



City of Saint Paul

15 West Kellogg Blvd.
Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

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Tuesday, January 12, 2021

9:00 AM

Remote Hearing

9:00 a.m. Hearings

Remove/Repair Orders

- 1 [RLH RR 20-45](#) Ordering the rehabilitation or razing and removal of the structures at 2531 EDGCUMBE ROAD within fifteen (15) days after the December 9, 2020, City Council Public Hearing. (To be withdrawn)

Sponsors: Tolbert

Recommend withdrawal of the resolution ordering the property removed or repaired as part of a substantial abatement order and conversion of the deficiency list to correction orders, conditioned on the owner continuing to work with Ramsey Count Veteran's Services in executing the items in the orders by December 1, 2021.

*Craig Barbee, attorney at Usset, Weingarden & Leibo o/b/o Nationstar Mortgage d/b/a Mr. Cooper, appeared via phone
Kristen Nord, Ramsey County Veteran's Services, appeared via phone*

Moermond: I'm going to recommend tomorrow that the Councilmember withdraw the resolution ordering the property removed or repaired as part of a substantial abatement, conditioned on the owner continuing to work with Veteran's services in executing the items in the orders by December 1, 2021. My understanding from you Mr. Barbee, without a pending order adopted by Council, Nationstar doing business as Mr. Cooper wouldn't pursue its foreclosure action anymore, that's correct?

Barbee: correct.

Moermond: we'll confirm the action has been withdrawn. We will send you the minutes and documentation. We can get you certified minutes from the meeting to share with your clients. Ms. Nord, any questions about the expectations?

Nord: all the repairs outlined need to be done by December 1 of this year? I understand that.

Moermond: I want it to be clear he needs to continue to work with you. The special circumstances are only addressed if he continues to work with you or someone else you have designated.

Nord: he'll get a letter to that effect then?

Moermond: yes, and we'll copy your office as well. The meeting is tomorrow at 3:30.

Referred to the City Council due back on 1/20/2021

2 [RLH RR 20-44](#)

Ordering the rehabilitation or razing and removal of the structures at 854 EDMUND AVENUE within fifteen (15) days after the December 2, 2020, City Council Public Hearing. (To be referred back to January 26 2021 Legislative Hearing)

Sponsors: Thao

Refer back to Legislative Hearing January 26, 2021 at 9 am for further discussion. By close of business Monday, January 25 PO must submit contractor bids. If this condition is met, deadline for submitting proof of financing will be close of business February 9, 2020. (CPH Feb 10, 2021)

Susie Thill, owner, appeared via phone

Staff report by Manager Steve Magner: a letter was sent December 11 with a list of conditions, including submit evidence of financing, affidavit dedicating the funds, work plans and scope of work, and must continue to maintain the property.

Moermond: our office hasn't received bids or financing; I assume you haven't either?

Magner: nothing in front of me, no.

Thill: I haven't sent anything to you yet. I tried to reschedule this conference because it took me forever to find a contractor. He was supposed to come out December 23 but he canceled due to the snow. I also had someone come in January 4. Everyone else is busy through the summer, so it took me a long time to find them and get them in. They both bid \$100,000 plus. Since I have the tight schedule I chose someone, but he can't come until Thursday and I have to pay him \$2,000 to do the documentation. It will take him at least a week to get it done due to the condition of the home. There's no way he can give me a bid without doing that. So that's where I'm at. It is in the process; it is just out a couple days. I tried to call yesterday to reschedule and she told me it is better to have this hearing.

Moermond: that is true. Now were looking at whether it makes sense to extend the deadline again. Did I understand you to say you had two bids in hand that were \$100,000 plus?

Thill: they were verbal. With the time frame I just chose the one who seemed more interested than the other contractor. They were just verbal bids, a rough estimate of the cost. I called people 4 am to 6 pm all through December. Everyone we called was too busy or only did high end projects. I recruited my cousin to help me, it took so much time. It wasn't we didn't do it; this is new to me and I'm grasping at straws.

Moermond: to be clear, it isn't a new circumstance for the City. This has been a vacant building for four years.

Thill: I have owned for a year and a half.

Moermond: the orders went out August 20. So not new. The timeline has been longer

than you're understanding. I'm going to give you a chance to get those bids, but I'm wondering if you can tell me about the financing. You said you had an investor who pulled out due to Covid, and then a loan. We commented last time any financial institute would require bids.

Thill: I'm waiting for the bid to do that. My cousin is going to go in with me on the house. As far as I know from this contractor the work will only take 4 months, but he can't give me a concrete amount. So I do have someone else going in with me on this.

Moermond: and you'll have that within a week of his walkthrough Thursday?

Thill: that's what he said.

Moermond: any thoughts Mr. Magner?

Magner: it sounds like it is possible that she could have the bids by the 26. My only concern is if we come back on the 26 without financing we're not any further really. Is there a way she can be doing both bids and financing in place and then layover for a month, so we can wrap it all up at once on February 9?

Moermond: it is in front of Council tomorrow. I will ask them to refer it back to Legislative Hearing on January 26 with the expectation that we need to see bids in hand. If I have that I will continue the matter to February 9 to look at financing. If I don't have that, on February 10 I will ask Council to order the building removed. So clear expectations for what needs to be done on the 26.

Thill: I am leaving out of town January 29 and flying back February 9 for work, can we change that date? I'm flying in that morning.

Moermond: we conduct these the second and fourth Tuesdays at 9 am. We'll discuss that on the 26.

Thill: I will check the time I fly out that day too.

Moermond: and you could have the info to us on paper for us to review, that would be what we could look at and ask questions in follow up correspondence. Let's touch base on the 26 on the best way to do that.

Referred to the City Council due back on 1/13/2021

3 [RLH RR 20-31](#)

Ordering the rehabilitation or razing and removal of the structures at 1033 GALTIER STREET within fifteen (15) days after the September 23, 2020, City Council Public Hearing. (To be referred back to February 9, 2021 Legislative Hearing)

Sponsors: Brendmoen

Refer back to LH February 9, 2021 at 9 am. By close of business February 8, 2021 PO must: 1) submit an affidavit indicating the finances will be dedicated to completing the project, 2) submit work plan, sworn construction statement, or scope of work and 3) property must be maintained.

Adam Soczynski, attorney for Usset, Weingarden and Liebo o/b/o NationStar Mortgage Corp d/b/a Mr. Cooper, appeared via phone

Magner: a letter was sent December 11, 2020 laying the matter over to today. At that time the following conditions must be met: open and accessible for Code Completed Inspection to be completed, evidence of financing, affidavit dedicating the funds, work plan and scope of work, and property must continue to be maintained.

Moermond: what do you have going on? We have the code compliance inspection, but nothing else.

Soczynski: I received a copy Monday. My client is working on getting bids and submitting the documentation required here under item 4. I'm asking if you can waive items 2 and 3—

Moermond: not happening. Banks have a lot money but It doesn't mean they're willing to spend it on those sorts of things. We'd need a statement from a bank official they are dedicating the money.

Soczynski: I can get you the affidavit.

Moermond: yes, we don't need to see their annual report, but we do need the affidavit.

Soczynski: I know there wasn't enough time from when we got the report to get those bids. I know they're working on it. I just received an email yesterday, as of January 7 they we were working on getting proposals requested and issued to the vendors for action. That's the language in the email I have.

Moermond: the last time we spoke there was a summary abatement order on the property. Where are we at right now in terms of the REO managing the property?

Magner: we did send a work order on December 23 for garbage and rubbish.

Moermond: I see something January 7, 2021.

Magner: we also issued a summary abatement order January 7.

Moermond: so Xome continues to not manage the property in the field.

Soczynski: what was it for?

Magner: packed down snow and ice on the sidewalk. According to the inspector the property manager isn't maintaining the sidewalk. The expectation is the sidewalk is cleared the full width down to the concrete. I don't know if they didn't send someone, or just drove by and didn't do it. We did send the summary abatement order with the expectation of them clearing it.

Soczynski: is there a way for me to get notified on those summary abatement orders?

Moermond: right now the notices go to HSBC mortgage and to Mr. Cooper and Xome field services. What's involved in adding Mr. Soczynski on these?

