

375 Jackson Street, Suite 220 Saint Paul, MN 55101-1806 Tel: 651-266-8953 | Fax: 651-266-9124

October 19, 2023

TO: Marcia Moermond Legislative Hearing Officer

FROM: Lynne Ferkinhoff Management Analyst, Rent Stabilization Program Department of Safety & Inspections

> Demetrius Sass Administrator, Rent Stabilization Program Department of Safety & Inspections

SUBJECT:Supplemental Appeal Memo – DSI Staff Response to Letter Dated August 9, 2023200 Winthrop Street South, Unit 313

Dear Legislative Hearing Officer Moermond:

The Rent Stabilization team submits this supplemental memo to address concerns raised in the letter submitted by James Poradek, Legal Counsel for Sumeya Mohamed, appellant. The letter is dated August 9, 2023. The numbered items in this memo (1, 2, 5, 6) correspond to the numbered items in the letter. This memo does not include responses to items 3 and 4 in the letter from Ms. Mohamed's Legal Counsel. Item 3 is focused on building permits and Item 4 is focused on lead and asbestos testing. These items are related to construction work and were forwarded to Construction Services for review.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

1. DSI's review focused almost exclusively on Marquette's financial information, to the exclusion of its duties to investigate Marquette's conformance with habitability and utility laws. DSI's production makes it clear that it focused the vast majority of its review of Marquette's application solely on the financial information in the application, and failed to perform any real investigation of the many well-supported allegations of habitability violations, property management misconduct, and the illegality of their pass-through utility charges. In DSI's "The Haven of Battle Creek Briefing" dated May 23, the "Preliminary Staff Analysis" section of the memo discusses only Haven's "financial information" and "financial metric[s]," and does not say a word about health and safety issues, utility issues, permit issues, or property management issues. (Ex. S2.) Indeed, on May 17, DSI told Mayor Carter's political director that DSI would not defer the rent increase pending adjudication of Ms. Mohamed's lawsuit asserting numerous habitability and discrimination violations by Marquette because "[t]he City simply grants / denies an application based on financials." (Ex. S3.) This statement directly contravenes DSI's affirmative duty to investigate and require compliance with Minnesota Statutes Section 504B.161 and confirms that DSI has failed to comply with its duties under the Ordinance.

DSI STAFF RESPONSE

Allegations of Habitability Violations

The word "habitability" appears one time in the Rent Stabilization Ordinance:

Sec. 193A.06. Reasonable return on investment.

(c) The city will not grant an exception to the limitation on rent increases for any unit where the landlord has failed to bring the rental unit into compliance with the implied warranty of habitability in accordance with Minn. Stats. § 504B.161.

In compliance with Minn. Stats. § 504B.161, the City maintains a Fire Certificate of Occupancy program to protect and promote public health and safety. A Fire Certificate of Occupancy is a document issued by the City of Saint Paul - DSI Fire Safety Inspection Division indicating that the existing structure complies with all state and local safety codes allowing its use for residential occupancy. All residential buildings that are not owner-occupied are required to have a Fire Certificate of Occupancy.

Following a Fire Safety Inspection, the Department of Safety & Inspections (DSI) assigns the residential property into one of four categories based on the number and severity of any code violations: Class A, Class B, Class C and Class D, with Class A being the best grade and Class D being the worst grade. Better scores in the Fire Certificate of Occupancy grading system result in fewer inspections.

The DSI last issued a Fire Certificate of Occupancy for The Haven of Battle Creek in February 2023 and assigned the property a Class A rating. Prior to February 2023, the DSI issued a Fire Certificate of Occupancy for The Haven of Battle Creek in December 2015 and assigned the property a Class A rating.

Through the Fire Certificate of Occupancy program, all habitability issues have been remedied as of the appeal hearing on August 10, 2023, including the most recent complaints listed below:

- 01/10/23: Mouse infestation
- 06/15/23: Fire alarm issue (fire alarm resets, but indicates it's in trouble mode)
- 08/02/23: Rodents, flooding, broken glass and garbage on the property

Notably, during the appeal hearing on August 10, 2023, staff looked up the above listed complaint from August 2, 2023. According to the record, a city inspector visited The Haven of Battle Creek around noon on August 3, 2023 to investigate the complaint about rodents, flooding, broken glass and garbage on the property. At the hearing, the staff member read the Fire Inspection response: "I took a look at all 3 floors spoke with the manager and maintenance. No one was aware of flooding in the garage, flooding or standing water on the property. I knocked on four doors and no said they had mice or roaches. The grounds people were cleaning around the building."

Staff also notes that Jack Cann, a member of the legal team representing Ms. Mohamed, made the following Data Practices Act request on February 6, 2023.

 From: Jack Cann <jcann@hjcmn.org>

 Sent: Monday, February 6, 2023 9:44 AM

 To: Ferkinhoff, Lynne (CI-StPaul) <<u>lynne.Ferkinhoff@ci.stpaul.mn.us</u>>; Sass, Demetrius (CI-StPaul) <<u>Demetrius.Sass@ci.stpaul.mn.us</u>>; Wiese, Angie (CI-StPaul) <<u>angie.wiese@ci.stpaul.mn.us</u>>

 C: James Poradek <<u>iporadek@hjcmn.org</u>>; Abigail Hanson <<u>ahanson@hjcmn.org</u>>

 Subject: Data request regarding Haven at Battle Creek

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

Good morning. This is a request under the Minnesota Data Practices Act for the following data, all very relevant to the request for management of Haven at Battle Creek for exception rent increases under the City's Rent Stabilization Ordinance. As you know, the Act requires a prompt response to requests for data and the data sought in this case are very relevant to the owner's requests for exceptions. This is the case because of widespread failures to comply with the statutory implied covenants of habitability and the requirement in the Rent Stabilization rules that such failures be considered in evaluating requests for rent increases. The data requested: All permits issues regarding Havens at Battle Creek from 1/1/21 to the current date; all complaints of violations of the City code or state covenants of habilitability received by DSI regarding Havens at Battle Creek from 1/1/21 to the current date; all orders issued to correct code violations at havens at Battle Creek and all data indicating resolution of such orders from 1/1/21 to the current date.

Staff produced the requested data on February 14, 2023, which included all Fire Certificate of Occupancy activity for The Haven of Battle Creek in 2021, 2022 and 2023 (YTD). The data produced shows that the Fire Certificate of Occupancy program was in place:

- Prior to G & I X Phoenix Apartments, LLC purchase of The Haven of Battle Creek on May 17, 2021.
- At the time G & I X Phoenix Apartments, LLC purchased The Haven of Battle Creek on May 17, 2021.
- During renovation of the building and units after G & I X Phoenix Apartments, LLC purchased The Haven of Battle Creek on May 17, 2021.

The Data Practices Act response also shows that the City investigated and acted on issues at The Haven of Battle Creek through its Fire Certificate of Occupancy program.

Pass-Through Utility Charges

During the appeal hearing on August 10, 2023, Ms. Mohamed's legal representation noted that the current owner purchased the building in 05/2021 and immediately added additional tenant costs for utilities. The Rent Stabilization Ordinance is silent on any utility cost and / or fee changes that took place prior to 05/01/2022, when the Ordinance took effect. The Ordinance and / or rules do not include a "look back" provision to a time before the law and rules existed.

Additionally, on August 17, 2023, Ms. Mohamed's legal representation provided a letter to Rent Stabilization Appeals about Ms. Mohamed's tenancy status. As shown in Exhibit 1, Ms. Mohamed and her household signed a month-to-month lease on June 27, 2019 – before Marquette began to manage the property in May 2021. The lease shows that heat, water, garbage, sewage and gas are included in the rent. Electricity, telephone, cable / internet and a garage space are paid by the resident. The letter further notes that Ms. Mohamed and her household signed a new one-year Marquette lease on or about May 1, 2022.

If Ms. Mohamed and her legal representation provides copies of the two most recent leases (the first dated on or about May 1, 2022), DSI staff could investigate allegations about the pass-through utility charges.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

- 2. DSI was well aware of habitability, utility, and property management complaints when it was reviewing Marquette's application but failed to investigate them. This appeal has already highlighted the fact that DSI never reached out to Ms. Mohamed or her lead and asbestos expert Greg Myers for more information on the health and safety issues set forth in her complaint, even though the Ordinance requires DSI to "conduct review of the . . . complaint and conduct any <u>necessary investigation</u> to determine whether rent conforms to the requirements of this chapter." 193A.07(a)(5). DSI's production also shows extensive awareness but no investigation into complaints about habitability, utility, and property management violations from other tenants. For example:
 - DSI's May 25 "The Haven of Battle Creek Briefing" ("The Haven Briefing"), Ex. S2, states that DSI learned about "complaints about habitability issues (e.g., mold, etc.)" as early as December 2022, but there is no evidence that DSI ever investigated:

12/2022: Angle Wiese and Lynne Ferkinhoff meet with residents and community leaders who corroborate much of what was provided in the notice to residents. Additionally note complaints about habitability issues (e.g., mold, etc.) and a City of Saint Paul Inspector (engagement issues); issues being looked into at the director level.

DSI STAFF RESPONSE

As noted above and in compliance with Minn. Stats. § 504B.161, the City maintains a Fire Certificate of Occupancy program to protect and promote public health and safety. A Fire Certificate of Occupancy is a document issued by the City of Saint Paul - DSI Fire Safety Inspection Division indicating that the existing structure complies with all state and local safety codes allowing its use for residential occupancy. The DSI last issued a Fire Certificate of Occupancy for The Haven of Battle Creek in February 2023 and assigned the property a Class A rating. The City investigated and acted on habitability issues at The Haven of Battle Creek through its Fire Certificate of Occupancy program. All habitability issues through the hearing date on August 10, 2023 have been remedied.

In an email to Angie Wiese dated December 21, 2022, staff writes that, "I checked the Rent Stabilization SharePoint. There haven't been any complaints submitted for 200 Winthrop Street South." So while staff heard general complaints (e.g., mold, etc.) during a meeting with The Haven of Battle Creek residents on December 20, 2022, a review of the Rent Stabilization SharePoint for complaint tracking showed that no resident had submitted a formal complaint for this address.

A single Rent Stabilization complaint for 215 Kipling Street had been submitted on June 13, 2022. This is the sole complaint submitted for The Haven of Battle Creek until James Poradek, a legal representative, submitted a complaint on behalf of Ms. Mohamed on February 15, 2023 - more than eight months later. DSI staff's handling of the complaint at 215 Kipling Street complies with Sec. 193A.07 of the Rent Stabilization Ordinance. Please see the complaint below and a summary of staff actions taken as noted in the complaint file.

