

From: peterb3121@hotmail.com
To: shari.moore@ci.stpaul.mn.us; robert.humphrey@ci.stpaul.mn.us
Subject: FW: Government Data Request for DSI's Orders for 1205 and 1225 Westminster and the "Priority Spreadsheet" for 1205 and 1225 Westminster
Date: Fri, 9 Mar 2012 01:43:13 +0000

Ms. Moore and Mr. Humphrey:

Thank you for sending the requested DSI orders, dated March 5, 2012.

However, the requested "priority spreadsheet" referred to in DSI's previously received "Westminster Benchmarks 2-17-12.doc" was not provided. Instead, what was sent (in addition to the March 5 orders) was simply a .pdf version of a previously received document, "Westminster Benchmarks 2-17-12.doc". The "Westminster Benchmarks 2-17-12" document refers to the "**priority spreadsheet**" and incorporates it by reference but is not itself the "priority spreadsheet." Please send an e-copy of the "**priority spreadsheet**" and any updates thereto that exist, as requested on 2/23/12 and 2/27/12 and most recently in paragraph 3 and 4, highlighted in red below in my March 6 e-mail.

Thank you.

Peter W. Brown
612-824-6533

From: peterb3121@hotmail.com
To: shari.moore@ci.stpaul.mn.us; robert.humphrey@ci.stpaul.mn.us
CC: amy.brendmoen@ci.stpaul.mn.us
Subject: Government Data Request for DSI's Orders for 1205 and 1225 Westminster and the "Priority Spreadsheet" for 1205 and 1225 Westminster
Date: Tue, 6 Mar 2012 03:16:55 +0000

Ms. Moore and Mr. Humphrey:

1. DSI inspectors re-inspected 1205 and 1225 Westminster today (Monday March 5, 2012) and additional orders are expected. Please forward electronic copies of any orders based on today's re-inspection.
2. If DSI has updated the "Westminster Benchmarks 2-17-12.doc" document (copy attached) or created another document(s) establishing additional benchmarks or for tracking progress on deficiency-correction at 1205 and 1225 Westminster, please send an electronic copy of any such document.
3. We previously (2/23/12 and 2/27/12) requested an electronic copy of the "priority spreadsheet" referred to in DSI's "Westminster Benchmarks 2-17-12.doc" document (copy attached). We renew our request for that "priority spreadsheet."
4. If the "priority spreadsheet" referred to in #3 has been updated or superseded by any subsequent document, please send an electronic copy of such updated and/or superseding document(s).
5. Please send an electronic copy of any contract or other communication received by the DSI from any party (Receiver, Tri-Ken Management Company, or other) regarding extermination

work at 1205 and 1225 Westminster.

Thank you for your assistance.

Peter W. Brown
612-824-6533

From: peterb3121@hotmail.com
To: shari.moore@ci.stpaul.mn.us
CC: robert.humphrey@ci.stpaul.mn.us; amy.brendmoen@ci.stpaul.mn.us
Subject: Clarification: Government Data Request for a "Priority Spreadsheet" for 1205 and 1225 Westminster
Date: Mon, 27 Feb 2012 19:03:25 +0000

Ms. Moore and Mr. Humphrey:

By inadvertence, the previous request for the DSI's "priority spreadsheet" (2/23/12) did not attach the DSI "WestminsterBenchmarks") document that refers to the "priority spreadsheet" document and did not forward the message that contained the DSI "WestminsterBenchmarks" document that refers to the "priority spreadsheet".

This message corrects that error, attaching the DSI "WestminsterBenchmarks" document and forwarding the intended message from the DSI, the message that had attached the "Westminster Benchmarks" document that refers to the "priority spreadsheet document" that I seek with this request.

I regret any confusion and hope this helps identify the "priority spreadsheet" document" thta is the subject of this request, if any help was needed.

Peter Brown 612-824-6533

Dear Ms. Moore and Mr. Humphrey:

Re: Request for Government Data, a "priority spreadsheet"

The "benchmarks" document forwarded (see below) by Mr. Westenhofer at his supervisors' request and received today refers at several places to a "priority spreadsheet", a document apparently separate and distinct from the "Westminster Benchmarks 2-17-12.doc" document. From the context, it is quite possible that the "priority spreadsheet" referred to is a document that allows for tracking repair progress on a "deficiency-by-deficiency" or "order-by-order" basis. In any event, such a government document appears to be quite relevant to this undertaking, so I request that it be forwarded electronically at your earliest convenience.

Thank you for your professionalism and assistance with these requests.

Peter W. Brown 612-824-6533

Date: Wed, 22 Feb 2012 15:36:44 -0600
From: Sean.Westenhofer@ci.stpaul.mn.us
To: peterb3121@hotmail.com
Subject: **Westminster Benchmarks 2-17-12.doc**

St. Paul Code of Ordinances, Part II Legislative Code, Title III Enforcement and Appeal, Chapter 18 Legislative Hearing Officer

Sec. 18.01. - Legislative hearing officer.

In order to hear and decide appeals of orders, decisions or determinations made by the enforcement officers relative to the enforcement of health, housing, building or fire codes contained in the Saint Paul Legislative Code, and in order to hear appeals and make determinations relative to safe pedestrian crossing areas under section 156.05 and newsracks under chapter 131 of the Saint Paul Legislative Code, there shall be and is hereby created a legislative hearing officer. The legislative hearing officer shall be a city employee appointed by the president of the city council. The legislative hearing officer shall have the authority to hear appeals to orders, decisions or determinations of the enforcement officers or others and make recommendations to the city council. The hearing officer shall not have the power to grant waivers of the Minnesota State Building Code. All matters, orders, decisions and determinations of the hearing officer shall be forwarded to the city council in resolution form within ten (10) days of the hearing officer's actions. The city council shall have the authority to approve, modify, reverse, revoke, wholly or partly, the hearing officer's orders, decisions or determinations and shall make such order, decision or determination as ought to be made. All matters, orders, decisions and determinations of the hearing officer, being recommendations to the city council, are not subject to judicial review.

(C.F. No. 95-105, § 1, 3-22-95; C.F. No. 00-550, § 3, 11-22-00; C.F. No. 01-277, § 2, 7-5-01; C.F. No. 02-125, § 1, 3-6-02; C.F. No. 09-312, § 1, 4-8-09)

Sec. 18.02. - Hearing petition, filing, fee, notice.

Any property owner affected by any order which has been issued in connection with the enforcement of a health, housing, building or fire code, or any rule or regulation adopted pursuant thereto, or any newsrack owner affected by any decision made pursuant to section 131.70(B) of the St. Paul Legislative Code, may request and shall be granted a hearing before the legislative hearing officer on all matters set forth in such notice; provided, that such property or newsrack owner shall first file with the legislative hearing officer a written petition requesting such hearing and setting forth a brief statement of grounds therefor within ten (10) days after the date the original notice of code violations, or within ten (10) days after the date on which notice of the newsrack decision under section 131.70(B), was issued.

