From: Jim Bush

To: <u>*CI-StPaul RentAppeals</u>

Cc: pennybrown744@gmail.com; *CI-StPaul RentAppeals

Subject: Re: Recommendation Letter - REVISED

Date: Thursday, January 9, 2025 12:10:52 PM

Thank you for your e-mail. Yes, I did receive the proposed resolution on January 7 at 5:06 pm. And yes, I do see the proposed resolution only mentions the allowed persentage rent increase and does not specify a particular amount.

However, the wording of the proposed resolution "accepts and adopts the Legislative Hearing Officer's recommendation in this matter" and, as such, by implication, accepts and adopts the Hearing Officer's January 7, 2024 letter which does contain amounts, which as stated in my emailed letter yesterday, appellants believe are incorrect. The Hearing Officer also pronounces approval of a separate garage rent increase, which appellants find distressingly inconsistent with the Rent Stabilization code.

For these reasons, I will appear at the January 15, 2024 City Council meeting to appeal the Hearing Officer's recommendation.

Sincerely, Jim Bush

Sent from my iPad

On Jan 8, 2025, at 4:41 PM, *CI-StPaul_RentAppeals <RentAppeals@ci.stpaul.mn.us> wrote:

Hi Jim,

Thank you for your email. Below is the language from the proposed resolution, which outlines the percentage allowed for the rent increase but does not specify a particular amount:

WHEREAS, in the matter of James W. Bush and Linda D. Dear, tenants, to a Rent Stabilization Determination at 1391 Hazelwood Street, Apartments 10 and 11, the Legislative Hearing Officer has reviewed the appeal and considered the testimony of City staff and the appellants;

WHEREAS, the Legislative Hearing Officer recommends denial of the appeal, allowing a maximum 8% in rent, inclusive of parking as a housing service; Now, Therefore, Be It RESOLVED, that the Saint Paul City Council hereby accepts and adopts the Legislative Hearing Officer's recommendation in this matter.

This information was emailed to you yesterday at 5:06 PM.

The appeal pertains to the DSI determination of the maximum rent increase as a percentage. The application and timing of the increase fall outside the scope of this process

and will be incorporated into the lease agreement. Any concerns about specific lease terms that appear to violate the final determination should be submitted as a formal complaint to DSI for further investigation.

Please let me know if you need additional clarification. Best regards,

Janie Vang
Executive Assistant | She/her
Rent Stabilization
15 W Kellogg Blvd., City Hall
Saint Paul, MN 55102
P: 651.266.8568 janie.vang@ci.stpaul.mn.us
<image001.png>

From: Jim Bush < jimbush47@hotmail.com> Sent: Wednesday, January 8, 2025 9:59 AM

To: *CI-StPaul_RentAppeals <RentAppeals@ci.stpaul.mn.us>

Cc: pennybrown744@gmail.com

Subject: Re: Recommendation Letter - REVISED

Herein is appellants' letter of concerns/questions as promised yesterday:

James W. Bush

Linda D. Dear

1391 Hazelwood Street

Apts. 10 and 11

Saint Paul, MN 55106

8 January 2025

Ms. Janie Vang

Executive Assistant

Rent Stabilization

15 W. Kellogg Blvd., City Hall

Saint Paul, MN 55102

Re: Appeal of Rent Exception Granted to Penelope A. Brown; Issues/Questions re the Implementation of the Hearing Officer's Recommendation

Dear Ms. Vang:

Thank you for providing us with the opportunity to provide concerns/questions re the Recommendation of the Hearing Officer in the above-referenced matter.

We believe that the chart reflecting the implementation of the Hearing Officer's Recommendation in this matter is in error for reasons that follow.

As provided by appellants in Exhibit 1 of their submitted Statement of Appeal with Supporting Documents, Penelope A. Brown (hereinafter "Brown"), in June, 2024 letters, notified the appellants that their respective apartment rents would be increased by 3% for the coming year beginning August 1, 2024. Thus, the current rental year began August 1, 2024. This date is important because Saint Paul's Rent Stabilization ordinance states in Section 193A.04: "No landlord shall demand, charge, or accept from a tenant a rent increase within a 12-month period that is in excess of three (3) percent of the existing monthly rent for any residential rental property except as allowed under Sections 193A.08 or 193A.08."

This means, appellants submit, that the grant of the rent exception of up to a maximum of 8 percent allows Brown to raise the rent a maximum of 8 percent for the balance of the rental year begun August 1, 2024. However, such a raise must reflect the fact that rents already had been raised 3 percent. Otherwise, appellants would incur a rent increase of (8% on top of 3%) more than 11 percent, which is in excess of the exception granted. Similarly, the proper 8 percent increase cannot be accomplished by simply increasing the appellants' current rent by 5 percent. As the following example illustrates, using \$1000, simply increasing appellants' rent by 5 percent results in an increase in rent for the rental year in excess of 8 percent, which exceeds the maximum exception granted.

