



City of Saint Paul

15 West Kellogg Blvd.
Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

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651-266-8585

Tuesday, June 27, 2023

9:00 AM

Room 330 City Hall & Court House/Remote

9:00 a.m. Hearings

Remove/Repair Orders

- 1 **RLH RR 23-16** Ordering the rehabilitation or razing and removal of the structures at 829 THIRD STREET EAST within fifteen (15) days after the May 17, 2023, City Council Public Hearing. (Amend to grant 180 days)

Sponsors: Prince

Grant 180 day to rehabilitate or remove.

No one appeared

Moermond: we have reviewed the additional materials submitted including the work plan, financials. They are here and I recommend they get 180 days to do the rehab.

Referred to the City Council due back on 7/12/2023

- 2 [RLH RR 23-31](#) Ordering the rehabilitation or razing and removal of the structures at 455 ROBERT STREET SOUTH within fifteen (15) days after the August 2, 2023, City Council Public Hearing.

Sponsors: Noecker

Layover to LH July 11, 2023 at 9 am for further discussion. CCI must be applied for no later than Friday, July 7, 2023.

Thomas Radio, attorney representing ownership, appeared

Terek Ellaicy, director of operations for Tri-City foods, appeared

Monica Bravo, District 3 - West Side Community Organization, appeared

[Moermond gives background of rehab/removal process]

Staff report by Supervisor Joe Yannarely: the building is a one-story, wood frame, commercial dwelling with two detached signs on a lot of 27,190 square feet. Property was referred to Fire C of O by hearing officer as being vacant. Property was inspected on August 19, 2022 and a letter revoking the C of O and order to vacate was issued. The property was referred to Vacant Buildings and files were opened on August 22, 2022. The current property owner is Jumil Wachau, Allstate Bk Real Estate Holdings

Ltd, per AMANDA and Ramsey County Property records.

On April 7, 2023, an inspection of the building was conducted, a list of deficiencies which constitute a nuisance condition was developed and photographs were taken. An Order to Abate a Nuisance Building was posted on April 18, 2023, with a compliance date of May 18, 2023. As of this date, the property remains in a condition which comprises a nuisance as defined by the legislative code. Taxation has placed an estimated market value of \$190,300 on the land and \$1,038,900 on the building. Real estate taxes are current. The vacant building registration fees were paid by check on September 29, 2022. As of June 26, 2023, a Team Inspection has not been done. As of June 26, 2023, the \$5,000 performance deposit has not been posted. There have been seven Summary Abatement Notices since 2022. There have been eleven work orders issued for: garbage/rubbish, boarding/securing, snow/ice and graffiti. Code Enforcement Officers estimate the cost to repair this structure exceeds \$100,000. The estimated cost to demolish exceeds \$30,000.

Moermond: what are you interested in doing with the property? Who is Jumil Wachau?

Tarek: he's an employee of the same company as me. Shaukat Dahnni is the owner of our company.

Moermond: should we be involving him?

Radio: we've been delegated to do these negotiations; he will be involved in any final decisions.

Moermond: what do you want to do with the former Burger King building?

Radio: it is listed for sale. We wanted to make sure it remains in a sellable condition. During that period we want to make sure it is safe and doesn't present a risk to the community. When the franchise opportunity ended they boarded the building and locked the doors and having periodic drive-bys. They received notice of a break-in for theft of wiring. They placed a chain-link fence around the building. Since then, the City has put its own locks on the fence, so we don't have access.

Moermond: of course you can, just cut them and replace with your own. Mr. Yannarely?

Yannarely: just like if we put a board up, you can take it down. The cops are just trying to secure it for that time.

Ellaicy: I didn't know that.

Radio: I was just brought into the matter a week ago, so I don't have full notice of history and orders. I have requested that. We understand there will be a \$5,000 Performance Deposit, we're willing to do that. The inspection by the City. We will follow the remediation requested given an appropriate amount of time. We'll keep it secured, perhaps doing more frequent visits if necessary. Perhaps installing an inexpensive monitoring system.

Ellaicy: that's a fair assessment. My background is running the Burger Kings, this is my first time being involved with a closed property. We try to secure as much as we can. We have two others stores in St. Paul. We need to keep the building in good shape to sell for whatever purpose the new owners would want.

Radio: the real value is in the building looking at the tax valuation.

Moermond: is that what an appraiser tells you?

Radio: I'm going off tax values.

Moermond: and sometimes that's not in sync with the actual value. Are you working with a realtor?

Ellaicy: I know people have looked at it, but nothing has developed. There's still some value inside the building if someone wants to open a restaurant. It really depends on who is looking at it.

Moermond: of course.

Yannarely: the Performance Deposit is \$5,000 and that is refundable after repairing. The team inspection is around \$700.

Radio: thank you for that clarification.

Ellaicy: there were a couple break ins that's why we boarded it. They were going after pipes so there was a water leak. It was in good condition until last July when we closed. Damage would have only been because of the break-ins. There was nothing of value for them to steal. There is no power, we disconnected it, but we still have water.

Moermond: I see an estimated market value of \$993,000 for the whole thing in the 2023 property tax statement. That isn't the amount showing up in the staff report, wanted to note that and that will need to be sorted out. Who handles that information request?

Yannarely: Vicki Sheffer.

Moermond: where is she at in pulling together the documents they requested?

Yannarely: I don't know.

Moermond: how long are you looking back?

Radio: August of 2022. We can start there.

Ellaicy: July 11, 2022 it became vacant.