The filing fee for such petition shall be twenty-five dollars (\$25.00) except that where there is financial hardship, the hearing officer may waive this filing fee subject to the approval of the city council.

Upon receipt of such petition, the hearing officer shall set a time and place for such hearing and shall give the petitioner written notice thereof. The hearing shall be commenced not later than thirty (30) days after the date on which the petition was filed.

St. Paul Code of Ordinances, Part II Legislative Code, Title VI Building and Housing, Chapter 34 Minimum Property Maintenance Standards For All Structures and Premises, Chapter 32 includes

Chapter 34 of the St. Paul Legislative Code

<http://library.municode.com/index.aspx?clientId=10061> includes . . .

Title VI - BUILDING AND HOUSING ^[19]

Chapter 32.	Collection of Municipal Solid Waste for Residential Properties and User Charge
Chapter 33.	Building Code and Inspection
Chapter 34.	Minimum Property Maintenance Standards For All Structures and Premises

Sec. 34.28. - Procedure.

In addition to the punishments provided in this chapter, the city, through the officer charged with the enforcement of the various provisions of this chapter, or any other person, may seek enforcement thereof in any court of competent jurisdiction by any appropriate form of civil action and may seek to enjoin any continued violation thereof and seek to compel obedience thereto by mandatory orders and writs.

(C.F. No. 05-740, § 1, 9-14-05)

Sec. 34.29. - Termination of tenancy.

No tenancy of a residential structure or dwelling unit covered by this Code may be terminated because of the commencement of an action pursuant to this chapter or because of the report to the proper code enforcement authorities of a condition believed to be in violation of this Code.

(C.F. No. 05-740, § 1, 9-14-05)

Sec. 34.30. - Appeals.

Any person affected by any provision of this chapter may appeal to the Legislative Hearing Officer as provided in Chapter 18 of the Saint Paul Legislative Code.

> Date: Fri, 13 Jan 2012 18:49:29 -0600
> From: Ricardo.Cervantes@ci.stpaul.mn.us
> To: peterb3121@hotmail.com
> CC: Leanna.Shaff@ci.stpaul.mn.us; Phil.Owens@ci.stpaul.mn.us
> Subject: Re: Responsibility to Provide Adequate Funds for Needed Repairs

>
> Thank you Peter.
> Ricardo Cervantes from handheld

> -----Original Message-----
> From: Peter Brown <peterb3121@hotmail.com>
> To: Cervantes, Ricardo <Ricardo.Cervantes@ci.stpaul.mn.us>

>
> Sent: 1/13/2012 5:36:53 PM
> Subject: Responsibility to Provide Adequate Funds for Needed Repairs

>
>
>
> Ricardo - - -

>
> The language I was referring to is in Paragraph 9 of the Order I sent you earlier as an attachment. I cannot seem to drag & drop the language into this e-mail, but here it is:

>
>
>
> Receivership, management, and legal and accounting fees shall be expenses of the receivership, payable from the income of the property. If the property does not generate sufficient funds to cover operating expenses, the Plaintiff shall provide funds to the receiver for the reasonable operation of the property. If Plaintiff prevails in its claims against Borrowers, Plaintiff shall be reimbursed by the Borrowers.

>
> So there should be no waffling from the Plaintiff about making the necessary repairs on account of expense.

> Peter

>
>
>

From: peterb3121@hotmail.com
To: ricardo.cervantes@ci.stpaul.mn.us; phil.owens@ci.stpaul.mn.us; amy.brendmoen@ci.stpaul.mn.us;
robert.humphrey@ci.stpaul.mn.us; kim.obrien@ci.stpaul.mn.us; d5-director@visi.com;
marcia.moermond@ci.stpaul.mn.us; megan.kisch@ci.stpaul.mn.us; pcarlson@strategicproperty.com;
kathy.lantry@ci.stpaul.mn.us
Subject: FW: Proposal for Tracking Repairs at 1205 and 1225 Westminster
Date: Tue, 6 Mar 2012 17:59:31 +0000

Mr. Cervantes, Mr. Owens, Council Member Brendmoen and Others Interested in Repair Progress at 1205 and 1225 Westminster - - -

Just a brief note to renew the proposal for a method for organizing the orders to be issued based on yesterday's reinspection at the Westminster buildings and for tracking, hopefully on one transparent document, repair progress for the Westminster buildings over the many months of inspections and multiple re-inspections. And to renew the request for a meeting to address this and the issues previously identified for such a meeting.

Added to the list would be a request that the DSI see to it that bolts placed on the sliding glass doors to the balconies blocking access to those balconies be removed to allow tenants access to the decks. It seems that the blocking access to this possible escape route in the event of fire is inappropriate. Minnesota State Fire Code 703 appears to address this and has been previously cited by the DSI at the buildings to require access to an egress window.

Peter W. Brown
on behalf of the Minnesota Tenants Union and the Westminster Community Tenants United/
Comunidad de Westminster Inquilinos Unidos
612-824-6533

From: peterb3121@hotmail.com
To: ricardo.cervantes@ci.stpaul.mn.us; phil.owens@ci.stpaul.mn.us; amy.brendmoen@ci.stpaul.mn.us
CC: robert.humphrey@ci.stpaul.mn.us; kim.obrien@ci.stpaul.mn.us; d5-director@visi.com;
marcia.moermond@ci.stpaul.mn.us; megan.kisch@ci.stpaul.mn.us; pcarlson@strategicproperty.com;
kathy.lantry@ci.stpaul.mn.us
Subject: Proposal for Tracking Repairs at 1205 and 1225 Westminster
Date: Sat, 18 Feb 2012 16:41:55 +0000

Mr. Cervantes, Mr. Owens, Council Member Brendmoen and Others Interested in Repair Progress at 1205 and 1225 Westminster - - -

Re: Proposal for Tracking Repairs at 1205 and 1225 Westminster / Transparent, Accountable Process the Goal

We have found it quite difficult, based on the format of Correction Orders issued on January 23, 2012 and February 9, 2012 for the properties, to track 1) the progress of items deemed adequately addressed and 2) new items identified for correction during the 2/3/12 re-inspection. Extensive work was required to re-align the order of the orders to allow such tracking. Perhaps others have encountered similar difficulty

http://by169w.bay169.mail.live.com/mail/RteFrame_16.2.4514.0219.html?dl=dl

3/13/2012

encountered similar difficulty.

Since another re-inspection of the premises was scheduled for Friday, February 17, perhaps now would be a good time for the DSI to consider adopting an Order Letter format that makes it possible for its staff, addressee, affected tenants, counsel members, and other interested parties to track the progress that is being made and what remains to be done to address the repair issues at these properties.

