

# Minutes - Final

# **Legislative Hearings**

Mar	cia Moermond, Legislative Hear Mai Vang, Hearing Coordina	•
	Joanna Zimny, Executive Ass	
	legislativehearings@ci.stpaul.	mn.us
	651-266-8585	
Tuesday, March 12, 2024	9:00 AM	Room 330 City Hall & Court House/Remote

# 9:00 a.m. Hearings

## Remove/Repair Orders

1 <u>RLH RR 23-10</u> Ordering the rehabilitation or razing and removal of the structures at 1117 JENKS AVENUE within fifteen (15) days after the April 19, 2023, City Council Public Hearing. (To refer back to March 12, 2024 Legislative Hearing)

Sponsors: Yang

Layover to LH April 23, 2024 at 9 am to review work plan, schedule, bids, financing, and affidavit from purchaser.

Lisa Proechel, Keller Williams, appeared

*Proechel: Mr. Fergus said the property won't close until April, so he wasn't going to invite them.* 

Moermond: he didn't, but I thought we did. It is timely to begin developing the work plans.

Zimny: we just found out about them last week, he was sharing the information. We can call them.

Moermond: when is closing scheduled for?

Zimny: April 17.

Moermond: let's lay matter the over to April 23, to see work plan and bids from Greater Metropolitan Housing Corporation. We've been delaying this for a long time, and I know they'll have a different kind of bidding process than a private owner. You'll have to figure out how the Performance Deposit will be dealt with. I don't see anything in the closing document.

Laid Over to the Legislative Hearings due back on 4/23/2024

2 <u>RLH RR 23-58</u> Ordering the rehabilitation or razing and removal of the structures at 378 SIMS AVENUE within fifteen (15) days after the December 20, 2023, City Council Public Hearing. (Refer to March 12, 2024

#### Legislative Hearing)

<u>Sponsors:</u> Kim

Layover to LH March 26, 2024 at 9 am for further discussion. PO to submit work plan, schedule, bids, financing and affidavit.

Wesley Hart, owner, appeared via phone Bill Purtell, attorney o/b/o Freedom Mortgage Corp, appeared via phone

Moermond: we're following up on the last Legislative Hearing on February 13. It was referred back to Legislative Hearing today for further discussion, and by March 7 we were looking for a work plan, bids, schedule, financing, affidavit.

Yannarelly: we haven't received anything. As far as property maintenance we've had no issues recently.

Moermond: we haven't received anything in our office either. Mr. Hart, where are things at with you?

Hart: sorry I missed my deadline. I did work with 3 different contractors. They told me the report didn't have the detail needed to put a bid together. They're going through and putting together a list of question. They can't match with their eyes with what is on the report. They're hoping for photos or further information for me to go back to Clint or someone to help answer those questions. That's where I am now. I did a walk through with 2 of them. It is something doable. We paid off all our credit cards, so I have \$60,000 in available credit to do the financing to show I'm able to pay for the repairs. Without getting a final number and actual bid I don't know what number to put for that. I should have emailed about this, and I didn't do that. The contractors suggested I do so, and I did not.

Moermond: I have to say I did you a favor by asking the Council to send this back a month ago. I started this process mid-November. It went to Council in December and here we are mid-March and you're telling me now that you have contractors with questions. You can understand how this makes it seem like you don't have your act together. Evidence you've paid of the credit cards, credit cards are not an acceptable means of financing for this process. You need cash in a bank, construction loan, something more solid than a credit card. Having heard nothing in the last week. They suggested you talk to us? How about WE sent you a letter in February telling you to talk to us. That is disrespectful of the process.

Hart: I certainly don't mean to be.

Moermond: your actions are speaking louder than your words. I need to see you have your act together or you are working with your mortgage company to figure out a path forward. I understand you're up to date with the mortgage. Is that still true Mr. Purtell?

Purtell: yes.

Moermond: the kinds of asks your contractor has are usually stray questions. To have these questions cause a complete stop for 3 different contractors is unusual.

Hart: Nordic Pro Exteriors, Andy, is the General Contractor. He's hired an electrician and someone who specializes in interior work. Andy is doing the exterior.

Moermond: and when did they do the walk through?

Hart: a couple weeks ago. The end of February.

Moermond: you haven't even reached out to Clint Zane to indicate there are questions? You have to write them down? No one has done that in the last two weeks?

Hart: I haven't completed that yet. I can tell you what else has been going on in my life lately if you're interested.

Moermond: you can share what you want to. I get people have other things going on. When things are going on that make it hard to do these projects people hire generals to manage these things and take over if life circumstances are too much in the way. I don't need medical specifics. We don't need a public record of details of people's lives, just so you know. What would you like to share?

