



City of Saint Paul

15 West Kellogg Blvd.
Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

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651-266-8585

Tuesday, October 11, 2022

9:00 AM

Room 330 City Hall & Court House/Remote

Hearing will start at 8:30 instead of 9:00 a.m.

8:30 a.m. Hearings

- 1 [RLH RR 22-54](#) Ordering the rehabilitation or razing and removal of the structures at 342 THOMAS AVENUE within fifteen (15) days after the October 12, 2022, City Council Public Hearing. (Legislative Hearing October 11, 2022)

Sponsors: Balenger

Refer back to LH October 25, 2022 at 9 am. PO to pay past due taxes, submit evidence of financing, affidavit, construction statement/work plan, bids & schedule by COB October 21, 2022.

No one appeared

Moermond: this is going to be referred back to Legislative Hearing in 2 weeks tomorrow at Council. To October 25.

Referred to the City Council due back on 10/12/2022

9:00 a.m. Hearings

Remove/Repair Orders

- 2 **RLH RR 22-48** Ordering the rehabilitation or razing and removal of the structures at 523 BEAUMONT STREET within fifteen (15) days after the September 21, 2022, City Council Public Hearing. (To refer back to October 11, 2022 Legislative Hearing)

Sponsors: Brendmoen

Layover to LH October 25, 2022 at 9 am. (CPH 10/26) PO to have property cleaned out by October 21 and a letter from financial institution indicating they will dedicate funds to rehab the project to be referred back to LH November 22, 2022 at 9 am. Property must be maintained.

Ed Dropps, Greater Midwest Realty o/b/o GITSIT Solutions, appeared via phone

Moermond: following up with you on 523 Beaumont, are you expecting my call?

Dropps: I wasn't.

Moermond: the letter we sent said I would be calling.

Staff update by Supervisor Joe Yannarely: at the conclusion of the last hearing, it was established a third party rehab would need an approved contract, past due taxes were supposed to have been paid, evidence of financing, affidavit dedicating the funds, work plan including schedule and bids. There has been a Code Compliance Inspection paid for and a Performance Deposit posted.

Moermond: this property needed to be cleaned out Mr. Dropps?

Dropps: I do not remember that. It may be the case. There are so many people involved in this with the bank out of California.

Yannarely: August 24 Nathan Bruhn made an entry that they needed to reschedule the Code Compliance Inspection because it needed to be cleaned out.

Moermond: so that was after the letter we sent. What's your ability to get it cleaned out quickly?

Dropps: I wasn't expecting this call. I must have not put it on my calendar. I'm looking for some emails to find the current state of the property. September 26 the bank reached out to the contractor, Wilde Construction, asking for the bid. He said it was challenging to get contractors out to give bids and should have it soon. No further communication from the contractor. No bids yet. We did receive bids on the trash out but I wasn't aware those bids were approved. I did visit it last week to re-secure it after it was broken into. It was done with heavy-duty hasps on the doors. As far as where the bid is, I can't tell you. I can tell you it is actively being worked on. I can't tell you if or when the trash-out is scheduled but I can find it out quickly.

Moermond: I do see the past due taxes were paid. I'm wondering if you are anticipating doing the work?

Dropps: yes.

Moermond: I'm going to push you on this cleanout. This needs to be done so the Code Compliance Inspection can be done. That is square one for us. Any bids are going to be based on the findings of that Code Compliance Inspection Report. I hate when someone applies for a Code Compliance Inspection and the building is still full and we've wasted the Inspector's time to go out and note he can't do an inspection. I really want that building available for inspectors to go in. I'm going to put this in front of Council October 26 and put two conditions on it to continue this conversation: 1) that junk out needs to happen and made available for inspectors no later than October 21 and—

Dropps: who am I supposed to call?

Moermond: you indicated there were bids someone had to do a junk out. That was who I was referring to.

Dropps: I'm included in some emails, but the bank is the first person in line facilitating

the bids and approving them.

Moermond: do we have an email address for them? We do have something for LOGS legal group and Wells Fargo. We have them copied currently.

Dropps: it isn't Wells Fargo and it isn't LOGS. They were most likely the initial institution that had the mortgage. The owner is GITSIT solutions out of California. That's who I am dealing with. LOGS is the foreclosure attorney.

Moermond: understood. Do you have an email address for GITSIT?

Dropps: I'm the local real estate agent. Joy Zimmerman is my main contact. jzimmerman@gitsitusa.com

Moermond: we can copy her on the letter and continue sending via USPS to GITSIT. So the financial institution wants to rehab?

Dropps: yes.

Moermond: I would look for an indication they will be setting aside funds for this. I assume they have the money but I need a statement they will use money towards this purpose. We have a cleanout by October 21. Council on October 26. I'm going to look at this October 25 so we can confirm we have the cleanout done and the financial statement so on the 26th I have current information for Council. We'll refer it back to November 22 for time to develop bids.

Referred to the City Council due back on 10/26/2022

3 [RLH RR 22-22](#)

Ordering the rehabilitation or razing and removal of the structures at 1508 COMO AVENUE within fifteen (15) days after the June 8, 2022, City Council Public Hearing. (Refers to June 28, 2022 Legislative Hearing)

Sponsors: Jalali

Layover to LH December 13, 2022 at 9 am. At that time title should be cleared. No later than COB December 9, 2022 PO to submit bids on cost of rehab.

Chris Boylan, owner, appeared

Staff update by Supervisor Joe Yannarely: they have paid for a Code Compliance Inspection and Performance Deposit. The Code Compliance Inspection was just completed. No issues with property maintenance.

Moermond: perfect. This is a much better email from Ms. Gherty. Much more promising on progress.

Boylan: Friday they will have the quit-claim back from the heir. The did quiet title action. Another attorney is handling that as of money. Senior partners are saying it takes a minimum of sixty days because they expect a default action depending on how long court takes. There's a letter from the state agent. He can't represent me because of title, but he's doing what prep work he can so he is ready to go as soon as Courts have moved. I'm having the new attorney work on the purchase agreement.

Moermond: how long again?

Boylan: 60-day minimum publication. He said 60 to 90 days, assuming the default action. That action is they don't respond to the notice of the suit. I'm not sure how holidays impact that. The attorney who took this up apparently has done many of these.