Magner: I can ask my staff to add him as a responsible party.

Soczynski: I can get things done faster and eliminate future ones.

Magner: I get that, and I understand that, but there's an expectation in the City that

these properties are maintained without the City having to tell you to do it. When you're in Legislative Hearings there is a statement in every letter that it says, "must be maintained".

Moermond: I'm even more ticked off, December 23 is when it snowed, and there were two weeks between then and when the inspector went out. That's a very long miss. The neighborhood continues to experience this as a nuisance property. We'll add you to the list but understand this doesn't look like you guys have the property under control. This is basic stuff. Really, really basic.

Soczynski: I understand what you're saying. You're probably more familiar with I am as far as how long as it takes them to get the documentation

Moermond: why do we even have to send a letter?

Soczynski: I understand that. I just want to eliminate that from happening again. I don't know what an expected length is for them to get the sworn construction statement. They got the report on January 7, I'd ask for a reasonable time for them to get you that and the financing piece and I will reiterate the importance of them so that I don't look terrible in front of you next time I'm here and the importance of keeping the property up and what is expected. I don't know how much time should be asked for. I need whatever time is reasonable, I guess.

Moermond: Mr. Magner, any thoughts?

Magner: I guess I'd throw it back to the attorney; does he have experience with this client as to how long it takes to turn this around? They just finished the Code Compliance Inspection and they have to send it to a subcontractor who will put some numbers to it. Two weeks? Or is that unrealistic and we need to hear it in a month. The affidavit should be someone at the VP level committing the money to fix it, but they're more beholden to the contractors to give a number they can commit to and a time frame of when the contractor can start the project.

Soczynski: I doubt I can get an answer by anytime you'd want it. I sent an email off right now. The list looks extensive. There's a lot to do. I saw the estimate of \$100,000 by the City, and I'm guessing that's low. I would ask for four weeks if possible.

Moermond: I'll go ahead and ask council to refer it back to Legislative Hearing tomorrow to Tuesday, February 9 to review the work plan, subcontractor bids and schedule at that point. For the record if your REO made it difficult to conduct the Code Compliance Inspection because of the door problems, so we've had that conversation before. The deadline for snow and ice removal was yesterday, I am guessing the inspector would submit that work order that today?

Magner: that's the plan.

Moermond: that's \$250 an hour plus the abatement. That's your punishment. They had until the end of yesterday. Technically, it could have been issued yesterday, but it wasn't. You'll see an assessment for that at some point. I know you've taken a beating on this today, largely not your fault.

Soczynski: I will report everything to them and hopefully the next hearing will be much better.

Referred to the City Council due back on 1/13/2021

- 4 **RLH RR 21-5** Ordering the rehabilitation or razing and removal of the structures at 655 JESSAMINE AVENUE EAST within fifteen (15) days after the February 10, 2021, City Council Public Hearing.

Sponsors: Yang

Order the building removed within 15 days with no option to repair.

No one appeared.

Staff report by Manager Steve Magner: The building is a two-story, wood frame, single-family dwelling with a detached one-stall garage on a lot of 4,792 square feet. According to our files, it has been a vacant building since June 19, 2019. The current property owner is Eileen M. and John E. Ray per AMANDA and Ramsey County Property records. On October 28, 2020, 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 November 2, 2020 with a compliance date of December 2, 2020. 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 \$10,000 on the land and \$65,000 on the building. Real estate taxes for 2020 are delinquent in the amount of \$2,776.68, which includes penalty and interest. The property owners signed a Confession of Judgment (CJ) with Ramsey County on July 25, 2019 for unpaid taxes for the following years: 2010, 2011, 2012, 2013, 2014 and 2018. The annual payment due is \$1,373.57 plus 20-months interest at 7%. If the property owners fail to pay the 2020 taxes and the CJ payment for 2020 by March 1, 2021, the Confession of Judgment will be void. The property is eligible for tax forfeiture July 31, 2021. Taxes for 2015, 16, 17 and 19 have been paid. This thing is very close to being in tax forfeit.

Moermond: so it is in forfeit, but very close to being lost.

Magner: the vacant building registration fees were paid by assessment on July 31, 2020. As of January 11, 2021, a Code Compliance Inspection has not been done. As of January 11, 2021, the \$5,000 performance deposit has not been posted. There have been thirteen summary abatement notices since 2019. There have been twenty work orders issued for garbage/rubbish, boarding/securing, grass/weeds and snow/ice. Code Enforcement Officers estimate the cost to repair this structure exceeds \$75,000. The estimated cost to demolish exceeds \$20,000. We did not receive an email back.

Moermond: one of the things in the letter scheduling this hearing is a statement that the recipient needs to contact our office to be a part of this hearing and you haven't heard anything

Mai Vang: no.

Moermond: so no contact and no returned mail. The building was posted with the hearing dates as well?

Magner: yes. And we don't have a mortgage company.

Moermond: I see December 11 personal service was done. So they got the information. I have no reason not to recommend the building is removed with no option for rehab. I'll ask staff to copy Nicholas Hanson on the letter so he's aware of the action on February 10.

Referred to the City Council due back on 2/10/2021

- 5 **RLH RR 21-6** Ordering the rehabilitation or razing and removal of the structures at 1004 THOMAS AVENUE within fifteen (15) days after the February 10, 2021, City Council Public Hearing.

Sponsors: Thao

Layover to LH February 9, 2020 at 9 am. By close of business February 8, 2021 PO must 1) submit work plan, sworn construction statement, or scope of work based on the code compliance inspection and 2) property must continue to be maintained. (CPH Feb 10, 2021)

Mr. Kerry Nilles and Ms. Kathleen Nilles, owners, appeared via phone

Staff report by Manager Steve Magner: The building is a two-story, wood frame, duplex with a detached one-stall garage on a lot of 4,792 square feet. According to our files, it has been a vacant building since June 18, 2013.

The current property owner is Kathleen M. and Kerry L. Nilles per AMANDA and Ramsey County Property records. On October 21, 2020, 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 October 26, 2020 with a compliance date of November 25, 2020. 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 \$9,000 on the land and \$107,600 on the building. Real estate taxes are current. The vacant building registration fees were paid by credit card June 16, 2020. A Code Compliance Inspection was done on October 20, 2017 but is now expired. A new inspection fee was paid on December 22, 2020; however, the inspection has not been completed. The \$5,000 performance deposit was posted on December 22, 2020. There have been three summary abatement notices since 2013. There have been no work orders issued. Code Enforcement Officers estimate the cost to repair this structure exceeds \$50,000. The estimated cost to demolish exceeds \$20,000.

Kerry Nilles: this is going back to 2017, we had a break in and they took gas line, electrical and the copper. We're working with the City to get that put back together. The water, gas and plumbing has been restored. Bob Willey was the plumber. He has retired and moved to Florida, but we got that put back together. The mast and all that stuff was done. We've arranged financing for \$60,000 to finish the work, we just need to get in and finish. Structural work was finished and inspected. We're ready to go ahead and get this done.

Moermond: I am seeing you have the first two steps taken, one is the performance deposit being posted, the other is apply for a code compliance inspection. I'm wondering, I know you're in the business, have you done a walk through and done some prelim bids that can be modified based on content of the code compliance.

Kathleen Nilles: we took the order to abate from October 26, 2020 and it is identical to the code compliance document from 2017. I sent that to Steve yesterday. I know Mai Vang did, and she replied and said we couldn't work off the Order to Abate and we need to work off the Code Compliance Inspection. We're started looking at this here, and the results of the current code compliance would be what we'd work off of. We wanted some numbers down so we hit the mark for funding.

Moermond: it looks like you have a building estimate of around \$35,000? Is that going to change based on conditions do you anticipate?

Kerry Nilles: I'm guessing from what we've denoted, it should be close. The issue we will have is the notations with the plumbing because it was all roughed in and checked and passed. The fixtures are already all there, it is how that's interpreted budget wise. That's been completed. The structural work the City inspector wanted us to, installing the structural beam, that was done and inspected. The \$35,000 should be close, including the siding and stuff. Garage foundation was done and checked. Back porch needs to be resided. Soffit and fascia are done expect for one corner. We can certainly amend based on the new code compliance inspection. I have a couple people ready to come in to look at the boiler and we'll probably put a new one in. We'll get some numbers on that. I think initially the \$35,000 will get us a long ways towards getting it squared away.

