



City of Saint Paul

15 West Kellogg Blvd.
Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

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Tuesday, November 2, 2021

9:00 AM

Remote Hearing

9:00 a.m. Hearings

Special Tax Assessments

- 1 **RLH TA 21-447** Ratifying the Appealed Special Tax Assessment for property at 134 FIFTH STREET EAST. (File No. VB2202, Assessment No. 228801)

Sponsors: Noecker

If C of O is reinstated by January 19, 2021 reduce assessment from \$2,284 to \$1,142 and make payable over 3 years. If C of O is not reinstated, approve assessment and make payable over 5 years. Make property a Category 1 Vacant Building.

Mr. Kelly Hadac appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Joe Yannarely: the fire Certificate of Occupancy for this property was revoked May 11. We opened a Category 2 commercial Vacant Building at that time. The annual fee plus assessment is a total proposed assessment of \$2,284. Just one graffiti complaint.

Hadac: I have Ronn Jansen for Empire and Madison Equities, the construction guy. As we're going through and looking at Code in terms of how the City defines a Vacant Building under section 43.02 and with respect to it being unoccupied and unsecured this certainly doesn't meet that definition. There's no skyway. It has always been secured as it was designed with doors and locks. With respect to it being unoccupied, the Hat Trick Lounge filed bankruptcy in October 2020. Case 203254 is still ongoing. We owe them information by November 29, 2021 with respect to potential disbursement. Hopefully that will put that to rest so we can do something with the space. This building doesn't meet definition. That's the reason for appeal.

Moermond: I practically have it memorized verbatim. So I'm looking at the May 10, Fire Certificate of Occupancy revocation. It does enumerate several things that could be considered major code violations which would meet the Category 2 definition of Vacant Building. To me it talks more about how we get you out of the program rather than why you're in it. Unoccupied with major violations including alley side damaged brick on load bearing wall, missing separation--

Hadac: that has been repaired.

Moermond: leaking roof in several areas. Uncapped gas line in kitchen. Holes in floor. Taking those things together the question comes to me, how do we get you out? Getting your Fire Certificate of Occupancy reinstated is the most painless way to get you out. The other way is to do a team inspection which involves you having the four trades go through and creating a punch list. I can live with dealing with the Fire Certificate of Occupancy letter and based on what you said you are undertaking those repairs in the letter. You're well on your way. What the planned use of the building is? What is your intention for reoccupying? How does the bankruptcy affect it?

Jansen: all of the items in the Fire Correction letter are done and repaired. The floors have been patched. Brick repaired. Leaks were addressed; we had a roofer come out. From that standpoint as far as building use going forward there are a couple scenarios.

Hadac: it comes down to business decisions. With Covid stuff going on, are people really going to come back to downtown St. Paul? There are a lot of moving pieces. I wish I had an exact answer on that, but things are in flux when it comes to that. In terms of Hat Trick Lounge, I don't know. They filed chapter 7, which is moving its way through. They tried to get a discharge of all their indebtedness. If they want to give it another go after that bankruptcy, I don't know. I don't know their intent or plans. They will be doing Covid calculations as well.

Moermond: can you tell me, what is your financial stake in the building? You are owner and they are lessee?

Hadac: yes, correct. And they were the tenant

Moermond: and they are the only tenant in the space?

Hadac: yes. There has been interest in buying it too. We're having those discussions, talking about converting it into housing.

Jansen: ownership is looking at a couple options. Repurposing as apartments or keeping it office. It will be made once people start coming back downtown and business picks up.

Moermond: I'm going to say I trust you've done what you have said you've done. At the same time at the time it went into the Vacant Building program it met the definition. We didn't have an appeal at that time. I can't unring that bell. At this point I'm thinking I'm going to say I think you are rightly a part of the Vacant Building program but this assessment doesn't go forward until January 19, 2022. So that would be six months into the year. If you have an occupancy by that point I'll cut it in half and make it payable over 3 years. If not, I will make it the whole fee but payable over 5 years. So it will have a smaller impact. The biggest thing I can do this morning is I'm going to recommend the Council change your category from 2 to a 1. That is on the strength of having done the repairs in the May 10 letter. Although you did qualify as a Category 2, I'll say you have enough done to be a Category 1. That means all you have to do to get out of the Vacant Building program is get your Fire Certificate of Occupancy reinstated. Hopefully that lowers the bar in getting out sooner and has less capital investment to get to that place.

Hadac: in terms of the ordinance what provision are you relying on?

Moermond: major code violations. A through F it talks about major code violations plus unoccupied makes you a Category 2 in the section you are looking at.