Moermond: Ms. Zimny, Ms. Vang can you follow up with Vicki on this? I would like that packet to be included with Friday's letter. Let's also do a police request for the call log. And let's include all DSI documents from January 1, 2022. We do have someone who came in to talk, then I'll talk more with you. The Fire Certificate of Occupancy-- if that would be what is issued based on building's use. The needle we need to thread here is if Auto Zone buys here and wants to rehab, one inspection needs to occur. If a fast-food company wants to fix it up, a different inspection. Normally I would go to the City Council and say if you want grace to figure things out I'd require that Code Compliance Inspection Report and the Performance Deposit. We don't know what the use will be or if there will even be a structure. I need to figure out something comparable. I need to figure out a nuisance abatement plan that could be put in as an

interim measure. We try to carve that out based on the problems that exist and condition extensions based on the ability to keep things safe for the neighborhood.

Ellaicy: you said I could remove the locks. Can I get my facilities people inside to work on it?

Moermond: some things you can do without a permit.

Clint Zane: cleaning the place out, we don't really like to see things beyond cleaning done. Then we can't tell if things were covered up. When we see painting we think maybe they covered things up. For the sake of an organic inspection, we'd like to see things as is.

Ellaicy: but trash and rubbish can be removed?

Moermond: in fact, it is preferred.

Ellaicy: now we can access the fence we can go spray the weeds. I just didn't know I could break the locks.

Moermond: resecure however you see fit. Certainly, it needs to be secured though. If that securement fails then the St. Paul Police Department will call in the same contractor to resecure and we are back in a place where you can put your own on as the owners.

Ellaicy: is there a way someone can call me? I only found about this because I saw the posting on the fence. Then corporate got a letter about the hearing in August.

Yannarely: if the number to call is well displayed they may do that. But they can't leave a place unsecured.

Ellaicy: it is a big company so sometimes it takes a while for things to get to me. Just so we can move quicker and solve things faster.

Bravo: I have a letter to read and then hearing this information I can share back; this was the discussion with the board. The West Side Community Organization (WSCO) board of directors held a discussion regarding 455 S. Robert Street, (Burger King) After discussion we, the WSCO Board of Directors, ask the Vacant/ Nuisance Buildings Code Enforcement Office for demolition of the vacant building located at 455 S. Robert Street.

This property site is a detriment to the neighborhood, during the time it was open for business it was run with poor management and ownership, often the site of drug deals, and fights. This vacant property only adds to a dilapidated infrastructure in an already underutilized commercial corridor.

We ask that serious consideration and thought go into what becomes of this parcel, and that the profits and investments stay within the neighborhood, not to a multi-national corporation, such as a Burger King. We ask the City's support in redevelopment and revitalization of this area, with an equitable approach to Economic Development that would center the community's priorities for reinvestment, reflecting the cultural vibrancy & identity of the area, ensuring that it is the right form, in the right place, to benefit West Side Residents.

Moermond: talking about profits staying within the neighborhood, does that mean a particular kind of business is the preference? Particular kind of owner? Can you expand that for me?

Bravo: a local owner or entrepreneur, maybe someone with a food truck who wants to move into a brick and mortar.

Moermond: that is super helpful. I'm assuming you at WSCO have some relationship with NeDA?

Bravo: yes.

Moermond: they're a nonprofit on the west side doing economic development work. When I hear ideas about the type of business is that they may have a beat on some business that may fit the bill. I don't know. I just want you to have each other's information.

Ellaicy: that would be great. We're open to anything. Anything is better than having a closed building.

Moermond: and I'll pick up one thing from Ms. Bravo's statement, in my experience working with problem properties is when we have a property with significant and complicated issues. Nuisance behaviors, loitering, drug dealings, then physical nuisances. They become ingrained in the memory and fabric of the neighborhood as they process thinking about that location. Two owners from now there is still a shadow of what existed there. Turning around a property doesn't mean the nuisance has ended. It isn't quick turnaround. And based on those comments let's get 5 years' worth of call logs.

Bravo: will there be a for sale sign going up?

Ellaicy: I will ask. That isn't my department.

Bravo: does Planning and Economic Development get involved with property promotion? Would they have a list of entrepreneurs?

Moermond: they may. I'm happy to make referrals but for my purposes, I am going to stay in the lane of enforcement. I do not ever want to mix enforcement action because something is a nuisance or dangerous structure with something on the side. If someone seeks it out and finds it, connects with NeDA, fantastic. I will focus on abating the nuisance condition. More than the for-sale sign, it's the listing. I don't know if a for sale sign gets you what you are looking for, a for sale sign indicates other things as well. Putting that out there. For purposes of transacting the building, this is a commercial Vacant Building so the City doesn't get involved in the transfer of title. You can sell it tomorrow as far as I'm concerned, obviously with disclosures to the purchaser.

Yannarely: if we can get him a Vacant Building registration form, then any notices going out would go to him.

Moermond: I am going to lay this over to July 11. By that time, we should have the call log with some history. We'll have that letter including orders from January 2022. We'll definitely want that Performance Deposit posted before it hits Council on August 2, at least a week before so we aren't running around last-minute trying to figure that out. I'm

going to stay on top of the inspection, I am going to say move forward with cleaning it out.

Zane: if you don't have a proposed use and apply for the Code Compliance Inspection Report it would be based on the current use. If there is a change of use the change of use permit would have be pulled by the new owner.

Moermond: so that may be a preferred course of action for this, get that done and deal with the change of use if it happens. I'd like that Code Compliance Inspection done by no later than Friday, July 7th. Questions?

Radio: this has been a helpful discussion. I think our interests are generally aligned. We appreciate the cooperation of all the departments.

Laid Over to the Legislative Hearings due back on 7/11/2023

3 [RLH RR 23-32](#)

Ordering the rehabilitation or razing and removal of the structures at 792 ROSE AVENUE EAST within fifteen (15) days after the August 2, 2023, City Council Public Hearing.

Sponsors: Yang

Layover to LH July 25, 2023 at 9 am for further discussion (CPH 8/2). CCI must be applied for no later than July 21, and PD posted no later than Friday, July 28, 2023.