Moermond: and you are aware the plumbing permit from 2017 is expired?

Kerry Nilles: yes.

Moermond: you'll need a new contractor to put their name on their work.

Kathleen Nilles: we have Kerry and the other contractors listed.

Moermond: and mechanical?

Kerry Nilles: the plumber has someone he works with, otherwise we've had KB Service Company out of St. Paul come previously. I just chatted with them on the phone and they're willing to come look. As soon we get a specific order on what needs to be done they can give me an estimate.

Moermond: Mr. Magner, looking at the application made December 22, do we know where we're at with the code compliance inspection letter?

Magner: I think our problem is that most of the inspectors are in conference this next week, that's where the delay is. It came in right before the holiday, and we had limited staff, and now this conference. It is in the system; I don't know if anyone has done a trial letter yet.

Kathleen: I spoke with Mr. Bruhn yesterday and he said he had been through on Friday but I know he coordinates.

Magner: his trial letter is done.

Moermond: this is scheduled to go to Council Wednesday, February 10. Once you get your bids and plan put together, when do you want to begin the work?

Kerry Nilles: immediately.

Moermond: the main thing are the plans and specific bids at this point. The bids should mention the items in the code compliance inspection or have them note it is to address the items in the inspection and you are accepting that bid. I'd like you or them to put in some specificity about who is starting and the schedule you'll be using. If we can get those sooner I can make a recommendation they issue permits before it hits Council. With the training I will continue this conversation to February 9, anticipating

you will have the code compliance inspection in your hands and make any modifications. That means February 10 I'd recommend that Council grant 6 months. If we don't have that information we can talk on the 9 and figure out what we can do next. For any items not done in-house, the subcontractors need to provide the information.

Kathleen Nilles: the format right now is fine?

Magner: yes, that should be fine.

Kerry Nilles: Mr. Magner, I know it takes time to coordinate these times after folks walk through. When you think it is completed is it possible to contact me? All these people are swamped up to their butts, if I can give them a couple days lead time to schedule them in knowing it is coming it would be really helpful for me.

Magner: the Hearing Officer could make a request to the Building Official to get it expedited. That could be included in the letter.

Kerry Nilles: not asking for special treatment, but if you know say, that this Thursday it should be completed. Then if you could let me know a couple days ahead of time so I can get the hard numbers.

Kathleen Nilles: or would it make sense for us to go off the current code compliance inspection and do their walk through and have them make changes off the new one.

Magner; that's what we typically recommend. They can amend their bid after they get the new code compliance inspection report. I can't imagine that there will be much change. Our policy is one year and this document is three years old.

Moermond: we'll talk February 9. I'm not sure you would be able to get that kind of heads up. I envision that their calendars open up, they may not know they have a cancellation and then will go and look. There isn't a way to calculate lead time. I don't know that's logistically possible but we'll keep it in mind.

Referred to the City Council due back on 2/10/2021

10:00 a.m. Hearings

- 6** [RLH RR 21-1](#) Referring to City Council of a potential stay of enforcement of demolition for Amazing Homes Ecclesia LLC, represented by Michael Aderinkomi, for property at 1179 SEVENTH STREET EAST.

Sponsors: Yang

Recommend continuing the stay of enforcement through April 16, 2021. A new \$10,000 performance deposit to be posted by purchaser. Work plans and evidence of financing should be provided by close of business March 22, 2021. Refer back to LH March 23, 2021 at 10 am. New CPH April 13, 2021.

Michael Aderinkomi, owner, appeared via phone

Lawrence Aderinkomi, son of owner and realtor, appeared via phone

Jonathan Oyinloye, realtor, appeared via phone

Rashad Kennedy, That Property Place, LLC, potential purchaser, appeared via phone

Moermond: there were a number of conditions that needed to be met earlier. Mr.

Magner can you review the December 23 letter?

Staff report by Manager Steve Magner: a letter was sent December 23, in order to continue the stay of removal the following conditions must be met by January 5: any potential purchaser must submit in writing their process, any potential partner/purchaser must submit information in writing on their process for reviewing potential redevelopment of the site; If you are moving forward with redevelopment, you must submit specifics on the project, including additional funding sources and potential tax credits or grants and their corresponding timelines; and the property must continue to be maintained. If these are documents not submitting by close of business January 5, Ms. Moermond will recommend the stay be lifted.

Moermond: so what we received January 4 was a commercial purchase agreement and written statement addressed to Ms. Zimny. I will tell you what my observations are looking at it, and we'd like you to comment on your expectations. I'm seeing that That Property Place, LLC put \$2,000 on the table and are willing to pay about \$250,000 to acquire the property. The closing date is noted to occur on or before April 2, 2021. The agreement is signed and contains an addendum which states that the purchase agreement is contingent upon the City approving the property site for attended purpose/use. I didn't see one that notes the property is subject to demo unless the City continues the stay. I take it that That Property Place, LLC is aware of the legal situation. I notice the letter from Pine Financial Group that Mr. Sean Bloomquist indicates the borrower's credit is approved for a loan to purchase and repair the property. The purchase is around \$250,000. The repair, looking at the previous estimates developed, was around 1 million. This letter isn't specific enough for me to have faith the financial group understands the magnitude of that one sentence statement. We need much more specific information, and more than a letter. A loan document, line of credit, something that overtly takes into account the amount of money necessary. In the January 4 document I would note that option 1 talking about City approving the intended use and an architect has been hired to produce a development proposal. I'm noting here that later on it talks about "during this time further research will be taken on following funding opportunities." Just noting that the earlier statement is Pine Financial is paying for things, but then this notion that there is grant or subsidized loan financing being used. This is nonspecific. The City reviewing the intended use would simply be making a statement of whether it confirms with zoning requirements. That shouldn't be confused with Council agreeing time is granted to execute a rehab of the property. Those are quite distinct things. I put that to you. You gentleman, that is my observation. Anything additional, Mr. Magner?

Magner: just that on the first document the buyer is contingent upon getting City approval for those plans. I don't know what those are. It would have to be routed through Plan Review and Zoning for anything other than straight rehab of the property. It is unclear whether they are simply looking to get a team inspection and rehab the existing structure and not change its use? Which is currently a bar. Or are they looking at changing the use, which would have to through a full review process and would need a complete set of plans.

Moermond: typically done by an architect.

Oyinloye: Rashad can lay out what his plans are. I've talked to him extensively about this, as far as the addendum contingency. What needs to happen now is [inaudible].

Kennedy: I want to make sure I can do what I want to do with my property. I plan to turn it into a 10-unit apartment building. I'm meeting with the architect on Thursday to

figure out the layout. I spoke with David Eide in zoning. I appreciate you clarifying that the approval from zoning and council are two different aspects. Council has to agree to extend the time for rehab work.

Moermond: the City ordered this building removed. They stayed enforcement of that order on several conditions so Michael Aderinkomi, after cancelling the contract for deed, could move forward to sell or do his own plans. We're operating under that 90 day stay which expired at the end of 2020. Only the Council can stay enforcement of an order it issued. The Council isn't eager to knock down buildings, but this property has been a nuisance property and they have given a very long time for this matter to be resolved. The previous architectural documents done by Kroll are attached to the record if your architect would like to review. That was for an assembly space in the lower level and then office use and nonprofit service providers to work with the church above. You are meeting with your architect Thursday, are you ready to pay for the work right now? You heard my concerns about the cost.

Kennedy: typically I need an appraisal, it is contingent on the appraisal. The bank wants to make sure the value is what I'll get for it. I've done many category 2 properties in St. Paul. We'll do this amount for purchase property and rehab. That's something I can provide; I've done it before and given it to Reid Soley. That does include the rehab. I'm a general contractor so I do save 25% on construction costs since I don't hire it out. I estimate \$750,000. That could potentially change depending on how many units we do. It is about 12,000 square feet. I'm envisioning 10 units. \$750,000 is borrowed with my loan. I have been using Pine Financial for 5 years. I've bought lots of properties in St. Paul and worked with Soley a lot. You can ask him what I've done in St. Paul. That's where that financing is at.