To that end, we provide the attached documents that do line up the orders on a unit-by-unit basis (and also for the common areas and "all unit" orders) in a way that allows the Department and other interested parties to review the progress made. Please review this approach and, if you find it helpful in making the process more trackable, transparent and understandable, please consider adopting a similar format for future Orders.

The format we have used in the attached documents is not, of course, the only way the DSI orders can be presented so that landlords, tenants, and other interested parties have a clear view of what progress is being made and what work remains to be done. If you already have and regularly update internal documents that allow such easy tracking, please identify them so we can request copies of them.

We respectfully renew the request for a meeting with you and interested parties to address this and the issues previously identified. Thank you for your consideration.

Peter W. Brown
on behalf of the Minnesota Tenants Union and the Westminster Community Tenants United/
Comunidad de Westminster Inquilinos Unidos
612-824-6533

From: peterb3121@hotmail.com
To: ricardo.cervantes@ci.stpaul.mn.us; phil.owens@ci.stpaul.mn.us; amy.brendmoen@ci.stpaul.mn.us
CC: robert.humphrey@ci.stpaul.mn.us; kim.obrien@ci.stpaul.mn.us; d5-director@visi.com;
marcia.moermond@ci.stpaul.mn.us; megan.kisch@ci.stpaul.mn.us; pcarlson@strategicproperty.com;
kathy.lantry@ci.stpaul.mn.us
Subject: RE: On-going Communication Regarding 1205 and 1225 Westminster
Date: Wed, 8 Feb 2012 18:10:25 +0000

Dear Mr. Cervantes, Mr. Owens, and Ms. Brendemoen:

RE: On-going Communication Regarding 1205 and 1225 Westminster

This letter follows up on concerns about lack of timely substantive communication between the Department and tenants at 1205 and 1225 Westminster, specifically relating to the Department's repair orders and activity regarding 1205 and 1225 Westminster, a non-repair situation that first came to the Department's official attention via its Certificate of Occupancy inspections that began almost a year ago (February 11, 2012 for 1205 Westminster and March 3, 2011 for 1225 Westminster) and have involved, during the ensuing 12-month period, 17 re-inspections and orders for 1205 Westminster and 13 re-inspections and orders for 1225 Westminster .[1]

In our letter dated February 1, we requested a meeting with relevant Department officials and concerned parties to address certain specific issues, including a timely plan for achieving all needed repairs, scheduled on a reasonable, prioritized basis. To date, the Department's response via its attorney is that our requests "are not requests for data" and that we should address all future requests for data to the City Clerk.

This Department response appears at odds with public statements from the Department regarding the necessity of good communication with affected stakeholders, specifically:

"We're upholding the standards that have been put in place by either the state or the city, and to do that effectively, **we have to provide good communication**," said Ricardo Cervantes, director of the safety and inspections department.

We agree about the need for good communication and therefore renew our request for a meeting with relevant St. Paul inspections officials to review progress at the Westminster properties and address the issues identified in our earlier request.

We also note the sharp disparity in communication accorded representatives of landlords. As recently reported in the Pioneer Press on February 7, 2012:

The divide between St. Paul landlords and the department has been dissected in the past year by a real estate committee of the Capital City Business Council, which has been meeting with Cervantes every few weeks.

Committee members will meet with him again today, this time to review feedback cards that the department began giving landlords in January alongside written copies of inspection reports. The cards allow landlords to grade the department's 12 inspectors after each visit. Twenty-three cards have been returned to the department.

Landlords say it's a small but hopeful step and a way of documenting concerns with City Hall. After a tense meeting with Cervantes last February, committee members say subsequent meetings in the past year have been more cordial and informative.

We hope that this disparity in treatment is the result of a temporary, unintended oversight, rather than a considered *de facto* policy of the Department and the City of St. Paul. We await your positive response to the February 1 letter and request for a timely meeting.

Sincerely,

Peter W. Brown 612-824-6533
o/b/o Minnesota Tenants Union and Westminster Community Tenants United/Comunidad de Westminster Inquilinos Unidos

[1] **1205 Westminster:** The Department began its Certificate of Occupancy inspections for 1205 Westminster on **February 11, 2011** and over the following 12 months have reinspected the premises and issued orders for correction of deficiencies **17 times:** 02/14/2011; 03/21/2011; 04/26/2011; 05/25/2011; 06/21/2011; 07/07/2011; 07/25/2011; 08/04/2011; 08/09/2011; 09/28/2011; 10/20/2011; 11/14/2011; 11/21/2011; 12/16/2011; 12/20/2011; 01/18/2012; and 02/06/2012. Source: https://www.stpaulonestop.com/AMANDA5/eNtraprise/StPaul/m3list/e_web_listsubmit.jsp?pagename=a_PickProperty.jsp

1225 Westminster: The Department began its Certificate of Occupancy inspections for 1225 Westminster on **March 4, 2011** and over the following 11 months have reinspected the premises and issued orders for correction of deficiencies **13 times:** 04/25/2011; 05/26/2011; 06/09/2011; 07/25/2011; 08/09/2011; 09/26/2011; 10/03/2011; 10/13/2011; 10/31/2011; 11/21/2011; 12/16/2011; 01/18/2012; 02/06/2012. Source: https://www.stpaulonestop.com/AMANDA5/eNtraprise/StPaul/m3list/e_web_listsubmit.jsp?pagename=a_PickProperty.jsp.

From: peterb3121@hotmail.com
To: ricardo.cervantes@ci.stpaul.mn.us; kathy.lantry@ci.stpaul.mn.us; amy.brendmoen@ci.stpaul.mn.us; phil.owens@ci.stpaul.mn.us
CC: robert.humphrey@ci.stpaul.mn.us; kim.obrien@ci.stpaul.mn.us; d5-director@visi.com; marcia.moermond@ci.stpaul.mn.us; meghan.kisch@ci.stpaul.mn.us; pcarlson@strategicproperty.com
Subject: On-going Communication Regarding 1205 and 1225 Westminster
Date: Thu, 2 Feb 2012 00:20:14 +0000

February 1, 2012

Dear Mr. Cervantes, Mr. Harris, Ms. Lantry, and Ms. Brendmoen:

Re: Request for Meeting to Update Information and Progress Report on Repairs for 1205 and 1225 Westminster

Thank you for meeting with tenant representatives at the Department offices on January 24, 2012 to

discuss the tenants' request (see below) for on-going communication and treatment as a stakeholder in the restoration of the buildings to their proper status: properly maintained and managed rental property. Having had a chance now to review that meeting and the Department's January 23, 2012 orders with tenants at the buildings, we believe a meeting with you next week before issuance of additional orders for the building is in order.