Mickey Stevens, attorney o/b/o PHH Mortgage and HSBC Bank, appeared

[process was given to all in attendance]

Stevens: I represent PHH Mortgage Corporation. We also represent the actual investor of the mortgage, the current property owner, which is HSBC Bank USA, NA. Halliday was foreclosure Council, that is why they were listed. Guardian asset management was contracted by PHH Mortgage Corporation for property preservation.

With respect to Map Homebuyers, Ricardo Gonzales was the borrower of a mortgage PHH was servicing, executed July 2006. In March 2012 the mortgage was assigned to the current investor/property owner HSBC Bank by assignment of mortgage. May 23, 2022 Mr. Gonzales executed a warranty deed conveying the property to MAP Homebuyers, LLC which was recorded with the recorder's office, but not with the registrar of title. After that, HSBC commenced a non-judicial foreclosure and January 12, 2023 a sheriff's sale was held with HSBC Bank as the highest bidder. April 19, 2023 the MN District Court reduced redemption period to 5 weeks. That expired May 23, 2023 so HSBC now owns title of the property. They still need to complete a proceeding subsequent .

Moermond: and the ownership and encumbrance report was probably done the beginning of April.

Staff report by Supervisor Joe Yannarely: The building is a one-and-one-half story, wood frame, single-family dwelling with a detached one-stall garage on a lot of 4,879 square feet. Reported by SPPD East Force - no heat in property, using stove and fans, wires hanging from ceiling, standing water in basement, possible gross and unsanitary, exits blocked from inside property, excessive storage in property, and drugs on property. Complaint was referred to Fire C of O and inspector issued a Correction Notice and Order to Vacate on January 31, 2020. Property was referred to

Vacant Buildings and files were opened on February 19, 2020. The current property owner is Map Home Buyers LLC, per AMANDA and Ramsey County Property records.

On April 12, 2023, an inspection of the building was conducted, a list of deficiencies which constitute a nuisance condition was developed and photographs were taken. An Order to Abate a Nuisance Building was posted on April 18, 2023, with a compliance date of May 18, 2023. As of this date, the property remains in a condition which comprises a nuisance as defined by the legislative code. Taxation has placed an estimated market value of \$20,000 on the land and \$166,700 on the building. Real estate taxes are current. The vacant building registration fees were paid by check on March 6, 2023. A Code Compliance Inspection was done on April 20, 2022, which is now expired. As of June 26, 2023, the \$5,000 performance deposit has not been posted. There have been twenty-seven Summary Abatement notices since 2020. There have been forty-two work orders issued for: Garbage/rubbish, boarding/securing, tall grass/weeds, and snow/ice.

Code Enforcement Officers estimate the cost to repair this structure exceeds \$125,000. The estimated cost to demolish exceeds \$30,000.

Moermond: the City obviously is pushing for this to be corrected. What do they want to do with it?

Stevens: so far PHH has hired Guardian Asset Management for property preservation. They are working to abate all code violations. Right now, guardian is waiting for results from a structural engineering inspection. They expect those results within the next 2 weeks, and they've requested those results be expedited. Once they get that report they plan to solicit bids for both rehab and demo and will submit those to PHH and it will be a business decision whether to demolish or rehab at that point.

Moermond: is this property cleaned out now?

Stevens: I am not sure.

Moermond: usually Guardian is the kind of company that would do the junk out, but sometimes owners are ticklish about doing it before foreclosure process shas done.

Stevens: I would guess not. I think they're waiting for that structural report before they take some of those actions. I can certainly follow up.

Moermond: and you two were looking at the original Code Compliance Inspection report. I'm guessing Guardian is looking at the April 20, 2022 Code Compliance Inspection Report.

Building Inspector Clint Zane: we would need another Code Compliance Inspection done.

Yannarely: Significant things on the last one. Missing parts of foundation.

Moermond: do the things that need to be looked at a second time would that affect all trades, or predominately building?

Zane: probably mainly building this.

Moermond: would a building-only Code Compliance Inspection be appropriate?

Zane: *it is good to have it on one report when it is this far out of date.*

Moermond: *we can email you that application. No hammers swung until permits are secured.*

Yannarely: *there is a homeless person living in the garage. People are dumping. The meter runs, City doesn't clean up anything for cheap. If you don't want the bill to get too high you need someone going by all the time. We have an active Summary Abatement Order for a trailer full of debris right now.*

Moermond: *you should look at the 2023 property tax statement. We can email it to you. There is a list of assessments with boarding and securing that are around \$12,000.*

Stevens: *I was of the understanding that taxes are current.*

Moermond: *in describing the flavor of the problem you are looking at it, there was almost \$12,000 spent last year doing boarding at the property alone. That is a lot of break ins and problems. Speaks to the magnitude of what you are looking at. You need to get your people to do a walk through to assess, I agree. They could use the 2022 report as reference. It is dated but a contractor could probably use it in preparation of a bid. Are there references for the need for a structural engineering analysis?*

Zane: *yes, there are items about the foundation repair and replacement.*

Moermond: *get folks in and while they are there you have to get it junked out. Rehabbed or knocked down. Garage and property.*

Yannarely: *garage is in poor condition. Someone needs to put a value judgment on what kind of money they want to put into it.*

Moermond: *what is the mortgage on it?*

Stevens: *I have those somewhere, not in front of me.*

Moermond: *when do you think a team can get through there?*

Stevens: *I can relay the urgency. I think the goal for Guardian was to get that done within 2 weeks after that report. So maybe two to four weeks.*

Moermond: *do they have contractors they normally use for bids?*

Stevens: *my understanding is Guardian has those relationships and part of why PHH is using them.*

Moermond: *I'm anticipating before July 25 when we talk again you'll have applied for the Code Compliance Inspection Report. The Performance Deposit is required if you want to move forward if you want to rehab, not if you want to demo. If you want me to lay this over by August 2 I need money on the table and that Code Compliance Inspection Report. Then we can figure out other things. [Moermond describes list of items required for rehabilitation of a project] We need a nuisance abatement plan. That would show an act of good faith that your client wants to abate the nuisance. You are under a microscope now. What does Guardian need to do to fix this problem.*

Yannarely: it is on the night check. We aren't wasting time if we find something.