"Landlord increased rent through utilities. \$288 rent in section 8 housing. Lived here for 24 years. Landlord sent a letter now indicating tenants must pay nowutilities (water, trash and heat). The tenant stated that she is elderly on SSI and has no money for this. The tenant stated that utilities have always been included in the past 24 years. The tenant has also contacted Homeline (who instructed her to call us)."

- Staff Notes: "Complaint entered over the phone by staff. Caller does not have a computer."
- Staff Action: "1st Letter Sent"

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

• The Haven Briefing states that Marquette "[m]ay purposely be failing Section 8 inspections to get to Just Cause Vacancy," but there is no evidence that DSI ever investigated:

May purposely be failing Section 8 inspections to get to Just Cause Vacancy.

DSI STAFF RESPONSE

The DSI is not allowed access to information about Section 8 tenants, therefore precluding staff from investigating the idea that Marquette "[m]ay purposely be failing Section 8 inspections to get to Just Cause Vacancy." The Department of Housing and Urban Development (HUD) funds the Section 8 program, which helps low-income households pay the rent on private, market-rate rental units. The program is administered by local housing authorities or other affiliated organizations. HUD expects its third-party business partners, including housing authorities, who collect, use, maintain or disseminate HUD information, to protect the privacy of that information in accordance with applicable law. Accordingly, third parties are required to manage access to personally identifiable information (PII) and can only share or discuss sensitive PII with those persons who have a need to know for purposes of their work. DSI can administer the Rent Stabilization program without knowing the Section 8 status of a tenant.

Staff notes that the Just Cause Vacancy provisions to the Rent Stabilization Ordinance were new as of January 1, 2023. One day later, Cheron Eich submitted a Just Cause Vacancy application on behalf of the G & I X Phoenix Apartments, LLC. This application was abandoned after several email exchanges with DSI staff to clarify the Just Cause Vacancy and rent increase exception processes.

Staff also notes that Mr. Cann, a member of the legal team representing Ms. Mohamed, made the following Data Practices Act request on January 19, 2023.

 From: Jack Cann
 signan@hicmn.org>

 Sent: Thursday, January 19, 2023 11:27 AM

 To: Wiese, Angie (CI-StPaul)
 sangle wiese@cl.stpaul.mn.us>

 Cc: James Poradek
 gloradek@hicmn.org>

 Subject: Data Practices Act Request re: Haven of Battle Creek

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

 Good morning. We have been made aware through Councilmember Prince's office that the owners or management of Haven of Battle Creek have been in discussions with DSi regarding proposed just cause evictions or rent increases following such evictions under the rent stabilization ordinance. The City's rent stabilization webite section on "Processes for Requesting Exceptions to 3% Rent Cap provides, in the first section, access labeled "Just Cause Documentation" which leads to a very simple form which must be submitted in order to access what I assume to be forms for actual required documentation. This is a request under the state Data Practices Act for the following :

 Copes of all documentation related to Just Cause evictions; all documentation received by any owner who submits the form, copied below, seeking approval of eviction for just cause or seeking an exception to the 3% under the just cause evictions provisions of the ordinance.
 All communications between DSI and the owners or managers of Haven of Battle Creek related in any way to the just cause provisions of the rent stabilization ordinance and rules.

Staff produced the requested data on February 2, 2023, which included all Just Cause Vacancy documentation received by any owner who submitted the form through January 27, 2023. Staff pulled 264 files, although none of them was related to The Haven of Battle Creek.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

• The Haven Briefing notes DSI's attendance at a tenant meeting organized by ISAIAH in February 2023. In connection with that meeting, DSI received a packet of materials, Ex. S4, that included an actionable list of violations faced by Haven tenants under "Issues with the property manager," but there is no evidence that DSI ever investigated:

Name Issues	Happening Where You Live
	of the original 90 day notice letter
	The letter does not share whose unit will be impact, when the 90 days or month to month leases will take
	place,
0	It does not provide a means for family to start planning
0	It was not translate in oromo or Somali
 Issues 	with the property manager
0	They have sent emails saying that we should not attend resident meetings about the property that they
	didn't organize
0	Haven't done repairs
0	Unexpected rent increases more than 3%
0	Have charged money for rent when Section 8 voucher should cover my rent
0	They have been ignored or denied assistance from multiple entities that are supposed to provide
	services for proper housing.
	· 한만성한 전자 상태, 바이가 한 사이가 가지 않는 것 같아요

DSI STAFF RESPONSE

Staff notes that Mr. Cann, a member of the legal team representing Ms. Mohamed, made the following Data Practices Act request on June 27, 2023.

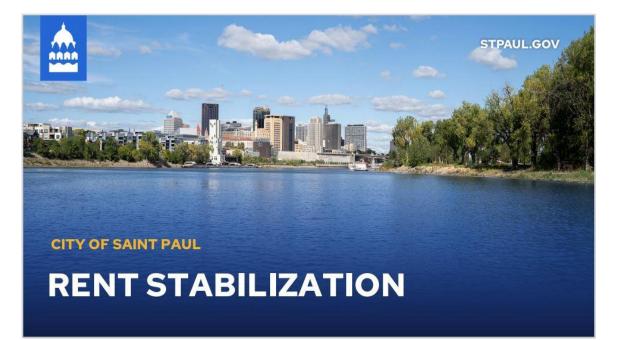
From: Jack Cann <jcann@hjcmn.org></jcann@hjcmn.org>
Sent: Tuesday, June 27, 2023 1:44 PM
To: Lynne Ferkinhoff < <u>Lynne.Ferkinhoff@ci.stpaul.mn.us</u> >
Cc: James Poradek < <u>jporadek@hjcmn.org</u> >; Abigail Hanson < <u>ahanson@hjcmn.org</u> >
Subject: Data Practices request re Haven at Battle Creek
Think Before You Click: This email originated outside our organization.
Good afternoon Lynne; this is a request under the state Data Practices Act for documents listed below and related to any rent increase applications by the owners or managers of The Haven of Battle Creek
(address: 200 Winthrop St. S., St. Paul MN 55119), and subsequent approval by the City of any rent increases. This request is urgent and we ask that these documents be provided as soon as practicable
because they are critical to the appeal of DSI'S approval of a rent increase of 26.83% at Haven, which is due on or about July 8:
From January 31, 2023 to now, All DSI communications with Marquette Management about their rent increase application and/or rent increase approval, including any documents provided by
 Formation y as passed for the provided by the management about their ferre increase oppretation and/or ferre increase approval, increasing any documents provided by Marquette Management to DSI
 From January 1, 2023 to now, all DSI internal communications about Marguette Management's rent increase application and/or rent increase approval
From January 1, 2023 to now, DSI communications with other city departments and state agencies regarding Marquette Management's rent increase application and/or rent increase approval
 All DSI analyses of Marquette Management's rent increase application and/or rent increase approval
 All DSI minutes, notes, draft reports, and reports relating to decision to approve Marquette's rent increase application
 From February 15, 2023 to now, all DSI communications and analyses regarding Sumeya Mohamed's rent increase complaint, submitted by Ms. Mohamed's counsel at Housing Justice Center on
For routy 12, 2023
 From March 2, 2023 to now, all DSI communications and analyses regarding Paul Stoderl, Patricia Doran, & Sharon Martin's rent increase complaints.
 From Match 2, 2023 to how, an Dorcommunications and analyses regarding radi scoler, radicia boran, de snaton Match 3 rent increase complaints.
Jack Cann
1774 Portland Ave.
St. Paul, MN 55104
61-64-7378

Staff produced the requested data on July 21, 2023. The data produced shows that the "Issues with the property manager" (Ex. S4) are not actionable by the City, nor were they intended to be actionable by the City. Per an email included in the data produced in response to this Data Practices Act request:

Lynne Ferkinhoff discusses DSI, its role regarding housing, and tenant complaint forms

Supplemental Appeal Memo – DSI Staff Response to Letter Dated August 9, 2023 200 Winthrop Street South, Unit 313 Page 8

Additionally, below please find the presentation given by DSI staff at this meeting. This presentation was also produced in response to the Data Practices Act request made by Mr. Cann on June 27, 2023. The presentation provides an overview of the "The Rent Stabilization Tenant Complaint Process" and a detailed list of the "Information Captured on the Complaint Form."



Rent Stabilization Program Tenant Complaint Process

February 4, 2023

Lynne Ferkinhoff Management Analyst tent Stabilization Program 651 266-9110

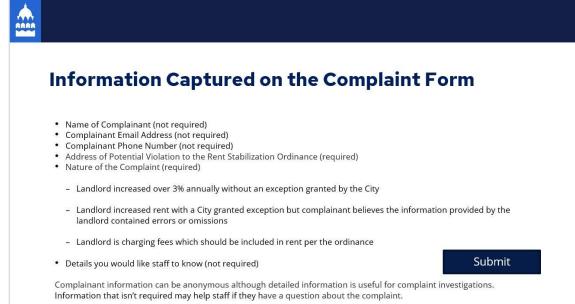
STPAUL.GOV

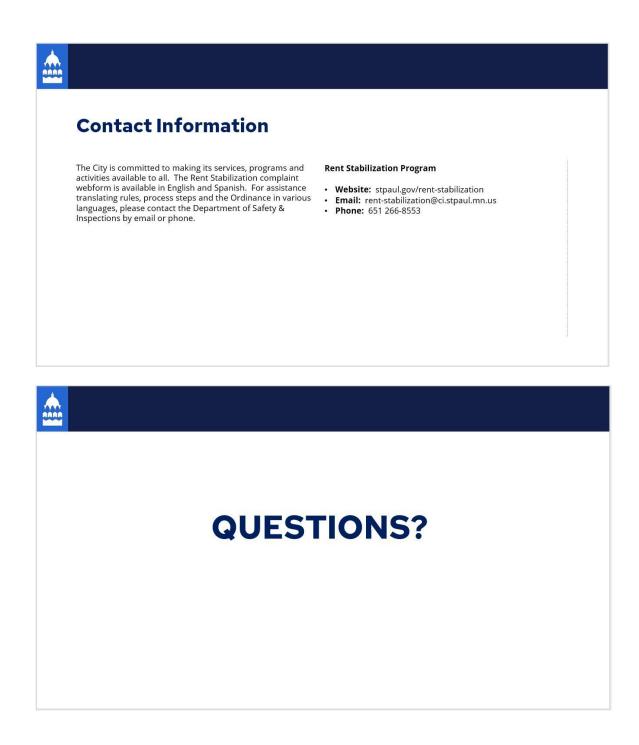


- Educate the landlord about Ordinance requirements and the need to comply.
- Encourage the landlord to submit a rent increase exception application or reduce rent to more than a 3% increase.

