

HADAC LAW OFFICE PLLC

VIA EMAIL TO Contact-Council@ci.stpaul.mn.us

August 15, 2023

15 West Kellogg Blvd
310 City Hall
St. Paul, MN 55102

Re: **Objection and Intent to Appeal**

Property Owner: Seventh Place Apartments LLC

Project: St. Paul Downtown Improvement District Proposed Service Charge

Property Address: 9 7th Place West (the "Property")

Property ID: 06-28-22-21-0079

Dear Mayor, City Clerk, and the St. Paul City Council Members:

I am legal counsel for the Seventh Place Apartments LLC ("SPA"), a Minnesota limited liability company and owner of the Property.

This letter is intended to serve as SPA's written objection to any service charge being imposed against the Property relating to the St. Paul Downtown Improvement District.

SPA objects to the proposed service charge for three main reasons. First, over the course of the last few years, it has become very apparent that the Downtown Improvement District provides no increased level of service compared to the service that is ordinarily provided throughout the city from the general fund revenues. In any event, the proposed service charge greatly exceeds the amount needed to pay for any alleged increase level of service in violation of Minn. Stat. § 428A.03, subd. 1 and other laws. This is likely why the Revised Notice of Public

Hearing provides no detail of the charges (and indeed the “total estimated budget for full program implementation in year 2024” varies from \$1,324,240 on the Revised Notice to \$1,299,240 on the Proposed Service Charge sheet). What is the accurate number? The City has failed to provide any such notice.

Secondly, the vast majority of the Property consists of residential units for lower income individuals, many of whom are on some form of assistance program. Such residential properties are simply not subject to special service district charges under Minn. Stat. § 428A.02, subd. 1. If the city wants affordable housing, then it should reconsider trying to add special service charges against residential properties in violation of the law.

Lastly, SPA is just one of several owners of the Property. The other fee title owners of the Property received no notice of the upcoming hearing as required by law and therefore any service charge against the Property would be illegal.

Sincerely,

/s Kelly S. Hadac

Kelly S. Hadac, Esq.
Attorney at Law
khadac@yahoo.com