In our January 20 letter sent in advance of the January 24, 2012 meeting, the tenants' were renewing their fundamental request, first communicated to officials at City Hall on December 28, 2011, when they wrote:

We request on-going dialogue, information exchange, and consultation with all relevant decision-makers regarding decisions being formulated regarding our homes.

See copy of the December 28, 2011 statement attached. Our January 20 letter also gave examples of information that we believed should be part of the timely information exchange necessary for informed dialogue on this subject, including the following:

1. Regarding the receiver's work-status reporting to the Department during the course of the receivership: we would like to receive any document setting a reporting schedule and the specifics that are to be reported and, going forward, to receive a copy of any such reports as soon as they are submitted/received.
2. Copies of any orders issued regarding the buildings following yesterday's (January 18, 2012) re-inspection and any future inspection of the properties.

It seems helpful to summarize where things stood as a result of our meeting with you on the 24th. At the January 24, 2011 meeting, we heard 1) that the Department had set no reporting schedule (by order or agreement) for the Receiver to report his progress on the repairs; 2) that no overall plan for accomplishing the repairs (realistic, progressive deadlines set for variously prioritized items) had been formulated; 3) that orders for both buildings based on the January 18, 2012 re-inspection had been prepared and were ready to issue, and 4) that the Department internally had developed a list of priorities for the Receiver to accomplish. We heard that the Receiver had said he had inadequate funds to make all the repairs. In response, we noted that the Court Order states at Paragraph 9:

If the property does not generate sufficient funds to cover operating expenses, the Plaintiff [Wells Fargo] shall provide funds to the receiver for the reasonable operation of the property.

Whereupon we were informed that the Receiver had told the Department that it would take 6-8 weeks from the Receiver's request for such operating funds for Wells Fargo to get him the money.

A copy of the Department's internal priority rankings setting no timelines for the accomplishment of the deficiencies listed (Life Safety items first, Habitation/Sanitation items second, to be followed by Other Maintenance items) was shared but it set no timelines for the correction of the deficiencies listed.

Director Cervantes and Mr. Harris were willing to share all repair orders with the tenants on a real-time basis (i.e., simultaneous with issuance to the Receiver) but counsel for the Department took the position that the Orders would only be made available to the tenants pursuant to the Government Data Practices Act, which, she explained, would require individual written requests for each Order and a 7-10 day "processing" period before they would be made available and that tenants who would have to pay for them at the rate of 25 cents per page. Director Cervantes indicated that they had to follow counsel's

advice.

Subsequent to the meeting, counsel for the Department forwarded me electronic copies of the Department Orders issued following the January 18, 2012 re-inspection which were dated January 23, 2012, stating that this was done as a one-time professional courtesy and indicating that if tenants wanted copies of any future orders they would have to submit a Government Data request to the City Clerk and pay of 25 cents per page for any copies. Electronic transmission of the orders (the option that we had cited in the January 20, 2012 letter[1]) upon payment of the actual cost of providing them was not addressed.

One item identified by tenants in reviewing the January 23, 2012 orders (the official voice of the Department) is that the orders do not prioritize what repairs the Receiver must accomplish first, second, and third etc. and that ordering correction of all the deficiencies by February 3, 2012 or face possible criminal sanctions or loss of Certificate of Occupancy appears unrealistic and moreover does not establish visible and accountable momentum toward building improvement. A transparent process toward success is required. Also, it was noted that installation of keyed locks for the front and back door entrances to the buildings does not appear to be on the list of deficiencies for either building. An order for such locks may be in there somewhere, but we could not find it. Obviously, this basic security item is of great importance to the tenants.

In continuing pursuit of on-going timely dialogue and information sharing during this process, we request a meeting with you and any other relevant decision-makers next week **before** the issuance of the orders that will result from the upcoming re-inspection of the buildings scheduled for this Friday, February 3, 2012. We view such a meeting as our continuing dialogue with City of St. Paul officials on this subject and timely consultation regarding decisions being formulated regarding our homes.

Items we would propose to discuss with you at this meeting include . . .

1. Updates from the Department's perspective and the tenants' perspective on the repair progress at the buildings (thermometer check);
2. The importance tenants place on building security including the installation of keyed locks on the entrance doors to the buildings to prevent the current unauthorized/uninvited access to the buildings at all hours of the day and night;
3. Review of the progress made on establishment of a comprehensive, realistic plan (received, approved or ordered by the Department) for the Receiver's timely accomplishment of needed repairs, prioritized to secure accomplishment of the most necessary repairs in order of importance;
4. Progress on the achievement of timely communication of Department activity (orders, etc.) to interested tenants. Having to wait 7-10 days for Government Data Practices "processing" of a request and charging 25 cents per page rather than forwarding electronic copies is neither reasonable nor timely communication; and
5. Commitment to recognize the tenants as stakeholders in the process of reclaiming their buildings and identification and alteration of any parts of the City's *status quo* process that may hinder that.

Thank you for considering our request for a meeting next week **before** the issuance of the orders that

will result from the upcoming re-inspection of the buildings scheduled for this Friday, February 3, 2012. We appreciate your meeting with us on the 24th of January and look forward to continuing this important work with you. Much remains to be done.

Sincerely,

Peter W. Brown

o/b/o Minnesota Tenants Union and the Westminster Community Tenants United / Comunidad de Inquilinos de Westminster Unidos
612-824-6533
peterb3121@hotmail.com

P.S. Copies of this letter are sent to parties whose involvement in this process has been substantial to help keep us all in the loop.

612-824-6533

[1] In the January 20, 2012 letter, we stated: If the Department chooses to treat our requests as requests for data under the Minnesota Government Data Practices Act rather than (as we believe more appropriate) as data it willingly shares to facilitate communication between interested parties, we believe the following would apply. Since the documents requested are likely maintained by the Department in electronic form, in order to receive the documents requested electronically we should be required to pay the cost of transmitting the data. | FN 1: Minn. Stat. Section 13.03 ACCESS TO GOVERNMENT DATA, Subdivision 3(e): e) The responsible authority of a government entity that maintains public government data in a **computer storage medium** [like, for example, on a hard drive or on a compact disc] shall provide to any person making a request under this section a copy of any public data contained in that medium, **in electronic form, if the government entity can reasonably make the copy or have a copy made.** This does not require a government entity to provide the data in an electronic format or program that is different from the format or program in which the data are maintained by the government entity. The entity may require the requesting person to pay the actual cost of providing the copy. |

From: peterb3121@hotmail.com

To: ricardo.cervantes@ci.stpaul.mn.us

CC: robert.humphrey@ci.stpaul.mn.us; d5-director@visi.com; amy.brendmoen@ci.stpaul.mn.us; pcarlson@strategicproperty.com; meghan.kisch@ci.stpaul.mn.us; marcia.moermond@ci.stpaul.mn.us; kathy.lantry@ci.stpaul.mn.us

Subject: On-going Communication Regarding 1205 and 1225 Westminster

Date: Fri, 20 Jan 2012 16:20:03 +0000

Dear Mr. Cervantes:

Re: Department Communications Regarding 1205 and 1225 Westminster

As you know, the tenants at the Westminster properties have been working to achieve recognition of their stakeholder/teamwork status and relationship to the decisions and changes proposed and taken relating to their homes and building environment. When we met with St. Paul officials and representatives at City Hall including the attorney for the Department on December 28, 2011, we delivered the attached statement of purpose, which included:

We request **on-going dialogue, information exchange**, and consultation with all relevant decision-makers regarding decisions being formulated regarding our homes.