The complainant will not be identified in the letter.

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	RENT STABILIZATION	
	The Copy of Loss in Such Starts Edulations: Orlinance, Indian spremeting writes in November 2012, non-annotated by Cop Caucit in Negendres 2022. Organization for land and han parts of The Networks and the Indian Starts a	
		File a Complaint
	RUCE AND PROCESSION REPORTED AND REPORTED AN	In The Ordinance allows complaints to be submitted for failure to comply with the Rent Stabilization Ordinance. Complaints are focused on issues such as
	X	contesting a reer novase and can be anonymous, although detailed information is useful for complaint investigations.
		The City is committed to making its services, programs, and activities available to all. The interactive welform on this page is available in English and Spanish. For additional assistance ramaking the rules, process steps, and the Ordinance, in various languages please contact the Department of Safety
		and inspections by email at rent-stabilization@ci.stpaul.mn.us or by phone at 651-266-6553.





The DSI portion of the meeting was intended as an opportunity for staff to educate meeting attendees about the Rent Stabilization complaint process. The "Issues with the property manager" list was a general list created and provided by the meeting organizer as a tool to help attendees think through their experiences living at The Haven of Battle Creek if / when they decided to submit a Rent Stabilization complaint. In fact, the list of "Issues with the property manager" is included on a page with the following heading, "Points to consider for the complaint." The following subheadings appear on the same page.

- Name Issues Happening Where You Live
- Household
- Services Contracted

In the body of its letter, Ms. Mohamed's Legal Counsel provided a partial capture of the page that included the list of "Issues with the property manager." The appellant's Legal Counsel provided the full page as Ex. S4 to the letter. For reference, DSI staff provides the full page as Exhibit 2 to this memo.

Note that the list of issues does not include any of the required and / or optional details (listed below) that staff shared at the meeting and would allow staff to investigate:

- Name of Complainant
- Complainant Email Address
- Complainant Phone Number
- Address of Potential Violation to the Rent Stabilization Ordinance
- Nature of the Complaint
- Details the Complainant Would Like Staff to Know

As noted in the agenda provided in Ex. S4, the meeting organizer understood the importance of providing official documentation. Please see below the excerpt from the "Sat Feb 4 Mayor Carter Meeting Agenda."

- 2:22pm 2:34pm: DSI Staff Explain Their Roles and Introduce the DSI Form
- 2:34pm 2:44pm: First Step In Partnership: Q&A about Needing Official Documentation as "Receipts" Just Like We Did for the AG

It's worth noting that the meeting took place on a Saturday afternoon, which required DSI management to pre-approve / grant overtime pay for staff. The meeting took longer than the amount of time originally allotted on the agenda, but staff stayed for the entire meeting and lingered an additional 30 minutes after the meeting ended to answer individual questions. Staff was approached by two meeting attendees who had questions, as noted below.

- Meeting Attendee #1: Meeting attendee is the appellant (Ms. Mohamed). Meeting attendee wants to know where to get inspection reports and wants information about the required audible level for fire alarm systems.
- Meeting Attendee #2: Meeting attendee wants to know when the Neighborhood Safety Community Council will become active.

Staff researched the questions and sent separate email responses to the meeting attendees the next business day. Please note that the emails were included in response to Mr. Cann's Data Practices Act request on June 27, 2023.

DSI redacted names and other identifying information to protect the privacy of the meeting attendees. Therefore, Ms. Mohamed's representation would not have known that Ms. Mohamed was one of the meeting attendees who approached staff after the meeting with questions that were answered in writing the next business day, unless Ms. Mohamed shared that information with her Legal Counsel. Please see Exhibit 3 for a copy of the email response.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

• DSI produced complaints from 5 tenants in addition to Ms. Mohamed, all discussing some version of habitability issues, utilities, or problems with management, but there is no evidence that DSI ever investigated any of the foregoing tenant complaints. (Ex. S5.) Nor is there evidence that DSI ever attempted to contact any of the foregoing tenants about their complaints, just as it never contacted Ms. Mohamed about her DSI complaint or her class action complaint.

DSI STAFF RESPONSE

jcann@hjcmn.org

DSI staff is not sure why it would contact Ms. Mohamed about her class action complaint, since the City of Saint Paul is not a party to this lawsuit.

Aside from Ms. Mohamed's class action complaint, staff notes that Mr. Cann, a member of the legal team representing Ms. Mohamed, made the following Data Practices Act request on June 27, 2023. (This is the same Data Practices Act Request previously referenced, but now focused on the complaints part of the request.)

Form John Core, down Obligate and
From: Jack Cann < jcann@hjcmn.org>
Sent: Tuesday, June 27, 2023 1:44 PM
To: Lynne Ferkinhoff < <u>Lynne.Ferkinhoff@ci.stpaul.mn.us</u> >
Cc: James Poradek <j<u>poradek@hjcmn.org>; Abigail Hanson <<u>ahanson@hjcmn.org</u>></j<u>
Subject: Data Practices request re Haven at Battle Creek
Think Before You Click: This email originated outside our organization.
Good afternoon Lynne; this is a request under the state Data Practices Act for documents listed below and related to any rent increase applications by the owners or managers of The Haven of Battle Creek
(address: 200 Winthrop St. S., St. Paul MN 55119), and subsequent approval by the City of any rent increases. This request is urgent and we ask that these documents be provided as soon as practicable
because they are critical to the appeal of DSI'S approval of a rent increase of 26.83% at Haven, which is due on or about July 8:
• From January 31, 2023 to now, All DSI communications with Marquette Management about their rent increase application and/or rent increase approval, including any documents provided by
Marquette Management to DSI
From January 1, 2023 to now, all DSI internal communications about Marquette Management's rent increase application and/or rent increase approval
 From January 1, 2023 to now, DSI communications about weighter managements and state agencies regarding Marquette Management's rent increase application and/or rent increase application and/or rent increase approval
 From Janay 1, 2023 to low, Day Communications with other city departments and sack agencies regarding wardydeterwanagements sient increase approach and/or rent increase approval All DSI analyses of Marquetter Management's rent increase application and/or rent increase approval
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February 15, 2023
 From March 2, 2023 to now, all DSI communications and analyses regarding Paul Stoderl, Patricia Doran, & Sharon Martin's rent increase complaints.
Jack Cann
1774 Portland Ave.
St. Paul, MN 55104
651-645-7378

Staff produced the requested data on July 21, 2023.

DSI would like the record to show that it produced complaints from four (not five) tenants in addition to Ms. Mohamed. Please note that:

- One tenant submitted two separate complaints. Complainant information related to housing is protected as confidential under state law. Accordingly, DSI redacted names and other identifying information to protect the privacy of the complainants. Therefore, Ms. Mohamed and her representation would not have known that one tenant submitted two separate complaints.
- Two complaints were submitted anonymously. While it's DSI's position that a fully completed complaint allows staff the best opportunity to investigate, a complainant may choose not to include identifying and / or contact information out of fear that the landlord will retaliate.

DSI agrees that each complaint included some version of habitability issues, utilities or problems with management. However, it's DSI's position that it complied with the Rent Stabilization Ordinance.

- As previously noted and in compliance with Minn. Stats. § 504B.161, the City maintains a Fire Certificate of Occupancy program to protect and promote public health and safety. A Fire Certificate of Occupancy is a document issued by the City of Saint Paul - DSI Fire Safety Inspection Division indicating that the existing structure complies with all state and local safety codes allowing its use for residential occupancy. All residential buildings that are not owner-occupied are required to have a Fire Certificate of Occupancy.
- Additionally, Chapter 193A, Residential Rent Stabilization, does not compel Rent Stabilization staff to contact tenants about their complaints. Please see the relevant Ordinance text shaded below.

Sec. 193A.03. Definitions.

Sec. 193A.03.(e) of the Rent Stabilization Ordinance defines "Complaint" as, "The process by which a tenant requests the city to review a rent increase the tenant believes is above an amount permitted by this chapter."

Sec. 193A.07. - Application and complaint processes.

- (a) General. All Landlords shall be entitled to a reasonable return on investment based on the factors in section 193A.06 of this chapter. No provision of this chapter shall be construed as preventing a department determination, legislative hearing officer recommendation, or city council determination, or any final determination, that would grant a landlord a reasonable return on investment.
 - (1) The department shall establish an RROI application and complaint processes concerning this chapter. Landlords shall be entitled to apply for an exception to the three (3) percent cap by filing an RROI application.

- (2) Tenants shall also be entitled to file a complaint contesting a rent increase issued by the landlord, except that no complaint may be made where the rent increase has been approved in a final determination.
- (3) The department shall conduct a review of all RROI applications and complaints. The department may meet with landlords to provide technical assistance to complete an application, and the department may also provide technical assistance to tenants seeking to file a complaint.
- (4) If the department requests additional information from the landlord related to an RROI application and the landlord does not respond within 60 days, the RROI application shall be considered withdrawn and no further action will be taken by the department.
- (5) Upon receipt of a complete RROI application or complaint, the department shall conduct review of the RROI application or complaint and conduct any necessary investigation to determine whether rent conforms to the requirements of this chapter.
- (6) Upon conclusion of the review of an RROI application, the department shall issue a department determination.
- (7) Upon conclusion of the review of a tenant complaint, the department shall issue a letter to the landlord notifying the landlord of the tenant complaint.
- (8) A landlord or tenant may appeal any department determination to the legislative hearing officer.
- (9) Upon a final determination, there is no further right to appeal to the legislative hearing officer.

DSI also notes that the online intake form tenants use to submit complaints includes the following statement for "Name of Complainant," "Complainant contact information: Email" and "Complainant contact information: Phone."

"This is not required but may help staff if they have a question about the information included in this form."

In other words, staff may or may not reach out to a tenant for additional information. DSI may attempt to contact a tenant who files a complaint, but only if staff has questions.

For reference, please see a capture of the top part of the Rent Stabilization Ordinance Complaint Form below.

