

Vang, Mai (CI-StPaul)

From: Vang, Mai (CI-StPaul)
Sent: Monday, August 30, 2021 10:35 AM
To: Soley, Reid (CI-StPaul); Bruce Nelson
Cc: Magner, Steve (CI-StPaul); Sheffer, Vicki (CI-StPaul); Yannarely, Joe (CI-StPaul); Zimny, Joanna (CI-StPaul)
Subject: RE: 1514 Van Buren Avenue

Mr Nelson,
Reid is correct. Further discussion will happen on September 14. I have sent samples of transfer agreement back on August 17 if you are interested in the property as well as process. The ONLY way a transfer can happen is when the rehab is completed. You will need to provide a contractual agreement between Ms. Stangland and you while you undertake the rehabilitation of the property while it is still owned by Ms. Stangland.

Mai Vang

City Council Offices – Legislative Hearings
15 W Kellogg Blvd, 310 City Hall
Saint Paul, MN 55102
M: (651) 266-8585 | D: (651) 266-8563
Legislative Hearing Appeals – www.stpaul.gov/legislative-hearings



SAINT PAUL
MINNESOTA

From: Soley, Reid (CI-StPaul) <reid.soley@ci.stpaul.mn.us>
Sent: Monday, August 30, 2021 9:38 AM
To: Bruce Nelson <brucenelsonrealestate@outlook.com>
Cc: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>; Magner, Steve (CI-StPaul) <steve.magner@ci.stpaul.mn.us>; Sheffer, Vicki (CI-StPaul) <vicki.sheffer@ci.stpaul.mn.us>; Yannarely, Joe (CI-StPaul) <joe.yannarely@ci.stpaul.mn.us>; Zimny, Joanna (CI-StPaul) <joanna.zimny@ci.stpaul.mn.us>
Subject: RE: 1514 Van Buren Avenue

Bruce,

At this point, 1514 Van Buren will not be reclassified a Cat 2, so if you intend to buy it you must meet the Legislative Hearing Officer's requirements. The hearing is scheduled for Tuesday, September 14th, between 9 and 10 am, via conference call. Call 651-266-8585 to provide contact information. Having the opportunity to speak directly to Marcia Moermond, the hearing officer, should help you decide whether this property will be a worthwhile investment.



**SAINT PAUL
MINNESOTA**

Reid Soley
DSI Inspector III
Department of Safety and Inspections
375 Jackson St, Suite 220
Saint Paul, MN 55101
P: 651-266-9120
F: 651-266-1919
reid.soley@ci.stpaul.mn.us
www.StPaul.gov

From: Bruce Nelson <brucenelsonrealestate@outlook.com>
Sent: Friday, August 27, 2021 4:01 PM
To: Soley, Reid (CI-StPaul) <reid.soley@ci.stpaul.mn.us>
Subject: FW: 1514 Van Buren Avenue

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

Hello Reid,

I sent this email to Mai vang and she didn't respond.

Here is a new thought, Is it possible to have it changed back to a CAT 2 so we can purchase it and fix it with out all of that risk that I talked about below.

Thanks,

Bruce Nelson

952-270-1514



Bridge Realty
1101 East 78th St, Suite 300
Bloomington, MN 55420

From: Bruce Nelson
Sent: Thursday, August 19, 2021 8:08 AM
To: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>
Cc: Shirzad Raimi <shirzad@raimipropertygroup.com>; Magner, Steve (CI-StPaul) <steve.magner@ci.stpaul.mn.us>; Sheffer, Vicki (CI-StPaul) <vicki.sheffer@ci.stpaul.mn.us>; Soley, Reid (CI-StPaul) <reid.soley@ci.stpaul.mn.us>; Yannarely, Joe (CI-StPaul) <joe.yannarely@ci.stpaul.mn.us>; Zimny, Joanna (CI-StPaul) <joanna.zimny@ci.stpaul.mn.us>
Subject: RE: 1514 Van Buren Avenue

Hello Mai,

I did consult with an attorney, Mr. John Miller with Halliday Watkins and Mann regarding the risk associated with this CAT 3 and he is concerned that the risk is high. Mr. Miller believes that if we start construction with a very shortened timeline due to the 6 month redemption, by the time we would get the city council approval it may be down to 3 ½ months to rehab, get the certificate of occupancy, list it, sell it and close. Further more it is his opinion that it would be very difficult to force Ms. Stangland to sell if she simply changed her mind. In theory we could stick \$80,000 into the rehab and our only remedy would be take her to court to try to force her to sell. Mr. Miller is under the opinion that the court would not force her to sell but would likely award a judgment and we could try to collect the amount that we have invested in the property from her. That could take years to collect.

My partner is Shirzad Raimi with Venture Capital and he has a strong history with working on CAT 2 properties with the city. Our thought is to have the code compliance inspection completed, prepare our estimate and construction plan. Then we will propose that we will put a \$50,000 bond down on the property instead of the required \$5000. But we will need to close immediately before construction is to begin as a condition of approval from the city council.