Stevens: understood.

Laid Over to the Legislative Hearings due back on 7/25/2023

10:00 a.m. Hearings

Making Finding on Nuisance Abatements

- 4 **RLH RR 23-27** Making finding on the appealed substantial abatement ordered for 587 COOK AVENUE EAST in Council File RLH RR 22-52.

Sponsors: Yang

Grant an additional 180 days and continue the \$5,000 PD.

Matt Heiman, purchaser, appeared

Moermond: you are deep into this; we are here to do an assessment at the 180-day mark about how far along this is. One thing I look at is how far you are in terms of continuing your Performance Deposit and then wanting to assess where you are at in terms of changes in contractors, money available, things like that need to be updated. Also maintaining the property.

Building Inspector Clint Zane: we did a progress inspection and found it about 70% complete.

Moermond: do we have all permits pulled that are needed?

Zane: yes.

Supervisor Joe Yannarely: and it has always been maintained.

Moermond: fantastic. If you are at 50% or more completion your Performance Deposit is automatically continued for 6 months. If it is less, then the Council makes that decision. Talk about where you are at with contractors.

Heiman: costs have increased over \$20,000, but I do have that money. I was hoping to have it done, but we're close. Flooring guys are in there now. A lot of finish work and having trades out and fixtures in. The project timeline has the goal being done by the end of July. Of course, there can be hiccups but this week I'm making sure electrician and HVAC can put their fixtures in and tie everything together. The Mechanical, electrical, and plumbing haven't billed their final bills, so there is a lot of that money left. Fixtures and things have been purchased. And I'll note that one has an incorrect date for the date it was put together. Financing has two, one is the purchase of the property and one is for the rehab.

Zane: work plan looks reasonable enough. He has a good handle on it.

Moermond: I'm going to recommend Council grant another 180 days. That will be on the agenda July 12.

Referred to the City Council due back on 7/12/2023

- 5 **RLH RR 23-35** Second Making finding on the appealed substantial abatement ordered for 781 COOK AVENUE EAST in Council File RLH RR 23-13.

Sponsors: Yang

The nuisance is abated and the matter resolved.

Referred to the City Council due back on 7/12/2023

- 6 [RLH RR 23-25](#) Second Making finding on the appealed substantial abatement ordered for 975 HUDSON ROAD in Council File RLH RR 22-60.

Sponsors: Prince

Continue PH to July 12, 2023. Recommendation forthcoming.

Lorrie Miller, owner, appeared

Moermond: should we be trying Derek Thooft as well?

Miller: I haven't been able to reach him this morning, we don't need to call him.

Building Inspector Clint Zane: I was there yesterday, we're at about 95%, just a few things left to finish up.

Moermond: what kinds of things?

Zane: carpeting was down, just some stretching. Trim work. Minor things.

Moermond: Ms. Miller, does that sound right to you?

Miller: yes.

Moermond: this goes to Council Public Hearing tomorrow and because of how close you are it doesn't make sense to put together another work plan. I'll ask them to continue this to the 12th. Let's get this one off the books and done. Work with Mr. Zane to get an appointment before that Council Public Hearing so he can sign off on them. Next week is a holiday, Mr. Zane?

Zane: I am out Friday through Tuesday, back Wednesday the 5th.

Moermond: do you want to set up an appointment time now? So it is on the books?

Zane: does noon on Wednesday the 5th work?

Miller: yes.

Referred to the City Council due back on 6/28/2023

- 7 **RLH RR 23-34** Making finding on the appealed substantial abatement ordered for 1722 REANEY AVENUE in Council File RLH RR 22-71.

Sponsors: Prince

The nuisance is abated and the matter resolved.

Referred to the City Council due back on 7/12/2023

11:00 a.m. Hearings

Summary & Vehicle Abatement Orders

- 8 **RLH SAO 23-29** Appeal of James F. Riley, Chief Manager of Riley Investment 1 LLC, to a Summary Abatement Order at 1051 FIFTH STREET EAST.

Sponsors: Prince

Deny the appeal, noting the appealed tree branch removal portion of the order has been abated.

No one appeared

Moermond: we have a situation where we had a large limb on a shed, totaling it. The owner appealed the orders and appealed the branch removal. He wanted an extension; the branch has been addressed and that is confirmed by an inspector. He told our staff he didn't want to appeal anything related to the shed so we are going to consider the matter resolved.

Referred to the City Council due back on 7/12/2023

- 9 [RLH SAO 23-30](#) Appeal of Andrea D. Carter to a Summary Abatement Order at 1006 LAWSON AVENUE EAST.

Sponsors: Yang

Nuisance was abated, appeal w/d by appellant.

No one appeared

Lisa Martin: that has been resolved.

Moermond: nuisance is abated and appeal was withdrawn by the appellant.

Withdrawn

Correction Orders

- 10 [RLH CO 23-7](#) Appeal of Joseph Zimlich, Jr. to a Correction Notice at 880 ROSE AVENUE EAST.

Sponsors: Yang

Layover to LH July 18, 2023 at 11 am for further discussion. Appellant to submit first-floor layout by Friday, July 3, 2023 for staff review.