Moermond: you have the updated building portion of the Code Compliance Inspection Report, we decided the rest could stand. Are you wanting to do the rehab?

Boylan: no, I want to sell. The realtor has asked me about putting it back as a Category 2 for purposes of sale?

Moermond: nope.

Boylan: what is the difference?

Moermond: title can't transfer for a Category 3 Vacant Building until the nuisance is abated. It is a property with major code violations and in order for it to be reoccupied it needs to be code complaint according to Code Compliance Inspection. There is some regulation of title transfer for Category Twos.

Boylan: no bank will loan on them? I don't know why he's asking this.

Moermond: I can't speak to bank policy.

Boylan: I wasn't sure how that worked or why he was asking.

Yannarely: for Category 2 Vacant Building they have to show they have the financial wherewithal to rehab it. A contractor's estimate. Show the money and then our department okays the sale.

Moermond: as opposed to here where you have to have a contractual arrangement with a purchaser to do the rehab. You are in it with someone until it gets its Code Compliance certificate. Most people handle that through an addendum to the purchase agreement but some are done through Contract for Deed. Some have become the mortgage holder for the cost of the rehab so if there is a failure they can gain title through foreclosure. Right now, it is City policy, you have to have it taken care of before it moves on to the next person.

Boylan: understood.

Moermond: you said 60 to 90 days. I think it would be helpful to have a couple contractors in to get bids to get an idea of what it would actually cost. I know a purchaser would have their own people to review it. If someone is the business they may have their own people and better rates but it would give a clearer notion of what is going on.

Boylan: the truth is I'm going to sell. The realtor is putting together a pro forma on the Code Compliance and what it will cost as part of a presentation to a potential investor.

Moermond: he's having people go through?

Boylan: yes, he's working on that. They know they aren't getting the job so they aren't hurrying. When I have title and can actually sell this will be part of the presentation. This is the Code Compliance Report and this is potentially what it would cost. Then at

least they have a spitball to work with. I can't get 3 generals to go in without lying because they won't get the job.

Moermond: but your realtor is having people through to get realistic numbers to do the work.

Boylan: I will share those when I get them.

Moermond: let's talk again in 60 days. December 13th. If your realtor could submit specifics on the cost of the rehab it would be a good addition to the record.

Laid Over to the Legislative Hearings due back on 12/13/2022

4 [RLH RR 22-52](#) Denying a stay of enforcement of demolition for property at 587 COOK AVENUE EAST.

Sponsors: Yang

Refer back to LH on November 22, 2022 at 9 am if by COB October 17 PO/purchaser has submitted 1) updated financial documentation, 2) updated signed PA with addendum indicating title won't transfer until rehab is complete, 3) post new PD, 4) submit affidavit dedicating funds, and 5) property must continue to be maintained.

*Jesse Williams, realtor, contractor, and potential purchaser, appeared via phone
Gerald Krippner, owner, appeared*

Moermond: we are at the end of the line at this one but I would love to hear about your plan.

Staff update by Supervisor Joe Yannarely: as of the September 27 hearing it was laid over to today to have a completed package of materials as outlined in previous hearings including rehab plans and purchase agreement. We have a purchase agreement that was just submitted for Jack & Betty properties, LLC.

Moermond: tell me where you are at with the rehabilitation?

Williams: I have 2 other properties in the area. I'm familiar with the area. I walked through a couple of months ago and made some notes and decided it was something I couldn't take on. Then when I saw the property was still up for sale I reached out the Gerry a couple days ago and wrote up a purchase agreement. I am scheduling with my electrician to get in and get estimates, and then will do plumber and HVAC when I'm back in town Saturday. I'm expecting the rehab to be around \$70,000. I submitted my proof of funds.

Moermond: I'm looking at a document from Community Resource Bank as well as HELOC (home equity line of credit).

Williams: they are both with Community Resource. One is cash and one is line of credit.

Moermond: can you get me something with the company's name or your name associated with it. I have the last 4 digits of the account but no name on this paper. I need that affirmation these are your dollars not just paper showing dollars.

Williams: that is fair.

Moermond: I also need an affidavit. We can email you a sample. That document says you are dedicating the funds for the rehab and making them available for this sole purpose. Are you going to be the general doing the building work?

Williams: yes.

Moermond: how long will it take to get trades through to do bids?

Williams: I just texted my electrician this morning. He's coming Tuesday the 18th. My plumber does bids every other Friday, so 2 weeks at most. Then I need to find an HVAC contractor. 30 days on the long end to get all 3 through.

Moermond: I see you signed the purchase agreement yesterday and I don't see Mr. Krippner's signature on that.

Krippner: my name was spelled wrong, so that is being corrected.

Moermond: so you will be sending an updated one with corrected spelling. Mr. Williams have you dealt with Category 3 Vacant Buildings in the past?

Williams: I have not.

Moermond: you have a closing date of November 14. The title cannot transfer until the work is done and the Code Compliance certificate is issued. Typically, that is done as an addendum to the purchase agreement. I don't see that in this document.

Williams: we have it as a contract for deed financing addendum. We would do a contract for deed on the 14 and a balloon until June for the transfer.

Moermond: indeed, the Contract for Deed statement, item 36 says balance isn't due in full until June 1. The header on this page says it doesn't serve as the actual contract for deed.

Williams: we don't have the full contract for deed written up yet.

Krippner: I've been in conversation with my title person and he encouraged me to have a lawyer. That was in the works with my previous buyer. I want to make sure there is language protecting myself. There is a lot of liability here. It would be written up to the specifics in the addendum and we'll work so we're both comfortable with it.

Moermond: the Council Public Hearing is scheduled for October 19. I need that purchase agreement and contract for deed document executed and in front of me. On the strength of that and the updated financials I will ask the Council to refer it back to Legislative Hearing November 22. That will give you a chance to develop bids. You need to have lawyers who can work quickly or switch. I'm at the end of the line on this.

Both: ok

Referred to the City Council due back on 10/19/2022

5 [RLH RR 22-53](#)

Ordering the rehabilitation or razing and removal of the structures at 39 HILLTOP LANE within fifteen (15) days after the October 12, 2022, City Council Public Hearing. (Grant 180 days)

Sponsors: Tolbert

Grant 180 days to rehab.