Th 19	Rent Stabilization Ordinance Complaint Form is is the first step in having city staff investigate potential violations to the rent stabilization ordinance in Char 3A of Saint Paul's legislative code. Complainant information related to housing is protected as confiden order state law. Any personal information collected is to assist staff in resolving the complaint.
* F	Required
	Name of Complainant This is not required but may help staff if they have a question about the information included ir this form. Please include phone number or email address.
	Enter your answer
	Complainant contact information: Email This is not required but may help staff if they have a question about the information included ir this form.
	Enter your answer
3	Complainant contact information: Phone

Please also see below excerpts and a summary of the actions taken as noted on the complaints produced by DSI. In all cases, DSI staff response complies with Sec. 193A.07 of the Rent Stabilization Ordinance. Per 193A.07(d), "Tenant complaints shall consist of a completed city-created complaint form and evidence concerning the complaint." In all but one of the examples provided below, the tenant did not comply with the Rent Stabilization Ordinance by providing evidence concerning the complaint.

Please note that the information provided below for "Staff Action" is a categorization that was selected from a drop-down menu in the Rent Stabilization Complaint Tracking database (e.g., "1st Letter Sent," "Exception Granted").

Complaint: 06/13/22

"Landlord increased rent through utilities. \$288 rent in section 8 housing. Lived here for 24 years. Landlord sent a letter now indicating tenants must pay nowutilities (water, trash and heat). The tenant stated that she is elderly on SSI and has no money for this. The tenant stated that utilities have always been included in the past 24 years. The tenant has also contacted Homeline (who instructed her to call us)."

- Staff Notes: "Complaint entered over the phone by staff. Caller does not have a computer."
- Staff Action: "1st Letter Sent"

Complaint: 02/15/23

"Please see the emailed Complaint and accompanying exhibits. The Complaint and exhibits will be sent to Rent-Stabilization@ci.stpaul.mn.us."

Exhibits related to construction work were forwarded to Construction Services for review.

Complaint: 03/02/23 (#1)

"I am submitting this complaint because I understand that Marquette Management has applied for a large rent increase at Haven, and it has based its application, in part, on alleged improvements to the property and an increase in management services costs.

I have not benefited from any of the alleged improvements to the Haven property and my experience is that management staff are not providing basic services to residents.

Here are some examples of what is happening to me: mice problem; roach problem; very high utility bills; broken storage units, renovation without notice.

I worry that I may be forced to move out of my home if a large rent increase is approved."

- Staff Notes: None. Complainant did not include name on intake form.
- Staff Action: Exception Granted

Complaint: 03/02/23 (#2)

"I am submitting this complaint because I understand that Marquette Management has applied for a large rent increase at Haven, and it has based its application, in part, on alleged improvements to the property and an increase in management services costs.

I have not benefited from any of the alleged improvements to the Haven property and my experience is that management staff are not providing basic services to residents.

Here are some examples of what is happening to me:

In the winter the glass door in my apartment is not well insulated. Maintenance came to fix the problem but did not actually resolve the issue. I have complained about the issue multiple times. There are lighting fixtures in the hallway that are broken and dangling from the ceiling, and I am afraid that they will fall on me or another tenant. Sometimes, when I contact management about concerns, they say that I am yelling and that they will write me up if I yell again. Security doors are often broken, and when I report it they do not fix them. Additionally, the pool is not accessible for handicapped people - I can get into the pool but am unable to get out.

I worry that I may be forced to move out of my home if a large rent increase is approved. I am 78 and moving would be very difficult for me."

- Staff Notes: None.
- Staff Action: Exception Granted

Complaint: 03/02/23 (#3)

"Our rent is increasing 25% and that is to much for me to cover. Also, there is mice, holes in the floors and our blinds in the windows are broken. I have request twice for the issues to be repair and i was told that right now they are not repairing anything."

- Staff Notes: None. Complainant did not include name on intake form.
- Staff Action: Exception Granted

Complaint: 03/02/23 (#4)

"I am submitting this complaint because I understand that Marquette Management has applied for a large rent increase at Haven, and it has based its application, in part, on alleged improvements to the property and an increase in management services costs.

I have not benefited from any of the alleged improvements to the Haven property and my experience is that management staff are not providing basic services to residents.

Here are some examples of what is happening to me:

Repairs not being completed. Garbage disposal not working. Some burners on stove not working. Front door not opening properly on a regular basis. Failing to clean carpets. Ventilation in garage rarely working.

I worry that I may be forced to move out of my home if a large rent increase is approved. I grew in the neighborhood and like the area. Also I have some heavy things and will have to pay to have someone help me. My animals like the deck that I have. I don't want wood floors because I have an animal with a disability and also the floor is freezing in winter and I have to wear shoes."

- Staff Notes: None.
- Staff Action: Exception Granted

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

5. DSI worked hand in hand with Marquette in the application review process, but had essentially no interaction with tenants. The documents produced by DSI reveal a process that heavily favored the landlord, in which DSI gave special access to Marquette staff in *ex parte* meetings, phone calls, and emails about the rent application and habitability issues. It is little wonder then Marquette's financials were rubberstamped, tenant complaints were ignored, investigations were mysteriously terminated or never started in the first place, and Marquette's displacement-enabling rent increases were approved.

One March 31 email from DSI's Rent Stabilization Administrator to Marquette executives Jason Wood and Cheron Eich symbolizes the extent of DSI's favoritism. In this email, sent **more than seven weeks** before formal approval on May 24, and in the midst of what should have been an active investigation by DSI, the Administrator improperly disclosed internal DSI information to Marquette employees and assured them that their requested increases were on their way to being approved: "I have essentially finished my portion of the process and have calculated the potential rent increase allowances. . . . I cannot yet share the full results with you but the rent increases for the units range from roughly 25% to 75% when capital improvements are accounted for."

From: Demetrius Sass < De	emetrius.Sass@ci.stpaul.mn.us>
Sent: Friday, March 31, 20	123 9:39 AM
	6
To: Cheron Eich < <u>CEich@n</u>	nargnet.com>; Jason Wood < <u>JWood@marguettecompanies.com</u> >
Subject: RE: Rent Control F	Petition - Marquette Management, Inc
Caution: This is an ex	cternal email and is NOT from a Marquette Employee.
Hello,	
	let you know that I have essentially finished my portion of the process and have calculated the owances. My analysis will be looked over by our supervisor next week and the process should n.
	ore desks to verify my work I cannot yet share the full results with you but the rent increases ughly 25% to 75% when capital improvements are accounted for.
Thank you	
	Demetrius Sass
E	Rent Stabilization Administrator

(Ex. S8.) In contrast, the first time that any Haven tenant learned about a rent increase approval from DSI was if they were fortunate enough to notice the fine print in the middle of one side of a mass mailing postcard that may or may not have been delivered in late May or early June. This one-sided treatment is a profound violation of DSI's duties under the Ordinance, and underscores how deeply compromised DSI's rent increase approval process was here.

DSI STAFF RESPONSE

Special Access, Ex Parte Meetings, Phone Calls and Emails

The Haven of Battle Creek Rent Increase Exception Application was very complicated and required dialogue between DSI staff and the applicant to ensure the integrity of the determination. It's DSI's position that the application and complaint processes outlined in the Residential Rent Stabilization Ordinance allows that staff "... may meet with landlords to provide technical assistance to complete an application." [Sec. 193A.07(a)(3)] DSI staff respectfully requests clarification from Ms. Mohamed's Legal Counsel of the circumstances under which DSI communicating with landlords would be ex parte.

With respect to the email presented by Ms. Mohamed's legal representation in Ex. S8., DSI's Rent Stabilization team comprises two external facing employees who administer the Rent Stabilization rules on behalf of the City of Saint Paul. Providing customer service - communicating, educating, setting expectations - is at the heart of what the team does. Two employees provide customer service for landlords representing roughly 77,000 residential rental units in the City of Saint Paul. The team also provides customer service for the thousands of tenants who live in those units. The team communicates with landlords and tenants by phone and email nearly every day; the volume of those communications is well-documented. Additionally, Rent Stabilization team members are available to meet with landlords and tenants in person, if necessary. In fact, both tenants and landlords can schedule a meeting with a Rent Stabilization team member by phone, email and online link as noted below.

Renters & Tenants Web Page Rent Stabilization Web Site (Rent Stabilization | Saint Paul Minnesota (stpaul.gov)



Supplemental Appeal Memo – DSI Staff Response to Letter Dated August 9, 2023 200 Winthrop Street South, Unit 313 Page 23

Landlords & Property Managers Web Page Rent Stabilization Web Site (Rent Stabilization | Saint Paul Minnesota (stpaul.gov)



Rent Stabilization Team

Email: **rent-stabilization@ci.stpaul.mn.us** Phone: **651-266-8553**

Address: 375 Jackson St. Suite 220, Saint Paul, MN 55101

To schedule a meeting with a Rent Stabilization team member, please click on the link below and follow the prompts:

Meet with a Rent Stabilization Team Member

Additionally, DSI staff would like to make the Legislative Hearing Officer aware that staff met with The Haven of Battle Creek residents on two occasions at locations and times chosen by the residents:

- 12/20/22 (Tuesday) @ 4:00 pm; Chili Time Coffee / Nearby Mosque
- 02/04/23 (Saturday) @ 1:45 pm; Darul Uloom Center

Both meetings took place on overtime, which required DSI management pre-approval that was granted.

For both meetings, staff:

- Handed out contact cards for the Rent Stabilization team. The cards include the website URL, email address and phone number for the Rent Stabilization program. Please see Exhibit 4 for a screen capture of the card.
- Met with The Haven of Battle Creek residents collectively and individually, and completed follow-up after both meetings.

Tenant Notifications to Residents at The Haven of Battle Creek

Two notifications were mailed to The Haven of Battle Creek tenants, each comprising 215 postcards. The first postcard mailing dated February 1, 2023 informed tenants that their landlord recently applied for an exception to the 3% cap on rent increases. The second postcard mailing dated May 24, 2023 informed tenants that their landlord's application for an exception to the 3% cap on rent increases was approved. The second postcard mailing also advised tenants that:

- The determination was not final and rent could not be increased in the next 45 days.
- They have the right to appeal the determination.
- Appeals must be provided in writing and delivered to the City Clerk no later than 45 calendar days from the date of the written notification.
- Applications for appeals may be obtained at the Office of the City Clerk, 310 City Hall, City / County Courthouse, 15 W Kellogg Blvd, Saint Paul MN 55102, Phone 651-266-8568.
- If there is no appeal, the determination will be considered final, and the landlord may proceed with the rent increase noted in the postcard.
- Any rent increase subject to appeal may not be imposed until there is a final determination on the appeal.