Hart: my son was born January 5, my dad died last Monday, and I'm in the middle of a divorce. We're separating finances today. The plan was to move to this property, but I know that's several months away. So, coming up with a different plan there.

Moermond: my sincere condolences on the loss of your father, and we all know divorce is difficult. What are you looking for today?

Hart: I definitely put this off, but I'm trying to keep paying all the things I'm supposed to. I know I am missing deadlines and need to make progress. I want to get this done too. If you have a suggestion for a contractor that would be ideal. I was hoping to find that and haven't been able to.

Moermond: it is tricky for the City to recommend one contractor over another. I know there are contractors out there who monitor this process, maybe one of them may reach out. We do need to keep this moving, and I think you'll know more after settling finances with your soon to be ex. Why don't you get those contractor questions to writing so Mr. Zane can address those. No one is going back to take photos and write explanations. Your contractors will need to talk to the inspectors. What you are asking is unusual in my experience. Why don't we talk again in 2 weeks, we'll have some better information hopefully. Let you get your feet under you a little bit and see where we can go. Let's talk March 26 and see how things are looking.

Laid Over to the Legislative Hearings due back on 3/26/2024

3 <u>RLH RR 23-44</u> Ordering the rehabilitation or razing and removal of the structures at 1213 WOODBRIDGE STREET within fifteen (15) days after the September 13, 2023, City Council Public Hearing.

Sponsors: Brendmoen

Grant 180 days pending submission and approval of letter of financing from owner.

Michael Sauer, attorney o/b/o Penny Mac, appeared

Sauer: these are new bids, but they aren't signed. Costs did go up slightly. That is the company doing the work though, and their license is included on there.

Moermond: and we're close to getting that letter today?

Sauer: I should have it today, I put in the new numbers.

Moermond: Mr. Yannarelly, this is the plan and schedule, and we're just waiting on the letter.

Sauer: and I submitted previously a schedule with a schedule in it. I got permission to work with them directly. Clint wanted to meet with them directly to talk about the fire residue on the framing.

Moermond: is there an estimated start on the documents?

Sauer: they are ready to pull permits once they get permission to do so.

Moermond: bingo, that's what I needed. As soon as we get the financial letter we can send it to Council March 20th. The Council has to publish its agenda a week in advance. Permits can be pulled as soon as next Thursday once the Council votes.

Referred to the City Council due back on 3/20/2024

**4 RLH RR 24-5** Ordering the rehabilitation or razing and removal of the structures at 802 MOUND STREET within fifteen (15) days after the April 17, 2024, City Council Public Hearing.

<u>Sponsors:</u> Johnson

Refer back to LH April 23, 2024 at 9 am for further discussion after redemption period expires.

Sadek Tahirou appeared via phone Steve Nolander, CCM Finance/CCM F1, appeared Matt Forster, CCM Finance/CCM F1, appeared

Moermond: Mr. Tahirou, I have you represent TyCoon Immobiliers, LLC.

Tahirou: yes, that is me and my partner.

Moermond: and you Mr. Nolander, Mr. Forster?

Forster: we are the lender; we own the sheriff's certificate.

Moermond: so, you have foreclosed on the title Mr. Tahirou holds?

Forster: yes, the redemption period ends April 14. It was a year foreclosure due to the amount.

[Moermond gives background of appeals process]

The building is a one and one-half story, wood frame, single-family dwelling on a lot of 5,880 square feet. The property was referred to Vacant Buildings by vacant building manager and deputy director due to illegal occupancy and ongoing neighborhood complaints. Files were opened on April 20, 2020. The current property owner is Tycoon Immobiliers LLC, per Amanda and Ramsey County Property records.

On November 1, 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 November 15, 2023, with a compliance date of December 15, 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 \$13,600 on the land and \$99,200 on the building.

Real estate taxes for 2022 and 2023 are delinquent in the amount of \$25,975.92, which includes penalty and interest. The property is scheduled for tax forfeiture July 31, 2024. The vacant building registration fees were paid by assessment on June 1, 2023. A Code Compliance Inspection was done on March 1, 2024. The \$5,000 performance deposit was posted on February 6, 2024.

There have been eighteen Summary Abatement Notices since 2020. There have been nineteen 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 \$100,000. The estimated cost to demolish exceeds \$30,000.

Moermond: Mr. Tahirou, tell me about what your intentions are with the mortgage? There's one month before your redemption period ends. Are you going to let that expire and let go? Refinance and pay off the mortgage in its entirety?

Tahirou: that is the hope and that's what we've been working on and trying to do for a while now. We're slowly getting to the point to get the property back and rehab.

Moermond: what is the amount of the mortgage to be paid off?

Forster: We paid the Code Compliance Inspection application fee and the \$5,000 Performance Deposit so it is somewhere in the \$130,000 range. Sorry--- closer to 200k. Our bid amount is \$185,000.