Moermond: Magner is on the line, and Reid Soley works for him. Where you're at right now, I understand you've done category 2 vacant buildings. This is that on steroids. It's a category 3 which the Council has already made a vote on. What timeline on you on with your architect?

Kennedy: two weeks max for preliminary drawings. Four weeks for official drawings.

Moermond: what is your financial institution is looking for in order to come to a loan agreement? The preliminary plan or final plans? Pro forma?

Kennedy: all of the above. They do look at the use, the bedrooms, the pro forma and cash flow, other properties and what they're selling for and I need to provide a construction statement to them. Then they hire a third-party appraiser who comes out and looks at my sworn construction statement who gives an appraisal about its worth once the repairs are done. So a future appraisal value, and my lender goes off that.

Magner: no additional comments.

Moermond: how long does your financial institution normally take to review these requests?

Kennedy: as quick as five days. They do want the plans and then they want to make sure I have Council approval and zoning approval that I can do it. They're fast but the biggest thing is they want to make sure I can do what I want to as far as turning it into a multifamily. '

Moermond: to be clear, the City Council won't grant you time until you have plans and

financing in place. I can get a stay of enforcement pending development of those plans. Until you have the money, I can't recommend the Council grant you time. Just so we're clear on that point. It is straightforward to find out if the use is acceptable under the current zoning which is T2/B3. So a multi-unit residential structure is consistent, but that's easy to find out.

Kennedy: I wrote David Eide, he said it was permitted and there was no limit regarding the number of units. Parking will be the biggest issue.

Moermond: yep. Any last thoughts from any of you on this?

Lawrence Aderinkomi: to address the option two, funding mechanisms. That wasn't to do with the first option, it was in case the deal fell through. I will be continuing to work on that as a backup, so we have some funding options to move forward with development on the building if the deal fell through.

Moermond: and I want to be clear. This will be round 3 that I'm looking at and this is the third strike. If I ask Council to put another 90 day stay, I'm not interested in another one with a different purchaser. This is it. Any other comments?

Kennedy: I know you mentioned Council won't approve plans until they see the funds. I show a settlement statement of rehab funds loaned to me for purchase, is that something you'll need to see? Settlement statement or loan agreement from my lender?

Moermond: yes, typically that's what people provide. If it isn't adequate we will let you know in what ways so they can be addressed.

Kennedy: you'll give 90 days to go through the process?

Moermond: that is what we're discussing right now. It goes to Council tomorrow, so I need to come up with a recommendation right now. Again, any other comments before we finish?

Michael Aderinkomi: I would like us to give Mr. Kennedy the chance to implement the plan because as of now he has the know-how to do it. He's a general contractor and can get it done. I agree with him and I hear you say we have no opportunities after this. I'd like to take the risk at this time to give Mr. Kennedy that chance.

Moermond: I will ask the City Council to continue their stay of enforcement on the order to remove this property through April 16, 2021. I will schedule a hearing for us to discuss the plans and financing for the rehab on March 23, 2021. In the event we're unable to conclude we will then have some room to continue on April 13. I need to note I'd like a written agreement between the parties about how the performance deposit will be handled. Right now I have an agreement that Michael posted \$5,000 as a condition of extending the stay of enforcement, \$10,000 needed to be posted. He made an agreement with the contract for deed purchaser that they would continue their \$5,000 performance deposit. We're getting removed from them and I need to have \$10,000 posted and I don't want it from someone who can walk away from the project. I'd like to see Mr. Kennedy be legally responsible. That can be in the purchase agreement, but it needs to be overtly addressed in the next week. A tight timeline on how you decide how to handle that.

Kennedy: \$5,000 or \$10,000?

Moermond: \$10,000. \$5,000 was previously posted by the MN Apostolic Church, and \$5,000 from Mr. Aderinkomi. They had an agreement that not all \$10,000 be posted by Mr. Aderinkomi. The church was willing to continue their \$5,000. I don't think that agreement continues to apply here. I need you to come up with an agreement how you handle that, whether it comes out of the purchase price or something else. The purchaser who is doing the work needs to be the person who ultimately experiences the loss or return of the money. Tomorrow I will ask for Council to continue the stay of enforcement to give you a chance to develop those plans. I'm heartened your financial institution will be fronting the money. As a for-profit entity you can probably get some tax credits. I wish you well, please contact my office with questions.

Michael Aderinkomi: are you asking for another \$10,000? Up to \$20,000?

Lawrence Aderinkomi: no, changing the agreement.

Referred to the City Council due back on 1/13/2021

Making Finding

- 7 [RLH RR 20-55](#) Making finding on the appealed substantial abatement ordered for 578 LAFOND AVENUE in Council File RLH RR 19-26. (Public Hearing continued to February 3, 2021)

Sponsors: Thao

Continue PH to Feb 3, 2020. If code compliance certificate has not been issued, \$5,000 performance deposit will be forfeited.

Brent Johnson, owner, appeared

Judy Carvalho - voicemail left 11:15 January 12, 2021, unable to appear

Marcial Obregon, contractor, appeared via phone

Moermond: what I need to do now is be clear with the expectations. The finish line for the project is not the bullet list per se from the code compliance inspection report, it is receiving the code compliance certificate. Other things your undertaking to rehab, that does affect this. You did mention some work you thought wouldn't be completed until next summer. Mr. Magner, comments?

Magner: that was at the last hearing. Was the contractor stating the whole project wouldn't be completed until then? Apparently there was some issue about degassing the property for 90 days. I don't know if they've amended their schedule, because it shows now they're finishing the drywall on the 15th. Different than last stated.

Moermond: looking at this plan you submitted, can you tell me when you'll be ready for your final inspections?

Obregon: as in the email, we expect to have the code compliance done by January 1. They decided to just close it up and then delay moving in for a bit. So they are proceeding on the schedule we sent you.

Moermond: I was looking at old records on the property. We're going to put a resolution in front of Council next week, it was supposed to go January 6 but was delayed based on the requested layover. January 20 I will ask the Council to continue the matter for

two weeks. I'm looking for things to be wrapped up then. I need to put a deadline and if the code compliance certificate isn't issued I will pull \$5,000 of the performance deposit back to the City. How that cash figures out between the owners and contractor is up to you folks. We are at a point where we've had a second failure to meet an extension, which has consequences. I can go a bit further to finish but I want that point clear. Let's give you chance to finish. We'll follow up with a letter but hopefully that inspires you to finish and get those inspections scheduled. Questions?

Obregon: none.

Referred to the City Council due back on 1/20/2021

8 RLH RR 20-56 Making finding on the appealed substantial abatement ordered for 174 PAGE STREET WEST in Council File RLH RR 20-11.

Sponsors: Noecker

Continue the \$5,000 performance deposit, as project is 75% complete. Recommend granting to May 1, 2021 to complete project and receive code compliance certificate, provided the property owner: 1. submits a new work plan with updated timelines; 2. submits updated evidence of financing sufficient to complete the rehabilitation; and 3. maintains the property.

Joe Steinmaus, purchaser, appeared via phone

Moermond: we are at the 180-day mark and it is not completed so we need to talk about next steps.

Magner: [reads letter sent December 7, 2020 by Mai Vang]. After that there was an email regarding laying it over from December 22 to today.

Moermond: so here we are. Mr. Bruhn has determined it is at 75%?

Magner: yes, latest email from him this morning with the issuance of building permit for the extra room in the basement. It is at 75%.

Moermond: that means under normal operations the \$5,000 performance deposit will be continued, and no additional one posted. That was the most important finding for you Mr. Steinmaus. It is pretty straightforward, to get an extension you need an amended work plan that gets timing in sync with the plan now versus what was submitted previously. How we get from where you're at now, to being done. Reduce to writing what the plan is moving forward. I also could use updated financing, making sure it is still in place to pay the contractors. I want that confirmed. I assume it is. Pending that information, I will ask the Council to give you an additional grant of time to complete the work. How long to get that submitted?

