

August 2, 2012

Ms. Marcia Moermond
Legislative Hearing Officer/Senior Policy Analyst
City of St. Paul
310 City Hall
15 Kellogg Blvd., West
Saint Paul, MN 55102

Re: 8/6 legislative hearing on 1111 Case Avenue

Dear Ms. Moermond:

In 2003, we moved with our children from a lifetime in the suburbs to the east side of St. Paul in order to intentionally engage issues of poverty and social justice. We got to know many of our neighbors and in 2005, we all worked together to start a non-profit, the Lift (www.theliftecdc.org), to work with at-risk youth and their families in our neighborhood.

In 2005, we put almost all of our savings toward buying a rental house for a neighbor we came to be friends with. She was a single mom with six kids, working to try to make ends meet and receiving no child support. She had faced two evictions in the 18 months since we met her, and we bought the house to help stabilize their housing. The house (1111 Case) is two blocks from our own house. We paid \$160,000 for it and best estimates put its value at about half of that today.

Our original tenant moved out of state after two years (she has now moved back and is employed by our non-profit). We've had two tenants in the last four years, and have worked closely with the city, Section 8, and the fire inspectors to keep the property up-to-date and safe. We have passed all inspections and made all repairs before the due dates, as city and Section 8 records will confirm.

In our first fire inspection, one of the five bedrooms was declared not a bedroom due to its size. In spring of 2012, the fire inspector made the judgment that two of the remaining four bedrooms cannot be counted as bedrooms as the majority of the ceilings are slanted. We appealed this decision and lost, meaning we are left with a house that we have not even come close to breaking even on, that is worth half of what we owe on it, and that can now rent for far less than our monthly payment. Throughout the years we have owned the house, 8 or 9 inspectors have looked at the house from various St. Paul or county agencies and declared the bedrooms adequate. This house was a Section 8, five-bedroom house for many years before we bought it.

Sometime this spring, our current tenant, whose rent is paid by Section 8, stopped paying her Xcel bill and the power was shut off. This means that she cannot live there and also that we cannot do the few repairs the fire inspector asked us to do, as there is no power in the house.

Due to the reduced rooms, we received notice from Section 8 that the tenant will vacate by August 31. In the interim, we called Xcel to have the power switched into our name so that the repairs can be made by the August 6 deadline, and so that the tenant can have somewhere to live during this month and have the power on while she packs up and moves. We are not asking the tenant for reimbursement of the August Xcel bill. Despite several conversations up the chain of command at Xcel and three assurances that they would turn the power on, they ultimately decided they would not turn it on until the tenant moves out. They stated that they are trying to combat fraud. This is ironic, as we have neighbors who have put their power into the names of multiple relatives over the past 9 years in order to get power turned back on. In our case, we OWN the house and want the power turned back on to repair it and provide housing for someone else. Xcel will not tell us the amount of her bill and since it is likely thousands of dollars, we cannot afford to pay it anyway.

We have contacted our tenant's Section 8 caseworker (Kaohnou Yang) as well as our tenant to offer to let her out of her lease with one week's notice. We told her caseworker we would send back a prorated amount of her August rent once she is out so that it can be put toward her next residence.

At this point, we have a house full of our tenant's possession, no tenant, a five-bedroom house that is now a two-bedroom house, a utility company that is refusing to turn power on in our name at a house we own, a house worth half of what we paid for it (and much less than our mortgage payoff), and an unpaid water bill totaling nearly \$300 that we will be responsible for. We also received an \$1100 bill from the city for a registered vacant property. We are facing criminal action and there is now a meeting on the matter that we are not invited to attend. As far as we can see, there is absolutely nothing that we can do at this point that we have not already done or tried to do. We are surrounded by houses managed by slumlords all over the east side, and many times we have made needed repairs for our neighbors at no charge. We voluntarily chose to move to the east side and invest in the community. This situation ensures that well-meaning people, including us, will never step in and try to partner with our community leaders to make a difference.

Our contribution to the well-being of St. Paul includes providing housing for under-resourced people, providing programming for area teens, and employment for six area teens and two adults, renting long-vacant space for our non-profit on Payne Avenue, and working to foster a sense of community across ethnic and socio-economic differences on the east side. It would be helpful if the city was a partner and supporter rather than a challenge to our efforts.

Sincerely,

Sandra Mayes Unger
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