Moermond: and the Department estimates the cost to rehab of over \$100,000. Mr. Tahirou, that means after paying off the mortgage, plus the cost of rehab, I guess I'm asking your ability to come up with \$300,000 for this property. Not only do you need to have clear title, plus the financing to do the rehab.

Yannarelly: plus taxes, \$26,000. Forfeiture in 4 months.

Moermond: so closer to \$330,000. Not a small amount. What I'm looking at is people looking at decisions around loss-mitigation. This isn't a money-making endeavor at 802 Mound. Rehab would be a way to save as much as you can, I'm afraid. That's been my experience over the last couple of decades.

Forster: the spreadsheets don't lie.

Moermond: the Performance Deposit was posted by you as well?

Forster: yes.

Moermond: has anyone done a walkthrough and received bids?

Tahirou: yes.

Moermond: with the benefit of the Code Compliance Inspection Report?

Tahirou: yes.

Moermond: you have the March 1 Code Compliance Inspection Report in your hands? And shared with your contractor?

Tahirou: yes.

Moermond: do you have that in your hands now?

Tahirou: yes.

Moermond: what's the date on the document you have?

Tahirou: March 1, 2024.

Mai Vang: I just emailed it to him this morning because he said he didn't have it.

Tahirou: correct. But I had the Category 2 Code Compliance from when we took over the property.

Mai Vang: there's an expired one from 2021.

Moermond: what is your contractor estimating the cost will be based on the expired Code Compliance Inspection Report?

Tahirou: \$150,000.

Moermond: so now you're looking at around \$375,000.

Tahirou: yes.

Moermond: How long as Tycoon owned this property?

Tahirou: 2021 when we took over. October or November.

Moermond: how many of those orders were under their ownership?

Yannarelly: 14 of them. Last time it was secured was in November. A back door was kicked in. Since then it had some furniture dumped on the boulevard that was taken care of.

Moermond: the things listed are basic property maintenance issues. Outside the added level of concern for break-ins. They may be starting fires to stay warm.

Yannarelly: there was an issue there for quite a while with illegal occupancy. They don't do well with the interior.

Moermond: it was in rough shape when I saw it when it was condemned.

Forster: any issues since November?

Yannarelly: no break-ins.

Moermond: the first two things are the Performance Deposit and getting that Code Compliance Inspection Report. You gentleman took care of those. Were Mr. Tahirou able to redeem the mortgage, you would ask for your Performance Deposit back, and he would post his own separately. That's one path. Second I look for clear title. That is a concern in terms of both this redemption. Staff is looking into why Ramsey County doesn't have a title recorded since 1991.

Forster: it looks like it was a sheriff's certificate from 2021. So, payment to Ramsey

### County.

Moermond: the tax forfeiture is looming within the 180 days the City would grant. It would be a concern that is addressed before the rehab. I hate to see someone invest \$175,000 and you lose the property back to the County and the nuisance isn't abated and the only tool left is ordering it demolished. That's not good for anyone. We need that taken care of. The property needs to be maintained. IF there are problems with that, I consider the property now under a microscope. You can bet the neighborhood is carefully paying attention to what is going on here.

Forster: there is a strong correlation of us becoming aware mid-November and the lack of issues on the property since.

Moermond: I believe that. That is something we need to answer to the neighbors for. The next piece, Mr. Tahirou, has to do with the estimated cost and the work plan, scope of work, the timeline and plan of action for getting the property rehabilitated. I need people to have their ducks in a row, talked to contractors, have estimates and people lined up ready to do the work. I've seen bids both more and less than the estimated amount from the Department. I expect some variability. What I think the reasonable thing to do here is to let the time period expire so we know who owns the property and how we proceed from there. Let's talk April 23.

Tahirou: I'm not available that day. I am April 22.

Moermond: we don't do these types of hearings that day. If you have redeemed the mortgage at that point, I'm fine continuing it a couple weeks. If you haven't we'll have a further discussion. This has a Council Public Hearing April 17, so I'll ask them to send it back to hearing April 23.

I'll note that should Mr. Tahirou or CCM Financing not do the rehab, they cannot transfer title to a rehabber until the rehab is complete.

Referred to the City Council due back on 4/17/2024

## 10:00 a.m. Hearings

### **Making Finding on Nuisance Abatements**

# 5 RLH RR 24-14 First Making finding on the appealed substantial abatement ordered for 523 BEAUMONT STREET in Council File RLH RR 22-48.

Sponsors: Noecker

If CC Certificate is not issued, continue CPH to April 17, 2024 and will require a new work plan by COB April 8 if rehab is not completed.