Joseph Zimlich, son of owner, appeared

Moermond: I don't have a complete answer for you right now about the use of the first-floor bedroom. I had a chance to talk through the situation with the fire inspection manager and whether there is an exception in the fire code. Not 100 percent clear you qualify for that exception and want more information to see if you do. What we could use from you is if you could sketch a floor plan of the first floor, paying particular attention to doors and windows. That would be really helpful in analyzing it. We see two doors from that bedroom, do those two doors lead to an area that is open. Could smoke travel or is there an intervening door. Assessing that sort of thing. That would help inform a potential exception, or conditions under which an exception could be granted.

Zimlich: I can do that.

Moermond: where are you at with the other items?

Zimlich: we've cleaned out a good portion of the basement, we had the flexible dryer venting fixed. He wanted some stuff out on the second floor, and we're going to clear out the front room stairwell from the upstairs down. we're in the process of that. We've made a lot of headway from where we were.

Moermond: that is great. Ms. Martin, comments or questions?

Martin: once we get the information from the State regarding egress we can reschedule an inspection.

Moermond: keep at it. I am going to kick this out to July 18th. We will wrap up deadlines and conditions then. Let's have that floor plan submitted by July 3.

Laid Over to the Legislative Hearings due back on 7/18/2023

11 [RLH CO 23-8](#)

Appeal of Daniel & Cheryl Dobervich to a Correction Order at 1485 WINTHROP STREET NORTH.

Sponsors: Yang

Layover to LH July 11, 2023 at 11 am (unable to reach PO). CPH 7/18.

No one appeared

Voicemail left at 11:50 am x0227: this is Marcia Moermond from St. Paul City Council following up on your orders for 1485 Winthrop. We'll try you back in about 10 minutes.

Voicemail left at 12:13 pm x0227: this is Marcia Moermond trying to reach Daniel Dobervich about the orders for the property at 1485 Winthrop. WE did have an inspector go by and wondering what is going on with the utility flags, they didn't see any. I did have a conversation with Public Works. I'm going to put this on the calendar for July 11, and Council calendar July 19th. I will be putting a deadline for the work on July 11 whether or not I talk to you. I suggest strongly you get those flags in. I'd like you to reach out to Eriks Ludins with Public Works at 266-9810, he will help you with what is allowable and what is not.

Laid Over to the Legislative Hearings due back on 7/11/2023

12 **RLH CO 23-10**

Appeal of Deborah Hyke to a Correction Order at 1440 SHELDON STREET.

Sponsors: Jalali

Grant to October 15, 2023 for compliance via removal of vehicle or completion of backyard site plan change, creating an improved surface for parking.

Deborah Hyke, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Lisa Martin: June 8, 2023 a Correction Notice was issued to remove a vehicle parked in the back yard, unauthorized parking area. Photos attached to the file and the appeal was filed.

Moermond: basically, this is an unapproved parking surface, that is the issue?

Martin: correct.

Moermond: Ms. Hyke, why are you appealing?

Hyke: I've been trying to get a contractor to do this upgrade for a year and a half but the contractor I found can't start until after the state fair. The car you see was stolen March 2023 and recovered by the St. Paul Police Department and then was also totaled the summer before; it is licensed and insured. My point being my car isn't safe on the road. And I feel safer having it parked on my property to enter my house. I'm working on getting a legal parking pad. We do have the extra parking passes, cars that park there don't get towed in spite of the special parking, so there is nowhere to park. My intention and hope were to upgrade the backyard, which will cost a good deal of money. I sent in a copy of the proposal.

Moermond: I'm ok with an extension but nothing indefinite. It does appear you have a single stall garage?

Hyke: yes.

Moermond: so, you have this bid and you're talking to them and they can't start until after the State Fair?

Hyke: I talked to a bunch of people for garage upgrades, but this is a local guy. My concern was he called this in to force my hand in getting it done. There are 5 to 10 cars parked like this, or worse, all over this neighborhood. I'm not complaining about that, I just am wondering why I am being picked on.

Moermond: I don't know exactly what is going on here, if it was your contractor or your neighbor, none of that we can disclose. However, if the inspector was out and called on a complaint for a neighbor and wrote orders there and saw your vehicle as well, that is a situation called a field find. Ms. Martin, anything you can share?

Martin: we are complaint based, so if we do get a complaint we do follow up. This is the only complaint ever called into this property and we totally understand the parking issues there. Have you filed a site plan?

Hyke: my contractor would do that. I think I included that.

Moermond: you did. Ms. Martin, can you explain a bit about that?

Martin: usually before you start a project you'll provide information for the site plan. There are a lot of factors the zoning office looks at, so you may want to submit that sooner versus later to make sure it is doable before you sign something.

Hyke: I am a civil engineer; I did do that. He said 3 weeks to complete.

Moermond: does an extension through October 15, to either come into compliance by changing the back yard or removing the vehicle?

Hyke: yes that would be great.

Referred to the City Council due back on 7/12/2023

1:00 p.m. Hearings

Vacant Building Registrations

- 13 RLH VBR** Appeal of Emiliano Marrero Romero to a Vacant Building Registration
23-35 Renewal Notice at 593 COOK AVENUE EAST.

Sponsors: Yang

Waive VB fee for 60 days (to August 15, 2023).

Emiliano Marrero Romero, owner, appeared

[Moermond gives background of appeals process]

Staff report by Supervisor Joe Yannarely: this was opened June 16, 2022 as a Category 2 Vacant Building per a referral from Code Enforcement. Code had a pending work order for garbage and tall grass and weeds and no water use since 2021. In the last year it seems like there has been 3 Summary Abatement Orders and one work order.

Moermond: the letter went to Dylan Kersting, is he the previous owner?

Romero: correct.

Moermond: you mentioned you had just bought this.

Romero: right.

Moermond: when did you buy this?

Romero: May 19, 2023.

Moermond: and you bought it from?