Has the city council ever approved a sale before the certificate of occupancy was issued?

Thank you,

Bruce Nelson

952-270-1514



Bridge Realty
1101 East 78th St, Suite 300
Bloomington, MN 55420

From: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>
Sent: Tuesday, August 17, 2021 8:14 AM
To: Bruce Nelson <brucenelsonrealestate@outlook.com>
Cc: Shirzad Raimi <shirzad@raimipropertygroup.com>; Magner, Steve (CI-StPaul) <steve.magner@ci.stpaul.mn.us>; Sheffer, Vicki (CI-StPaul) <vicki.sheffer@ci.stpaul.mn.us>; Soley, Reid (CI-StPaul) <reid.soley@ci.stpaul.mn.us>; Yannarely, Joe (CI-StPaul) <joe.yannarely@ci.stpaul.mn.us>; Zimny, Joanna (CI-StPaul) <joanna.zimny@ci.stpaul.mn.us>
Subject: RE: 1514 Van Buren Avenue

Here are just a few samples. As to having the code compliance done by the hearing date, that is not necessary but ordering the code compliance is an indication that you will have the report sooner. Once the hearing officer see that a cci is ordered, she can ask the dept to expedite the inspection if the lockbox is on the door. At this time, we will not recognize other parties as the owner of record. Ms. Stangland will continue to be the owner of record until the rehab is done. (Once again, title cannot be transferred until rehab is completed) Parties going into the contract is considered a third party. Like I said, further discussion and questions can be answered at the 9/14 hearing.

Mai Vang

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From: Bruce Nelson <brucenelsonrealestate@outlook.com>
Sent: Monday, August 16, 2021 9:33 AM
To: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>
Cc: Shirzad Raimi <shirzad@raimipropertygroup.com>
Subject: RE: 1514 Van Buren Avenue

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

Hello Mai,

You mentioned that you have example clauses to add to the purchase agreement. Please send that to me.

The time line is difficult. First the legislative meeting is at 09/14. Will the city inspection department even have the code compliance inspection completed in time for the hearing? Do you have influence over that department to ensure it will be done quickly enough to allow time to prepare an estimate for repairs? My experience is it usually takes a month.

Then October 13th for the city council to make a decision. It is very likely that the end of redemption will happen before the construction is completed. We would have to record a junior lien and file our intent to redeem at the end of the 6 months. 02/04/2022. Common Growth cannot do any construction either. If we redeem he would lose his investments on improvements and if you demo he will lose the \$116,097 that he spent at the sheriff sale.

What would happen if we recorded a QCD? Would that just move us to the head of the line? Would you recognize us as the owner? Then we still need to get approval from the Legislative hearing and City Council but then we could redeem immediately and eliminate the 6 month waiting period.

Thanks,

Bruce Nelson

952-270-1514



Bridge Realty
1101 East 78th St, Suite 300
Bloomington, MN 55420

From: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>
Sent: Monday, August 16, 2021 8:15 AM
To: Bruce Nelson <brucenelsonrealestate@outlook.com>
Subject: RE: 1514 Van Buren Avenue

Mr. Nelson,
To answer your 2 questions, City can proceed with demolition if no action is taken by owner. Further discussion on September 14.

Mai Vang

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SAINT PAUL
MINNESOTA

From: Bruce Nelson <brucenelsonrealestate@outlook.com>
Sent: Saturday, August 14, 2021 9:39 AM
To: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>
Subject: RE: 1514 Van Buren Avenue

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

Hi Mai,

Thank you for sending this information to me.

I have a question for you. This property is subject to a 6 month redemption period. If the owner does not have the financial ability to redeem on her own with out selling it to us prior to the final certificate of occupancy is issued, then what?

Can Saint Paul move forward with the demolition before the end of the redemption period? It appears that if Susan hires us to help her with the property during the redemption period, we could get a contractors lien on the property and then file our intent to redeem in 6 months. And take ownership of the property at that time.

Thanks,

Bruce Nelson

952-270-1514



Bridge Realty
1101 East 78th St, Suite 300
Bloomington, MN 55420

From: Vang, Mai (CI-StPaul) <mai.vang@ci.stpaul.mn.us>
Sent: Friday, August 13, 2021 3:25 PM
To: Bruce Nelson <brucenelsonrealestate@outlook.com>
Subject: 1514 Van Buren Avenue

Hello Mr. Nelson,

Per our phone conversation, the above matter is scheduled for hearing on September 14 at 9:00 a.m. in Room 330 City Hall. My understanding is Ms. Susan Stangland lives out of state and may need to be called into the hearing. I need a phone number from her if you have it. Otherwise, I will wait until she gets the Notice of Public Hearing for her to call me. I am enclosing a copy of the Order to Abate. Looks like the Notice of Public Hearing went out today to owner and/or interested parties.

Mai Vang

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