

Moermond, Marcia (CI-StPaul)

From: Moermond, Marcia (CI-StPaul)
Sent: Monday, October 27, 2014 4:49 PM
To: 'Jose.Amaya@usbank.com'; Stark, Russ (CI-StPaul)
Cc: #CI-StPaul_Ward4; Stark, Russ (CI-StPaul); Magner, Steve (CI-StPaul); Seeger, Jim (CI-StPaul); Tombassin@gmail.com; Ubl, Stephen (CI-StPaul); Vang, Mai (CI-StPaul)
Subject: RE: Request Time Extension for 444 Beacon Avenue

Mr. Amaya,

I am in the process of developing a resolution for Councilmember Stark which would provide a limited extension for the completion of the rehabilitation. However, there are 2 key concerns I have at this juncture, which I expect are inter-related.

My first concern is that there has been little progress on the rehabilitation based on lack of requested inspections in the last 90 days. You have indicated you are making progress, but what the Council needs to see is finalized permits, and *all* of yours are still active. I am asking that Inspector Seeger review the property and level of work completed in order to provide us with an assessment on how far you are from finishing. You have not completed the project according to an initial deadline proposed by you. Neither was it completed within the next 90 days you were granted. It is extremely rare for the Council to give a third chance in these circumstances. However, Councilmember Stark is carefully reviewing your request.

My second concern has to do with your financial where-with-all to complete the work. I noticed that the 2nd half of 2014 property taxes are due today. This is a crucial indicator of financial capacity. Additionally, a bill for vacant building registration went out today and is due in late November. I think there needs to be an assessment of your financial ability to complete the project if an extension is granted. There seems to have been little inspection activity related to your permits over the last 90 days. It is not clear to me if this is related to finances. I believe it is appropriate that the city look for reassurances that you have the financing necessary to complete the project.

I am scheduling a Legislative Hearing for Tuesday November 11, 2014 at 9 a.m. to review your case. If your property has been granted its Certificate of Occupancy by that time, a hearing will be unnecessary. If we do end up conducting a hearing, the matter would go before the City Council November 19. I am asking the Department of Safety and Inspections to review permits and work with you to get this complete, even though the extension deadline will have passed. We can sort out next steps at the hearing.

Marcia Moermond

From: Jose.Amaya@usbank.com [mailto:Jose.Amaya@usbank.com]
Sent: Monday, October 27, 2014 1:23 PM
To: Moermond, Marcia (CI-StPaul); Stark, Russ (CI-StPaul)
Cc: #CI-StPaul_Ward4; Stark, Russ (CI-StPaul); Magner, Steve (CI-StPaul); Seeger, Jim (CI-StPaul); Tombassin@gmail.com
Subject: Request Time Extension for 444 Beacon Avenue

Good afternoon Ms. Moermond and Mr. Stark,

Thank you for your thorough response. The property at 444 beacon Avenue has been nearly restored to its entirety. We have indeed hit an unfortunate delay in terms of the plumbing section of the property. More specifically, we need the sink

and the toilet to be installed in the upstairs bathroom along with the shower-head. The work is set to be completed tomorrow, 10.28.14, and the plumbing inspector will be scheduled to come in the days soon after. The building facet of the project is entirely done, but as you know, the building inspector cannot be scheduled until all other inspections are completed first, which is where we hit our roadblock. We would need no more than 15 days from 10.29.14 to have all of the inspectors come through and finalize this matter and give us our certificate of occupancy, depending of course on the availability of the inspectors themselves.

I have copied Tom Kieffer in this matter. Mr. Kieffer is our new next door neighbor living at 450 Beacon Avenue. He is also one of the people most affected by the previous lack of occupancy and dilapidation that was occurring at 444 Beacon Avenue. We have invited him into our new home multiple times and he has seen the many stages of the construction. He has given us his cellphone number at (651) 491-2531 and has stated that if we need any defense regarding our efforts and ability rehabilitating this property, that he would gladly speak on our behalf.

I have taken the liberty of attaching 2 pdf's, the first showing the state of the property taken by the city on 09.12.13. While the second demonstrating how it looks like as of yesterday, 10.26.14. The images also demonstrates the section of work that is still needed in the bathroom. It is easy to see that the project is well over 50% complete, hopefully satisfying the requirements of completion regarding our \$5,000 performance deposit. The difference as a whole is astronomical, and the amount of time required to fully complete it is minuscule.

Trust me when I say no wishes to see this matter be fully put to rest more than my family and I. We once again thank you for having allowed us to revitalize this property and breath new life into it. As you can see from the images attached, we have tried and made the most out our chance and wish to continue holding amicable terms with our neighborhood and the city as a whole once we finally do move in.

