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## City overcharges renters, lawsuit claims

### No complaints have been received, says a Honolulu spokesman

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Low-income tenants of Westlake Apartments in Salt Lake filed a class-action lawsuit against the city in federal court Thursday for allegedly overcharging them rent for at least the past 10 years.

The city owns the 95-unit housing project, which is subsidized by the U.S Department of Housing and Urban Development's Section 8 Loan Management Program.

Under federal guidelines the city can charge no more than 30 percent of a person's income for rent, minus a set allowance for utilities paid for by the tenant. The city is supposed to adjust rents whenever utility rates increase by more than 10 percent.

But according to records obtained by Lawyers for Equal Justice, the city has not adjusted the utility allowance for at least the past 10 years, said Victor Geminiani, LEJ executive director.

"Someone's been asleep at the wheel, clearly," he said.

Geminiani said one client pays \$510 per month rent minus her \$40 utility allowance. He said the city is overcharging her \$110 because the allowance should be \$150.

City spokesman Bill Brennan said the city has not yet seen the lawsuit and therefore cannot comment on it. However, he said no tenant has complained to the city about his or her rent.

Geminiani said he is not aware of any tenant who was forced to move out of Westlake because he or she could not afford the rent.

He said Lawyers for Equal Justice discovered the alleged overcharging about a month and a half ago. The lawyers group has not contacted the city about its discovery because the way to resolve the dispute is through a lawsuit, Geminiani said.

Lawyers for Equal Justice has filed and settled similar class-action lawsuits against the state in both state and federal courts. In one of those lawsuits the city agreed to repay some of its tenants \$2.3 million for overcharging them rent for two years, Geminiani said.

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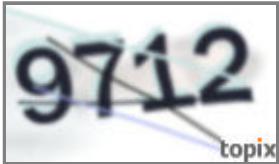
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