We are encouraged by the following indicators of progress in that regard: 1) the court's recognition of the tenants' legitimate and distinct interests, allowing them to intervene as parties in the foreclosure/receiver litigation between the bank and the landlords; 2) the communication recently begun with the receiver and the initiation of repair activities at the buildings; and 3) the upcoming meeting with you and other related decision-makers to review the situation next Tuesday.

As part of the **on-going information exchange** on a timely basis, we request to receive real time (concurrent) copies of any orders, reports, and other written data/communications about the two buildings between the Department and any party, including the receiver, the landlords, City Council or part thereof, and the court. We understand that all these are items of government data to which we are entitled as a matter of law under the Minnesota Government Data Practices Act, but more to the point, we also believe they are communications appropriately provided real time as a matter of course in recognition of our status as indispensable teammates in the total revival of these properties and as tenants directly affected by all discussions and all actions being taken regarding these buildings. As you know, timely receipt of information is necessary to most effectively and efficiently participate in productive joint communications regarding this situation that so directly impacts the lives of the tenants.

Examples of such information are:

1. Regarding the receiver's work-status reporting to the Department during the course of the receivership: we would like to receive any document setting a reporting schedule and the specifics that are to be reported and, going forward, to receive a copy of any such reports as soon as they are submitted/received.
2. Copies of any orders issued regarding the buildings following yesterday's re-inspection or any future inspection of the properties.
3. We request to see any photos taken at the apartments during the January 18, 2012 re-inspections.
4. Report by the Director of the Department of Safety and Inspections to City Council, January 18 and or 19, 2012.

If the Department chooses to treat our requests as requests for data under the Minnesota Government Data Practices Act rather than (as we believe more appropriate) as data it willingly shares to facilitate communication between interested parties, we believe the following would apply. Since the documents requested are likely maintained by the Department in electronic form, in order to receive the documents requested electronically we should be required to pay the cost of transmitting the data. Please advise us as to what, if any, cost of transmittal you believe is appropriate for transmitting the requested documents. To expedite receipt: if, as we believe, the cost of transmittal would be *de minimis*, we hereby agree to pay up to \$10.00 for the transmittal. If you believe the reasonable cost is more, please advise.

Under the circumstances and wishing to avoid unnecessary ambiguity, we would appreciate hearing your response to these requests at your earliest convenience. Thank you for your on-going professionalism.

Sincerely,

http://by169w.bay169.mail.live.com/mail/RteFrame_16.2.4514.0219.html?dl=dl

3/13/2012

Sincerely,

Peter W. Brown

o/b/o Minnesota Tenants Union and the Westminster Community Tenants United / Comunidad de Inquilinos de Westminster Unidos

612-824-6533

peterb3121@hotmail.com

P.S. Copies of this letter are being sent to parties whose involvement in this process has been substantial.

[1] The Minnesota Government Data Practices Act. Minn. Stat. Section 13.03 ACCESS TO GOVERNMENT DATA, Subdivision 3(e) states:

e) The responsible authority of a government entity that maintains public government data in a **computer storage medium** [like, for example, on a hard drive or on a compact disc] shall provide to any person making a request under this section a copy of any public data contained in that medium, in electronic form, if the government entity can reasonably make the copy or have a copy made. This does not require a government entity to provide the data in an electronic format or program that is different from the format or program in which the data are maintained by the government entity. The entity may require the requesting person to pay the actual cost of providing the copy.

Landlords grumble; St. Paul listens

By Frederick Melo

fmelo@pioneerpress.com

Posted: 02/07/2012 12:01:00 AM CST

Updated: 02/07/2012 11:19:13 AM CST

Mark Nedoroski got a troubling call from the St. Paul Department of Safety and Inspections last winter. A tenant had complained about mold on the front steps of one of his 21 apartment buildings.

Nedoroski was incredulous. Mold? In late February? He met with a city inspector at his Feronia Avenue property to review the complaint from the unidentified tenant, but as he anticipated, they found nothing.

"That's an outrage to taxpayers, that kind of allocation of resources," said Nedoroski, one of several longtime St. Paul landlords active in what's been a year-long effort to get City Hall to ease up on building owners.

The landlords say the city instead should use its limited resources to focus on problem properties, such as two Westminister Street apartment buildings where some 600 code violations were found recently. Given St. Paul's older housing stock, they say a little more leeway should be in order when infractions are relatively minor. They also claim inspections are inconsistent from one inspector to the next.

City officials say they're open to dialogue but ultimately have a duty to enforce building codes and protect residents and taxpayers.

"We're upholding the standards that have been put in place by either the state or the city, and to do that effectively, we have to provide good communication," said Ricardo Cervantes, director of the safety and inspections department.

The divide between St. Paul landlords and the department has been dissected in the past year by a real estate committee of the Capital City Business Council, which has been meeting with Cervantes every few weeks.

Committee members will meet with him again today, this time to review feedback cards that the department began giving landlords in January alongside written copies of inspection reports. The cards allow landlords to grade the department's 12 inspectors after each visit. Twenty-three cards have been returned to the department.

Landlords say it's a small but hopeful step and a way of documenting concerns with City Hall. After a tense meeting with Cervantes last February, committee members say subsequent meetings in the past year have been more cordial and informative.

Still, the landlords' complaint list remains long and follows a series of high-profile lawsuits challenging the city's stepped-up housing enforcement. The suits, which date back years, have been consolidated into one (Magner vs. Gallagher) and will be heard this month by the U.S. Supreme Court.

Among concerns, some landlords say the department's fire and building inspectors appear to have less experience in the building trades than in years past and go through an inspection checklist almost robotically, instead of focusing on life-safety issues.

Building owner Pat Votel once saw an inspector order a tenant to unplug an alarm clock from an electrical cord.

"They shouldn't be wasting their time on something that's just silly," he said.

The committee requested earlier notice about rule changes and a head's-up when inspectors adopt a new focus, such as dryer vents, Cervantes said.

"There were a lot of questions raised in the very first meeting about dryer venting and whether or not dryer venting was important," Cervantes said.

Those discussions have led to training, Cervantes said, allowing inspectors to better explain during visits why they focus on a particular concern - a focus that some landlords might perceive as nitpicking.