Lastly I wish to re-emphasize that U.S. Bank is only my daytime employer and holds no interest in this matter.

Please feel free to contact me if you require anything further, and we will continue to maintain an open line of communication.

Jose Amaya
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From: "Moermond, Marcia (CI-StPaul)" <marcia.moermond@ci.stpaul.mn.us>
To: "Jose.Amaya@usbank.com" <Jose.Amaya@usbank.com>, "Jose.Amaya.Legal@gmail.com" <Jose.Amaya.Legal@gmail.com>,
Cc: #CI-StPaul_Ward4 <Ward4@ci.stpaul.mn.us>, "Stark, Russ (CI-StPaul)" <russ.stark@ci.stpaul.mn.us>, "Magner, Steve (CI-StPaul)" <steve.magner@ci.stpaul.mn.us>, "Seeger, Jim (CI-StPaul)" <jim.seeger@ci.stpaul.mn.us>
Date: 09/26/2014 01:18 PM
Subject: Request for Extension for 444 Beacon Order to Remove or Repair

Good Afternoon Mr. Amaya,

I understand you have made a request of Councilmember Stark to allow less stringent guidelines in terms of the date of completion of your project, as your wish "to err on the side of caution when it comes to making such temporal guaranties." Additionally, you have requested re-occupation of this building before the work is completed, as you believe the conditions leading to its designation as a category 3 have been/soon will be abated. I have been asked to respond to this request. The history I have on your rehabilitation off 444 Beacon Avenue is as follows:

Timeline

2/19/14 – Performance deposit posted

4/16/14 – Council granted 90 days for the completion of the property. The ninety day time-period was based on your work plan indicating it would take 2 months for the project's completion. Notably, the Council had already made a decision on this matter – to remove the building. The reconsideration was the will and pleasure of the Council, not any type of legal requirement. Additionally, the Council received letters of objection from the neighboring property owners, based on their concern that you were not capable of completing the rehabilitation when reviewing your work plans and financials.

7/23/14 – Council granted an additional 90 days for the completion of the project. Again, the Council received communication from the neighbors about your capacity to complete the work.

8/19/14 – 180 days elapsed since posting of performance deposit

10/29/14 – Deadline for project completion per resolution

Permits

You have 3 open permits, and one permit ready to be finalized. There has been standstill in permit for 7-10 weeks, which is a cause for concern. Were the City Council to consider an additional grant of time, I believe a fresh workplan and fresh financials would need to be submitted for their consideration. For the open permits, the most recent inspections were in July and early August. The building permit for the work was pulled by you, rather than Triwest Renovations, who was listed in your work plan. It was for work valued in the amount for an amount of \$16,000. In a review of your plan, the estimated cost of building elements, excluding trades work was \$21,375. The most recent inspection is from 8/4/14. A plumbing permit was pulled by Frank Motzko Plumbing LLC for work in the amount of \$ 7,000. Your plan indicated the work was to be done by Prairie Plumbing \$5,800. The permit is ready to be finalized. An electrical permit was pulled by Westys Electric Inc for work valued at \$2,700. You did not list an electrical contractor, but rather the work was referenced in the work plan prepared by Triwest. The most recent inspection was on 7/7/14 and the permit is still open. The Warm air/mechanical permit was pulled by Boris Sharkevich of Heating and Cooling Designs Inc. for work valued at \$3,500. The most recent inspection was on 8/11/14.

Performance Deposit

The Department of Safety and Inspections holds the performance deposit posted on February 19. Allowing the deposit to be continued for an additional 180 days is at the discretion of the Building Official and the determination is based on whether you have reached 50% completion. I see no documentation to indicate the deposit will be forfeited. Please note, it is within the Council's purview to require an additional deposit for an extension of time beyond 180 days; e.g. after October 29.

Allowing Re-Occupation during Rehabilitation

The City's Legislative Code is quite clear in not allowing re-occupation until the building has received a certificate of occupancy. Simply stated, the nuisance condition is not abated until all the work is done. There have been no deviations from this policy in my 12-year tenure as Legislative Hearing Officer.

I will look for direction from Councilmember Stark on whether he wishes to bring this matter to the Council. If the Council is interested in extending its grant of time, I would recommend the matter be referred to Legislative Hearing for review of a new work plan and financing package. This would involve reports from the trades inspectors monitoring your permitted work. Additionally, there would need to be a discussion on the performance deposit.

Finally, it is my understanding that although you continue using your employer's email, this project is actually a personal endeavor being undertaken by you and that there is no US Bank involvement. Please clarify if there has been a change in this regard.

Should you have questions, please feel free to contact me.

Sincerely, Marcia Moermond

U.S. BANCORP made the following annotations

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