No one appeared

Moermond: this is on the agenda tomorrow at Council. All the conditions have been met and they have been given the green light for permits. 180 days.

Referred to the City Council due back on 10/12/2022

- 6 RLH RR 22-43** Ordering the rehabilitation or razing and removal of the structures at 1802 ROSS AVENUE within fifteen (15) days after the August 10, 2022, City Council Public Hearing. (To refer back to August 23, 2022 Legislative Hearing)

Sponsors: Prince

Refer back to LH on November 8, 2022 at 9 am conditioned upon Property Rep submitting proof of finances and affidavit by COB October 21, 2022.

Peter Yahiayan, representative and financial partner, appeared via phone

Staff update by Supervisor Joe Yannarely: the last hearing the property needed to be cleaned out. No Code Compliance Inspection done yet.

Yahiayan: I spoke with Nathan Bruhn yesterday. I left him a voicemail with the lockbox code. I'm not sure if he's been out.

Moermond: so you did this yesterday. And I'm sure he won't be able to get to it immediately. Additionally, three other trades need to do a walkthrough. We thought the cleanout would be done a lot sooner

Yahiayan: the cleanout was done; I can send photos.

Moermond: we started this August 10. Given we don't have any work plan yet based on the Code Compliance Inspection Report I'm going to ask you about available financing. City's estimate was over \$100,000 based on their experience. I'm wondering if you are ready to demonstrate you have that kind of money.

Yahiayan: I can submit this with Bank of America. The previous scope of work the Contractor gave me was based on the old Code Compliance Inspection. They will update it.

Moermond: I have no bank information in my file. I have a Legvold Construction statement from August 4, 2022. If you could show financing it would be helpful in terms of taking another step forward. I will continue this case to November 8 and ask Mr. Bruhn to expedite the Code Compliance Inspection so you can get contractors in to do bids. Next time we can talk on more specific information then. I'm going to send this to Council October 26 and ask them to refer it back to Legislative Hearing November 8 to continue our discussion. I would try and schedule contractors to come the first week of November because you should have the Code Compliance Inspection by then. Have financing submitted by October 21 so I can review before Council.

Referred to the City Council due back on 10/26/2022

- 7 [RLH RR 22-19](#) Ordering the rehabilitation or razing and removal of the structures at 694 SHERBURNE AVENUE within fifteen (15) days after the May 25, 2022, City Council Public Hearing.

Sponsors: Thao

Layover to LH October 25, 2022 at 9 am (pending completion of Zoning process for reestablishing nonconforming use as a duplex).

No one appeared

Moermond: this is a two week layover so Mr. Lee can continue working with Planning and Economic Development on reestablishing his legal nonconforming status as a duplex. We should be copying both Tony Peterson and Mai Chong Xiong on the correspondence.

Laid Over to the Legislative Hearings due back on 10/25/2022

- 8 [RLH RR 22-46](#) Ordering the removal of the structures at 1600 SEVENTH STREET WEST within fifteen (15) days after the August 24, 2022, City Council Public Hearing.

Sponsors: Noecker

Refer back to LH December 13, 2022 at 9 am pending submission of a long-term nuisance abatement plan by noon on Monday October 24, 2022.

Jacob Steen, attorney, appeared

Moermond: I believe you just received the Code Compliance Inspection Report and shared with your client?

Steen: correct. We received the report as of last Thursday. It is as expected. Substantial. We haven't had a contractor in yet. We listed in the last month and we have active negotiations with a buyer. I can't disclose that buyer. A medical-dental user. We are hoping to have the purchase agreement signed by December 1 based on the letter of intent. Due to condition of the site there will be 120 day due diligence inspection period. We are hoping to expedite that if possible due to condition. Dumping continues to be an issue. We've removed at least 4 couches and we would like to fence off the drive through. Sounds like that is acceptable to DSI but I wanted to put it before you. I've been in contact with the neighbor who keeps a close eye on it. She's been calling me when we have dumping. She observes it frequently. Working to expedite.

Moermond: she can also call Mr. Yannarely and perhaps that should be the first call for service.

Yannarely: they have been responsive to when I've emailed or sent orders. Dumping is a continual problem. I am emailing him the orders now too. They are taking care of it now instead of us, so that is good.

Moermond: do they have the Code Compliance Inspection Report?

Steen: it is high level, every element of the building needs to be reviewed. We don't

intend to rehab as a restaurant. Maybe a shell gut, but we haven't had someone in yet.

Moermond: there is a team inspection report what is likely when someone pulls permits is there will be a code analysis done which is the work of an architect or accredited designer to convert the space to its new or reestablishing its existing use. That is the basis for pulling permits. Understanding the Code Compliance Inspection Report is bureaucracy.

Steen: we can't even have an architect in since we don't know what the final use is yet. We'll have to go down to the walls most likely.

Moermond: a purchase agreement.

Steen: we've been in advanced negotiations. December 1 is the anticipated signing of the purchase agreement based on the negotiated letter of intent. Then they have 120-day due diligence period. We've been sensitive about the Code Compliance analysis. I know you want to get them committed before we have substantive discussions

Moermond: why 120 days?

Steen: I wish I had a good answer. Ultimately it is based on its existing use and the building—

Moermond: can it be shortened?

Steen: we can ask.

Moermond: this property has been a significant nuisance and continues to be. Fencing is great. We'd want some sort of statement from your client, a nuisance abatement plan. What steps can be taken to mitigate problems besides moving straight into construction. Fencing is a piece of that. Snow fence isn't going to do the trick for you. Mr. Yannarely can you put a note in the file that a building permit for fencing is allowed. Mr. Ubl can reach out to me with questions. Naming your periodically checking it. You have neighbors with contact information. Making an overt statement of what you are willing to do to address the nuisance conditions pending the closing. If this falls through I'm going to be living here 2 months from now with nothing in my pocket. I'm assuming that you are working on fallback plans? Because that is going to be a bad position for me at City Council that we are this many months in on what has been defined widely as a nuisance property and we have nothing. I'll push for a fallback plan from you. December 1 potential purchase agreement. December 13 is the next Legislative Hearing available. I'm going to send this to Council on October 26. I'll ask them to send it back to Legislative Hearing on December 13, contingent on an approved nuisance abatement plan put into place. In December I'd like you and the purchaser present so we can walk through the next period of time. Ideally we can look at the next 180 days. I'd want to be close to a package before the Council. Maybe they could have contractors go through in November and make some determinations of what needs to happen.

