

Minutes - Final

Legislative Hearings

Thursday, January 3, 2013	9:00 AM	Room 330 City Hall & Court House
	legislativehearings@ci.stpaul.mn.us 651-266-8560	
	Mary Erickson, Hearing Secretary	
	Jean Birkholz, Hearing Secretary	
	Mai Vang, Hearing Coordinator	
	Marcia Moermond, Legislative Hearing Offic	cer

9:00 a.m. Hearings

Special Tax Assessments

1 RLH TA 13-7 Ratifying the Appealed Special Tax Assessment for Real Estate Project No. VB1304, Assessment No. 138803 at 993 JAMES AVENUE.

Sponsors: Thune

Approve the assessment.

RE: 993 James Ave (single family)

Henry Seka, owner, appeared.

Matt Dornfeld, Vacant Buildings:

- registered Vacant Building fee for a cost of \$1,250

- Mar 20 - Aug 17, 2012 duration

- a Category 1 VB file was opened Jun 20, 2012 per a referral from Inspector Steve Schiller

- at the time of Inspector Senty's observation, the house was unoccupied, secured by normal means; the front step/stoop was settling; gas meter was locked; electrical meter was yellow-tagged; the garage had missing siding, open eaves, chipped and peeling paint; he opened a Cat 1 VB at that time

- Fire Inspection followed that up with a Revocation Jul 17, 2012 by Fire Inspector Bohan, who documented 20 code deficiencies, both interior and exterior

- at that moment, Inspector Senty changed the property to a Cat 2 VB status - due to prolonged vacancy and multiple code violations

Mr. Seka:

- has a military obligation and will be leaving for duty tomorrow
- water, electricity and gas have been restored
- has owned this since 2008 and has been on active duty since then
- when the tenants moved out in Oct of 2010, he continued to maintain the property
- U.S. Bank came in and thought they would cash in on a very fast foreclosure;
- however, because the loan is VA, the foreclosure would take a long time

- Five Brothers did a horrible job of property management/maintenance
- when his tenants moved out, he contacted a realtor to put the property up for sale but Five Brothers came and gang locked the house so that he and the realtor had no

⁻ U.S. Bank contacted a predatory company, Five Brothers, of Michigan, to maintain this property while Mr. Seka was in service

access (Jan 2011)

- the VA contacted the Bank of America and informed them that Mr. Seka had a right to access his property

- at this time, the neighbors began to complain about the property

- he called Mai Vang and others from Fort Dix to explain that he is doing everything possible to maintain the property; last year he flew back at his own expense from Fort Dix, NJ when he received a Notice from the city to cut a tree down and mow the grass

- he has done his best to fix things

- in all fairness, it's unfair for him to own property and not have access to it in order to maintain it; and then, to be penalized because of the bank; if he had access, this would never had happened

- since then, he has retained a retired person who will take care of the property - he has been told what all needs to be done

- it seems as though Five Brothers wants to destroy the property

- he hasn't been making payments on the house

Fire Inspector Leanna Shaff:

- has photos that Inspector Bohan took from Jul 2012

- the siding was done incorrectly; the front step is sinking (propped up by blocks); cement slab is not property supported; open eaves - lacking fascia and soffit; garage is in bad shape; seeing where the electricity goes out from the house into conduit (separated from box) - bare wires sticking out; soffit structure is pulling away from the structure (she'd guess the house is shifting); wet basement with mold and mildew; duct work for the dryer; bathroom needs work; basement ceiling - real estate taxes

Mr. Seka:

- ultimately, he wants to sell the house

- the house was built in 1979 on ground that is shifting/sinking, which he has no control over

- the city of St Paul is aware of that

- since he is working at Fort Dix, he is asking for time and not to be penalized (affects his credit rating and his security clearance)

- he is doing everything he can; he has a very highly sensitive job in the Army

- he wants to fix the property but since he's not in Minnesota, he can't do it quickly

- he is not paying the mortgage or the property taxes; he is paying for the insurance

Ms. Moermond:

- the Vacant Building Program is intended to provide a mechanism for monitoring vacant buildings and not all vacant buildings get put into that program

- if the VB fee goes unpaid, it will be put onto the property taxes

this is an empty building with documented code violations - when we have this situation, it needs to be in the VB Program and there's a fee attendant to that
to get out of the VB Program, you need to do more than address the list of items

that the fire inspector wrote up, you need to have a code compliance inspection, which will need to be ordered

- this property could be sold as a Cat 2 VB - to someone who can demonstrate that they will do those fixes

- until the code compliance inspection is done and all the fixes are made, no one can occupy that property (Mr. Seka: there's no way he can do all that when he is not in Minnesota; he needs someone who can take care of all of this, who is here)

