



CITY OF SAINT PAUL

OFFICE OF THE CITY COUNCIL

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February 12, 2015

James A Logan
1331 Dayton Ave.
Saint Paul, MN 55104-6441

Dear Mr. Logan:

This letter is to confirm our appointment Saturday February 21, 2015 to meet at 872 Selby Avenue to review progress on the rehabilitation of your property. I will be accompanied by Steve Ubl, the city's Building Official.

I received an email late in the day yesterday from Andy Barnett, who is interested in helping you complete the project. I responded to him yesterday evening sharing this information:

- There is a lot of history with your case and many failed attempts to successfully rehabilitate the property. There have been 4 City Council Orders to Abate the Nuisance conditions at this property in that 12 or so years. Each time, additional time has been granted hoping you will be able to manage to complete the project. You are a genuinely nice guy with neighborhood roots and good intentions. I am sure this is why the Council has continued to allow this project to come forward again and again. However, each additional grant of time has not led to the project progressing or being finished.
- The Department of Safety and Inspections is required to demolish this property because the Council issued an order for its rehabilitation or removal in 6 months, and that did not happen. The most recent Council Order was issued March 21, 2012 and it granted 6 months for rehabilitation. Clearly, the rehabilitation was not completed. The property's demolition was significantly delayed (all of 2013 and 2014) to allow you a chance to pull something together to get this done, and you haven't been able to do so. The ward office (over 5 separate Councilmembers) and many others have met with you in hopes of communicating what needs to be done and how to approach it. This building would have been demolished in the second half of 2014, but the budget ran out of money before they could do it.

- The City Council is charged with treating these cases in a fair and consistent manner. With 4 orders being issued over the past 12 years, you have been treated very differently. I think there are good reasons for this, but there will need to be sweeping changes in approach to justify any additional consideration. I am telling you this so you understand there are significant legal concerns about another delay.
- As I indicated earlier, I have talked with Councilmember Thao, and I am willing to re-examine this case. I am scheduling a meeting **Tuesday February 24 at 10:30 AM in Room 330 City Hall** to discuss the possible grant of an additional extension. Although I will be convening this discussion, I must be very clear that the matter is not as simple as getting you a loan or providing project management assistance. Here are some of my thoughts on where things are now:
 - The property taxes situation is complicated. It looks like you entered into a confession of judgment with the county on January 30, 2015 to pay the \$26,340 due in taxes, penalties and interest. This payment arrangement allows you to divide the payments over 10 years which has halted forfeiture proceedings. The arrangement will require that you make annual payments on confession of judgment and pay the current year taxes. I spoke with the delinquent tax folks at the county and they indicate you paid the first of 10 installments required to lock in the arrangement. They also said you will need to keep current on your regular property taxes as a part of this arrangement. So, you will have something like \$4,563 still to pay in 2015. Next year the payment on the confession will be \$5,004 plus the regular property taxes and assessments. I don't know if this will affect your ability to get financing for rehab work, but it will definitely have an impact on your personal budget.
 - A new code compliance inspection will need to be conducted. The old one has long since expired. Although Steve Ubl and I will be meeting you February 21 to look at the property again, this inspection is simply an assessment to inform me of the conditions and does not substitute for a new code compliance inspection report.
 - You have been maintaining the property and no orders have been issued since January 2014. This weighs in your favor. However, there have been repeated neighbor complaints of people hanging out at the property who are clearly not involved in its repair. (I myself have been present at the property and seen this activity.) A registered vacant building is just that, and people may only be present who are conducting rehabilitation, cleaning and moving activities.

- The performance deposits which were posted in the past have been forfeit for nonperformance. The City Code requires \$5,000 and authorizes the Council to require \$10,000 for additional grants of time. It would be hard to not ask for a \$10,000 deposit or bond given the number of extensions already granted.
- I will not advise that the Council accept any work plan in which you are performing work, or you are a decision maker on the contractors or their activities. A legal contract to this effect would need to be developed, approved by the City and executed. I know this may seem harsh, but I think it's needed to break the cycle and push this project through to completion.
- I will not advise that the Council grant additional time for the project unless adequate funds can be demonstrated to complete the project. The funds should cover the amount required in the bids, plus any additional funds for taxes, etc. and they adequacy of the funds will be reviewed by City staff. These funds should not be in your control and you should have no role in paying contractors or other costs associated with the project. Again, a legal contract to this effect would need to be developed, approved by the City and executed. I know this may also seem harsh, but again, I think it's needed to continue forward.
- You have indicated for over a decade that your son will be living here when the rehabilitation is complete. Given how much time has passed since you first said this, I think your son's circumstances should be reviewed to determine if they are unchanged.

This letter talks a lot about rehabilitation or demolition as outcomes for this property. Another option available to you is to convey this property to a community development corporation (CDC) or neighborhood housing service (NHS), which are considered a partner organizations of the City's Housing and Redevelopment Agency (HRA). This conveyance could involve you being paid or simply passing it on and letting them deal with the property taxes, etc. I don't know if this is something you would wish to pursue, but you should know the option is available.

I sincerely hope we can work together to get this project done, but the road is getting steeper along the way. All my best.

Sincerely,

Marcia Moermond

Marcia Moermond,
Legislative Hearing Officer &
Sr. Housing Policy Analyst