Steen: if we wanted to propose demolition—

Moermond: no problem to do that at any time.

Steen: we boarded the building to secure it. Obviously long term that isn't ideal. Do

you have preference on un-boarding it in the short-term once we start demolition activities?

Moermond: that is a fallback to having a secured structure that isn't being broken into. It fixes the problem of the building being open and it makes for a more secure opening. If you can maintain a more secure structure with no boards, all the better.

Yannarely: absolutely. I'm sure the neighbors would prefer a secured, unboarded, building.

Steen: we'll look at that. October 26 to Council?

Moermond: have something to my office by October 24 so we can look at that.

Steen: we can do that. I know the neighbor didn't want us to fence off the whole site because the police camp out here most nights. High level of police presence.

Referred to the City Council due back on 10/26/2022

- 9 RLH RR 22-57** Ordering the rehabilitation or razing and removal of the structures at 1501 CLARENCE STREET within fifteen (15) days after the November 9, 2022, City Council Public Hearing.

Sponsors: Yang

Refer back to LH December 13, 2022 9 am if PD is posted by COB November 4, 2022.

Doug Grimm, Northern Value Group, LLC

[Moermond gives background of appeals process & items required to rehab a Category 3 Vacant Building]

Moermond: I show an owner of Marcine Mary McLellan who is deceased. Who are you?

Grimm: I represent Northern Value Group, LLC, we hold the first mortgage.

Moermond: Wells Fargo must be in second position?

Grimm: yes, that is my understanding. The original amount was about \$384. We are scheduled to take ours to sheriff's sale tomorrow. I don't know the answer yet whether it will be a six month or 5-week redemption.

Moermond: have your attorney seek a shortened redemption period if you want to rehab. I know it will cost more, but Council needs to see you are in this. They won't have the patience to wait six months. They will say move forward with demolition. If you come in saying here's what we are doing to expedite this, that is what they're looking for.

Staff report by Supervisor Joe Yannarely: The building is a one-story, wood frame, single-family dwelling with an attached one-stall garage, and metal utility shed, on a lot of 6,098 square feet. According to our files, it has been a vacant building since May 4, 2020. The current property owner is Marcine Mary McLellan (deceased), per AMANDA and Ramsey County Property records. On July 20, 2022, an inspection of the building was conducted, a list of deficiencies which constitute a nuisance condition

was developed and photographs were taken. An order to abate a nuisance building was posted on August 3, 2022, with a compliance date of September 2, 2022. As of this date, the property remains in a condition which comprises a nuisance as defined by the legislative code. Taxation has placed an estimated market value of \$25,000 on the land and \$278,600 on the building. Real estate taxes for the first half of 2022 are due and owing in the amount of \$4,119.35, which includes penalty and interest. Taxes for the second half of 2022 are due on October 17, 2022, in the amount of \$3,678.00. The vacant building registration fees were paid by assessment on June 1, 2022. As of October 10, 2022, a Code Compliance Inspection has not been done. As of October 10, 2022, the \$5,000 performance deposit has not been posted. There was one Summary Abatement notice since 2020. There have been two work orders issued for boarding and securing. Code Enforcement Officers estimate the cost to repair this structure exceeds \$100,000. The estimated cost to demolish exceeds \$40,000.

Moermond: the first thing I noticed is if the owner died in February 2018 there was a 2-year gap between when she died and went into the Vacant Building program. I look down and I hear one Summary Abatement Order and two work orders. I'm hearing the property's exterior is maintained but the interior is likely a bad situation.

Grimm: when we took assignment of the mortgage we did enter the property to change the locks and secure. We found it not to be in horrible condition. The roof was old but hadn't leaked inside. I can speak to the steps we've taken on the outside.

Moermond: sooner rather than later we need a Code Compliance Inspection Report done to do that assessment. It needs to be broom clean and cleared of personal possessions. Is it cleaned out?

Grimm: there is not much stuff in there.

[recess 9:17 to 9:49 am]

Moermond: we were talking about shortened redemption period and Code Compliance Inspection and Performance Deposit.

Grimm: it is our intention to bring this property into compliance. We got title to the mortgage in late June. That only affords us certain rights, not the same as the owner. There are surviving heirs according to the obituary I read. We addressed the exterior according to the statute. We secured the front and back doors, replaced the roof, repaired the balcony rail, repaired and repainted soffit and fascia and secured the shed in the yard. Those were the items in the original nuisance letter. We addressed those under the jurisdiction of the statute. There is a chance that some heir could come pay off the property and redeem it. Our concern is if we post the Performance Deposit we're out that if an heir shows

Moermond: you aren't, you can request it back.

Grimm: we haven't felt comfortable addressing the inside knowing there are heirs. We are just a lender and as much as we are willing able to bring it to code we can only take it so far until we have ownership

Moermond: I need you to show Council you are working towards abating the nuisance condition, knowing there are heirs. The Performance Deposit can be returned to you in these circumstances. It is understood if someone else does the work, it is associated with you. It wouldn't carry forward with someone else taking over the project, including

an heir. To me that is an article of good faith that you are in the game. Getting it returned is just make a statement in writing to DSI and it takes about six weeks to process the check. The other thing is the Code Compliance Inspection Report. Do you feel comfortable having inspectors in?

Grimm: I'd like to know what needs to be done, yes. But I'm in the shoes of the bank. I can't do it until we end the redemption period. I hope that to be November 16. We've spent \$9,000 on the outside of the property. We are definitely committed. I feel uncomfortable ordering a Code Compliance Inspection from the angle that if one of those children calls and asks why a City inspector is in the property. I have to explain that to them. The statute allows us to enter into the property only to minimize damage from elements, trespass, or illegal activity.

Moermond: so you are saying no.