The postcards for both mailings:

- Include full translations for Hmong, Karen, Somali and Spanish.
- Note that, "... translations of the notice is available upon request from the City. If you have any questions, please reach out to the Rent Stabilization Workgroup using the email address below."
- Include contact information (email address and phone number) for the Rent Stabilization team.

The notifications fully comply with all provisions under Sec. 193A.07(c) of the Ordinance. And although the Ordinance does not address font size, staff would like to make the Legislative Hearing Officer aware that the rent increase was printed in the middle on the left side of the postcard in the largest font size used on the postcard. The font size in the middle of each postcard version is noticeably larger than the font size of other text on the postcard. Please see Exhibit 5 for examples of the postcards that were mailed to The Haven of Battle Creek residents. Note that the postcards in the exhibit are not to scale. The images are smaller than the actual postcards, which measure 6" by 11".

Tenant notifications are not "mass mailings." They are targeted mailings delivered by the United States Postal Service at First Class postage rates. Forever stamps are manually affixed to the cards as opposed to a pre-printed postage indicia commonly used in mass / bulk mailings.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

6. DSI failed to reasonably investigate Marquette's financials and overlooked numerous errors in Marquette's calculations. It is also clear that DSI failed to properly investigate Marquette's financial information. DSI's limited notes from a March 2 meeting with Marquette's financial staff (Ex. S9.) seems to be the <u>only time</u> DSI discussed the reasonableness of Marquette's expenses. But DSI had long before made up its mind that the financial presentation in the "Haven Battle Creek's RROI application is very polished, well put together, and without question, represents a business deserving of an allowable rent increase per ordinance 193A."

But a review of Marquette's MNOI reveals a number of errors, including the following:

Errors in Capital Improvement Calculation. Marquette's submissions to DSI include an MNOI Operating Expense worksheet, Ex. S10, which was used by DSI to calculate the approved 26.48% NOI rent increase. The worksheet includes, at line 24, an entry of \$323,455 as an operating expense. This is the entry for amortized capital expenditures and interest. This figure comes from the table labeled "Page 11 – XII Interest Allowance." (Ex. S10.) The table sets out the cost of 27 capital improvements, the cost per unit, the interest rate purportedly permitted by the DSI rules, the amortization period, and the "Annual Cost" for each capital improvement. This "Annual Cost" column totals \$323,455, the amount carried over into the Operating Expense worksheet. There are three important errors in this worksheet.

First, capital improvements amortized as operating expenses must cost at least \$250/unit or \$54,000 (\$250 x 216 units). MNOI Reasonable Return Standard, Rule B(1). Nineteen of the capital improvements cited in the Table have an initial cost of less than \$54,000. None of these may be counted in calculating a capital expense amortization included as an operating expense.

2022 - Capital (C	urrent Year)			8.15%						
	ь	e	d		F	a	h	1	1	k
Date of Improvement	Description of Expense	Units Impacted	Initial Cost	Intersit Rate Allowed	Amortization Period	Interest Amount	Total Cost	Annual Cost	Monthly Cost	Honthly Cos Per Unit
2022	Pool Equipment	216	1,016.62	8.15%	5	224.57	1.241.19	248.24	20.69	0.1
2022	Boiler Motor Replacement	216	4,163.85	8.15%	10	1,938,10	6.101.95	610.20	50.85	0.3
2022	Heat Exchanger and Pipe Replacement	216	4.527.45	8,15%	10	2,107.35	6,634.80	663,48	55.29	0.3
2022	Exterminating	216	7,516.25	8.15%	5	1,660.31	9,176.56	1,835,31	152.94	0.
2021	Tuckpointing / Siding Repairs	216	18,533.00	8.15%	10	8.626.37	27,159.37	2,715,94	226.33	1.0
2021/22	Roof Repairs	216	198,660.65	8.15%	10	185,560.51	584,221.19	\$8,422.12	4,868,51	22.
2021/22	Exterior Painting	215	30,429.94	8.15%	5	6,721.84	37,151.78	7,430.36	619.20	24
2022	Hallway Painting and Door Hardware	216	112.322.91	0.15%	5	24,511,60	137.134.41	27,425.55	2,285.57	10.
2021	Trush Chute Door Replacements	216	5.843.17	8,15%	19	2,719.76	8.562.93	856.29	71.36	0.
2022	Security Improvements	216	1,250.00	8.15%	10	581.82	1,831.82	183.18	15.27	0.
2022	Landscaping Improvements	216	35,395.12	0.15%	10	16,475.00	51,870,12	5,187.01	432.25	2
2021	Concrete Replacement	216	22,582.00	8.15%	10	10,511.01	33,093.01	3,309.30	275.78	1
2022	Garage Re-Striping	216	2,675.00	8.15%	10	1.245.10	3,920.10	392.01	32.67	0.
2021	Model Furnishings	216	4,599.01	8.15%	5	1,016.08	5,615.89	1,123.18	93.60	0.
2022	Garage Door Replacements	216	11,490.00	8.15%	10	5,340.13	16.838.13	1,683,81	140.32	0.
2021/22	Garage Maintenance	216	126,890.78	8.15%	10	59,062.55	185,953.33	18,595.33	1,549.61	7
2021	Signage	216	1.916.38	8.15%	5	423-32	2,339.70	467.94	38.99	0
2021/22	Pool / Fitness Center / Package Room Upgrades	216	611.284.02	8.15%	10	284,528.11	895,812,13	89.581.21	7,465.10	34
2021/22	Office Supplies and Management Services	216	49,798.70	8.15%	5	11,000.31	60,799.01	12,159.80	1,013.32	4
2021	Common Area Door Replacements	216	57,130.00	8,15%	5	12,619.76	69,749.76	13,949,95	1,162.50	5
2021	Balcony Repairs	216	106,886.62	8.15%	10	49,751.42	156,638.04	15,663.80	1,305.32	6
2022	Sprinkler Head Replacement	216	1.350.00	8.15%	10	625.37	1,978.37	197.84	16.49	a
2021/22	Camera Rewiring	216	15,600.00	8.15%	10	7,261.17	22,861.17	2,286.12	199.51	0
2021	Underground Storage Tank Removal	216	44,410.00	8.15%	10	20,671.07	65.081.07	6.500.11	542.34	2
2021/22	Electrical Panel Replacement	216	127,217.07	8.15%	10	59,214,43	186,431.50	18,643.15	1,553,60	7.
2022	Exterminating	216	8,547.05	8.15%	5	1,888.00	10,435.05	2,067.01	173.92	0
2621/22	Management Services	216	127,886.92	8.15%	5	28,249.64	156,136.56	31,227.31	2,602.28	12
	Total	216	1.939.923.24			804.845.71	2,744,768.95	323.454.88	26,954,57	124.7

DSI STAFF RESPONSE

More than \$250 per unit affected.

In the letter provided by the Housing Justice Center (HJC), it is noted that for an operating expense to be considered a capital improvement, it must cost more than \$250 per unit affected by the improvement or \$54,000 in the case of The Haven of Battle Creek. This is correct and items listed as capital improvements which are under \$54,000 should not have been amortized over an extended period.

Capital improvements are expenditures which are not typical of regular maintenance but are instead irregular expenses that either add to the value of the property or prolong its useful life. The capital improvement provision attempts to accomplish two main goals: encourage property owners to maintain / improve St. Paul's housing stock by allowing them to recapture their fiscal investment in their property through temporarily increased rent and limit the reported maintenance costs of the property to represent regular business operations more fairly during the MNOI analysis. In the case of the Haven, the new management began remodeling and improving the property upon purchasing the buildings. During the application process, Haven representatives separated out the costs of their capital expenditures into a separate spreadsheet. This spreadsheet contained numerous items varying in cost. As mentioned by the HJC, the cost of these improvements needs to exceed \$250 per unit affected or in this case, \$54,000. Staff assessed the reported expenses as capital improvements since they did not represent regular maintenance costs. In the image below, the expense items in question are highlighted in yellow.

Date of Improvement	Description of Expense	Units Impacted	Initial Cost	Interest Rate Allowed	Amortization Period	Interest Amount	Total Cost	Annual Cost	Monthly Cost	Monthly Cost Per Unit
2022	Pool Equipment	216	1,016.62	8.15%	5	224.57	1,241.19	248.24	20.69	0.10
2022	Boiler Motor Replacement	216	4,163.85	8.15%	10	1,938.10	6,101.95	610.20	50.85	0.24
2022	Heat Exchanger and Pipe Replacement	216	4,527.45	8.15%	10	2,107.35	6,634.80	663.48	55.29	0.26
2022	Exterminating	216	7,516.25	8.15%	5	1,660.31	9,176.56	1,835.31	152.94	0.71
2021	Tuckpointing / Siding Repairs	216	18,533.00	8.15%	10	8,626.37	27,159.37	2,715.94	226.33	1.05
2021/22	Roof Repairs	216	398,660.68	8.15%	10	185,560.51	584,221.19	58,422.12	4,868.51	22.54
2021/22	Exterior Painting	216	30,429.94	8.15%	5	6,721.84	37,151.78	7,430.36	619.20	2.87
2022	Hallway Painting and Door Hardware	216	112,322.81	8.15%	5	24,811.60	137, 134. 41	27,426.88	2,285.57	10.58
2021	Trash Chute Door Replacements	216	5,843.17	8.15%	10	2,719.76	8,562.93	856.29	71.36	0.33
2022	Security Improvements	216	1,250.00	8.15%	10	581.82	1,831.82	183.18	15.27	0.07
2022	Landscaping Improvements	216	35,395.12	8.15%	10	16,475.00	51,870.12	5,187.01	432.25	2.00
2021	Concrete Replacement	216	22,582.00	8.15%	10	10,511.01	33,093.01	3,309.30	275.78	1.28
2022	Garage Re-Striping	216	2,675.00	8.15%	10	1,245.10	3,920.10	392.01	32.67	0.15
2021	Model Furnishings	216	4,599.81	8.15%	5	1,016.08	5,615.89	1,123.18	93.60	0.43
2022	Garage Door Replacements	216	11,490.00	8.15%	10	5,348.13	16,838.13	1,683.81	140.32	0.65
2021/22	Garage Maintenance	216	126,890.78	8.15%	10	59,062.55	185,953.33	18,595.33	1,549.61	7.17
2021	Signage	216	1,916.38	8.15%	5	423.32	2,339.70	467.94	38.99	0.18
2021/22	Pool / Fitness Center / Package Room Upgrades	216	611,284.02	8.15%	10	284,528.11	895,812.13	89,581.21	7,465.10	34.56
2021/22	Office Supplies and Management Services	216	49,798.70	8.15%	5	11,000.31	60,799.01	12,159.80	1,013.32	4.69
2021	Common Area Door Replacements	216	57,130.00	8.15%	5	12,619.76	69,749.76	13,949.95	1,162.50	5.38
2021	Balcony Repairs	216	106,886.62	8.15%	10	49,751.42	156,638.04	15,663.80	1,305.32	6.04
2022	Sprinkler Head Replacement	216	1,350.00	8.15%	10	628.37	1,978.37	197.84	16.49	0.08
2021/22	Camera Rewiring	216	15,600.00	8.15%	10	7,261.17	22,861.17	2,286.12	190.51	0.88
2021	Underground Storage Tank Removal	216	44,410.00	8.15%	10	20,671.07	65,081.07	6,508.11	542.34	2.51
2021/22	Electrical Panel Replacement	216	127,217.07	8.15%	10	59,214.43	186,431.50	18,643.15	1,553.60	7.19
2022	Exterminating	216	8,547.05	8.15%	5	1,888.00	10,435.05	2,087.01	173.92	0.81
2021/22	Management Services	216	127,886.92	8.15%	5	28,249.64	156,136.56	31,227.31	2,602.28	12.05
	Total	Date	1,939,923.24			004.045.74	2,744,768.95	323,454.88	26,954.57	124.79