Hadac: so unoccupied plus multiple housing or code violations. And they're making the determination that its unoccupied in spite of the bankruptcy of Hat Trick?

Moermond: the building being in active use is what makes that decision.

Hadac: that's not what the code says. From our position they are a tenant in the property. The bankruptcy puts a stay on what we can do.

Moermond: if they were in active use. The next step is making a statement to Council January 19. That's the next thing. There's no fee to do that. The Council could look at it differently, they sometimes do. If you aren't satisfied with that, you will get an invoice within a couple weeks and on the back it describes the District Court process for appealing that decision. That takes you to early February before you need to pursue that and dealing with filing fees with that. That's the path forward.

Hadac: will we get a letter in terms of this recommendation?

Moermond: we can send an email confirming this recommendation. Should go out Friday. I'm sorry you didn't get everything you were looking for this am but I hope things move quickly and you prosper going forward.

Referred to the City Council due back on 1/19/2022

10:00 a.m. Hearings

- 2 RLH TA 21-158** Ratifying the Appealed Special Tax Assessment for property at 936 JEFFERSON AVENUE. (File No. J2106E1, Assessment No. 218314) (Amend to delete)

Sponsors: Noecker

Delete the assessment.

No one appeared

Moermond: doing follow up. Last time we spoke Travis Bistodeau asked for a 2 week layover. We were looking for a sign off on a permit indicating the discharge from the sump pump was ok. We still have litigation between homeowner and contractor. What were Mr. Kedrowski's findings?

Supervisor Lisa Martin: they did disconnect the discharge.

Moermond: taking into account that they made that measure and the fact it will take a while to complete the permit due to litigation, I'm going to recommend this is deleted.

Referred to the City Council due back on 11/17/2021

- 3 RLH TA 21-442** Ratifying the Appealed Special Tax Assessment for property at 1880 OLD HUDSON ROAD. (File No. J2203E, Assessment No. 228302)

Sponsors: Prince

Approve the assessment.

Hamadeh Abumayyaleh, owner, appeared via phone
Samir Abumayyaleh, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Paula Seeley: I was transferred this file almost a year ago, the orders the previous inspector sent to not park on the vacant land due to zoning violations. I also spoke with Building Official Steve Ubl and asked his opinion about allowed parking on the lot to the west. He said no, not until plan review and there are plans to put the building in and they meet conditions like fencing the area off.

Samir Abumayyaleh: we have the grading and permit ready to be put up in the next couple weeks. Fencing going up in the next week or 2, as well as a frost barrier. That will happen in the next 10 days or so. We did acquire the full acre lot across the street at 1895. They are striping it Friday, Monday the tenants will start using it.

Moermond: I'm checking on plan review status.

Samir Abumayyaleh: site review has been approved.

Moermond: I'm looking at an Excessive Consumption for noncompliance from last June of 2021. You still weren't in compliance. Compliance would be you are allowed parking if plan review says you can. That will be the critical date.

Samir Abumayyaleh: we have resolved the issue moving forward. Both for phase 1 and 2. We have 90 cars that can fit in the lot. It has been a nightmare since day 1. It wasn't an easy or cheap fix. We paid almost \$100,000 for the parking lot to fix the problem.

Moermond: looks like you got your approval from Ashley Skarda with Zoning, August 18, 2021. So a couple months after this bill. I think this is your last Excessive Consumption bill, I'm going to recommend approval. You still didn't have permission to do it. After that you have that approval which is good.

Samir Abumayyaleh: where does this put the parking issue?

Moermond: you would have to consult with your plan review staff. All I'm looking at is whether you were in compliance with Ms. Seeley's orders.

Samir Abumayyaleh: you will see a fence up soon.

Hamadeh Abumayyaleh: we have funding for the whole project. We'll start digging middle of March. I do want to ask we have to put that big white walkway across the road. Who do we ask for help with that from? The pedestrian walking safety.

Moermond: Ms. Seeley, I'd ask Ashley Skara, do you agree?

Seeley: yes, they will figure that out as far as new construction.

Moermond: Ashley Skarda's number is 651-266-9013. We can also email this to you. She should be able to answer those for you.

Samir: we also acquired that 1835 building which has 30 spots too. Plenty of parking for the future.

Moermond: thank you for the update, I wish you well moving forward. I appreciate your efforts.

Samir Abumayyaleh: I was told they were going to be paving Old Hudson road. Is that true?

Moermond: I don't know.

Samir Abumayyaleh: who could help us with that?

Moermond: we'll try and find a Public Works contact for you.

