From:	Matt Lindquist
То:	Zimny, Joanna (CI-StPaul)
Cc:	jerad rasmussen@msn.com; Jim; wbattle@hjcmn.org; Ferkinhoff, Lynne (CI-StPaul); Sass, Demetrius (CI-StPaul); Wiese, Angie (CI-StPaul)
Subject:	Re: 1029 Raymond Ave Recommendation Letter
Date:	Tuesday, July 12, 2022 3:04:20 PM
Attachments:	image001.png

Think Before You Click: This email originated outside our organization.

Hello All,

This is mostly accurate but I'll focus on details that I think are material: #4 - Units 7 and 9 are both two-bedroom units inhabited by 1 person. I have heard from both renters that they are in the process of or have identified roommates they want to live with bringing effective rent down 50% per unit on a per person basis.

#5 - One unit is still trashed because we chose not to evict a tenant. We have already completely renovated another unit at a cost of nearly \$20k. This would be two units in poor condition upon acquisition versus the one unit referenced.

I agree with the 15% recommendation but would prefer if the note included that even inclusive of the "21% increase" to cost (rent + utilities) would land the average tenant at \$1,187 still below the lowest end of the range that your dept determined.

This is my biggest concern:

I didnt see in the ordinance (either the proposed rules or the final rules on the <u>stpaul.gov</u> website) that it stated utilities cant be charged to the tenant regardless of the rent increase. Can someone point me to where it claims utilities are included in rent cost? I see the snip (which I can't find) but the text that I see shows that gross rental income shall <u>not</u> include ..."Charges for refuse disposal, sewer service, and, or other services which are either provided solely on a cost pass-through basis and/or are regulated by state or local law." Gas and water would be passed through on a pass-through basis. Maybe gas should be excluded (once I see the ordinance language regarding utilities=rent) but water/refuse/sewer are both explicitly stated as both pass through and regulated by state/local law.

>This seems outside of the scope we've discussed and I'd like to see the language around this conclusion.

Matt

On Tue, Jul 12, 2022 at 12:39 PM Zimny, Joanna (CI-StPaul) <joanna.zimny@ci.stpaul.mn.us> wrote:

Good morning,

Please see attached regarding the above matter.

Thank you,

Joanna



MINNESOTA

Joanna Zimny

Legislative Hearing Executive Assistant Legislative Hearing Office

Pronouns: she/her/hers

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