Steinmaus: I'll get that to you in two days, and in two weeks we'll be done.

Moermond: I'll recommend 90 days. This goes to Council January 27, so you have until May 1 to complete.

Magner: the building inspectors will be in training for 2 weeks; they may have limited responsiveness. You may be done but they won't be able to come out right away to sign off.

Referred to the City Council due back on 1/27/2021

- 9 **RLH RR 21-7** Making finding on the appealed substantial abatement ordered for 489 SHERBURNE AVENUE in Council File RLH RR 20-18.

Sponsors: Thao

Project is completed (code compliance certificate issued and performance deposit refunded).

No one appeared

Moermond: The code compliance certificate was issued last fall and \$5,000 performance deposit was refunded. So this file is closed.

Magner: correct.

Referred to the City Council due back on 1/27/2021

- 10 **RLH RR 21-3** Making finding on the appealed substantial abatement ordered for 2022 STILLWATER AVENUE in Council File RLH RR 20-39.

Sponsors: Prince

Continue the \$5,000 performance deposit, as project is 90% complete. Recommend granting to May 1, 2020 to complete project and receive code compliance certificate. PO to submit updated work plan by close of business January 26, 2021.

Kim Sorn Theng appeared via phone.

Moermond: I'm calling about the work at 2022 Stillwater. Just a couple quick points. Since we're at the 6-month mark, we'll do a quick staff report.

Magner: Nathan Bruhn has indicated on this project it is at 90%. Nathan says he needs the plumbing permit pulled and finalized. Electrical, warm air, building permit is active issued. It could be the contractor tried to pull it online so he did the work thinking he had a permit, which he doesn't. He needs to drop it off at the front counter and then we can do the inspection and final walk through

Theng: he said he has a bonding issue and couldn't pull. I talked to the plumber yesterday. I keep calling him every day.

Moermond: have you paid him yet? Where are you at?

Theng: I paid him, and I've worked with him for 3 years.

Moermond: so he's paid in full?

Theng: yes.

Moermond: you need time to finish, I don't have a problem with that. I'd like to put a 90-day grant of time in place to give you a chance to finish. I'll recommend they continue the \$5,000 performance deposit. When you are completed and have your code compliance certificate, you can get that returned. I'd like to see a plan from you or your plumber about what the timeline is to finish that work.

Theng: has done with the work but can't get the permit.

Moermond: as far as I'm concerned without a permit there is no work done. I'm looking for when that will be pulled and finalized. I'm willing to go out 90 days but I could use a statement on what schedule your operating with. Let's get that taken care of by end of this week?

Theng: he said he can get it done tomorrow, but he said that last week too.

Moermond: I'm not looking for when he's going to pull the permit. I need the timeline of getting that permit finalized. When that permit is finalized you'll get your code compliance certificate. With that I can recommend you can have some more time to finish.

Referred to the City Council due back on 1/27/2021

11 RLH RR 21-8 Making finding on the appealed substantial abatement ordered for 1143 WOODBRIDGE STREET in Council File RLH RR 20-7.

Sponsors: Brendmoen

Continue the \$5,000 performance deposit as project is 90% complete. Recommend granting to May 1, 2020 to complete project and receive code compliance certificate. Property must be maintained.

*John Boehler, attorney, appeared via phone
James Keating appeared via phone.*

Moermond: this is the follow up hearing on this property. We're at the 180-day mark, so we follow up to see where we're at with it. We'll talk about where we're at and where we need to go.

Manager Steve Magner: according to Nathan they are 90% completed. One concern I have is that we did issue an abatement notice for snow and ice January 7, 2021 and we did inspect yesterday and there is still snow and ice packed down on the public sidewalk. This is a corner property. We were planning on sending the work order today unless this hearing has a different outcome.

Moermond: please work order it. This is 90% complete, any finalized permits?

Magner: warm air and mechanical are finalized, the plumbing has expired.

Boehler: it is set up for next Tuesday. The work has been completed, as well as the compliance issue.

Magner: that's the outstanding issue then.

Moermond: we have a resolution in front of Council making a finding, January 27. The work isn't completed, but that can be amended. I'm going to recommend they grant an additional 90 days for finalized permits. Is the plumbing contractor paid?

Boehler: we assumed control of directly paying him, we have a 10% holdback until the final permit is done. Nathan did his inspection he pointed out 8 things from weather stripping and handrails that we're working on. We should be done within the week. The only item is the garage door replacement, I wanted some clarity on that. We're working with a garage door company and they're about 7 days out on getting it in.

Moermond: so my question was about plumbing was whether there was financing to complete paying the contractor. That doesn't sound like the case here. I'll ask them to continue the \$5,000 performance deposit and grant an additional 90 days to complete and get the code compliance certificate issued. Can you do me a favor and shovel the walk if it snows. You're under a microscope. It last snowed December 23. If our team was out there January 7 saying it was a problem, that means no one touched it for two weeks. It looks pretty bad, especially for a corner property.

Boehler: absolutely. We can have them out there by tomorrow.

Moermond: you may beat the City crew then.

Keating: can I get a copy of that resolution before it goes to Council?

Moermond: yes, it should be ready to go no later than January 20, we can put that on our calendar to send to you.

Keating: I would appreciate that.

Referred to the City Council due back on 1/27/2021

11:00 a.m. Hearings

Summary Abatement Orders

- 12 [RLH SAO 21-5](#) Making finding on the appealed nuisance abatement ordered for 1023 BURR STREET in Council File RLH SAO 20-56.

Sponsors: Brendmoen

Nuisance is abated and the matter resolved.

Lisa Martin: the nuisance is abated and taken care of.

Moermond: no action necessary. Great.

Referred to the City Council due back on 1/20/2021

- 13 [RLH SAO 21-4](#) Making finding on the appealed nuisance abatement ordered for 1122 JACKSON STREET in Council File RLH SAO 19-49.

Sponsors: Brendmoen

Layover to LH February 2, 2021 at 11:00 am. PO to submit plan for achieving compliance, including a proposed timeline for combining parcels and removal of temporary structure (greenhouse) by close of business February 1, 2021.

Diane Stadler, sister of owner, appeared via phone

Roger Stadler, owner, appeared via phone

Patrick Kelly, attorney, appeared via phone

Moermond: we're going to be talking today reviewing the existing orders, follow up on compliance. I have received communication on this.

Supervisor Lisa Martin: for this property we issued a summary abatement order regarding a greenhouse on the property. This started June 26, 2018. I know we've had several hearings. We last spoke and had a final deadline of compliance or removal by December 31, 2020. We've been lenient on compliance on this. The greenhouse is still there. He can apply and join the properties together and request approval for leaving it or he can remove it. We aren't opposed to allowing more time to comply, combining the PINS or removing, especially with Covid and Mr. Stadler's health concerns.

Kelly: we're talking about dealing with Covid and Roger's health. With the combining of the property, we talked about it at one time, I think that's the way to go. We can look at Home Depot and outbuildings. We're not trying to make excuses. The intervening circumstances, we haven't had anything like that. If we combined the lots, how long would we have to do that?

Moermond: that covers the accessory structure piece. It doesn't cover the issue of the greenhouse being a temporary structure. I know Ms. Stadler had an engineer look at it, and that analysis was rejected by the building official. We're still in conversation about making it a permanent structure, doing the garage, and a proposal for that. I get the Covid piece of it, but at the same time we're at the 2.5-year anniversary of this conversation as well.

Kelly: I agree with you, but we had that Supreme Court case.

Moermond: so even 6 months in for that, and it was administrative review by Dept of Labor and Industry. In any even that's still 2 years, a very long time. In the correspondence is simply a plea to not do any enforcement on this. This decision has been made and remade. I'm looking for you to come into compliance and have been giving extensions and recommending them every single time.

Kelly: and God bless you or that. It is good faith effort. As you recall, he was in the hospital and removed the boiler per your instructions last year. He's been inching towards solving it. You want us to come up with a solution and we want to do that. Let's do this, can you give us until I can sit down with Roger.. Last time we made a building application and they accepted it and then the two agencies weren't communicating.