Referred to the City Council due back on 2/2/2022

- 4 [RLH TA 21-466](#) Ratifying the Appealed Special Tax Assessment for property at 1150 CENTRAL AVENUE WEST. (File No. CRT2203, Assessment No. 228202)

Sponsors: Thao

Layover to LH November 16, 2021 at 10 am for further discussion. Staff to review previous mailings to see if orders before July 26 went to new address.

Julie Betchtel, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Leanna Shaff: the cost is \$242, service charge of \$157 for a total assessment of \$399. We got an email from Mai Vang saying they wanted to appeal the Certificate of Occupancy on a duplex. We had a condemnation on November 24, 2020. Approved with corrections June 17, 2021. Responsible Party updated their information after the final billing was sent on July 26, 2021.

Moermond: I have a question. From the time period when it was it was condemned in November 2020 through approval in June 2021 it was being sent where?

Shaff: all sent to 22600 Meadowvale Rd NW Elk River MN

Betchtel: I didn't receive any of the billing. We moved from that address December 1, 2020. I have had numerous correspondence with many Departments in the City during this rebuild. Somehow they can find my address, I have no idea why you're still sending it to 22600 Meadowvale Rd. It wasn't forwarded, I never got anything until I got this letter with late fees. I have my final inspection with Toeller today to get the Fire Certificate of Occupancy. I wasn't even looking for a bill because today is our inspection day where I should be able to call it whole again.

Moermond: one question for staff. What rating did this property receive that it would be in a Certificate of Occupancy cycle so quickly again?

Shaff: they had a fire, that's what happened. Condemned after the fire per Supervisor Neis.

Moermond: why is there an ongoing Fire Certificate of Occupancy now?

Shaff: it was approved with corrections in June.

Betchtel: we have a duplex. It was an east-west unit. East unit had a fire. When that fire was extinguished the water went into the attic and came down on the west side as well. The ceilings upstairs on the west side had to be replaced. We had to build the fire wall, etc. In June Jack gave me a Certificate of Occupancy so my son could move into the West unit.

Moermond: so for 1 of the 2 units.

Shaff: the whole Certificate of Occupancy was approved, with east being condemned for fire damage.

Moermond: will there be a new Certificate of Occupancy bill?

Shaff: approved with corrections.

Moermond: so there is no forthcoming bill based on today's inspection?

Shaff: no.

Moermond: the inspection today is connected to the bill you would have received back in June or July.

Shaff: correct.

Moermond: so this bill covers that period as well as today's. Ms. Betchtel, additional questions?

Betchtel: I don't have any questions other than the \$242 covers both east and west units and then these administrative fees for \$157. That's the part I'm disputing.

Moermond: Ms. Shaff, I think you probably said this but can you repeat. You said the orders went to 22600 Meadowvale Rd NW in Elk River, Minnesota. If there is an address change for someone, certainly the postal service usually forwards, but how do your records change and the expectation there?

Shaff: oftentimes people have responsible party different from ownership. Different than what is with Ramsey county. The Fire Certificate of Occupancy program requires that should the address for the Responsible Party change they are required to notify us within 30 days. If they don't, we'll send it to the address on record. Something different in a different division would be because they supplied that. We didn't receive that.

Moermond: I thought you said you did in July.

Shaff: yes, after the billing.

Moermond: when a change of address came July 26 that would have been 5 days after the warning bill July 21. There was no new bill issued.

Shaff: correct. You have 30 to pay the first, 15 to pay the second. We don't know if there's a forwarding address, we don't know that situation. That was the address we

were supplied with.

Moermond: so that's taken care of now moving forward.

Shaff: yes.

Moermond: in this case I'm going to say there is some responsibility on the part of the owner and some on the City. Here's the thing. When the address information was changed, should the inspector have looked backward in time to see if something new should be issued? That's not part of the standard work process, that would have been helpful. At the same time that address change form came 8 months after the actual address change. I'm going to take it and split it down the middle.

Betchtel: I have gotten mail from Jack Toeller with my Monticello address. Someone in Fire has had my address.

Moermond: since July?

Betchtel: not in July. Earlier.

Moermond:: based on that we'll have staff pull previous correspondence. If you want to email something in, that would be great.

Shaff: for a different address other than this one?

Moermond: was it for 1150 Central, Ms. Betchtel?

Betchtel: it was for 1150 Central.

Moermond: so let's get that information if you can show that, and we'll ask Fire to dig through their records. We'll continue this for 2 weeks. We'll send a follow up email. We'll wrap it up at that time.