Grimm: and that isn't because of unwillingness, I want that clear.

Moermond: I hear where you are coming from. The Order to Abate a nuisance building includes the list of items the City is aware of that led to its vacant status. The August 3 letter is a list for what caused it to be condemned as unfit for human habitation. That is different that the items to reoccupy with the Code Compliance Inspection.

Grimm: understood.

Moermond: I'm going to look for a Performance Deposit and it seems like you've been in this position with the mortgage for a little while. You are familiar with the players and moving pieces. If you could summarize that for me and where you are at with taking steps, like you're awareness of heirs and outreach there, sheriff's sale date, shortened redemption period. Those considerations that are impacting your ability to move and decision-making. That would be toward your benefit. If you can put something together that shows me how you are actively trying to clear title as quickly as possible, and post that Performance Deposit. You have a Public Hearing November 9. Let's say December 13 we talk again; the dust should be settled on a lot of this by then.

Grimm: foreclosure by publication.

Moermond: but if you seek a shortened period you'd be in front of a judge, I would ask the judge if you can have inspectors in to assess condition. That is within their authority. It would give everyone a better idea of what the money will be to fix it. If you're having discussions with heirs about what it would cost to fix they may make a more informed decision on the process.

Grimm: I think our attorney made the petition already to the court. We asked him to file that with the publication. If that has already been made we may not be able to ask that permission.

Moermond: is Brian Hoelsher your attorney? We could include him on the follow-up letter.

Grimm: yes, that would be great.

Moermond: if you could send us his email we can copy him. Any questions?

Grimm: no.

Moermond: so the Performance Deposit I would like posted by November 4, the Friday preceding the hearing.

Grimm: am I to attend the Council hearing?

Moermond: if those things are good, there's no reason to testify. You're welcome to come say "hi, I'm the Responsible Party" but if you are getting what you want it likely isn't worth your time.

Referred to the City Council due back on 11/9/2022

10 RLH RR 22-58

Ordering the rehabilitation or razing and removal of the structures at 331 LAWSON AVENUE WEST within fifteen (15) days after the November 9, 2022, City Council Public Hearing.

Sponsors: Brendmoen

Remove within 5 days with no option to repair.

No one appeared

Staff report Supervisor Joe Yannarely: The building is a two-story, wood frame, duplex with a detached one-stall garage on a lot of 2,770 square feet. According to our files, it has been a vacant building since February 9, 2021 due to a fire. The current property owner is Charles Nosie, per Amanda and Ramsey County Property records. On July 6, 2022, an inspection of the building was conducted, a list of deficiencies which constitute a nuisance condition was developed and photographs were taken. An Order to Abate a Nuisance Building was posted on July 14, 2022, with a compliance date of August 13, 2022. As of this date, the property remains in a condition which comprises a nuisance as defined by the legislative code. Taxation has placed an estimated market value of \$20,000 on the land and \$179,200 on the building.

Real estate taxes for 2021 are delinquent in the amount of \$2,546.07, which includes penalty and interest. Taxes for the first half of 2022 are due and owing in the amount of \$3,614.26, which includes penalty and interest. Taxes for the second half of 2022 are due on October 17, 2022, in the amount of \$3,227.00. The property is scheduled for tax forfeiture in 2023. The vacant building registration fees were paid by assessment on March 3, 2022. A Code Compliance Inspection was done on July 30, 2021 and is now expired. As of October 10, 2022, the \$5,000 performance deposit has not been posted. There have been ten Summary Abatement notices since 2021. There have been seven work orders issued for: garbage/rubbish, boarding/securing, tall grass/weeds, and snow/ice. Code Enforcement Officers estimate the cost to repair this structure exceeds \$100,000. The estimated cost to demolish exceeds \$40,000.

Moermond: this order was issued to Charles Noise. He is a landlord. This was a Fire Certificate of Occupancy rental property. There was a significant fire in February 2021 affecting both this property and also the neighbor at 329 Lawson. We have had a number of appeals from 329 Lawson related to this fire. It is unfortunate it has taken this long for it to come forward for demolition. I understand that Community Development Block Grant dollars can't be used for demolition until it has been sitting there for a full year. That has been super tough for the neighborhood to have this fire damaged structure, plus the neighbor who was displaced and had insurance difficulties. That arises from the fact that property values and contractor costs have gone up significantly and homeowner's insurance hasn't gone up should there be an

issue like this. Quite a sad story. This is a no-show hearing. Landlord has abandoned the property. I'm going to recommend the Council order the property removed with no property for rehab within FIVE days.

Referred to the City Council due back on 11/9/2022

10:00 a.m. Hearings

Making Finding on Nuisance Abatements

- 11 [RLH RR 22-59](#) Making finding on the appealed substantial abatement ordered for 1253 CLEVELAND AVENUE NORTH in Council File RLH RR 22-14.

Sponsors: Jalali

The nuisance is abated and matter resolved.

No one appeared

Moermond: the resolution will indicate the nuisance has been abated and the matter resolved.

Referred to the City Council due back on 10/19/2022

11:00 a.m. Hearings

Making Finding on Nuisance Abatements

- 12 [RLH RR 22-60](#) Making finding on the appealed substantial abatement ordered for 975 HUDSON ROAD in Council File RLH RR 22-18.

Sponsors: Prince

Layover to LH October 25, 2022 at 10 am. PO to 1) have Nathan Bruhn out to assess % completed, 2) updated financial statement sufficient for completing rehab, 3) updated schedule (including bids if new contractors) and 4) property must continue to be maintained.

*Derek Thooft, attorney, appeared via phone
Lorrie Miller, owner, appeared via phone*

Moermond: our business today is to revisit the grant of time the Council gave you to do the rehab of this property and talk about where we go from here. The Certificate of Code Compliance hasn't been issued.

Staff update by Supervisor Joe Yannarely: there have been several permits pulled. Mr. Bruhn was just recently contacted about this, and without having been in the building he is estimating 40% completion at most.

Moermond: in my cursory review of the permit situation, can you confirm the plumbing has had a rough in?

Yannarely: yes.