Business Council President Eva Ng praised Cervantes for listening.

"Ricardo was courageous enough to stay in the ring, even though he heard all those gripes," she said.

Still, the issues are myriad. Participating landlords have said privately that meetings with Cervantes and Assistant Fire Marshal Phil Owens are a hopeful sign of improving relations with City Hall, but they haven't noticed much change in their day-to-day experiences with inspections department.

A big concern is what they consider a lack of consistency. Different inspectors seem to have different points of expertise, they say, and a property that received a mostly all-clear from one might receive poor marks during another inspector's visit.

"The difference between one inspector and another seems to be light years," said Votel, who has owned and managed buildings in St. Paul for 30 years.

He said inspectors sometimes seem unaware that some buildings have been grandfathered into housing codes. What's more, landlords say, an inspector might point to a handful of building concerns in an initial visit - such as egress windows - then focus on a different aspect of the property, such as plumbing, in a follow-up visit. That forces landlords to restart the process of hiring a contractor to make repairs.

Cervantes said feedback has led to internal discussions and training within his department with the emphasis that inspectors should be making thorough inspections at each visit.

Related concerns soon may reach the nation's highest justices. The U.S. Supreme Court is expected to hear the suit against the city (Magner vs. Gallagher) brought by a group of landlords of federally subsidized apartments. They claim that stepped-up housing code enforcement from 2002 to 2005 violated the federal Fair Housing Act by having unintended consequences on minority tenants.

The suit states that "because a disproportionate number of renters are African-American, and (the landlords) rent to many African-Americans, requiring them to meet the housing code will increase their costs and decrease the number of units they make available to rent to African-American tenants."

Lower courts have rejected that argument, but the 8th Circuit Court of Appeals reversed the decision, allowing the case to proceed.

The appeals court noted that former inspections director Andy Dawkins had "raised inspection standards by directing...inspectors to 'code to the max' - that is, writing up every violation - not just what was called in." He also had them inspect surrounding properties that were not part of the alleged violation.

Jill Henricksen, director of the Greater Frogtown CDC, a nonprofit housing developer and home improvement lender, said the landlords may be over-reaching in some of their demands.

"In this neighborhood in particular, I know that relationships between tenants and landlords can be tenuous at best," she said. "We have a very old housing stock that has not been maintained over the years, and so it does concern me when...you've got plumbing leaks, you've got a roof that's leaking," she said.

"I guess I do want DSI (the Department of Safety and Inspections) to be strict and to be thorough, because tenants don't have any other protection in terms of the conditions that they're living in," she said.

Frederick Melo can be reached at 651-228-2172. Follow him at twitter.com/FrederickMelo.

APPEAL

We tenants at 1205 and 1225 Westminster, appeal Orders issued for those buildings by the Department of Safety and Inspections on February 22, 2012. These Orders affect our lives and our particular units in at least the following ways:

1. The Order s do not take reasonable steps to address the mice, roach, and bedbug problem in a coherent, timely, effective way. The Orders simply restate previous orders on that subject. The Department takes no further reasonable step available to it to secure the speedy extermination of these pests. Given that repeating the Order is the only measure used by the Department to address the violation, the Order is, especially when compared with the heavy direct action taken by the Department to condemn the decks and bolt the deck doors shut, is arbitrary and capricious.
2. The Order s takes the precipitous action of condemning all decks in the buildings even though only one of the decks had previously been cited as warranting condemnation *** in violation. Consequently, this Order is arbitrary and capricious. When coupled with the Department's immediate action of to secure bolting the deck doors shut, the Orders are even more arbitrary and capricious.
3. The Order winks at (ignores) the on-going failure to correct the repair violations cited repeatedly over a period of many re-inspections that occur within the tenants' units and to maintain common areas in a cleanly state. These violations directly affect the livability of the tenant's home. Failure to take reasonable corrective measures to achieve correction of these violations makes the Order arbitrary and capricious.
4. The fact that Wells Fargo has an obligation under Paragraph 9 of the 1/13/12 Court Order Appointing the Receiver to provide funds to the receiver necessary to the reasonable operation of the buildings, any acceptance of an excuse for non-compliance with the Department's repair orders such as "waiting on funds" is arbitrary and capricious.
5. The Orders or relevant portions of those Orders are not provided to tenants affected by the Orders. In addition, they are not presented in a way that allows building-wide tracking of progress toward correction of the deficiencies cited nor do they inform tenants of their right to appeal, as they do inform the landlord. As a result, the orders are arbitrary and capricious.

Name

Address

*** 2/9/12 --- 1225

339. Unit 26 - Exterior Deck - SPLC 34.23, MSFC 110.1 -
This occupancy is condemned as unsafe or dangerous. This
occupancy must not be used until re-inspected and
approved by this office.

Source: City Website-maintained online info re: 1205 1225

Westminster at

https://www.stpaulonestop.com/AMANDAS/eNtrprise/StPaul/m3list/e_web_listsubmit.jsp?pagename=a_PickProperty.jsp

11 148894 000 00 RF	1225 WESTMINSTER ST	THIS PATIENT WAS INFESTED WITH BED BUGS. HE WAS A VISITING PATIENT AT THIS ADDRESS AND HAD BEEN STAYING THERE. I FEEL THIS IS A HEALTH AND HOUSE KEEPING ISSUE FOR THE WHOLE COMPLEX. NOT SURE HOW TO DEAL WITH THIS AND I AM LOOKING FOR SOME DIRECTION. IF YOU COULD REFER THIS TO SOMEONE IT WOULD BE MUCH APPRECIATED.	Referral Type: Form 4 Entered on: 06/01/2011 Closed on: 06/03/2011	Close d
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11 007334 000 00 CO	1225 WESTMINSTER ST	192922440014	Certificate of Occupancy Type: Residential 3+ Units Occupancy Type: Dwelling Units Residential Units: 33 Class: C Renewal Due Date: Apr 22, 2015	In Process
			03/05/2012: Correction Orders	
			02/21/2012: Correction Orders	
			02/06/2012: Correction Orders	
			01/18/2012: Correction Orders	
			12/16/2011: Correction Orders	
			11/21/2011: Correction Orders	
			10/31/2011: Correction Orders	
			10/13/2011: Correction Orders	
			10/03/2011: Correction Orders	
			09/26/2011: Correction Orders	
			08/09/2011: Correction Orders	
			07/25/2011: Correction Orders	
			06/09/2011: Correction Orders	
			05/26/2011: Correction Orders	
			04/25/2011: Correction Orders	
			03/04/2011: Correction Orders	

