August 6, 2021

Minneapolis City Council
Lisa Bender, President
350 South Fifth Street
Minneapolis, MN 55415

Council President Bender, Council Vice President Jenkins, and Members of the City Council:

This letter is to inform you that I have vetoed Council Ordinance No. 2021-039, included in Legislative File 2021-00104.

Individual policies do not exist in a vacuum and must be considered in context with the realities of governing, including opportunity costs, unintended consequences, fiscal impact, and implementation requirements. Good policy development is thoughtful and complex, and City staff and subject matter experts have identified these rent control policy considerations as among the most nuanced for any local government. Minneapolis is a majority renter city, and we have an obligation to ensure we are creating the best possible affordable housing policy for Minneapolis renters, especially as we continue navigating the effects of the pandemic and an affordable housing crisis.

Good policy requires a data-driven approach, guidance from experts, and a process that is open to everyone and accountable to everyone – not just a single interest group. We should not be in the business of forgoing these criteria and outsourcing our core responsibility as elected representatives.

The two ballot measures offer competing and drastically divergent paths for policymaking. Ordinance No. 2021-040 leaves open the door to accountable, representative, and transparent policy decisions.

Under this plan, elected representatives, community partners, subject matter experts, and Minneapolis residents will have access to policymaking decisions and policy creation, as we saw with hundreds of meaningful meetings with a diverse group of stakeholders throughout the push to increase the minimum wage. And the ultimate power remains with the voters. According to state law, an ordinance developed through this path would still be brought before voters as the ultimate decision makers when it comes to enacting a policy.

On the other hand, Ordinance No. 2021-039 closes that door. Under that proposal, policymaking would be left to an advocacy organization, driven by their singular mission - not accountable to the City process noted above. Boxing out subject matter experts, elected representatives, and the broader community is a recipe for unaccountable and untransparent decision making, and policy driven by the organization's goal, rather than what best serves our community. Time after time, we have seen that legislating via referendum can unintentionally
hurt the very people that an outside organization’s policy is designed to support and sow confusion among voters.

Over the last several years Minneapolis has earned praise from affordable housing advocates, policy experts, and thought leaders throughout the country for the affordable housing and renter protection work undertaken.

Programs like Stable Homes Stable Schools, which our administration launched as a pilot in 2018 and made permanent in 2020, has helped prevent or end homelessness for thousands of Minneapolis Public School children and their families. The zoning reforms contained in our 2040 Plan have rightly been heralded as the gold standard in urban planning and set a national starting point in the fight to undo the damages wrought by exclusionary housing policy. We’ve invested record-setting amounts in affordable housing production and preservation with record-setting results. The City has implemented a Renter First policy, supported by a series of renter protection ordinances – most recently the Fair Notice Ordinance, requiring a 14-day notice prior to an eviction filing. These accomplishments have been put in motion by community and elected officials working together, alongside policy experts and through thorough engagement.

Taken together, the work of the last several years has formed the foundation for further progress on our affordable housing and renter protection work. But further progress will also require an honest examination of what our past successes share in common – and the concrete lessons we should take seriously from other jurisdictions.

Stable Homes Stable Schools, the minimum wage ordinance, and our budget decisions all required community input, collaboration, and partnership. And each required an ability to engage in the legislative process, with policymakers who are elected by, and accountable to, the people of Minneapolis.

The costs of rolling back the progress we’ve made or creating a policy that fails to create impactful and sustainable affordable housing resources are simply too high. Voters are right to expect a responsible and accountable approach to both community engagement and governance, and that is what I hope you will join me in supporting.

Sincerely,

[Signature]

Jacob Frey