Moermond: *electrical rough in?*

Yannarely: *yes.*

Moermond: *building is pulled, ongoing. Mechanical permit is under review and warm air we have nothing.*

Yannarely: *says active issued warm-air as of October 5.*

Moermond: *40% just based on paperwork. I understand that you contacted Mr. Bruhn for an extension, that extension would come from here. Where are you at?*

M: *I reached out to nathan because my attorney reminded me the paperwork told us to do so and I didn't realize that.*

Moermond: *it said to reach out to do an inspection, the extension is done elsewhere.*

Miller: *I was confused about nathan needing to do an inspection because when I was down at the permit office to pull the building permit they put Clint Zane on because Bruhn refused a promotion. They put him as the contact and was out and approved the framing portion for the building permit.*

Moermond: *and what I am going for is I need Nathan Bruhn to be eyes on at the property with the goal of getting a percentage complete assessment. If you've reached 50% complete your Performance Deposit will be continued and isn't in danger. You haven't according to what Mr. Bruhn can review. That means your Performance Deposit is in danger. That could mean the Council forfeits that Performance Deposit and requires an additional one. They could continue your existing Performance Deposit and ask for another to be posted. That would be in order to get more time to complete the rehab. If you are at 40% and when Mr. Bruhn is eyes on and confirm that, I would recommend the Council continue the Performance Deposit and ask for an additional. That would also be returnable upon issuance of the Code Compliance certificate. That is why I'm focused on that piece. Because you haven't completed the work on the schedule you provided six months ago, you need to submit a new schedule. If you have new contractors I need to know about that. I need to know you have the money to complete the project as well. I want you to have a chance to get Mr. Bruhn out there so we can get a percentage from him. I'm going to lay this over two weeks. You can start working on a new schedule now. I'm seeing you have inspections, but no finals. Things are open so we need to get some eyes on it. Mr. Thooff, any questions or statements?*

Thooff: *frankly I'm in agreement with everything stated. She has made a lot of progress. I want to provide surety she is diligently working on this. We have been in communication and she is doing everything she can. We'll follow up on those recommendations. My office will get on that for that 2-week check in.*

Moermond: *call Mr. Bruhn before 9 am in the morning. In the event he says Clint Zane is doing that inspection, he can. Last I heard Mr. Bruhn was still the responsible person in making what is a large financial decision on this percentage complete. We'll talk again in 2 weeks, October 25. If you have a revised schedule at that point, that would be helpful, as well as financial documentation. Any questions?*

Miller: *no, thank you.*

Laid Over to the Legislative Hearings due back on 10/25/2022

1:00 p.m. Hearings**Vacant Building Registrations**

- 13 RLH VBR 22-41** Appeal of Nick Hubers to a Vacant Building Registration Requirement at 40 MAGNOLIA AVENUE WEST.

Sponsors: Brendmoen

Waive the VB fee for 90 days (to December 15, 2022) to have Fire C of O reinstated.

Nick Hubers, owner, appeared via phone

Moermond: we do have a new inspection report to consider.

Staff update by Supervisor Mitch Imbertson: an inspection was done by Inspector Der Vue on September 29, 2022 for a new Fire Certificate of Occupancy inspection. Orders were updated and sent September 30.10 corrections, pretty typical. Some safety items and some property maintenance items.

Moermond: Mr. Dornfeld, you opened the fie September 2021, so it has been in the Vacant Building program a year. We're not talking about the year 2 fee?

Dornfeld: yes.

Hubers: I don't think we had a fee the first year.

Dornfeld: it was opened as a Category 1 Vacant Building September 15, 2021.

H: it has never been vacant. We weren't made aware of any fee. I've been emailing Inspector Vue. It should all be done next week, 17th or 18th. I'll have to talk to our accountant, maybe it did get assessed.

Moermond: it did.

Hubers: you can't appeal something you don't know about.

Moermond: it is on you to give Ramsey County your correct address. Here we are now, year 2, trying to get you out of the Vacant Building program. We have a list of items to be corrected, and if they are done within a given length of time we can get you out. Your anniversary date is September 15, so I'll recommend a 90 day waiver to December 15. If you have your Fire Certificate of Occupancy reinstated by that time you have no fee and you can reoccupy. Can you do that?

Hubers: yes, it can be done next week. I just reach out to Inspector Vue to verify?

Imbertson: if you are planning to have the work done prior to that deadline contact the inspector. We don't like to send out a letter giving you shorter time than allowed in the appeal.

Referred to the City Council due back on 10/26/2022

**14 RLH VBR
22-44**

Appeal of Adero Riser Cobb to a Vacant Building Registration Notice at 1790 UNIVERSITY AVENUE WEST.

Sponsors: Jalali

Grant the appeal and release the property from the VB program conditioned upon building permit being pulled by January 16, 2023.

Adero Riser Cobb, Chief Operating Officer Keystone Community Services, appeared via phone

Paul Johnson, project manager, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Mitch Imbertson: we were dealing with this through the Fire Certificate of Occupancy renewal. The most recent use for the property is S1 occupancy, auto repair garage. 5,900 square foot one story commercial building. Revoked September 3, 2021 being found unoccupied. It was unoccupied at least some time prior to that revocation. It was initially being monitored as "unoccupied status". Certificate of Occupancy was revoked and it wasn't certified for occupancy but wasn't referred to the Vacant Building program yet. This is done for properties vacant for a short period of time or are turn key and move in ready, often between tenants. After it was monitored for a year it was referred to the Vacant Building program based on the length of time it has been vacant, and some noted exterior violations.

Moermond: we have old orders, are they for its current use?

Cobb: it was used for something different before we purchased. We had a fire inspection January 12, 2021. I went through that inspection and that's where we got occupancy from Laura Huseby.

Moermond: Mr. Imbertson, the most recent document I have revokes the certificate and that was September 3.

Imbertson: that was the most recent action. There was an inspection in January 2021 prior to that. I didn't get into details of that since I didn't view it as part of the appeal, but if it is relevant I can go through that.

Moermond: you left things as you had an unoccupied building with existing orders and a different use than how it is currently being used

Imbertson: that was an auto repair garage, and that is all we can recertify as without going through a change of use. January 2021 the inspector believed it to be between tenants or unclear about future use of the property. It does say it is vacated in that letter and will need to be recertified for its particular use prior to reoccupying. Then we found it still unoccupied nor reoccupied as a repair garage. That led to the revocation of the Certificate of Occupancy.

