

Department of Safety & Inspections
Staff Report
Rent Stabilization Appeal

1640 Edgerton Street

On April 29, 2026, the Department of Safety & Inspections received a staff determination application for an exception to the 3% rent increase cap per ordinance 193A. The application is for 1640 Edgerton Street - a three-level single-family home with detached garage. The intake form is part of the record and Robert Fox is listed as the applicant. Mr. Fox bought the property in 2005 and owns it with Amanda Fox.

The application proposes a rent increase of 24.41%. The applicant indicated on the intake form that increases will apply on July 1, 2026 or August 1, 2026, depending on the City's processing time. The reasons for the increase listed in the application include:

- "An increase in real property taxes"
- "An unavoidable increase in operating expenses"
- "A decrease in rental income"
- "Just Cause Vacancy"
- "An increase in living space, furniture, furnishings, or equipment"

On April 30, 2026, the applicant submitted a completed Maintenance of Net Operating Income (MNOI) worksheet, Rent Roll and document containing attachments that will support the data presented in the MNOI.

The owner occupied the house from June 16, 2025 to June 24, 2025 and worked approximately 16 hours a day on remediation, repair and rehabilitation of the home following a court-ordered eviction. The work included:

- Cleaning, disinfecting and restoring environments contaminated with biohazards.
- Remediating and repairing damage beyond normal wear and tear.
- Performing general maintenance.
- Engaging a handyman for contractor-assisted work.
- Cleaning the interior.

The current tenants took occupancy on July 1, 2025 and pay for gas, electricity and water / sewer directly. The landlord pays for garbage and recycling removal and alley plowing (\$75 annually), but passes the cost for these services to the tenants. The tenants receive a monthly maintenance credit of \$200 / month as compensation for yardwork and snow removal if certain criteria are met.

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On May 7, 2026, staff mailed Notice of Application letters to the current tenants. Staff subsequently:

- Reviewed the application and approved a 14.8% rent increase.
- Mailed Determination letters to the current tenants (June 17, 2026).
- Emailed a Determination letter to the applicant (June 17, 2026).

The applicant appeals the approved rent increase exception under the MNOI standard. The applicant believes that his MNOI worksheet supports an allowable rent increase of 23.12%. The difference arises from a methodological dispute regarding the treatment of Line 2 - Portion Attributable to Vacancy - specifically whether the application of a last month's rent deposit collected in prior year constitutes current year rental income.

The tenants appeal the approved rent increase exception because they haven't occupied the property for a year and the rent is already being increased. Additionally, the tenants state that they have put thousands of dollars into the outdoor property, increasing property value and enhancing curb appeal, which they feel should be taken into consideration. The tenants note that they complete \$200 worth of yard work and landscaping per week.

The last Fire Certificate of Occupancy inspection for 1640 Edgerton Street took place on May 23, 2019. The property was given a Class A rating. The property was due for a renewal inspection on April 3, 2025. There were no open code cases when the rent increase exception application was approved.