Moermond: yes the lot coverage in addition to it being a temporary structure. Two things are in place, yes, and need to be dealt with. We've talked about that in the past. At some point the City is going to have to pull the trigger and remove the green house and I'd prefer you craft the solution. However, you have to give me something and a reasonable timeline.

Kelly: what is a reasonable timeline?

Moermond: a plan with something to respond to. You're the one talking to contractors. You'd be getting an idea about concrete pour, those types of things, so we can have an informed conversation. I can't guess on that.

Kelly: I appreciate it. Let us start talking to Menards and garage builders, and I will report back and give you updates. We'll start next week. On the lot combination, I will have to talk to Roger about that. h=He'd want a survey done.

Moermond: I don't do that kind of work. We can definitely send you follow up correspondence about who to talk to with the City. Combining the parcels gives you

more latitude about where to put accessory structures. We'll put City staff contact information on the letter we send. At the same time, part of the proposal will have to be combining the pins and putting that on a timeline as well. Let's talk again February 2 and have a proposed plan.

Kelly: yes. We got it. Let's try it.

Moermond: understanding the greenhouse cannot continue to exist unless the building official signs off on it and right now the previous problems still exist. I get the sentimental value, but that only goes so far in terms of building safety.

Laid Over to the Legislative Hearings due back on 2/2/2021

- 14 [RLH SAO 21-3](#) Making finding on the appealed nuisance abatement ordered for 1122 EARL STREET in Council File RLH SAO 20-49.

Sponsors: Yang

Nuisance is abated and the matter resolved.

No one appeared

Lisa Martin: the matter is resolved and nuisance is abated.

Referred to the City Council due back on 1/20/2021

11:30 a.m. Hearings

Orders To Vacate, Condemnations and Revocations

- 15 **RLH VO 20-46** Appeal of Pamela A. Herzberg to a Revocation of Fire Certificate of Occupancy and Order to Vacate at 1547 SHERBURNE AVENUE. (To be referred back to Legislative Hearing on January 12, 2021)

Sponsors: Jalali

Recommend that the revocation of the Fire C of O appeal be granted with an extension to July 1, 2021 for permanent soffit repair. Per Inspector, the soffits have been temporarily repaired (covered).

Pamela Herzberg, tenant, appeared via phone

Moermond: were following up on the previous hearing. The certificate of occupancy was revoked for long term noncompliance. We continued this case from October 13 to today on the condition the light fixture wasn't in use. It sounded like you were looking to purchase a property. Where are things are at for you? It sounded like the landlord wasn't working with you, he said he isn't getting rent. I can't remember the details there.

Herzberg: I am still home searching. I am prequalified but the housing market is very competitive. I change from an FHA to conventional loan hoping it helps. As far as the house, he has completed everything inside. He put off doing something with the outside roof. I think it was done the last few days while I was at work. He's waiting to get that inspected, is my understanding.

Moermond: have you heard from the owner Mr. Neis?

Neis: that is correct. The only remaining deficiency per Inspector Toeller is the west side soffit has holes and is missing. He said he would approve the certificate with corrections if he covered the holes and allow it to be completed in the spring or summer to look nicer. The concern with that not being done is the concern will critters get in. we did notice some birds flying in and out, so we are concerned. He hasn't sealed it up so that's why we haven't approved the Certificate of Occupancy. We're concerned if we do, he won't do it, especially considering how long he's been dragging his feet so far.

Herzberg: that's how it started to begin with. It was missing all around. It's a 6-foot piece that needs to be fixed. I thought it was completed. One of my kids saw something.

Neis: that's a possibility. It looks like December 18 was when we were out there last.

Moermond: I'm going to put this in front of Council February 3, and I will recommend that the revocation of the Fire Certificate of Occupancy be granted, pending the soffits being temporarily repaired (covered) with a completion deadline for proper repair of the soffits being July 1, 2021. So the inspector will come back after July 1 to make sure it was properly repaired. February 1 or 2 we'll ask Inspector Toeller to go out to check on that temporary repair. If your staff can let us know what the finding form the drive by today is we can incorporate that in the letter.

Moermond: the main thing in front of us is the Council action. You will receive a letter from Joanna Zimny. Reply all, Fire is copied on the letter. Then everyone is on the same page.

Referred to the City Council due back on 2/3/2021

16 RLH VO 21-1

Appeal of Rico Duran, Latino Economic Development Center, to a Reinspection Fire Certificate of Occupancy With Deficiencies (which includes condemnation) at 857 PAYNE AVENUE and 859 PAYNE AVENUE.

Sponsors: Yang

Grant to March 15, 2021 for compliance (items 29, 37, and 52 withdrawn by the Department of Safety & Inspections).

Rico Duran appeared via phone

Staff report by Supervisor AJ Neis: this is a Fire C of O correction notice for 857 Payne. Mixed occupancy with residential and commercial mercantile space. There is a reinspection tomorrow. There are multiple code violations identified by the Fire Inspector. This has been going on quite a long time. Inspector Franquiz has been trying to work with the owner since this summer to get the building into compliance without success. Franquiz has condemned some of the dwelling unit sleeping rooms due to windows being hard to open or slamming shut. That isn't something we typically do. We typically give time for them to comply. It isn't something we'd condemn for unless it didn't have a different have an opening at all. We will be withdrawing the condemnation order, but the orders to fix the windows would still stand.

Moermond: in reviewing the December 9 issues, the items are item 29, item 37, and item 52. That's where I see condemnation. So DSI is withdrawing those 3 items from the list. So, saying that, they can continue to be used as sleeping spaces. We still have the balance of the orders in front of us. Based on your appeal statement you want to talk about more than those 3 sleeping area condemnations, what are you looking for Ms. Duran?

Neis: to add, when the building was inspected back in July, is started with 95 code violations. We are down to 58. Still a lot, but down almost 50%.

Moermond: I'm not sure how to interpret that number when you have written multiple times there wasn't access granted to parts of the building. I assume there is something behind the locked door that needs to be reviewed.

Neis: like item 40, it has been inspected, a full inspection was made.

Moermond: so he has been through top to bottom?

Neis: yes.

Duran: I want to say, if you had seen the deficiencies that are 50 plus, most of them have the windows issue. For the last couple of weeks we have been making progress on that. Most of the windows have that situation. We decided to fix all the windows. It is an old building; we are fixing 50 plus windows. Covid makes it harder, with people living in these places. All those condemned rooms, one of those no one lives in, and no one is sleeping in them. Regarding item 40, apartment 304, we have a person we are working with the Court on for criminal conduct. There are a few tenants we're working with an attorney on. Mr. Franquiz knows about this specific apartment. It has been a challenge to get access. The St. Paul Police have come to this place many times. We don't have access. We've been trying, but between Covid and the tenants, it makes it challenging. We have been working really hard. We just need more time for the windows. We've been doing big projects, a deck on the commercial area, putting in carpeting and other flooring. The tenants doing criminal conduct has made it extra hard. The point is, we just need more time to finish the windows. We've done 50% of them. He will see that tomorrow in his visit.

Moermond: so you're still ready for an inspection tomorrow except for all the windows?

Duran: yes. It was hard to find a contractor. We have someone working and by tomorrow we'll have more than 50% done.

Moermond: to confirm for our records, you said most of the orders pertain to the windows. 20 of the 58 orders reference window, 3 were withdrawn by DSI. About 30% pertain to windows, the rest are deferred maintenance and other life safety issues. What are you thinking about how long it will take to complete the window project?

Duran: 2 more weeks. 3 weeks just to have a buffer. I'm educating my tenants. I have four empty apartments and one totally renovated with an elderly couple. 5 are totally renovated. In 2 more weeks I will be able to fix the windows, which is the major issue.

Moermond: right now the letter in front of me is a reinspection letter for January 13. Without a condemnation involved I can tell you that when he comes tomorrow it is normal operating procure to issue another letter indicating what still needs to be done. Mr. Neis, would that revoke the certificate if he's not done?

Neis: typically yes it would be a revocation unless we saw substantial progress, like down to under 10 violations.