As noted in the letter provided by the HJC, "None of these may be counted in calculating a capital expense amortization included as an operating expense." According to the DSI rules, these improvements should not have been counted as capital improvements, however, this does not nullify the cost incurred by the property. Instead, the initial value of these improvements should have been shifted to other expense lines in the Current Year column of the MNOI.

The list of improvements contains items completed in 2021, 2022, and a combination of the two. The total value of the highlighted items is \$271,644.34. Of this value, \$77,931.34 is directly attributed to 2022 and should have been moved from the capital improvement amortization schedule to a traditional operating expense bucket within the MNOI (Normal Repairs, Other Maintenance, etc.). The remaining improvements could be removed and only the money expended during 2022 could be used as a Current Year operating expense. As a part of the submitted financial documentation, Marquette provided the general ledger for the property which included the costs incurred for each of the reported improvement projects. These could potentially be used to find the total effect of shifting these costs out of the capital improvement amortization schedule and into traditional operating expense buckets if requested. As it stands, shifting only the 2022 exclusive line items, the allowable rent increase would increase from 26.48% to 27.4%. Since these costs would no longer be amortized over 5-10 years, the full cost of the expenditure would be allocated to the 2022 Current Year rather than the annual amortized value, pushing up the allowable rent increase.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

Second, under the Rules, rent increases for unit-specific capital improvements must be allocated to that unit and it is only building wide or common area capital improvements which result in rent increases allocated equally to all units. MNOI Reasonable Return Standard, Rule A(6). The Table includes \$106,886 for balcony repairs. Ground floor apartments do not have balconies and this item must instead be applied to individually benefitted apartments.

DSI STAFF RESPONSE

Balcony repairs are unit specific improvements.

Under DSI's rules for the administration of the Rent Stabilization ordinance, "Rent increases for unitspecific capital improvements must be allocated to that unit." As stated in the letter from the HJC, "MNOI Reasonable Return Standard, Rule A(6). The Table includes \$106,886 for balcony repairs. Ground floor apartments do not have balconies and this item must instead be applied to individually benefitted apartments." It should be noted that this expense is for repairs of an existing structure, not the addition of a new amenity for the upper-level units. While it is true that the ground-level units do not have balconies, the patio space for many of the ground level units is covered by the balconies directly above. If the balconies were to fall into disrepair, this would be a hazard not only for the tenants using the balcony, but also for anyone beneath. With the potential hazards in mind, this capital improvement helps to maintain the safety of all tenants or their property within the vicinity of the balconies.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

Third, the Rules provide that the interest allowed is to be calculated by adding 2% to the "average rate" from a Freddie Mac weekly publication "as of the date of the initial submission of the application." MNOI Reasonable Return Standard, Rule B(2). The calculation in the Table uses 8.15%, implying a Freddie Mac rate of 6.15%. This would be appropriate if Marquette's January 2023 submission was the initial submission of the application. But it was not. A February 1, 2023 email from DSI's Management Analyst is attached as Ex. S11. It indicates that a rent increase exception request was submitted by Marquette on June 14, 2022 and that the attachments referenced at the bottom of that application "are the same ones" as those provided with the January 2023 application. Also attached is a Freddie Mac bulletin from June 9, 2022 that shows an average rate of 5.23%. (Ex. S11.) Under the Rule, then, the appropriate interest rate for a June 14, 2022 rent increase application is 7.23% and that is the rate that must be used in approving any rent increase exception.

DSI STAFF RESPONSE

Incorrect mortgage rate percentage used.

The HJC states that staff used the incorrect interest rate when calculating the capital improvement amortization schedule asserting the rate used, " . . . would be appropriate if Marquette's January 2023 submission was the initial submission of the application. But it was not." Upon review of the application and documents, the initial date of application was in fact January of 2023. The HJC quotes DSI's Management Analyst as stating the documents submitted during Marquette's June 2022 application are "the same ones" submitted during the January 2023 application via email. This is a misunderstanding tied to the submitted documentation being inadvertently attached to an older application that had since been closed.

To maintain the City's security protocols but still make it easy for applicants to submit their documentation, the Rent Stabilization team collects documentation via email. Email attachments are uploaded to the Rent Stabilization database separately from the submission of the application. The date of application and the date of the submitted documents do not necessarily align. In this case, the documents submitted in January of 2023 were inadvertently attached to the old and closed application from June 2022.

Additionally, the attachments in question which are a part of the record, contain full year financial data for 2022 and a calculation involving the Freddie Mac mortgage rate from January of 2023. It would not be possible to have this information in June of 2022.

APPELLANT LEGAL COUNSEL SUPPLEMENTAL LETTER

Operating Expense Error. There is at least one other error in the calculation of operating expenses. Line 8, Manager/Management Services, increases from \$372,502 in 2019 to \$659,811 in 2022, a 77% increase. (Ex. S10.) The Rent Stabilization Rule provides that:

It is presumed that management expenses have increased between the Base Year and the current year by the percentage increase in Rents or CPI, whichever is greater, unless the level of management services has either increased or decreased significantly between the Base Year and the current year. This presumption must also be applied in the event that management expenses changed from owner-managed to managed by a third party or vice versa.

MNOI Reasonable Return Standard, Rule A(5)(b)(ii). As set out above, it is up to the owner to prove an increased level of services justifying a 77% increase in management expenses. DSI has demanded no such proof and the owner has provided none. In fact, Ms. Mohamed's appeal, along with other tenant complaints submitted to DSI both formally and informally, see Ex. S2, S4, S5, show that Haven's management services have been severely lacking: failure by management to respond to tenant maintenance and pest concerns, retaliation from management against tenants who exercise their rights, imposition of utility fees that contravene Minnesota law, ineffective communication, and outright disrespect from management to Haven's tenant population. Therefore, the expense calculation may show Line 8 as no more than the standard maximum set out in the regulation, which is certainly far less than 77%.

DSI STAFF RESPONSE

Increase in Operating Expenses Greater than CPI.

As stated in the HJC letter, "Line 8, Manager/Management Services, increases from \$372,502 in 2019 to \$659,811 in 2022, a 77% increase. The Rent Stabilization Rule provides that: 'It is presumed that management expenses have increased between the Base Year and the current year by the percentage increase in Rents or CPI, whichever is greater, unless the level of management services has either increased or decreased significantly between the Base Year and the current year. This presumption must also be applied in the event that management expenses changed from owner-managed to managed by a third party or vice versa." The DSI Rule MNOI(A)(b) split allowable operating expenses into eight categories:

- Reasonable costs of operation and maintenance of the Rental Unit
- Management expenses
- Utility costs
- Real property taxes
- Property taxes assessed and paid
- License, registration and other public fees
- Landlord performed labor
- Legal expenses

The definitions of these categories are limited but, when combined with the "Exclusions from Operating Expenses" found in DSI Rules MNOI(A)(c), landlords have a general idea of what operating expenses can be reported in their MNOI worksheet. While the rules have only eight categories for operating expenses, the MNOI document begins with 24 separate line items for expenses with additional blank lines to write in other operating expenses which were not considered during the form's creation. The categories listed in the DSI rules are very broad and sweeping, recognizing that not all properties will have identical accounting standards but instead represent the types of expenses which can be considered for a rent increase. The eight categories listed in the DSI rules are not synonymous with expense line items listed in the MNOI, they are merely a guide for staff and landlords to identify appropriate and inappropriate types of expenses.

Taking into consideration the broad and sweeping expense categories provided in the rules in combination with the highly varied properties / property management practices throughout the city, staff must use their experience and judgement to determine what added expenses are reasonable. Typically, the "Management / Management Services" line item is devoted to the cost of an outside management service (e.g., Renters Warehouse, Housing Hub, etc.) or the cost of an onsite property manager for small to medium sized properties. In the Haven's financial documentation, the Base Year financials reported a 'Management Expense' of \$0.00, making any increase greater than CPI if this were to be reported as the sole "Management / Management Service" expense. In the case of the Haven's "Management / Management Services" MNOI line item, it included a large variety of expenses encompassing nearly all administrative and payroll related expenses, many of which could potentially fall under the "Reasonable costs of operation and maintenance of the Rental Unit" category.

During the analysis of an MNOI, it is most important that there is an apples-to-apples comparison between Current and Base Year financials. The Haven filled the MNOI using the same expense categories in the Current and Base Years, however, the quality and comprehensive nature of the bookkeeping between the previous management company and Marquette are considerably different. This led to Marquette's 81 expense lines needing to be aligned with the 29 expense lines recorded by the previous management group and then narrowed even further to fit within the MNOI document. Hopefully this illustrates how the consolidation and simplification of the business's expenses into the confines of the MNOI created confusion surrounding the Haven's Management / Management Services MNOI operating expense line and the rules Management Expenses category.

