

Vang, Mai (CI-StPaul)

From: Laura Orr <laura.orr@smrls.org>
Sent: Thursday, December 12, 2019 12:04 PM
To: Moermond, Marcia (CI-StPaul)
Cc: Vang, Mai (CI-StPaul); Magner, Steve (CI-StPaul); Yannarely, Joe (CI-StPaul); Sheffer, Vicki (CI-StPaul); Soley, Reid (CI-StPaul); Imam/Dr. Hassan Jaamici, Ph.D.; Larry Peterson; caty@frogtownmn.org
Subject: Re: 489 Sherburne Ave.R-R - Approval of Rehabilitation Plans

Think Before You Click: This email originated outside our organization.

Dear Ms. Moermond:

Thank you for this information. I will convey it to Mr. Stuff and follow up with Imam Hassan and Larry Peterson regarding next steps.

Sincerely,

Laura Orr

Senior Attorney

Southern Minnesota Regional Legal Services

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On Thu, Dec 12, 2019 at 11:57 AM Moermond, Marcia (CI-StPaul) <marcia.moermond@ci.stpaul.mn.us> wrote:

Ms. Orr,

The Code Enforcement Manager, Steve Wagner, and I have completed review of the rehabilitation plans. Based on this review, I will recommend that the City Council grant 180 days for the rehabilitation of the property. A formal letter will follow this afternoon. Permits may be pulled beginning tomorrow.

Sincerely, Marcia Moermond

From: Laura Orr [mailto:laura.orr@smrls.org]
Sent: Wednesday, December 4, 2019 2:30 PM
To: Moermond, Marcia (CI-StPaul) <marcia.moermond@ci.stpaul.mn.us>
Cc: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>; Wagner, Steve (CI-StPaul) <steve.wagner@ci.stpaul.mn.us>; Yannarely, Joe (CI-StPaul) <joe.yannarely@ci.stpaul.mn.us>; Sheffer, Vicki (CI-StPaul) <vicki.sheffer@ci.stpaul.mn.us>; Soley, Reid (CI-StPaul) <reid.soley@ci.stpaul.mn.us>
Subject: 489 Sherburne Ave.R-R - Approval of Rehabilitation Plans

Think Before You Click: This email originated outside our organization.

Dear Ms. Moermond:

Thank you for calling me yesterday afternoon regarding Larkin Construction's contact with DSI. I send this e-mail to you and to the parties CCed by the city in communications about this property. I will forward this message to Imam Hassan, Larry Peterson, and Denelle Dornquast of Edina Realty Title, Inc., for their information in their respective roles related to this rehabilitation effort.

Since our telephone conversation, I have spoken with Imam Hassan. (On October 17, 2019, Imam Hassan entered an agreement with my client, Williams Stuff, to rehabilitate the home and purchase it under a contract for deed.) Imam Hassan offered me the attached documents related to his rehabilitation plans, asking that the city review and approve the project as quickly as its duties allow. I do not represent Imam Hassan. However, I ask on behalf of my client, William Stuff, that the city proceed with Mr. Hassan's request.

- **489 Sherburne Ave.FirstAmendmentToPurchaseAgmt19.1121.pdf** is a purchase agreement amendment signed by William Stuff and Imam Hassan, amending terms in document submitted to the city on October 18, 2019. The amendment addresses conditions Imam Hassan encountered while negotiating financing with Larry Peterson on behalf of KSSK Investments, LLC.
- **489 Sherburne Ave.ConstructionProposal19.1125.pdf** is a proposal provided by Larkins Construction, Inc. to Imam Hassan and Asha Hassan.
- **489 Sherburne Ave.FinancingContract19.1126.pdf** is the contract entered by Imam Hassan and his wife Asha Hassan with Larry Peterson on behalf of KSSK Investments, LLC as an investor in the rehabilitation project.
- **489 Sherburne Ave.ConstructionContract19.1126.pdf** is the contract entered by Imam Hassan and Asha Hassan with Larkins Construction, Inc.
- **489 Sherburne Ave.InitialPaymentForConstruction19.1126** is a copy of KSSK Investments, LLC's initial payment to Larkins Construction, Inc. for the rehabilitation project. (Only the routing and account numbers have been redacted for security of financial information.)

From 11:45 A.M. on Tuesday, November 26, to 11 A.M. on Monday, December 2, 2019, I had been out of the office and set e-mail and voicemail message reporting the same. At 5:57 PM on November 26, 2019, Imam Hassan sent me an e-mail message stating, "Mr. Peterson released half of funds for the construction [...] with condition I will sign the contract for deed this week or next week [by December 5]."

Imam Hassan, Asha Hassan, a notary public, William Stuff, and I now plan to meet at 2:30 P.M. tomorrow, December 4, 2019, for signing a contract for deed form. While setting the meeting, I have made clear to both Imam Hassan and Mr. Peterson that the form may not serve as a valid instrument for transferring title before the city issues a certificate of occupancy and the property's liens are paid, referring to related language in the purchase agreements addendum signed October 7, 2019, and the amendment signed November 21, 2019, as well as related limitations to recording documents with Ramsey County Property Records.

Edina Realty Title, Inc. provided the attached **489 Sherburne.TitleCommitment.pdf** today. Edina Realty Title can only provide title commitment if it performs the transaction's formal closing. Denelle Dornquast of Edina Realty Title, Inc. has been attempting to address matters regarding this property while dealing with the flu both yesterday and today. She confirmed that the contract for deed can technically be signed tomorrow with the closing taking place at a later time.

Ms. Dornquast informed me via e-mail that she placed a call to the city's "truth in housing department" earlier today to inquire about closing before the certificate of occupancy is issued. Via voicemail, Ms. Dornquast informed me that contracts for deed must be recorded within 40 days of execution. Upon further investigation, I found [Minn. Stat. 507.235](#), subd. 2, imposing a penalty on the vendee (Imam Hassan) if the contract for deed is not recorded within four months, a deadline set in Minn. Stat. 507.235, subd 1.

Ms. Dornquist thinks she could "pull things together for an official closing" next week if the city confirms that closing may take place before the certificate of occupancy is issued. The city's letter dated October 9, 2019 (attached as [489 Sherburne Ave.R-R Orr-Stuff Ltr.10-9-19.pdf](#)), leads me to conclude that the city does not interpret [St. Paul Legislative Code 33.03\(f\)\(6\)](#) as preempting closing on a contract for deed before the certificate of occupancy is issued, even though the purchase agreement addendum from October 17, 2019, identified closing after the certificate of occupancy is issued.

Would you please confirm the city's position that closing on the contract for deed may take place without violating St. Paul Legislative Code 33.03(f)(6)? Additionally, would you please let me know whether you anticipate the city requiring further information to proceed with approving Imam Hassan's plans and allowing permits to be issued to Larkin Construction?

Thank you for your careful consideration of the city's obligations and interests in this matter, including the interests of the longtime city residents affected.

Sincerely,

Laura Orr

Senior Attorney

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