

CITY OF SAINT PAUL

OFFICE OF THE CITY COUNCIL 310 CITY HALL 15 WEST KELLOGG BOULEVARD SAINT PAUL, MN 55102-1615 Marcia Moermond, Legislative Hearing Officer EMAIL: rentappeals@ci.stpaul.mn.us PHONE: (651) 266-8585 FAX: (651) 266-8574

January 6, 2025

James W. Bush 1391 Hazelwood Street Apt. 10 St. Paul MN 55106

Linda D. Dear 1391 Hazelwood Street Apt. 11 St. Paul MN 55106

VIA U.S. MAIL & EMAIL: <u>Jimbush47@hotmail.com</u>

VIA U.S. MAIL

Re: Rent Control Appeal of James W. Bush and Linda D. Dear for properties at <u>1391</u> <u>Hazelwood Street, Apts. 10 and 11</u>

Dear Mr. Bush and Ms. Dear:

I have reviewed your separate appeals, other materials submitted and relevant codes and policies regarding the proposed rent increase for your apartments at 1391 Hazelwood Street, Apartments 10 and 11. The appeal specifically pertains to the Department of Safety & Inspections (DSI) Determination to allow for up to an 8% rent increase for all the units in your building. Your appeals apply only to the units you occupy. Based on this review, I am recommending your appeal be *denied* by the City Council. Pursuant to Saint Paul Legislative Hearing Code 193A.07(g), any rent increase subject to the appeal may not be imposed until the City Council has made a final determination on the appeal and application for an exception to the cap.

Summary of Facts and Considerations

- 1391 Hazelwood Street, Apartments 10 and 11 are a part of a 17-unit residential structure in Saint Paul's Greater East Side.
- The building has a Class A rating from its last Fire Certificate of Occupancy inspection March April of 2023. No deficiencies were noted for Unit 11 at the beginning of the inspection process March 8, 2023. Three deficiencies were noted for Unit 10, all of which were addressed by April 27, 2023.
- The proposed rent increase for Apartment 10 (Bush) is from \$900 to a maximum of \$972. The rent increase for Apartment 11 (Dear) is from \$927 to a maximum of \$1,001.
- A number of complaints were filed by Mr. Bush in the week prior to the hearing. It is possible that fact finding in those complaints would touch on issues covered in this appeal. For example, a complaint was filed with the Human Rights and Equal Economic Opportunity Office with respect to ageism and perceived slow window replacement in capital improvement activities. However, the complaint is arguing ageism as a human rights violation, and the remedy for such a violation is found with the City's human right's ordinance and the rules governing its administration.

- An additional increase is being imposed on garage parking for both Bush and Dear from \$75 to \$100 per month. Tenants who use the parking lot and do not use a garage space, do not pay for parking.
- Parking is considered a housing service, per the Saint Paul Legislative Code (SPLC). Notably, the code does not distinguish between garage parking as an "add-on" expense and free parking in a lot.

Saint Paul Legislative Code (SPLC) Chapter 193A Residential Rent Stabilization – Section 193A.03 Definitions (i) Housing Services.

Housing services. Housing services include but are not limited to repairs, maintenance, painting, light, hot and cold water, elevator service, window shades and screens, storage units, kitchen, bath, and laundry facilities and privileges, janitorial services, utilities that are paid by the landlord, refuse removal, furnishings, telephone services, vehicle parking spaces, the right to have a specified number of occupants, and any other benefit, privilege, or facility connected with the use or occupancy of any rental unit. Housing services to a rental unit shall include a proportionate part of services provided to common facilities of the building in which the unit is contained.

Given the ambiguity in the code, I will recommend that a maximum of 8% increase of rent be applied to the sum of the rent and garage parking expense, as outlined below:

	Current Rent & Parking	8% Maximum Rent & \$25 Garage Increases
Apt. 10 (Bush)	Apartment Rent \$900	Inferred Maximum Apt Rent \$953
	+ Garage Rent \$75	+ Garage Rent \$100
	= \$975	Maximum Allowable Sum= \$1,053
Apt. 11 (Dear)	Apartment Rent \$927	Inferred Maximum Apt Rent \$982
	+ Garage Rent \$75	+ Garage Rent \$100
	= \$1,002	Maximum Allowable Sum = \$1,082

This matter will go before the City Council at a Public Hearing on Wednesday, January 15, 2025, at 3:30 pm. in Room 300 City Hall. If anyone is contesting my recommendation, they may:

- 1. Appear in person (please arrive before 3:30 pm and check in with staff outside Council chambers upon arrival) or
- 2. Address the Council directly by phone by registering no later than noon on Tuesday, October 22, 2024 using this link: <u>https://www.stpaul.gov/department/city-council/city-council-public-hearing-live-testimony</u>.
- 3. Send a written statement for your appeal by emailing rentappeals@ci.stpaul.mn.us.

If no one wishes to contest, the Council will proceed with my recommendation above without discussion. If you have any questions, please call the Appeals Line at 651-266-8585 or email rentappeals@ci.stpaul.mn.us.

Sincerely,

s/s

Marcia Moermond

Copy: Penelope A. Brown, Hazelwood Street Properties LLC, 4819 Azelia Ave N Apt. 11, Brooklyn Center, MN 55429, VIA U.S. MAIL & EMAIL <u>pennybrown744@gmail.com</u>

Rent Stabilization Staff