Related, in many cases viewed by staff, new rental ownership inherits large quantities of deferred expenses from both lacking maintenance and lacking building management. This appeared to be the case for The Haven of Battle Creek. One example of this can be seen when looking at the payroll expenses between the two time periods. Marquette informed DSI staff of the lack of upkeep and minimal onsite staff at the property prior to the transfer of ownership. It can be seen in the financials that 90% of the management expense line in the Base Year is related to 'Contract Labor.' This was the only staffing related expense listed in the Base Year and the comparable expenses¹ under Marquette's management increased by 25%, roughly 10% over the CPI value between these two years. If this figure were to include the contract work expenses for unit turnover, the difference in staffing costs would increase to 35%. Staff have viewed numerous situations in which the growth in expenses outpaced general inflation (CPI) due to a lack of appropriate spending previously.

¹ Comparable expense categories used in the calculation were Payroll and Commissions and Payroll Benefits.

EXHIBIT 1

Association Standard Form Residential Lease	1
Copyright @2015 REVISED August 2015	
RESIDENTI	AL LEASE
THE MINNESOTA ATTORNEY GENERAL'S OFFICE HAS CERTI PLAIN LANGUAGE	
(Minnesota statutes, Sections 325G.29-325G.36). Certifical language contract act is not otherwise an appr	tion of a contact by the Attorney General under the plain roval of the contract's legality or legal effect.
	Ruria Bile /1
RESIDENT (list all persons, and their dates of birth, who will Shukri Mchamed (12.4.99) & Shurmale Mchamed (10.20.0)	Sumey Monamed (11.2 monthe Hevsi (27.15
MANAGEMENT: (enter company name if applicable)Phoenix	Apartments 200 S Winthrop LLC, St Paul MN 55119
STREET ADDRESS OF PREMISES (Apartment)	Cial Internet March
- 1 10	(enter number of months or month-to-month) Mary) S LEASE ENDS (if appropriate) MONTH-TO-MON
NOTICE PERIOD two full months, plus one day written notice	E
MONTHLY APARTMENT RENT 9 1447	LATE RENT FEES 85
OTHER MONTHLY RENT CHARGES (e.g. garage) \$ \$ 1(TOTAL MONTHLY RENT \$1547 sect	URITY DEPOSIT 415 MOVE IN FEE NA
	Other garbage, scwage, gas
	elephone <u>x</u> Other <u>Cable/Internet</u>
(the following is required by Minnesota Statutes, Section 504B.)	
Authorized Manager of Apartment: MAIN STREET COMPANIE	SLLC
Address: 4915 W 35th St. Suite 103, St Louis Park MN 55416	
An owner of the premises or an agent authorized to accept service demands is: <u>MAIN STREET COMPANIES LLC</u>	of process and receive and give receipts for notices and
Address: 4915 W 35th St. Suite 103, St Louis Park MN 55416	
*Where appropriate, singular terms used in this Lease include the p	plural, and pronouns of one gender include all genders.
Additional Agreements(if any). Attached are	Addenda which are made part of this Lease.
Managemont(acting as agent for owner of the premises) and Resid may be made part of this Lease.	
MANAGEMENT .	RESIDENT
MAIN STREET COMPANIES LLC	Signature MAMMMWWW
Signature UIIIPII UUUU	Signature GRUKS BRC
Date10-19	Signature ShVKri Wohamed Date 6-27-19

EXHIBIT 2

Points to consider for the complaint

Name Issues Happening Where You Live

- Nature of the original 90 day notice letter
 - The letter does not share whose unit will be impact, when the 90 days or month to month leases will take place,
 - o It does not provide a means for family to start planning
 - o It was not translate in oromo or Somali
- Issues with the property manager
 - They have sent emails saying that we should not attend resident meetings about the property that they didn't organize
 - Haven't done repairs
 - Unexpected rent increases more than 3%
 - o Have charged money for rent when Section 8 voucher should cover my rent
 - They have been ignored or denied assistance from multiple entities that are supposed to provide services for proper housing.

Household

- · How long have you lived at Haven?
 - o If you've been there a long time this is your HOME
 - If you signed a recent lease and were put into a remodel unit, this is predatory renting because the property had to know this renovation was going to happen and allowed you to move into that unit
- Do you use a housing voucher?
 - Difficult to find housing that takes Section 8 vouchers
 - o You can lose your Section 8 voucher through these processes and it is difficult to get it back

Services Contacted

- Have you contacted any service entity that is supposed to assist and fix the problems but did not respond to you
 or neglected to assist you?
 - St. Paul PHA, city inspector, DSI (Department of Safety and Inspections), Department of Health, fire marshall, etc.

Lynne Ferkinhoff

From: Sent: To: Subject: Ferkinhoff, Lynne (CI-StPaul) Monday, February 6, 2023 4:29 PM sumeyamohamed1121@outlook.com Questions: Inspections Reports + Fire Alarm Systems

Good Afternoon!

Just following up on the questions you asked me Saturday after the meeting with Mayor Carter.

1. Inspection Reports - Where to Get

Follow the click-throughs listed below.

https://www.stpaul.gov > Government > Safety and Inspections > Property Search > Search a Property

Then after you click on "Search a Property," a window called "Property Search" will open. Enter:

- House Number: 200
- Street Name: Winthrop

Then click on:

"Search"

When "Select a Property" populates, click on:

"Select"

Wait for a few seconds and the information listed below will populate for 200 Winthrop.

- Code Compliance Reports
- Permit Information

2. Fire Alarm System - How Loud

Sounding devices in corridors on each floor must be audible in all areas of the building (15 decibels above ambient noise level; 75 decibels minimum at pillow). "At pillow" means when you're head is on a pillow.

Please call me if you want me to walk you through the "click-throughs."

I hope this information is helpful.

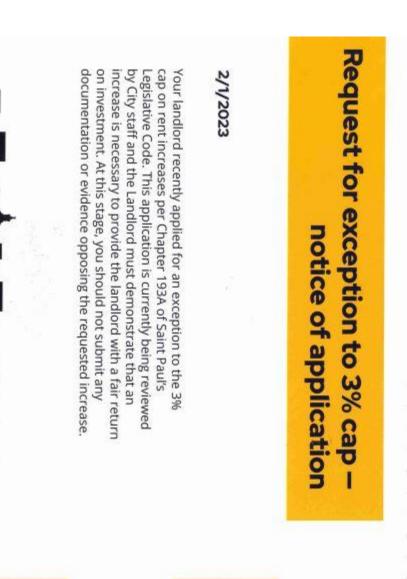
Lynne Ferkinhoff

Management Analyst Pronouns: She/Her Department of Safety & Inspections Rent Stabilization Program 375 Jackson Street Suite 220 Saint Paul, MN 55101-1806 P: 651-266-9110 Jynne.ferkinhoff@ci.stpaul.mn.us www.StPaul.gov



EXHIBIT 4 - Rent Stabilization Contact Card







Mulkiliaha gurigaagu wuxuu dhawaan codsaday in laga dhaafo xantbaadda inuusan ijaarka ku kordhin Karin wax kabid 3% sida uu qabo curubka 193A ee xeerka Sharci dejinta ee Saint Paul. Codsigan waxaa hadda dib u eegaya shaqaalaha magaalada, mulkilihhuna waa inuu muujiyaa in korodhku lagama maarmaan yahay si loo siyo mulkilaha xaqa uu u leeyahay inuu ilaashado maalgashigijaa. Marcaaladdan, waa inaadan soo gudbin wax dukumeenti ama caddayn ka soo horjeeda kororka la codsaday.

Raws II TshooJ 193A ntawm Saint Paul's Legislative Code, koj tus tswv tsev tsis niev ios no tau thov kev zam ios ntawm 3% kev txwv ntawm kev nce nqi xauj tsev. Tus tswv tsev yuav tsum tau ua pov thawij tais yuav tsum tau nce ntov tohawm rau muab tus tswv tsev rov qab ios ntawm kev nqis peev uas tsim myog raws Ii daim ntaw thov no tam sim no raug soj ntsuam los ntawm cov nege ua haujiwm hauv nroog. Koj yuav tsum tsis tohob nthuav tawm cov ncaub ntawi voissis cov ntaub ntawv pov thawj rau key thov nce rau lub sijhawm no.

န ဟဲဉ်/ဟိဉ်ခိုဉ် က၏နှင့် ဖဲတယ်ဘဉ်အကတိပ္မ စူးကါဝဲလ၊ တဂ်ကွက်ကပ် ကိုးအဂ်ိ်းရာ 3% နော လ၊စားဟုဉ်အလဲအပြင်ာ ဖဲလ၊စားအဆင်ခြ 193A Saint Paul's တင်သို့ဝက်သံ အသိအယ်လို၊. လိုမဟာဂ်ထိုင်တင်ဆံ၊ တင်ကျိ ကဒါကျာအခဲ့အပော စုံပြုမှုမဟာဂါမီ ဒီး နယ်၌/ဟိန်မို၌ က၏ကျမြတ်မျှတြက်လ၊ အားမားခါထိုင်အံးနှင့် လိုင်ဘာဉ်ဝဲလ၊ကဟာဉ်ထို့ပြို့တို့မို့၌ က၏ကျမြတ်မျှတြက်လ၊ အားမားခါထိုင်အံးနှင့် လိုင်ဘာဉ်ဝဲလ၊ကဟာဉ်ထို့ ဟိုလို /ဟိန်မိုန်ကာ၏ ယုဒ်ဒီ စားမားခါထိုင်အံးနှင့် လိုင်ဘာဉ်ဝဲလ၊ကဟာဉ်ထို့မို ဟိုလို /ဟိန်မိုန်ကာ၏ ယုဒ်ဒီ စားမားခါထိုင်အံးနှင့် လိုင်ဘာဉ်ဝဲလ၊ကမာနိုက် ဟုဒ်အဝတ်အား နတ ဘာဉ်ဟုဒ်ဒီးဆပ်လို၊ တင်ကွန်မိုင်ကွဲမာဒါတာအမာမံ၊ မတန်၊ တားဆုဉ်သူး၊ လအာ ထိုင်ချင်အနောင်ကျင်တို့ခြင်ကိုသားအမနိုင်လို၊