Moermond: I would like to grant an extension for completing window repairs through March 15, 2021. I anticipate at your reinspection tomorrow you'll have some items not completed. That's normal. What this extension means is you wouldn't be looking at a revocation until after the March 15 follow-up inspection. I want to make sure you have enough time with Covid for both tenants and contractors.

Duran: thank you both. Mr. Franquiz has been an amazing resource to us.

Referred to the City Council due back on 1/27/2021

1:30 p.m. Hearings

Fire Certificates of Occupancy

- 17 [RLH FCO
20-168](#) Appeal of Irine Katras to a Fire Inspection Correction Notice at 1676 WHITE BEAR AVENUE NORTH.

Sponsors: Yang

Layover to LH February 2, 2021 at 1:30 pm for further discussion and update on inspection.

Irene Katras, owner of Best Steak House, appeared via phone

Moermond: we got the bids, and wow, right?

Katras: the first guy kind of flaked and never came back. I showed them the orders and they said the makeup air would need to be all redone.

Moermond: I just had a chance to talk to AJ Neis, also on the phone, and we had exactly the same thought when we looked at your bids. We'd really like a couple of our experts to look at the orders, your equipment and the bids, and make sure you're not getting more bid than what you need. A reality check so to speak. I was just able to call the Senior Mechanical inspector, Gary Reinsberg. We'll get him out there and a head person from Fire Inspections to look at it together so we can have a better conversation. They are really high.

Katras: I think that's the makeup air situation. The first guy was just going to extend the hood. I'm not a mechanical person so I don't know.

Moermond: let's take the time to get it right. If you're looking for loans and grants to be able to do the work, we'll have to get the numbers nailed down. I did talk to Councilmember Nelsie Yang and she is aware of what's going on too. Mr. Neis and I will coordinate and you'll hear from some staff person in DSI to set up an appointment with you and those 2 inspectors. In the meantime let's plan on touching base in 3 weeks, which should give time for conversations with the inspectors. Keep up with the conditions mentioned in the previous letter.

Laid Over to the Legislative Hearings due back on 2/2/2021

18 [RLH FCO 21-3](#) Appeal of Robert Leibman to a Re-Inspection Fire Certificate of Occupancy with Deficiencies at 687 FIFTH STREET EAST.

Sponsors: Prince

Grant an extension on chain link fence orders to July 1, 2021. Pending recommendation on sleeping room egress.

Robert Leibman, owner, appeared via phone

Staff report by AJ Neis: this is a Fire C of O correction notice. There are a couple of violations. This was a reinspection December 18. The new reinspection date is January 15. On the reinspection Inspector Powers had found a new bed had been put in the front entry of the lower unit, it wasn't there at the first inspection. The bedroom passes through another bedroom since now in theory the living room is a bedroom. Also the chain link fence is in disrepair and under appeal.

Moermond: the easy one first, for the chain link fence repair I'm comfortable granting an extension. Thinking about contractors and variability of Minnesota weather, I'm going to recommend granting to July 1, 2021 for that. As far as the egress of the second bed. In your appeal you said it is a father and a daughter, and it is Dad's bed in the entry room. You describe it in your appeal as part of the living room, but it is sort of a hybrid with a large foyer. A space without any doors from the living room but it does have a wall for 70 percent of the space.

Leibman: you walk into the apartment right into the living room. It is not a foyer. There is a dining room off the living room and the bedroom opens up to the dining room.

Neis: so if I'm walking into the lower unit and open up the door, there is the bed. Is there a partition room wall between the living and dining?

Leibman: a wall with a curved top. An arch of sorts. But no door.

Moermond: so the front door, you walk into what your labeling the living room. The next big room is the dining room, and the smaller bedroom is off the dining room, and then a kitchen in the back.

Leibman: yes, there's a door to the exterior from the kitchen and the front door from the living room.

Moermond: it leaves the same layout issue. We have to scenarios; I think a short-term solution we can pursue that would cover a time of the current tenant's tenancy and a long-term solution that would cover the future beyond that. In the short term, I'd be willing the Council allow this space to continue to be used for sleeping purposes on the conditions that we need to have the shelving moved away from blocking the window, and any required smoke and carbons appropriately located. I would want to be clear that the adult needs to be sleeping in that area, and not the child. This would only be for the current tenant. That I can live with now. Mr. Neis can describe if you want to make this more permanent to allow the general space for sleeping in the long term.

Neis: if that wall was opened up to 50% it may be able to be used as a permanent bedroom. What I would like to do is come out this Friday at the scheduled reinspection, have the shelf removed, and I could potentially look at some options to make that more permanent. After hearing about this being a dining and living room, I

need to put eyes on it. I can do that Friday and give some suggestions.

Moermond: I think it may be tricky with an arched open area, it sounds more like a permanent. Perhaps a load bearing wall. Mr. Neis, if you could do that it would be helpful. Why don't we speak next Tuesday to close out our conversation?

Laid Over to the Legislative Hearings due back on 1/19/2021

19 [RLH FCO 21-6](#)

Appeal of Robert & Anne Long to a Fire Inspection Correction Notice at 2053 LINCOLN AVENUE.

Sponsors: Jalali

Layover to LH January 19, 2021 at 1:30 pm for further discussion. Staff to meet PO at property Thursday, January 14 at 2 pm.

Anne Long appeared via phone

Staff report by Supervisor AJ Neis: this is a Fire C of O correction notice issued by Inspector Toeller. Conducted December 10 with a reinspection date of yesterday, stayed by this appeal. On the second floor Toeller identified that a sunroom had been converted into a bedroom which passes through another bedroom. You can see from the photos, there's a small hallway or part of the room with a curtain for privacy. Toeller says it appears to be a part of the room with the hallway area, which would be a bedroom passing through another bedroom. A layout or diagram of the space would be really helpful in making a full determination if it is compliance based or needs an appeal.

Moermond: you've indicated in your appeal it has been used this way for a while now.

Long: we have had several inspections since 2004 and it has never been an issue. I'm wondering why it was now with this inspection? We've always rented it as a four-bedroom house.

Moermond: everyone has a different set of eyes. This is kind of a borderline situation I see from time to time. I can see where one inspector may see it differently than another. What I'd like to do, besides getting a diagram, is get Mr. Neis out there along with the inspector to do a more thorough diagnosis to see where we go with the appeal on this.

Long: we removed the door, so there is no door of the way out of the sunroom. They can completely come out of there.

Moermond: let's get that diagram done, do you want to do it or have staff do it?

Long: probably staff, I'm not an architect.

Moermond: they don't need to be fancy, but I'm sure staff would be happy to do it. Mr. Neis we have a follow-up inspection that was supposed to occur yesterday. What kind of a schedule do you have for doing this? I think there's training right now for many DSI staff.

Neis: this week, what about this Thursday January 14 at 2 PM?

Long: that works great.

Neis: just meet me over there.

Moermond: I'd like a follow up conversation on the 19th and we can wrap this up.

Laid Over to the Legislative Hearings due back on 1/19/2021

2:30 p.m. Hearings

Vacant Building Registrations

- 20 RLH VBR 21-3** Appeal of Paul Ormseth, Paul Ormseth Restoration and Construction LLC, to a Vacant Building Registration Renewal Notice at 767 FOURTH STREET EAST.

Sponsors: Prince

Waive the VB fee for 90 days (to April 9, 2021).

Paul Ormseth, owner, appeared via phone

Staff report by Supervisor Matt Dornfeld: this was opened as a category 2 vacant building in 2009. It appears the current property owner acquired it August 20, 2017. We do have a code compliance inspection and permits on file. From what I can tell it looks like it is a full interior demo, so new construction. Unfortunately we did have a few tall grass and weed complaints in 2020 but none led to work orders. Last, my guess is were here to discuss the vacant building fee coming due here in a couple days.

Moermond: looking at the correspondence, we're talking about the vacant building fee of January 9, 2021 to January 8, 2022.

Dornfeld: yes.

Ormseth: my plan is to be finished and selling in the spring.

Moermond: when will you be wrapped on permits?

Ormseth: mechanical, electrical, and plumbing probably by March.

Moermond: and building?

Ormseth: we still have exterior painting, so we need to wait for warm weather for that.

Dornfeld: typically Mr. Bruhn would issue a certificate of code compliance with corrections. So approved with corrections.