Romero: Dylan Kersting himself. I just moved into the state and ended up buying this property but I had been discussing with the seller's agent for a bit. I had an understanding there was some work to be done but nothing was ever brought up during the sale. I expected that to be done before closing, so I assumed there were no issues with the sale. I was working to get bids and estimates so I could occupy it, but it has been challenging communicating with the City. Everyone has been nice, but we've

been having some issues. Robert Humphrey told me I need to submit bids and estimates and financing. He told me about the expiration and that the fee would be going up. I went to the City to pay it and was showing the higher fee which confused me. Robert had told me that if I got all the paperwork in an exception would be made. I brought the stuff in June 15, I just want to pay the initial fee since that was what was explained to me and the effort I made to get things in place, so here we are now.

Moermond: Mr. Yannarely, do you have any background on this, or typical business practice.

Yannarely: this is the enactment of the new, much higher, fee. I am unaware of when that was to begin.

Moermond: it looks like you also spoke to Mohamed Mohamed?

Romero: right, since I couldn't get ahold of anyone. I got a response from Vicki Sheffer that she got my voicemails and that filing this appeal was the only property.

Moermond: the ordinance changing the Vacant Building fee and that was effective February 24, 2023. Anyone in the program 2 or more years was getting that new fee. I'm not sure why Mr. Mohamed would have been saying the effective date was around then, because legally that is not correct. It is effective 30 days after its signed by the mayor and published. That doesn't mean you didn't have difficult communication and people are learning new systems and not giving good information. That makes life difficult. Mr. Humphrey's email indicates you were still pulling bids together, is that accurate?

Romero: no, I was just missing the building one because I wanted to ask if I could pull it or needed a contractor. It took him a week to get back to me and told me that I did need a bid even if I was doing it myself. I went out of my way to get that bid before the renewal period of 17 of June. Everything was in order, though he did require a different type of form from my bank. I wanted to fix it and pay for it but didn't expect the fee to go up that high.

Moermond: sure, it is money you didn't intend to be spending. Mr. Yannarely, has the sale review been approved? What timeline are you working on now?

Romero: the date was today, as soon I got approval from Mr. Humphrey. I haven't started because of this appeal for the fee. I've already paid some contractors. Everyone is good to go, they're just waiting on me at this point.

Yannarely: sale review was done June 15th.

Moermond: so bureaucratically while the Vacant Building fee is unpaid for this 8-week period permits can't be pulled. As soon as its paid or goes to assessment permits can be pulled. I want to help you get through this weird window of time. I'm going to ask Mr. Yannarely to put a waiver of the Vacant Building fee for 60 days. June 15 through August 15 you have a waiver. If you have your certificate issued by then, you are good. If you can't, it will be an assessment on the taxes. If that happens, that assessment is appealable. Please appeal that if you end up there, because I can prorate the fee down for your time in the program. It can also be made payable for up to five years.

Referred to the City Council due back on 7/12/2023

LLC., to a Vacant Building Registration Notice at 1583 JEFFERSON AVENUE.

Sponsors: Tolbert

Layover to LH July 11, 2023 at 1 pm for further discussion. Waive VB fee for 90 days (to September 5, 2023), allowing permits to be pulled, and property may continue to be occupied pending resolution of appeal.

Kara Silva, property manager, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Mitch Imbertson: one-unit residential property in our Fire Certificate of Occupancy program. Initially scheduled for a Certificate of Occupancy renewal inspection April of 2022. A reinspection with some items done but not complete. An additional reinspection, and then around July of 2022 the house went unoccupied and was listed for sale. Because we had issues with the property but didn't know how long it would be unoccupied and possible sales so the decision was made to monitor as unoccupied status. It wasn't referred to the Vacant Building program but didn't have a Certificate for occupancy. Inspector monitored it, there was a pending sale in October 2022 and then December 1, 2022 the property was sold. We continued to monitor for six months, until June 1 when it was referred to the Vacant Building program. Six months after the sale we still had multiple violations and had not yet been approved. We were past any length of time we could justify continuing to monitor it.

Moermond: essentially Fire Certificate of Occupancy staff decided that at least half the Vacant Building fee would be waived.

Imbertson: that is accurate per my understanding. It could have met the criteria as a Registered Vacant Building.

Moermond: just putting that out there. Mr. Yannarely, you caught that ball.

Staff report by Supervisor Joe Yannarely: it came over referred as a Category 1 Vacant Building and Mr. Dornfeld opened a Category 1 noting it was down to studs and open electric so it could warrant as a Category 2. We thought there was some dynamic with Certificate of Occupancy back and forth.

Moermond: so he kept it, but observed it was down to studs?

Yannarely: judging from the photos provided.

Imbertson: Kirsten Jacobse from June 1 does note as revoked Vacant 2. That doesn't mean it is opened as a 2 but that's our way of suggesting it should be a 2. Not sure if other conversations occurred on it. But our process shows it was suggested as a 2 based on the multiple deficiencies.

Yannarely: may have just been a slip up. It should be a Category 2 if it doesn't get kicked back to the Certificate of Occupancy from this process.

Silva: Kristin reached out because she knew we owned it and wanted it inspected. I said absolutely, so she met one of our maintenance guys there and that was the last I heard of it until we got this letter. We had tenants move in June 3.

Moermond: you don't have a Fire Certificate of Occupancy.

Silva: she said everything was done except for one CO2 detector which maintenance did.

Imbertson: a number of items were checked off on that June 1 inspection because there was a CO2, the affidavit and extension cords in the garage as well as construction without permits. The area down to the studs. There were a number of items checked off but four items remained, especially the construction without permits would be considered serious.

Silva: I am not aware of any construction. The contractor had the extension cords, they were gone the same day. I haven't received any follow up aside from this vacant building letter.

Moermond: there was a letter dated June 6, 2023 addressed to 1583 Jefferson Avenue, LLC.

