the Minnesota Multi Housing Association, I want to thank our REALTOR® coalition partners for their support by joining the Sensible Housing Ballot Committee (SHBC) - a broad-based coalition of organizations and individuals who believe in sensible housing solutions. I am grateful that we stand united in common purpose to defeat two proposals on the November ballot in Minneapolis and St. Paul - which if enacted, would make the current housing shortage in both cities even worse.

During a global pandemic, rising economic inequality, low housing inventory, and surging inflation, we face another crisis in the form of two public questions: Question 1 in St. Paul and Question 3 in Minneapolis – that propose limits on how much rents can rise. These proposals are problematic for a host of reasons.

For starters, Question 1 in St. Paul puts a strict 3% annual cap on all rent increases, without consideration of inflation. Question 1 will enact a rent control ordinance without any exemptions, even for Mom and Pop property owners - leading to fewer and poorer-quality housing options in our city. A better answer to the problem of scarce housing and increasing rents is to *increase the housing supply, rather than control prices*, which discourages investment in housing. Creating supply and more opportunity for ownership for middle income residents can also help build wealth for those who have suffered generationally.

Question 3 in Minneapolis would give the City Council the authority to regulate rents and create rent controls. Experts have shown that rent control results in less housing - not more - and poorer quality housing. *The Minneapolis Star Tribune* tells us, "Among economists, rent control has long been considered a textbook example of bad public policy, one that messes with the smooth function of the housing market while failing to consistently help those who really need it." Supporters of Question 3 cannot say how much the measure will cost taxpayers - or how it will be enforced.

The Sensible Housing Ballot Committee and its coalition partners are giving Twin Cities voters the facts about Question 1 and Question 3 - and our message is getting through to Minnesotans. However, to defeat these measures we need you to talk to your neighbors, family, friends, and colleagues in Minneapolis and St. Paul. Contact your elected officials to express your concerns about these measures. Above all - vote NO on rent control on November 2.

Cecil Smith is the President & CEO of Minnesota Multi Housing Association. You can follow the SHBC campaign by visiting www.ThinkTwiceStPaul.com and www.ThinkTwiceMinneapolis.com or follow us on Twitter at @ThinkTwiceSTP and @ThinkTwiceMPLS