Moermond: so he could get his permits finalized and get it approved with corrections with an agreed upon timeline.

Dornfeld: and that would allow us to close the vacant building file.

Moermond: so outside of weather dependent items?

Ormseth: we are planning to be done by the first part of April.

Moermond: so a 90-day waiver would get you through April 9. It sounds like that would do this for you. I'm going to recommend the Council give you that. if you find you're going longer, it will be processed as an assessment but you should appeal that and if you're done within the 6-month calendar year we can look at prorating that fee and at least get it decreased.

Referred to the City Council due back on 1/27/2021

21 [RLH VBR 21-4](#) Appeal of Tom DeLisle to a Vacant Building Registration Notice at 1053 LAWSON AVENUE EAST.

Sponsors: Yang

Layover to LH January 19, 2021 at 2:30 pm for further discussion.

Tom DeLisle, Jr. appeared via phone

Staff report by Supervisor Leanna Shaff: this file started in code enforcement April 15, 2020. Fire damage to owner occupied property, a Contract for Deed. April 15 found exterior fire damage; they found a trailer full of debris and unapproved parking with vehicles in the yard. On May 15, found vehicles in noncompliance, trailer full of debris still. They had started work on the fire damage. This is when the word tenant first came to light. Tenant said trailer was leaving that day. He said DeLisle and the contract for deed holder was going to court.

Moermond: so the contract for deed purchaser rented out to the tenant?

Shaff: I'm not sure on that. I'm going off file notes. May 27, removed a water heater and rubbish in yard. Still parking on unapproved surfaces. June 8, trailer in street. June 23 still parking in yard, they got an excessive consumption order on that. July 7 trailer of rubbish on garage apron. Work order sent. July 20, it seems they had a trailer overflowing on the street. Jeff DeLisle called inspector Seeley. July 28, they still had scrap in the alley. July 30, the tenant "James" said the contract for deed holder was in hospital with cancer. August 7 the property was inspected with the tenant. He was working on the yard and the trailer full of scrap was in street again. Told to stop putting it in the street. The inspector also left messages for Jeff DeLisle. August 17, Inspector Seeley said James wouldn't come to the door. At that point it was transferred to us as a non-owner occupied building. Inspector Franquiz inspected the property and found many deficiencies on August 20. Went back on the 21 to make sure there were smoke alarms. He actually had to go twice because they weren't there the first time that day. He wrote orders, including applying for Fire C of O. On September 25 he notes he received an email from the owner requesting an extension, stating the squatters left the house and was now vacant. Franquiz spoke with me and after reviewing we gave the DeLisles more time to get the work done and still had no application for Fire C of O. October 26 we again received another extension request and denied that. The property owner was DeLisle and we issued more orders. They were expecting at that point they needed two weeks to finish. We come into December, on the 15 Franquiz said a "sufficient" amount of the deficiencies weren't correct. There's a for sale sign outside the property with no TISH done. Given the excessive amount of time to comply we made the decision to refer to the vacant building program for failure to comply with the requirements.

Moermond: so your staff report is saying it was reported to be emptied of people as early as September but you kept it open as a potential C of O through December in

spite of it not being occupied, and with multiple code violations.

Shaff: correct.

Moermond: why did you do that?

Shaff: to give the property owner time to comply.

Moermond: generousness of spirit. That's fine, it is just a long time.

Dornfeld: we opened a category 2 vacant building on December 15, 2020 per that referral. I have nothing to add other than I did exchange messages with Mr. DeLisle and advised him this was best dealt with through the appeal process.

Moermond: so we have Fire Inspections referring it as a category 2 vacant building. Fire decided it met the definition of category 2 and no push back from vacant building staff on that. The definition of that says unoccupied and multiple housing or building code violations. Is that the determination? It is not condemned.

Dornfeld: correct. With Franquiz' s list we have multiple deficiencies listed.

Moermond: that makes sense. It sounds like things are in flux with you folks. Tell me where you're at and what you're looking at?

DeLisle: Jammer James wasn't a tenant; he was a family member. It has been hell with Covid trying to get people out and evicted. I'm sure you know that. As of May, they were done with their payments, so from that point on we served them a cancellation. It was served and signed. At that point they had 60 days to redeem. This brought us to to July. Still no word. We tried to track them down, sent letters. We couldn't find them and found out she supposedly had breast cancer and was in the hospital. That's where this Jim was. When the cancellation came up we couldn't do anything because of the eviction moratorium. We called the police, who couldn't help us because it was a civil matter. At that point, the end of the September, we finally got the people out and immediately got dumpsters and secured the place. Early October we worked with contractors, found a company to use, and took out permits to do the work. In November one of the crew members got Covid and it got shut down. December I got someone else, they were too slow. I want to get it on the market. Franquiz came out and we went through the deficiencies. I do have an issue with that list, we have 65% of the things done that are on the list. New cabinets, new doors. It is really coming together. 75% of the list was done. I was just there yesterday. I have 95% of the list done, if not more. I've put more than \$20,000 in and continue to put more in. It looks great. I put a call in to start flooring and then I'll get it on the market. I'd like to have the Category 2 removed and possibly give me 30 days for the C of O inspection. I don't mind that. The list is done. I'd like it provisional. I don't mind that.

Moermond: I bet you don't mind that, it would be very much to your advantage.

DeLisle: I think it is overdone. I've been working on it. Covid really hurt us, I can't get people out. The cops can't even do anything. I would have had them out a long time ago and it would be done a lot faster if not for Covid. For a 100-year house it is pretty good.

Moermond: you said \$20,000? The permit you pulled was for \$39,098. There's a disconnect there.

DeLisle: there was more work with doors and the list and whatnot.

Moermond: so you'll file another building permit at the very least? You're in the business you know better.

DeLisle: I can get that taken care of it if you'd like.

Moermond: I'd like you to comply with local codes.

DeLisle: do I need a permit for those types of repairs?

Moermond: yes, you do need to be consistent. I'm being stern simply because this isn't a new thing for your business. You've been doing it for decades.

DeLisle: I have taken over for my brother. I haven't seen you at all since I've done that. We're St. Paul through and through. I don't like that people say that, it is not true.

Moermond: I would be saying this to any company in the real estate and rehab business in St. Paul. You've been doing this and know the systems and know to pull a permit for the value of the work. The same way as you know you need to shovel the walk and it is expensive if the City does it.

DeLisle: there is a new driveway as well. That's done. It looks great. There are new garage doors. We've put a lot of time and effort into it. Man, for having our hands tied during this pandemic we did pretty well.

Shaff: if he would like to get a Fire C of O it won't be provisional. It would be the full one. I'm wondering what's going on with the roof?

DeLisle: it is taken care of and patched.

Shaff: I noticed some sagging in the pictures. One of your workers told me there was 3 to 4 layers on there.

DeLisle: uh no, everything that was patched was taken care of.

Shaff: who did that work?

DeLisle: Sullivan Construction. I can get you the bill and pictures if you want.

Shaff: I've dealt with him and believe he knows when he needs a permit or not.

DeLisle: we use him for all our roofs.

Moermond: I don't see an electrical permit.

DeLisle: there shouldn't be a permit needed for that.

Shaff: what did he do?

DeLisle: lights and wiring.

Shaff: I'd like to see receipts for that too.

Moermond: I don't have photos of the exposed wiring. That can be something small to huge. It is item 19 in December 15 orders.

DeLisle: there was a smoke detector put over the top of wiring, so it needed to have the clamp put on and a cover on. My electrician did that. That's the only thing I had from Mr. Franquiz.

Shaff: we still don't have an application for the Fire C of O.

DeLisle: I have it here, I was waiting for this to be done. I can send that over today.

Shaff: with payment for the provisional?

DeLisle: yep right away. Receipt for electrical, roof, and permits.

Moermond: I'd like to see your building permit situation cleaned up.

DeLisle: I can do that right away in the morning.

Moermond: I'm going to lay this over for a week. In the meantime, Mr. Dornfeld can you put a note that he can pull the electrical permit if necessary? And also a building permit.

Laid Over to the Legislative Hearings due back on 1/19/2021