11 007290 000 00 CO

1205 WESTMINSTER ST

192922440015

Certificate of Occupancy

Type: Residential 3+ Units

Occupancy Type: Dwelling Units

Residential Units: 32

Class: C

Renewal Due Date: Nov 16, 2010

03/05/2012: Correction Orders

02/06/2012: Correction Orders

01/18/2012: Correction Orders

12/20/2011: Correction Orders

12/16/2011: Correction Orders

11/21/2011: Correction Orders

11/14/2011: Correction Orders

10/20/2011: Correction Orders

09/28/2011: Correction Orders

08/09/2011: Correction Orders

08/04/2011: Correction Orders

07/25/2011: Correction Orders

07/25/2011: Correction Orders

07/07/2011: Correction Orders

06/21/2011: Correction Orders

05/25/2011: Correction Orders

04/26/2011: Correction Orders

03/21/2011: Correction Orders

02/14/2011: Correction Orders

02/09/2011: Correction Orders

> Date: Fri, 13 Jan 2012 18:49:29 -0600
> From: Ricardo.Cervantes@ci.stpaul.mn.us
> To: peterb3121@hotmail.com
> CC: Leanna.Shaff@ci.stpaul.mn.us; Phil.Owens@ci.stpaul.mn.us
> Subject: Re: Responsibility to Provide Adequate Funds for Needed Repairs

>
> Thank you Peter.
> Ricardo Cervantes from handheld
> -----Original Message-----
> From: Peter Brown <peterb3121@hotmail.com>
> To: Cervantes, Ricardo <Ricardo.Cervantes@ci.stpaul.mn.us>

>
> Sent: 1/13/2012 5:36:53 PM
> Subject: Responsibility to Provide Adequate Funds for Needed Repairs

>
>
>
> Ricardo - - -

>
> The language I was referring to is in Paragraph 9 of the Order I sent you earlier as an attachment. I cannot seem to drag & drop the language into this e-mail, but here it is:

>
>
>
> Receivership, management, and legal and accounting fees shall be expenses of the receivership, payable from the income of the property. If the property does not generate sufficient funds to cover operating expenses, the Plaintiff shall provide funds to the receiver for the reasonable operation of the property. If Plaintiff prevails in its claims against Borrowers, Plaintiff shall be reimbursed by the Borrowers.

>
> So there should be no waffling from the Plaintiff about making the necessary repairs on account of expense.

>
> Peter
>
>
>

From: peterb3121@hotmail.com
To: kathy.lantry@ci.stpaul.mn.us; amy.brendmoen@ci.stpaul.mn.us; ricardo.cervantes@ci.stpaul.mn.us;
robert.humphrey@ci.stpaul.mn.us; phil.owens@ci.stpaul.mn.us
CC: marcia.moermond@ci.stpaul.mn.us; d5-director@visi.com; mayor@ci.stpaul.mn.us;
meghan.kisch@ci.stpaul.mn.us; kim.obrien@ci.stpaul.mn.us
Subject: Appointment of a Receiver & Meeting With Tenants Re: Westminster Properties
Date: Fri, 13 Jan 2012 22:14:27 +0000

St. Paul Officials Concerned for the Westminster Tenants and Properties:

I am Peter Brown with the Minnesota Tenants Union and recently attorney for several tenants in the Westminster Apartments who have successfully intervened in the foreclosure litigation between Wells Fargo and the landlords. As you may know, the Ramsey County District Court, besides granting the tenants' motion to intervene, has also appointed a receiver to manage the properties. **A copy of the judge's Order issued this afternoon is attached.**

In light of this change in the properties' management, the tenants believe it appropriate for the City of St. Paul to allow the receiver a fair opportunity to start bringing the properties into appropriate shape. In the circumstances, therefore, it seems appropriate that the January 18, 2012 deadline specified in the DSI's letters regarding 1205 Westminster (December 16m 2011) and 1225 Westminster (December 20, 2011) be reset to a different, reasonable time track. To promote stability for our families consistent with expeditious progress on the needed repairs, we request prompt attention and response from the Department on this request.

We also believe it in the public interest to meet with you to examine ways in which tenants will become participants in the rejuvenation of these properties. We seek a teamwork approach to establishing a practical plan for addressing needed repairs, setting a priority on the most pressing conditions and working steadily and progressively to fulfillment of what we hope are our shared goals: completion of all necessary repairs and no eviction of tenants as a consequence of code enforcement measures.

This afternoon I spoke with Robert Humphrey of the DSI and we agreed upon a meeting of representative tenants from the buildings with relevant St. Paul officials including Director Cervantes, Assistant Fire Marshall Phil Owens. Also to be invited to the meeting included Council President Kathy Lantry and, of course, Ward 5 Councilmember Amy Brendmoen. Our friend Leslie McMurray, Director of the District 5 Planning Council and a representative of the Mayor's Office are also to be invited. We agreed to meet at the office of the DSI at 11AM this coming Tuesday, January 17, 2012.

Subsequently, I have heard from Mr. Humphrey that the meeting is re-scheduled for the following Tuesday, January 25, 2012. Since this date is obviously after the DSI's January 18 deadline, we assume this means that the January 18 deadline has been moved back. If this is the case, postponement of the meeting to January 25 is agreeable, but we'd ask for confirmation of that so that tenants can be informed promptly and accurately about a deadline that is of such concern to them and their families.

Thank you for clarifying the current status of the January 18, 2012 deadline. We look forward to a productive meeting and building the kind of teamwork I am sure we are all capable of. A positive way forward is what we seek and this meeting will be a very good beginning.

Peter W. Brown
612-824-6533

STATE OF MINNESOTA
COUNTY OF RAMSEY

DISTRICT COURT
SECOND JUDICIAL DISTRICT

Wells Fargo Bank, N.A., as Indenture Trustee,
In trust for Holders of IMPAC CMB Trust
Series 2005-2, its successor and/or assigns,

Case Type: Other Civil

File No.: 62-CV-11-6499

Judge: John H. Guthmann

Plaintiff,

v.

Randall T. Chun, Peggy J. Chun, Mark
Thomas and Lisa Marie Thomas, Inter
Savings Bank FSB, Albert Atemkeng, Jerrold
Hester, and Home Valu Inc,

**ORDER APPOINTING RECEIVER
AND GRANTING INTERVENTION**

Defendants,

and

Jessica Villarreal, Adade Kuegah, Helema
Eidl, and Mercedes Reyes-Huezo,

Intervenors.

The above-entitled matter came before the Honorable John H. Guthmann, Judge of District Court, on January 11, 2012, at the Ramsey County Courthouse, St. Paul, Minnesota, on plaintiff's motion for, *inter alia*, the appointment of a temporary receiver and a temporary injunction. Andrew J. Holly, Esq., appeared on behalf of plaintiff. Will R. Tansey, Esq., appeared on behalf of defendants Chun. Richard Reding, Esq., appeared on behalf of defendants Thomas. Peter Brown, Esq., appeared on behalf of the intervenors. There were no other appearances.