- it sounds as though Mr. Seka is not well suited to be a property owner: he's not able to take care of the property; he is not paying the mortgage; he is not paying the taxes; he cannot manage it and he is not able to make the repairs on it - she can only judge future behavior by past behavior and the Appellant hasn't been taking care of business

- there are a lot or repairs that need to get done and the code compliance inspection has not yet been ordered

- this VB fee goes from Jun 2012 - Jun 2013; she'd like to encourage him to get out of the VB Program by using part of this fee as an incentive to get those repairs done; if he can get this be taken care of very soon, she could prorate the fee by half

- the Appellant can have as much time as he wants to fix it or to sell it

Mr. Seka:

- the inspection will be ordered

- he is doing what he can with the resources that he has

- he can have 95% of the work done by the end of Jul 2013 but he will push to have it done by Jun 2013

Ms. Moermond:

- that's still a year in the program

- Mr. Seka will need to pay the VB fee (the VB fee doesn't play into a credit rating)

- the fact that Mr. Seka is deployed does not affect the VB fee one way or the other

- will recommend approval of this assessment

- City Council Public Hearing Feb 20, 2013 at 5:30 p.m.

- Appellant can have a representative come to the CCPH or he can present something in writing

Referred to the City Council due back on 2/20/2013

Orders To Vacate, Condemnations and Revocations

2 <u>RLH VO</u> 12-129 Appeal of Bill Bernier to a Fire Certificate of Occupancy Revocation and Order to Vacate at 1760 SEVENTH STREET EAST.

Sponsors: Lantry

Withdrawn by Dept. (VB closed and referred to Fire C of O program.

Withdrawn

Fire Certificates of Occupancy

3 <u>RLH FCO</u> Appeal of Michael Tierney to a Fire Certificate of Occupancy Correction 12-660 Notice at 1911 IGLEHART AVENUE.

<u>Sponsors:</u> Stark

Deny the appeal and grant an extension until September 1, 2013 for compliance of the list.

RE: 1911 Iglehart Ave (duplex)

Michael Tierney, owner, appeared.

Fire Inspector Leanna Shaff: - Fire Certificate of Occupancy inspection conducted Dec 19, 2012 by Inspector Jay Bohan

- 8 items on the Order

- doesn't know what's being appealed

- photos in Amanda

Mr. Tierney:

- he lives next door; he was brought up in 1911 Iglehart

- the garage abuts the alley as all the other garages do; their's faces south so, there's no entrance off the alley to come up the driveway

- they don't use the garage except for storage (lawn mower, snow blower, etc.)

- the building is sound except they are having a war with the squirrels; the building is old (used to be a horse barn) and the squirrels love to chew it up

- he would like to replace the garage this summer

- the reason he can't do it now is that the alley is glare ice (scaffolding would not work); the roof is 20 feet from the ground

- the inside of the house is all being taken care of (cracks, holes); it's waiting to be painted - the back hallway is enclosed but is not heated - there's scaffolding up inside, so he can scrape it - painting will need to wait

- 2 north facing windows are being attacked by the squirrels but they are not leaking he will take care of them in spriing

Ms. Moermond:

- will recommend granting an extension to Sep 1, 2013 to address all these issues

Referred to the City Council due back on 1/16/2013

4 <u>RLH FCO</u> 12-659 Appeal of Andy Gross to a Fire Certificate of Occupancy Correction Notice at 848 MANOMIN AVENUE.

<u>Sponsors:</u> Thune

Grant the appeal to be out of the Fire C of O Program.

RE: 848 Manomin Ave (single family)

Andy Gross, owner, appeared.

Fire Inspector Leanna Shaff:

- Fire Certificate of Occupancy inspection
- staff has not been inside this structure

- Mr. Gross and his daughter own the house together; has copy of agreement between them; it's not registered with the county

Mr. Gross:

- bought house on foreclosure; cash deal Nov 2009; his daughter had just finished college and she had no credit

- she would live there and help with maintenance, etc., until she got a job

- they made a lot of improvements

- he brought a copy of his daughter's driver's license showing she lives there and a copy of insurance

- she is the only one who lives there

- this is not rental income
- brought photos of improvements (new roof, etc.)

- once they bring it into a nice condition, they will either sell it or she will get a mortgage on it

- he doesn't own any other properties; he's not a landlord

- he doesn't want to be saddled with yearly inspections

Ms. Moermond: - asked to see agreement between Mr. Gross and his daughter; scanned it into

record

- the joint ownership agreement is dated from Nov 2009 - evidence that it is actually owner-occupied

- will recommend that this property be out of the Fire C of O Program
- the Orders are withdrawn
- City Council Public Hearing Jan 16, 2013 at 5:30 p.m

Referred to the City Council due back on 1/16/2013