Staff report by Supervisor Matt Dornfeld: we opened a Category 1 Vacant Building September 1, 2022 per the Fire Inspection referral. At time of inspection Inspector Hoffman noted it was vacant and secure and posted Vacant Building placards. As of October 4, his latest entry states the building appeared vacant and secured. When he says "vacant" he means human occupancy, not storage.

Moermond: I see in your appeal you are transitioning from storage to using this for your

food bank and you have a lot going on. I looked up permits and you have a building permit started June 2022. Tell me your plans.

Riser Cobb: we purchased the building to consolidate our food shelf. We have been under design. We worked with our architect and engineer, environmental specialist as we gear up for renovating. During this process we are preparing the building to start construction this fall. We are working with Planning and Economic Development, Claudia Klinkhammer, Curt Schultz. They added another layer they forgot to inform us of, the Sustainability Study. Now we are tweaking our plans to make those adjustments to the plans. Paul is our project manager.

Johnson: over the summer we have been working with our design team. We achieved completion of the design development portion of our architectural plans. That was step 2 of the process. We anticipate having 100 percent of our construction documents for our permit application by Mid-November. There is some abatement and vapor mitigation required. Both of those activities don't require a full building permit. So while DSI is reviewing for the building permit we would apply for those permits around hazardous material abatement and vapor mitigation under a plumbing permit. That would be concurrent with building permit review. Pending that issuance, we would start construction in January 2023 hopefully.

Moermond: that sounds great. Planning and Economic Development staff is involved in pulling this together. These uses sound really different. Do you have zoning changes you need to deal with? Zoning is currently T3.

Johnson: our proposed use is permitted under current use is my understanding. We do have to replat the two parcels into one with the County. That is underway. It shouldn't be a high hurdle.

Moermond: we've got the storage going on. We have upcoming construction activity. When do imagine you'll be moving from the bicycle storage to having workers coming and going?

Johnson: I would say that is happening now. Increasingly over the next few weeks engineers will be in and out, architects verifying field conditions. Designers accessing the building regularly. In terms of construction crews from 7 am to 3, that won't occur until mid-January pending that building permit. Sporadic work as we do that vapor mitigation.

Moermond: will the storage use have ceased the time the construction begins?

Riser Cobb: we're storing our bicycles at 1790. They are just there until construction starts. There is probably 300 bikes there and we are taking them out; we are selling them. Once construction starts they won't be there.

Moermond: when there isn't a Fire Certificate of Occupancy Mr. Imbertson, my understanding is your concerns are about fire load?

Imbertson: the Fire Code and Vacant Building ordinances typically ask for a Vacant Building to be broom clean and totally empty. That is to minimize the fire load and making sure anyone coming and going would be safe and has proper access to exits. Storage is an occupancy even if there isn't anyone typically there day-to-day. If that is allowed to continue while it is uncertified we would like to see storage to a minimum and how many people are allowed in.

Moermond: I'm hearing that the storage use will continue to decrease as they move to starting construction. That leaves me only with a concern that the storage use is done by the start of construction. So we don't have workers around the storage and people moving bicycles when there is construction going on. I'm comfortable with that storage continuing for the moment. You describe it as a minimal use. Of course professionals can go in and out of the space. I'm thinking this can be released from the Vacant Building program since you have this pending construction and we can revisit it later if needed. Your full permit application you said would be mid-November?

Johnson: mid-November we are anticipating applying for a building permit.

Moermond: I will recommend you are released from the registered Vacant Building program conditioned upon the building permit being issued by January 1, 2023.

Johnson: we were kind of hedging our bets with the time frame. We will do our best, and then we are at the mercy of DSI's schedule. We'd love it earlier than January 1.

Moermond: January 16 will be my recommendation and work actively being undertaken. You wouldn't have a fee. The Fire orders in place, once you begin construction they are kind of meaningless since they apply to a previous use. Getting your Certificate of Occupancy from your building official is the measure of when it can be reoccupied.

Riser Cobb: my confusion was when we got the Certificate of Occupancy in January it was under Keystone and not the other organization. I spoke with Mitch in May and September. I said we'd just had a fire inspection and he said we will cancel the inspection. That is why I was under that impression that everything was fine. Sounds like we are past that point now as far as moving forward. We are in the process with starting the renovation and needing the permit. January 15 should give Planning and Economic Development the time to get that done.

Moermond: we have a building without a Certificate of Occupancy for its current use which is storage. I'm going to allow that to continue through January 15 at which point there should be a building permit issued. This will keep you out of the Vacant Building program. That is the measure. Any questions?

Riser Cobb: can we remove the Vacant Building placard?

Moermond: you can.

Referred to the City Council due back on 10/26/2022

1:30 p.m. Hearings (NONE)

2:00 p.m. Hearings

Fire Certificates of Occupancy

- 15** [RLH FCO 22-96](#) Appeal of Benjamin Roberts to a Re-Inspection Fire Certificate of Occupancy With Deficiencies at 124 LEXINGTON PARKWAY NORTH.
Layover to October 25, 2022 at 2 pm to discuss timeline of Xcel repairs.

Benjamin Roberts, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Mitch Imbertson: initial inspection was done March 2022. B classification with six violations. One was exterior surfaces, which is still cited. A number of reinspections were made between March and now. We are down to a list of the one item, exterior surface repair. That includes repairs to soffits or fascia where there are holes and repairing peeling paint. Not a safety issue but we do view it important and could prevent eventual habitability issues with critters getting in or moisture, or lead issues in the chipping paint.

Moermond: what are you looking for today?

Roberts: there was the initial visits and many subsequent visits. Everything was done on the inside. There are two items, the fascia and then the front porch there is a small amount, one beam and part of the room. The back part was the same thing at the top. As I explained to the Inspector, the power company tightened a line that was too low on the neighbor's house and as a result the wire connected to my house was pulled from the board and it dropped. I've called Xcel to fix the line, I have no control over that. Maybe I should just repair it to the best of my ability.

Moermond: is the work that Xcel doing impact the repairs and painting on the list? Are the wires close? I don't understand.