708 5th St SE Suite B100, Minneapolis, Minnesota. Is that the right contact?

Silva: B100 is an actual apartment that goes to a tenant.

Moermond: I'm thinking that came when the Responsible Party form was filled out.

Silva: I would never put B100. I'm the one that filled it out.

Imbertson: it came from Ramsey County, I'm not sure we got an additional Certificate of Occupancy Responsible Party form filled out.

Moermond: the correction can be made with Ramsey County there.

Silva: she sent me a message saying I needed to send her the smoke affidavit form, which I did on June 14. She never followed up.

Moermond: and the June 6 letter has all the items Mr. Imbertson listed, the most concerning was the construction without the permit. Getting that addressed.

Silva: I have no documentation of any construction at the address.

Moermond: the photos show a basement area with tools.

Imbertson: the photos show tools there.

Moermond: also, the utility area and what appears to be an egress window was installed without a permit. So double permit fees at the very least for the building and electrical work. You are a big property management company.

Silva: I guess I'm very unaware of any work being done. I honestly had no clue. I've never been there personally. This is all new to me on everything going on. Then I just got the Vacant Building fee because we have tenants living there.

Moermond: people living there, no Certificate of Occupancy, construction work with no inspections. Double fees. I'm also about vacating, it is kind of awkward.

Imbertson: I wish we had more information about the construction work. If it was

inherited at the sale or done more recently. The tools and debris throw me off, vs. assuming it was part of sale.

Moermond: sale was December 22, 2022. I feel like the responsible party is the owner of record, regardless. Opened walls and construction. I don't care who started, it is your responsibility. You bought it.

Imbertson: I would agree with that. The Certificate of Occupancy status, I could understand more if the last notice was that initial notice from 2022 sent prior to the sale but it looks like even if the June 6 letter wasn't received, there was one sent in may scheduling that inspection. The heading is Revocation of Certificate of Occupancy and order to vacate. It should be clear from the letters the property wasn't approved until it had its certificate.

Silva: we never received that. Kirsten called me May 11 about 1583 Jefferson saying she'd like to get out to close out previous work orders from the previous landlord.

Imbertson: there was a letter sent following up on that.

Silva: I have the email right in front of me.

Moermond: in order to get this straightened out we need a Certificate of Occupancy inspector in there and based on the photos you need to have a contractor pull a permit for the building and electrical work in the basement. They would be assuming the responsibility for the quality of the work, that's always awkward. We need eyes on the balance of the order. We need a deadline on the permits being finalized and the balance of the orders. Are there people sleeping in the basement?

Silva: I've never been there; I'd have to go visit.

Imbertson: it isn't out of the question it was a bedroom in the past and maybe just had the window replaced, but there's no question there was work done.

Silva: I can go and take photos and report back.

Yannarely: the TISH report indicates the electrical work.

Moermond: Mr. Imbertson, can we get an inspector out there, and make a note about the permits?

Imbertson: sure, when?

Moermond: let's lay this over 2 weeks, to July 11. Get us started by July 11 to give some feedback. Let's waive the Vacant Building fee for 90 days and allow permits to be pulled.

Laid Over to the Legislative Hearings due back on 7/11/2023

**15 RLH VBR
23-36**

Appeal of Rudolph Henninger to a Vacant Building Registration Requirement at 892 LAWSON AVENUE EAST.

Sponsors: Yang

Grant the appeal and release the property from the VB program.

*Rudolph Henninger, owner, appeared via phone
Barbara Henninger, owner, appeared via phone*

[Moermond gives background of appeals process]

Staff report by Supervisor Joe Yannarely: we received a complaint the owners had moved and it was vacant. The inspector visited and found tall grass and weeds.

Barbara Henninger: was that Rick Gavin? When was that inspection done initially?

Yannarely: May 24 they opened the Vacant Building file. No one was taking care of the property, if anyone moves in we would close the Vacant Building file.

Barbara Henninger: we're trying to appeal why it was deemed vacant. It hadn't been vacant long. Family members were living there and they had to go to North Carolina to take care of a dying family member through the winter. Neighbors and family members were taking care of it, it has been taken care of. Gavin has gone out there again and seen it was taken care of. We're asking it to be a non-vacant building is because according to code it was unoccupied and one of several items tied to that. It doesn't really fit any one of the 7 items to deem it vacant. It isn't unsecured. We have a realtor who is going to be buying it.

Moermond: where you were quoting from the code, § 43.02 definition of registered Vacant Buildings. I agree I don't think it meets that definition and would recommend the Council release the property from the Vacant Building program. They can check it again in 365 days, and if it is still empty we can have the conversation again.

Barbara Henninger: I appreciate that.

Referred to the City Council due back on 7/12/2023

1:30 p.m. Hearings

Orders To Vacate - Fire Certificate of Occupancy

- 16 [RLH VO 23-26](#) Appeal of Ron Becker to a Re-Inspection Fire Certificate of Occupancy With Deficiencies (which includes condemnation) at 1020 and 1022 AURORA AVENUE.

Sponsors: Balenger

Layover to LH July 11, 2023 at 1:30 p.m. for discussion of compliance date based on purchaser's rehab plans.

Ron Becker, o/b/o owner, appeared

Staff report by Supervisor Mitchel Imbertson: this is a duplex in our Certificate of Occupancy program due for a renewal inspection in March of 2022. There was some back and forth with only getting into one of the units and wasn't until October 31, 2022 that we had our report that included a complete set of orders from both units. Around December 2022 we received extension request due to eviction. That was monitored. We were told it was going through courts and extended by inspector a couple times, May 11 there was a process made to refer it to the Vacant Building program, however due to an issue with notice not being sent properly there was an updated report sent

June 6, 2023 and our manger approved a 30-day extension of that notice based on the issue with the letter in the previous orders. That most recent notice from the 6th, as discussed by AJ Neis, including quite a few issues covering both units at the property.