nied any ation rent solicius s	ម នៅក្នុងស្នាំនេះ នៅទំនាំ នៅទំនាំទាំងទាំង ទោះទាំងទាំង ខេត្តទីទាំងទាំង ខេត្តទីទីនិងនាំ នៅទាំងទាំង និងទាំងទាំងទាំ ទាំងទាំងទាំងទាំងទាំងទោះទោះទោះ ទោះទោះទោះទោះទោះទោះទោះទោះទោះទោះទោះទោះទោះទ	លល់តែនាំ បានស្ថានទីនាស់លើនៅទៅទាត់តែ នាល់នាទ្រីន ហានេះ លើនវិនាទទ័លដែលខ្មែរ បានសំខាន់ទីនៅទំព័រ មុខនាំ លោសន៍នៅទំពា ទំពងនើងទីនៅទាំងនេះ នៅទាំងនេះ នៅទំព័រ នាស់សំហាននេះ នៅទំព័រទីនទ័លនេះ នៅទំព័រទីទឹងទីនទាំងទីនាំនេះទីនីទីនាំទំព័រ នា ១០១ឆ្នាំ ទំព័រទីនាំងនេះ ទាំងនាស់សំខាន់ទីនាំ សំខាន់ទីនាំសំលាននេះ នៅទំព័រទាំងទីនាំងទីនាំងទីនាំងទីនាំងទីនាំទំព័រ ន ទំព័រភ្លាំនាំ លើនទីនាំងនេះ ទាំងនេះ ទាំងទីនាំសំលាននេះ នៅទំព័រទាំងទីនាំសំនាំនាំ នៅទំព័រទាំងទីនាំងទីនាំងទាំងទីនាំន សំនាំនៅទាំងនេះ ទាំងនេះ ទាំងនេះ ទាំងទីនាំសំលាលខេត់នៅទំព័រ នាំងនាំសំនាំនាំនាំនាំងនៅទំព័រទាំងទីនាំងទីនាំងទីនាំងទាំងនាំនាំនាំនាំនាំនាំនាំងនាំនាំងនាំងទាំងនាំនាំនាំន	Lub Nroog tualy seem muab kev tohals lus ua tlav rau koj raws li ghov kev thov. Thov hu rau Rent Stabilization Workgroup ntawm email chaw nyob hauv gab no yog tlas koj muaj lus nug.	Thaum new neeg us headyern fat traav tenis slab seb puss yuav pom zool rosst sis te tees toals daim natwiv thor, tab moog yuav thal tawm nas qhov kerv toar tem stab, thisb koj yuav tau taisi livim daim ntawi ceeb toom. Koj muaj cali thov kom rov hais dua qhov ker staav teim rau Lub Nroeg Tus Thawj Sahi Xyuas kov Cali Li Choj thaum Lub Nroeg tau teeb tsa. Koj yuav miaj tsob hauv kev teiav teim sau tawi tahavit ang tahab cov ius sib cav rau tus tub ceev xwm lub rooj sib hais thaum hib sij hawm thov rov hais dua tawm tsam qhov kev thov kom nee ntulv. Cov ius qhis hais toog yuav ual i cas rov hais dua qhov kev toav taim tab toim naw meto vneeg us haujiwm yuav suav nrog hauv daim naw ceeb toom kev taise teim ua yuav rug xa tawm sai sai rau koj. Tom qab cov neeg ua haujiwm tau toix tum siab tsavg kewg kewg yog 45 hnub, yuav tsis muaj kev noe nqi xauj taev.	Ogeysiska turjumaada buuxda ayaa la heli karsa marka laga codsado Magaalada. Haddii aad wax su'aalo ah qabdd, fadlan la xiriir Kooxda Shaqaalaynta Xakameynta ijaarka adigoo isticmaalaya ciwaanka emaika hoose.	Magssladu waray soo saari doortaa go'aan dhawaan waxaana laguu soo diri dooraa ogeysiis kale marka shaqaaluhu oggolaadaan ama didaan coctaga. Ka dib marka ay Magaaladu ee saarto go'aanka, waxaad wal u yeelan doontaa inaad rafkaan ka qaadato go'aanka Sarkaalka Dhageysga Sharci ee Magaalada, inta lagu jiro racfaanka, waxaad heli doontaa fursad aad ku soo gudbiso wixii dukumeenda ah yoo dool doo joediyo sarkaalka dhageysga ee ka soo horjeeda kwathina la codaaday. Ogeysisia go'aamka saguu soo diri dooro wuxuu ka koothaan doonaa tilmaamo ku saatsam sida aad racfaan uga qaadan karto go'aanka shaqaalaha. Kordhinta laguu soo diri dooroo wuxuu ka koothaan doonaa tilmaamo ku saatsan sida aad racfaan uga qaadan karto go'aanka shaqaalaha. Kordhinta ka'ada lagama yaabo inay dhaqan gasho ilea ugu yarsan 45 maalmood laga bilaaho go'aanka shaqaalaha.	Puede solicitar a la ciudad una traducción completa de la notificación. Si tiene preguntas, comuniquese con el Grupo de Trabajo de Estabili- zación del Alquáler mediante la dirección de correo electrónico que se menciona a continuación.	La ciudad emitrá promo una resolución y se le enviará a usted otra notificación cuando el personal haya aprobado o rechazado la solicitud. Después de que la ciudad emita la resolución, usted tendrá derecho a interponer un recurso de apelación respecto de la resolución ante el funcionario encargado de la sa autiencias legislativas de la ciudad. Durante la apelación, usted tendrá la oportunidad de presentar cualquier documentación y fundamentación al funcionario encargado de las audiencias en oposición al aumento solicitado. La notificación de la resolución que le será enviada a usted pronto, contentrá indicaciones sobre el rinterponer un recurso de opelación resolución del personal. Ningún aumento de alquiler podrá entrar en vigencia hasta transcurridos al menos 45 días desde la resolución del personal.	A full translation of the notice is available upon request from the City. If you have any questions, please reach out to the Rent Stabilization Workgroup using the email address below.	The City will issue a determination soon and you will be sent another notice once staff has approved or denied the application. After the City issues the determination, you will have the right to appeal the determination to the City's Legislative Hearing Officer. During the appeal, you will have the opportunity to submit any documentation and argument to the hearing officer opposing the requested increase. The determination notice that will be sent to you soon will contain instructions on how to appeal the staff determination. No rent increase may take effect until at least 45 days from the staff determination.
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SAINT PAUL MAPRTY & INSPECTIONS 375 Jackson Street Suite 220 Saint Paul, MN 55101-1806



Resident 200 Winthrop St S Apt 117 Saint Paul, MN 55119-5038

Rent Stabilization Workgroup/ Grupo de Trabajo de Estabilización del Alquiler/ Qeybta Xakameynta Ijaarka/ Rent-Stabilization@ci.stpaul.mn.us 651-266-8553

NOA 01/2023



This is not a Final Determination and rent cannot be increased in the next 45 days.

next 12-month period is 26.48%. Capital improvements were also conditionally approved and rent may increase after the

improvements are made.



El dueño de su vivienda solicitó una excepción al límite del 3% de aumento del alquiler según el Capitulo 193A del Código Legislativo de Saint Paul. La excepción ha sido **aprobada** por la ciudad. En virtud de la solicitud del dueño, el aumento máximo permitido para el siguiente período de doce meses es del 26.48%. Las mejoras esenciales también fueron aprobadas de manera condicional y el alquiler puede aumentar después de que se lleven a cabo las mejoras.

Esta no es una resolución definitiva y no se puede aumentar el alquiler en los próximos 45 días.

Mulkiliaha gurigaagu wuxuu dhawaan codsaday in laga dhaafo xanibaadda inuusan ijaarka ku kordhin Karin wax kabid 3% sida uu qabo cutubka 193A ee Xeerka Sharci dejinta ee Saint Paul. Codsigaaas waxaa **ogolaaday** magaalada Saint Paul. Sida ka muuqata codsiga milkiliaha, lacagta loo ogolyahay in milkiluhu ijaarka ku kordhiyo waa 12 ka bilood ee soo socda waa 26.48%. Waxaa kabo si shuruud ku xirantahay lagu soo ansixiyey dayactirka guryaha waxaana laga yaabaa in kirada la siyaadiyo marka. dayactirka lagu sameeyo guriga.

Tshooj 193A ntawm Saint Paul's Legislative Code's 3% tus nqi xauj tsev nce siab tau tawm tsam los ntawm koj tus tswv tsev. Lub Nroog tau **muab Kev** pom zoo rau qhov kev zam. Raws II tus tswv tsev thov, C6.48% yog qhov kev nce siab tshaj plaws uas yuav tso cai rau 12 lub hils tom ntej. Kev tshim kho cov peev nyiaj kuj tseem tau tsais kev pom zoo thiab tej zaum cov nqi xauj tsev yuav nce ntxiv tom qab ua kev tshim kho.

Kev xauj tsev tsis tuaj yeem raug tsa hauv 45 hnub tom ntej vim qhov no tsis yog qhov kev tsiav tsim zaum kawg.

ទុ ល៉ង្ក៍ហង្សំទីង្គី ៣១ត្អែង ចំលុយដែរបង្កែង៣ទាំលូ ធូពេវទៃលរ ចាក់ល្អំពោណ៍ល្អ័រនកំពីឆ្នេ 3%cap លាចាំហ្វេង្ការសំនៅល្អិង ចែលចោះនលាស្អី 193A Saint Paul's ចាងស្អីចាាំសំ ធាសំនារសិសំ. ចាំហើញយ៉ាស្ល័ងដូវី**នាងស្រីសំណ្ហេត្តិស៊ី**ងឺម្បីលាប់ផ្តស្តិលីរ. ចាំសំហេតុីទីង្គីហា ១) សេីហថាលិស្តិ៍ចាំបានផ្លែវ ធានាំពាលាមែរនៅលើដុំជ្យ លារផ្សាយ12 លនៃនាាាចាំរី ផុង្ក 26.48%ស្តភិស័រ. ចាសែសាហុយដំកូនាំណើង ចុះទីភូទិសាករ ជាដុំលាំអុង្គ បុង្គិរយក់វិងធាសំណើដូនលេខាមែរនៅលើដុំខ្មាស់ទោះ ជាដុំលាំហេដូកំបាំ បុង្គិរយក់វិងធាសំណើដូនលេខាល់ ចាំទីសំណាដូ ខាងស្វាយរុង បានជាជាំដុំជំ មលាសែ លក់ហុលើក្នុំនៅយើងបានក្នុំ ជាដូលាំមេនើលេខាសុងស្តីសុំសំ.

တင်အံုတမှာ လေခံကတက်တာမလေိတာ်တာ ဒီး တပ်တွင်အလဲတအပါထို၌ မဲဆူညပါ 45သိအတိာ်