\$1000 x 8% = \$1080, and increase of **\$80**, versus \$1000 x 3% = \$1030, an increase of \$30 \$1030 x 5% = \$1051.50, an increase of %51.50 \$30 + \$51.50 = **\$81.50**

The simplest and easiest way of determining the appropriate 8 percent increase in line with the Hearing Officer's recommendation (specifically, that apartment and garage rent should be combined before applying the percent increase), is to go back to the rent at the beginning of the

rental year, and apply the 8 percent to the combined apartment and garage rent figures:

For James W. Bush —

 $$800 + $75 = $875 \times 8\% = 70 , for a total apartment and garage rent of \$945.

For Linda D. Dear —

 $$900 + $75 = $975 \times 8\% = 78 , for a total apartment and garage rent of \$1053.

As calculated in this straightforward way, these are the maximum rents that can be charged for appellants during the balance of the rental year.

Also in light of the Hearing Officer's holding/recommendation, the rent charged appellants beginning August 1, 2024, exceeded the maximum of 3 percent then authorized under the Rent Stabilization code.

The maximum allowable rent for appellant Bush was ($\$800 + \$75 = \$875 \times 3\% = \26.25) \$901.25 and for appellant Dear ($\$900 + \$75 = \$975 \times 3\% = \29.25) \$1004.25. This means that, for each month beginning August 1, 2024, appellant Bush paid (\$924 - \$901.25 =) \$22.75 and appellant Dear paid (\$1027 - \$1004.25) \$22.75 more than allowed under the Rent Stabilization code. These overcharges should be returned to the appellants. This claim was not addressed in the Hearing Officer's Recommendation, perhaps because the claim was submitted separately in a December 9, 2024 complaint letter to Rent Stabilization, but these overcharges need to be addressed and resolved.

Thank you again for providing this opportunity to submit question/concerns.

Sincerely,

James W. Bush

Linda D. Dear

Cc: Penelope A. Brown, via <u>pennybrown744@gmail.com</u>

On Jan 7, 2025, at 5:06 PM, *CI-StPaul_RentAppeals < RentAppeals@ci.stpaul.mn.us wrote:

Here is the language in the proposed resolution, which speaks only to the % and not a specific amount.

WHEREAS, in the matter of James W. Bush and Linda D. Dear, tenants, to a Rent Stabilization Determination at 1391 HAZELWOOD STREET, APARTMENTS, 10 AND 11, the Legislative Hearing Officer has reviewed the appeal and considered the testimony of City staff and the appellants;

WHEREAS, the Legislative Hearing Officer recommends denial of the appeal, allowing a maximum 8% in rent, inclusive of parking as a housing service; Now, Therefore, Be It

RESOLVED, that the Saint Paul City Council hereby accepts and adopts the Legislative Hearing Officer's recommendation in this matter.

From: Jim Bush < jimbush47@hotmail.com > Sent: Tuesday, January 7, 2025 10:07 AM

To: *CI-StPaul RentAppeals < RentAppeals@ci.stpaul.mn.us>

Cc: pennybrown744@gmail.com

Subject: Re: Recommendation Letter - REVISED

Thank you for catching this discrepancy. I have two more issues/questions re the chart. But on December 30th I had significant surgery, and I am just about to go meet the surgeon for a post-op review and further recovery recommendations. Nonetheless, I will provide my concerns no later than tomorrow morning. Thank you for your patience and understanding.

Sincerely, Jim Bush

Sent from my iPad

On Jan 6, 2025, at 5:42 PM, *CI-StPaul_RentAppeals < RentAppeals@ci.stpaul.mn.us wrote:

Please see updated letter with changes rent for Mr. Bush's unit. Mr. Bush used 2 figures in the hearing for apartment rent - \$900 and \$824. \$824 appears to be the second and accurate number. Please advise if this is not the case.

From: *CI-StPaul_RentAppeals

Sent: Monday, January 6, 2025 10:33 AM **To:** Jim Bush < <u>jimbush47@hotmail.com</u>>;

pennybrown744@gmail.com
Subject: Recommendation Letter

Good morning all, Please see the attached documents and let us know if you have any questions.

Kind regards,

Janie Vang
Executive Assistant | She/her
Rent Stabilization
15 W Kellogg Blvd., City Hall
Saint Paul, MN 55102
P: 651.266.8568 janie.vang@ci.stpaul.mn.us
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<1391 Hazelwood St Apts 10 & 11 REVISED LHO Rec Ltr 1-7-25.pdf>