Betchtel: I don't even have my full occupancy. I wasn't anticipating a bill even.

Moermond: it was approved with corrections.

Betchtel: but I was told the east unit was still condemned. The whole thing wasn't approved with corrections. The east side was still uninhabitable until he comes back today.

Moermond: I think it's a semantics problem. There is no additional billing with these inspections. You come out ahead.

Betchtel: but I wouldn't know that. Can you shed light; do I have another inspection in a year because of this?

Shaff: can I address this in 2 weeks?

Betchtel: just wondering if I have another one with additional fees in another year.

Moermond: we'll talk about that in two weeks.

Laid Over to the Legislative Hearings due back on 11/16/2021

- 5 **RLH TA 21-455** Ratifying the Appealed Special Tax Assessment for property at 1196 SEVENTH STREET EAST. (File No. CRT2203, Assessment No. 228202)

Sponsors: Jalali

Reduce assessment from \$346 to \$189.

Chuck Hanna appeared via phone

Voicemail at 10:47 am: this is Marcia Moermond calling about a special assessment for your Fire Certificate of Occupancy bill. We'll try back in about 10 minutes.

Chuck Hanna appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Leanna Shaff: the total proposed assessment is \$346 for a Fire Certificate of Occupancy. S1 warehouse ordinary hazard for the unpaid Fire Certificate of Occupancy fees. Appointment letter April 5, 2021, correction letters May 3, May 25, and June 16, 2021. Compliance date of July 14. Billing dates of July 16 and August 16, 2021. Mail sent to Design Lab Properties LLC, 2552 Hillwood Drive East in Maplewood, Minnesota. I checked with support staff, no payment was received at DSI, no returned checks for late payment.

Hanna: I rent the property to a national company. I thought it was taken care of. When I saw it wasn't I had a check cut from Old National Bank on August 1, but it only shows it went out and it hasn't cleared. They put a stop payment on it as of yesterday since it hit 90 days. I don't know what happened to it. I did send it in, it was cut August 1. I used the property ID number as the memo on the check. I was just trying to see if we could waive the admin fee. I don't know what happened, I only know it left the bank. They stopped payment as of November 1. I understand if it arrived late.

Shaff: we show no record of the check.

Moermond: I believe what you are saying in terms of working with Old National. I suspect the problem may lie there or with the USPS but I am going to cut you a break and give you credit for a good faith effort. This one time I will reduce the assessment to \$189 and delete that fee.

Referred to the City Council due back on 2/2/2022

10:30 a.m. Hearings

- 6 **RLH TA 21-428** Deleting the Appealed Special Tax Assessment for property at 1706 SIMS AVENUE. (File No. CG2103A3, Assessment No. 210112)

Sponsors: Yang

Delete the assessment.

No one appeared

Moermond: let's go ahead and get a quick staff report. The follow up information. We won't get the owner of record on the line quite yet.

Staff report by Clare Pillsbury: essentially we haven't received any documentation from property owner of payment. We did talk to the hauler and receive confirmation from the hauler that 2 payments were made August 2, 2021. One was for \$101.20 applied to Quarter 3. The other was \$116.38. It wasn't applied to the account yet. Our recommendation is to remove the assessment.

Moermond: I'm going to go with that recommendation. We'll ask Council to delete the assessment. I think the best way to handle this is to have a 2 sentence letter to the owner to have it transcribed and have it confirmed that way in writing. We know the owner works nights and sleeps during the day so they have been hard to get a hold of too. We'll send an English and Karen version.

Referred to the City Council due back on 11/17/2021

- 7 **RLH TA 21-445** Ratifying the Appealed Special Tax Assessment for property at 120-122 STEVENS STREET WEST. (File No. CG2103A1, Assessment No. 210110)

Sponsors: Noecker

Reduce assessment from \$79.36 to \$59.23.

No one appeared

Moermond: for this property Ms. Vang indicated the owner said he would be hard to get ahold of today. At the last hearing we talked about 2 things, one was switching out containers to decrease his bill for this and previous quarters. He did that, effective November 1, 2021. At the same time he also submitted a UDRF so we have gone through with making our changes to decrease those assessments. This assessment will go to \$59.23 from \$79.36.

Clare Pillsbury: the email I forwarded confirming the cart switch. It said yesterday, but it was actually done Wednesday, October 25. It just wasn't forwarded to me until yesterday. So it was completed Tuesday, October 26, that's the day the cart switch occurred.