The Court, being duly advised, and based upon the stipulation of plaintiff and defendants Chun and Thomas to an Order for Receivership, finds, concludes, and orders as follows:

1. The motion of Jessica Villarreal, Adade Kuegab, Helema Eidl, and Mercedes Reyes-Huezo to intervene pursuant to Minn. R. Civ. P. 24.01 is **GRANTED**.

2. On or about January 5, 2005, Defendants' Randall and Peggy Chun and Mark and Lisa Marie Thomas' (collectively the "Borrowers") and IMPAC Multifamily Capital Corp. ("IMPAC Capital") executed a Promissory Note in the amount of \$2,995,000.00 (the "Note"). The Note requires Borrowers to make monthly payments of principal and interest in the initial amount of \$17,956.54 due on the first day of each month commencing on March 1, 2005 through and including February 1, 2035.

3. To secure the note, Borrowers executed and delivered to IMPAC Capital a Mortgage, Assignment of Rents, Security Agreement and Fixture Financing Statement dated January 5, 2005 ("the Mortgage"), which grants a security interest in real property located at 1205 and 1225 Westminster Street North, in the City of St. Paul, County of Ramsey, State of Minnesota (the "Property") to secure the indebtedness evidenced by the Note. The Mortgage was duly recorded with the Registrar of Titles, Ramsey County, Minnesota on January 19, 2005, as Document No. 1901644. The Property is legally described as:

Tracts A and B, Registered Lane Survey No. 382, Ramsey County, Minnesota

4. The Note, Mortgage and any other loan and security documents related to the Note or Property are referred to collectively in this Order as the "Loan Documents."

5. IMPAC Capital assigned its rights and interests in the Property and Loan Documents to IMPAC Holdings on January 7, 2005, which assignment was duly recorded with the Registrar of Titles, Ramsey County, Minnesota on August 19, 2009. Through the transactions and relationships described in paragraph 1 of the Complaint, Plaintiff Wells Fargo

Bank, N.A., is the holder of the Loan Documents for the Property and is the real Plaintiff in interest.

6. By Stipulation between Plaintiff and Borrowers, and in the public interest, Plaintiff is presently entitled to the appointment of a receiver with the fullest powers permitted under applicable law and the Loan Documents, without regard to waste, adequacy of security or solvency of the Borrowers for the collection of rents, profits and all other income of every kind, and to apply said income to expenses of maintenance of the Property and to the indebtedness, in accordance with applicable statutes and the Loan Documents. Plaintiff is entitled to appointment of a temporary receiver and to a temporary injunction that restrains Borrowers from diverting income from the Property to uses inconsistent with those set forth in the Loan Documents.

7. Strategic Property Services, Inc. (the "Receiver") is hereby appointed receiver, in the name, place, and stead of the Borrowers, to collect the rents, profits, and all other income of any kind, manage the Property to prevent waste, execute leases within or beyond the period of the receivership as approved by the Plaintiff, pay the expenses listed in clauses (1), (2), and (3) of Minnesota Statutes Section 576.01, subdivision 2, in the priority as numbered, pay all expenses for normal maintenance of the Property, and pay fees to the Receiver in accordance with the fee schedule attached as Exhibit B to the Affidavit of Paul E. Carlson dated October 24, 2011. If there is excess cash remaining after such application, said amount shall be deposited in an interest bearing escrow account pending the Court's ruling on the other motions taken under advisement on January 11, 2012. If plaintiff prevails in its claims against Borrowers, the amounts in escrow shall be paid over to plaintiff and credited to the repayment and payment of the indebtedness secured by the Mortgage.

8. The receiver is hereby directed to manage and conserve the assets of the Property during the pendency of this action or until further order of this Court.

9. Receivership, management, and legal and accounting fees shall be expenses of the receivership, paid from income from the Property. If the Property does not generate sufficient funds to cover operating expenses, the Plaintiff shall provide funds to the receiver for the reasonable operation of the property. If plaintiff prevails in its claims against Borrowers, plaintiff shall be reimbursed by the Borrowers.

10. The Receiver shall within 7 days of the date of this Order file a receiver's bond in the sum of \$50,000.00.

11. The Receiver shall report to the Court on or before the 15th day of each month by written statement, setting forth all money received during the previous month, the distribution thereof, and the balance retained. The report shall also set forth a cumulative total of all such money received, distributed, and retained. Copies thereof shall be forwarded to counsel of record in this action.

12. The Receiver shall have the authority to enforce lease agreements and contracts, including eviction of tenants/residents and shall have the authority to sign new lease agreements.

13. The order of payment for operation of the Property shall be the following priority: first, pay the expenses listed in clauses (1), (2), and (3) of Minnesota Statutes Section 576.01, subdivision 2, in the priority as numbered, then pay all expenses for normal maintenance of the Property (which includes any repairs or other actions necessary to bring the property into compliance with St. Paul city housing codes), and then pay the reasonable fees of the Receiver and its Subagent in accordance with the fee schedule attached as Exhibit B to the Affidavit of Paul E. Carlson dated October 24, 2011. Any excess cash remaining after such application shall

be applied as set forth in paragraph 4 above. No additional fee shall be paid to any other property management company engaged by the receiver without the prior express written consent of the Court.

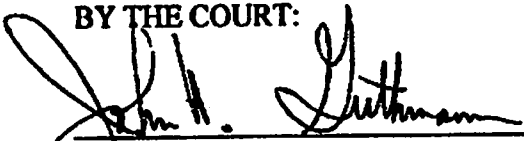
14. If the Receiver is unable to place, continue, or extend the general liability and property insurance for any reason, the Plaintiff shall be responsible for placement of insurance coverage for the Property and shall seek reimbursement for such placement of insurance from the Borrowers. If the Borrowers sell or transfer their interest in the Property, the agreement to sell or transfer their interest shall include language that requires the buyer of the Borrowers' interest to immediately assume all insurance responsibilities of the Borrowers, including continuing the insurance coverage with no gaps in coverage, through the time the sale or transfer is closed.

15. The Borrowers shall immediately, and in no event more than 48 hours after being served with a copy of this Order, (a) surrender possession and control of the Property to the receiver and provide the receiver with all necessary keys, computer cards, passwords, or other access devices related to the Property; (b) furnish to the Receiver all financial records, lease files, building plans and specifications, environmental reports, manuals, warranties, service or maintenance agreements, and other records and documents related to the Property, including any other information reasonably requested by the Receiver, except to the extent previously provided to Plaintiff; and (c) relinquish to the receiver control of all operating accounts, security deposit accounts, tenant deposits, and all other monies and accounts related to the Property, and all and accrued interest reimbursable therewith.

16. The Borrowers and their agents are ordered to cooperate with all requests of the receiver (and its agents), unless excused by the Court.

Dated: January 13, 2012

BY THE COURT:



John H. Guthmann
Judge of District Court