Roberts: I thought the inspector took pictures?

Moermond: I see holes in the pictures.

Roberts: notice the connection to the house, where the wire connects to the fascia. There is a rod connected to the house. The wire goes to a pole across the neighbor's yard. When they tightened the wire they pulled the board out and disconnected the one running straight across. In order to fix that they will have to come out and figure out what they need to do to relieve the pressure on that line. There is no way I can get that board connected back in alignment with the top board. There is probably 3 inches pulled out at the bottom.

Moermond: normally you see a mast connected to the roof, rather than into fascia. That seems unusual.

Roberts: there is a mast that runs up the wall. Most houses the wire is connected to the house and then it goes to the mast.

Imbertson: a more typical way is they run the connection strapped to the mast so the wires aren't anchored on the house. I believe this is acceptable for Xcel it just leads to complications if you need to repair the board behind it. I don't believe there is a concern for existing buildings. They may have had to raise the anchor point up to get additional height with the mast.

Roberts: it has been like this all along.

Moermond: with the separation between the fascia boards?

Roberts: no, not until they came out and tightened it.

Moermond: you have connected with Xcel. They may or may not be of assistance in addressing the construction matter. Talking to them is the next step and you are waiting to hear back?

Roberts: I've talked to them and have a work order in but haven't heard anything. At minimum since the wire goes so close to the house is put in another pole. There is probably 50 yards from the pole that runs to the person's house.

Moermond: so you would like an extension on the fire order to correct the fascia boards until Xcel can do their side of things and you don't know their timing.

Roberts: even for me to make the repair they would have to drop the line. They told me four months on another property. I'll do the best I can to get it up so it won't be drooping. It won't look too good. As far as the painting I plan to take care of that. It isn't a large amount. It is probably about a six-foot span. For some reason I didn't get up that far when I painted the house.

Moermond: why don't we continue this conversation in 2 weeks and during that time you speak with Xcel so you can come back with a firmer timeline so we can put in an appropriate extension.

Roberts: I will try and contact them. They haven't even responded to my initial response.

Moermond: get all over them on it. I'd like to know that before we lock something in.

Laid Over to the Legislative Hearings due back on 10/25/2022

16 [RLH FCO 22-95](#) Appeal of Katherine Gosiger to a Fire Certificate of Occupancy Correction Notice at 258 SEVENTH STREET WEST.

Sponsors: Noecker

Layover to LH October 18, 2022 at 2 pm. PO to submit survey for staff review.

*Kathy Gosiger, general manager, appeared via phone
Tom Reid, owner, appeared via phone*

[Moermond gives background of appeals process]

Staff report by Supervisor Mitch Imbertson: inspector Niemeyer was out on a referral to assess rear exit due to wall collapse at neighboring property. In response a correction notice was sent with two items. One is regarding a fence on the east exit from the rear bar. The second is the roof above the east exit in the same area. The concern with the roof was to have a building permit and inspection of related instruction. There appears to be deterioration of the fence and it is leaning due to the collapsed wall. We don't have a survey in hand so inspectors make their best judgment as far as which property we determine a property border. Mr. Niemeyer's observation is the fence was built good side out from the 258 seventh property, making it appear related to this property. If we are shown a survey showing it isn't not part of this property we would of course close out this order and pursue it with the correct property owner.

Moermond: so a survey is critical to figure out where this lies. Do you have a survey?

Reid: we do.

Moermond: is it something you can share?

Reid: absolutely.

Moermond: what I'd like to do is get that survey and I know there is a lot going on in that tight geographic location right now. Clarity on that would be fantastic. The other place I would look is if anyone has any site plan conditions established as part of that process or license conditions related to any of this space. I don't know that exists but it may be informative. I would like to see the survey before arriving at a conclusion on this. If you could get that to me, we can talk again next week.

Gosiger: how can I send that to you?

Moermond: scan it and email it, sometimes surveys need a high-quality scan.

Reid: I'll call the company who did the survey and see if they can help. It is quite large. Prior to us even doing the extension we had several engineers looking at the property so we didn't create a problem for the Justice Ramsey House. We started in that corner and everyone said there was no problem with digging by that shale rock. They were here hourly as we started digging. The fence was here when I bought the property in 1999. I always understood it was on the adjoining property, not on our side. 8 or 9 years ago our customers, pre-expansion, smelled smoke and the back of the building was on fire. There was a metal pipe the owner had put a stove in without proper inspection. Our manager had to put the fire out.

Moermond: the Justice Ramsey house?

Reid: yes. I think he may have been cited for it. It was back on that side. It was never corrected, some of the wood is still charred to this day. Chimney falling down, gaping holes. We did have that metal ceiling. That isn't an emergency exit. It is just for us to store but we did have the metal roofing taken down so it isn't out there to cause any problems for us or the neighbor. The 4x4s are actually holding that back portion of the building or it could have caved and damaged our building. It is six inches into Burger Moe's property. John Evans did maintenance for us and Burger Moe's and he would come in to fix the fence and at one point because Moe had a patio they put in an emergency exit so they could still use the patio. John made a gate so his customers could exit the area if necessary. When we did our expansion we actually left more room at the back so he could still use that and didn't close him down. When we got into a tiff with Moe that is when things started to change. I said it was impeding our customers because it swung left to right and prevented exit from our building after the expansion. We believe that fence isn't ours. It looks terrible from our side. They can't see it at all.

Moermond: how quickly can you get the survey to me?

Reid: I would hope today.

Moermond: could it be close of business Thursday or Friday? Is that too soon?

Reid: we close at 2 am, do you want to come over?

Moermond: I'd like to look at the survey and pictures and then I'd have time to schedule to come visit the site if I had questions and perhaps bring the building inspector too. I'd want to see the survey first because that may answer my questions.

Reid: you come over and pick a time that is fine.

Moermond: I'd want the survey first so I would know more. It may not even be necessary.

G: I could bring it into the office tomorrow.

Moermond: we can make that work. Reach out to Joanna Zimny. [Moermond discusses her calendar]. Either tomorrow or Thursday and we'll figure it out.

Laid Over to the Legislative Hearings due back on 10/18/2022