Referred to the City Council due back on 11/17/2021

Special Tax Assessments-ROLLS

- 8 **RLH AR 21-103** Ratifying the assessments for Collection of Vacant Building Registration fees billed during April 22 to June 11, 2021. (File No. VB2203, Assessment No. 228802)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

- 9 **RLH AR 21-104** Ratifying the assessments for Securing and/or Emergency Boarding services during July 2021. (File No. J2203B, Assessment No. 228102)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

- 10 RLH AR** Ratifying the assessments for Demolition service from July 2021 at 1819
21-105 York Ave. (File No. J2201C, Assessment No. 222000)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

- 11 RLH AR** Ratifying the assessments for Collection of Fire Certificate of Occupancy
21-106 fees billed during June 21 to July 29, 2021. (File No. CRT2203,
Assessment No. 228202)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

- 12 RLH AR** Ratifying the assessments for Excessive Use of Inspection or Abatement
21-107 services billed during May 24 to June 21, 2021. (File No. J2203E,
Assessment No. 228302)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

- 13 RLH AR** Ratifying the assessments for Graffiti Removal services during July 19 to
21-108 September 13, 2021. (File No. J2203P, Assessment No. 228402)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

- 14 RLH AR** Ratifying the assessments for Removal of Dangerous Tree service during
21-109 July 2021 at 1209 St Paul Ave. (File No. 2201T, Assessment No.
229000)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

- 15 RLH AR** Ratifying the assessments for Removal of Diseased Emerald Ash Tree
21-110 services during August 2021. (File No. 2202T, Assessment No. 229001)

Sponsors: Brendmoen

Referred to the City Council due back on 2/2/2022

11:00 a.m. Hearings

Summary & Vehicle Abatement Orders

- 16 **RLH SAO
21-71** Making finding on the appealed nuisance abatement ordered for 1143 CHURCHILL STREET in Council File RLH SAO 21-70.

Sponsors: Brendmoen

Nuisance is abated and the matter resolved.

No one appeared

Moermond: looking at this property, Ms. Martin you had staff go take pictures. What was the finding?

Supervisor Lisa Martin: from the original complaint there is significant improvement. This is the type of bush they will have to trim every year but I would say we have to close this as substantial compliance.

Moermond: so nuisance is abated.

Referred to the City Council due back on 11/17/2021

Fire Certificates of Occupancy

- 17 **RLH FCO
21-153** Appeal of Mark Younghans to a Correction Notice-Reinspection Complaint at 1191 EARL STREET.

Sponsors: Yang

Layover to LH December 7, 2021 at 2 p.m. for discussion of engineering analysis.

*Mark Younghans, owner, appeared via phone
Ryan Smolik, contractor, appeared via phone*

Moermond: were going to be talking about the brick fascia. We left things last time we were looking for a written contractor statement of evaluation of the brick wall. We don't have anything. Mr. Younghans, tell me what is going on?

Younghans: I have called a bunch of companies. 2 called me back. 1 or 2 showed up and gave me an estimate. I reached out to them to ask for something in writing stating there was no risk. He said he could. It didn't happen. I reached out again. He said before they would do that we need an engineer to come out. Then Ryan said it wasn't part of their insurance so they need to do more detailed reporting and an estimate on how to fix it. If you came to the building you would see it wasn't loose. It doesn't wobble or shake. It does need tuckpointing. It isn't falling off the building. I don't believe the sidewalk needs to be barricaded.

Smolik: I've been in the design build industry for 25 years. Trained in architecture. I was contacted by Mark to go look at it, I did that on Saturday. My immediate reaction was from what I can see, there was a window that was repair removed next to the gas line which caused the bricks to move. The lentil moved about an inch. It will continue to move if not remedied. I've reached out to people and one can't get out until December. The other looks like it's a couple weeks. Nick Hanson is the December one. Greg from HavTek is the one in a couple weeks. That is the one who is qualified to do this type of work and review. The contractor is not comfortable writing a letter without engineering attached.

Moermond: and that was what we were looking for. You're telling me you can't have one until December?

Smolik: one, Nick Hanson said early December. I'm waiting to hear back from Greg Havlik from HavTek. Him or Sam will come out but I don't have a timeline yet.

Youngmans: my problem was me with the initial contractor and not being able to explain the full scope. It is basically just now starting, which is on me and how I communicated that to the contractor.

Moermond: we're 2 months in from the August 30 orders. What I'm going to do is ask the City structural engineer to take a look and see if he recommends mitigation measures pending that engineer's assessment. He should be able to get out there within a week. So let's talk again in 1 week. If mitigation measures need to be taken pending that assessment we will know then.

Laid Over to the Legislative Hearings due back on 12/7/2021