Moermond: one of the questions I had has to do with item 2 on the list, the item saying occupancy is condemned as unfit. In perusing the orders, it wasn't clear to me which of the orders triggered that determination.

Imbertson: I agree that isn't as clear as it should be. We would normally prefer to have the order list which item brought it to a condemnation. I can tell by the number of items it could be justified just from the combination of items.

Moermond: right, the overall dilapidation has reached a level of uninhabitability due to the array of situations.

Imbertson: I agree that is the situation; but I agree it could have been written with more specifics.

Moermond: we have tenants who were evicted. What is going on?

Becker: I'm a real estate guy, Tom Brown is my friend, he owns many low-income rentals. He's always done all of it himself. Worked with his clients. February 2020 he said he'd given written notice to the tenants, but in March of 2020 the Covid eviction moratorium happened, Walz continued it. Federal extension to August of 2021. The renters Mr. Brown helped them get some of that money from the state for rent. He doesn't like to evict people since it goes on the record. The inspector came over and one of the tenants wouldn't let him in. In November 2022 he became ill with Covid and has been homebound for 16 months due to complications. So, he called me to try and help him sell. The tenant won't let me in. The other tenant said they would move. An attorney helped me with the eviction process, first in 2020 and second in spring of 2022. I gave them a written one in November 2022. That was the first I was aware of the work orders so I spoke with Frank Thurner and told him about the eviction and working with an attorney. In the meantime, Mr. Brown's mail is piling up. They didn't open anything up. I received all the stuff you sent a week ago unopened.

Imbertson: Frank was trying to hold onto the property, and it was I nspector Caballero's area, so it was transferred back to him.

Moermond: were there any Summary Abatement Orders issued? That could be what happened.

Becker: March was the first court date. The tenants said they'd be out April 10. They didn't move. He ended up in jail so had his brother move stuff out into the yard. I asked the attorney if I could move their stuff, he said no. April 25 is when we got the Writ of Recovery. Then we had to get the sheriff and he was backed up. May 23 we got the eviction. Then we had to keep their stuff 28 days, which brought us to June 20th. We've cleaned up the yard and stuff, secured the doors. I went to one of my clients and he and his wife own Binns-Trott construction with an appraiser and we have a purchase agreement to close July 12th. They've renovated many properties. I have documents for all of that. I've disclosed all of what is going on. Now there's a car in the backyard, and the tenant is threatening me if I move it.

Moermond: does the City have an order on it?

Becker: there is. I contacted Otis Warner and Angie Wiese and they said they would put a hold on it while it gets cleared up and get the tenants moved on. That is when we discovered the notice that wasn't sent.

Imbertson: there was an error in the process when the inspector intended to refer it to the Vacant Building program.

Moermond: you have a team assessing it, the current letter with a scope of work, some costs associated. Timeline for them. You would assess it. That's all fine with me. Are you folks comfortable on holding off on occupying until the least is complete?

Becker: absolutely.

Moermond: that's all I'm looking for. You can do a manager's tow for that car. My only question is do you have a sense of a timeline?

Becker: July 12th is closing. They have access to the property for bids. They told me 3 months.

Moermond: I want to keep the wolves at bay, that is the Vacant Building program. I need to say that the owner has until such a date to get the Certificate of Occupancy reinstated and the condemnation goes away. You have the extension as long as you don't allow it to be reoccupied before the Certificate of Occupancy reinstated. I'm ok if they want November 1, but I need a firm deadline we're all in agreement about. If they want to tell a date I'd rather do that. If they have a work plan to us no later than July 11. I can put it on my calendar then and put something on the record with a date.

Laid Over to the Legislative Hearings

2:00 p.m. Hearings

Fire Certificates of Occupancy

- 17 **RLH FCO** Appeal of Christopher Petersen, Power-of-Attorney for Tony E. Petersen
 23-26 (father), to a Fire Inspection Correction Notice at 540 CHARLES
 AVENUE.

Sponsors: Balenger

Grant to October 16, 2023 for compliance with 3 outstanding items on orders.

Roger Anderson, attorney, appeared via phone

Chris Petersen, Power of Attorney for Tony E. Petersen, appeared via phone

Moermond: we left things off with sending you information from Glen Pagel, an engineer with Public Works. We wanted you to have time to digest that information before we came to any conclusions. Have you looked that over?

Anderson: I have and compared his findings and observations with what I saw on the wall in the field. While I don't agree, it seems like it would be a high hill to overcome.

Moermond: hill is an ironic word and don't know what to do about that. I'm kind of in a position then of putting in a deadline. Back in May we were looking at August 31, and then the driveway and sidewalk and retaining wall we were kicking around October 1.

How are you reacting to that?

Peterson: I've spoken with a contractor and they are advising me the end of July or beginning of August, so October 1 deadline should be more than acceptable, unless they fall through.

Moermond: I'll recommend the Council grant through October 16, 2023. Does the August 31 deadline still work?

Petersen: all the other work is done and I already spoke with Hector and sent him photos. He said it looked good. The astronomical cost of these repairs is a huge burden and the 3% max rent increase means we are selling because it isn't a viable expense.

Moermond: and you can definitely apply for an exception for the rent cap. They take into account capital improvements in terms of what is allowable. That is also an option. Based on inflation and property taxes increases most people qualify in excess of 8%.

Petersen: there is too much expense involved. It isn't viable anymore. We're selling all 11 properties.

Moermond: I'm sorry this expense is staring you down. We'll do those extensions.

Imbertson: we just have the three items remaining on the report, those other items were checked off.

Moermond: great, those are taken care of.

Referred to the City Council due back on 7/12/2023