Araiza Hargrove, GITSIT Solutions, appeared via phone Ed Dropps, realtor, appeared via phone

Update by Supervisor Joe Yannarelly: the property is 90% rehabbed. No maintenance issues at the property.

Moermond: electrical permit is finaled. Not a ton of other corrections left. Gentleman, you are almost there. What are your contractors telling you?

Hargrove: we have painting tough ups. Because of break ins we installed security shutters indoors, those have to be removed and the new windows installed. Then Inspector Zane can go by and sign off.

Moermond: those aren't' related to plumbing and mechanical, and getting finals there.

Hargrove: I thought the plumbing was completed, just the touch ups remaining.

Moermond: I don't have a final on either of those permits. Until those are finaled we can't consider that does, which may be a large portion of that 10%. It says minor corrections. Maybe the contractor just needs to call to confirm those are done.

Hargrove: the plumbing and electrical?

Moermond: electrical is finaled. Plumbing and mechanical are pulled but not finaled.

Hargrove: ok. I'll reach out to the General Contractor and see what is going on. From my understanding that final inspection should have everything done. Per my update this am everything was done besides paint and installing those windows.

Moermond: they could have done the items and not had the inspector confirm and final the permit. They may say they're done, but we still need those closed. You're very close. This is scheduled for Council Public Hearing April 3. It seems it may take you a bit longer than 2 weeks, but what do you think?

Hargrove: it should be a week or two.

Moermond: at 90% complete it makes sense to forgo the work plan, I need to make that decision now since it is scheduled for Council Public Hearing April 3. If you aren't done by then I don't have a plan. I'll ask them to continue it for 2 weeks at which point I'd like to know everything is signed off on. If it hasn't been, I need to have a new work plan giving me solid dates when it will be done. Let's have that in by close of business April 8 if it is necessary. That's more than generous if you're saying a couple of weeks to finish.

#### Referred to the City Council due back on 4/3/2024

6 RLH RR 24-8 Second Making finding on the appealed substantial abatement ordered for 733 FAIRVIEW AVENUE NORTH in Council File RLH RR 23-11.

Sponsors: Jalali

Grant additional 90 days to rehabilitate per agreement with Building Official expectations and continue \$5,000 PD.

No one appeared

Moermond: Per agreement between owner and Building Official the following items will be addressed:

1. The range hood vent is a 600 CFM exhaust appliance. It must be installed per manufacture's recommendations with make-up air or be removed with an appliance that is 300 CFM or smaller.

2. The ductwork will need to be inspected:

Either spray the interior of the ductwork with an approved sealant or; Have the contractor scope the ductwork and inspected. 3. There is a new deck installed. The deck is not part of the scope of work under the building permit (scope of work under the building permit was for the team, code compliance list). Decking will need to be removed to inspect the structure (ftgs/joists/fasteners, etc.)

4. The owner agreed to have the plumbing contractor reach out to the plumbing inspector and schedule an on-site inspection to generate a list of requirements/deficiencies/items needing to be completed under a plumbing permit. The plumbing inspector reached out to the plumbing contractor, Mr. Maison Plumbing and Drain LLC, who applied for a plumbing permit for a shower, and told him that the scope of work for a shower is not reflective of what needs to be completed. The contractor told the plumbing inspector to reject the plumbing permit and that the plumbing contractor would get back to the plumbing inspector. We are still waiting for a call. . .

5. An electrical final inspection still needs to be performed.

The Legislative Hearing officer recommends the City Council grant 90 days to complete the rehab as shown by Issuance of Code Compliance certificate. We'll send this to Council March 27th.

Referred to the City Council due back on 3/27/2024

7 <u>RLH RR 24-13</u> First Making finding on the appealed substantial abatement ordered for 1356 REANEY AVENUE in Council File RLH RR 23-23.

Sponsors: Johnson

Layover to LH March 26, 2024 at 10 am for further discussion after % determination by Building Inspector.

Jodisha Darrough, purchaser, appeared Tobias Taylor, partner of purchaser, appeared

Moermond: Ms. Omaha is not here today. We're checking in to see where things are at here at the 180-day mark. The first thing we look at is whether we are 50% complete. That relates to the Performance Deposit and whether its continued, forfeited, another needs to be posted. Next are expectations regarding bids, work plan, financing since the first set didn't pan out.

Staff report by Supervisor Joe Yannarelly: according to Mr. Zane there has been no progress, he met with a contractor on November 28 who said they had an engineering report. There was a building permit pulled but no trade permits.

Moermond: no call for a progress inspection with Mr. Zane. Why is that?

Darrough: I didn't receive any letter.

Moermond: it came as an email.

Darrough: I got the court date but didn't get that one.

Moermond: it is in the same letter.

Darrough: I maybe overlooked that.

Moermond: what is going on?

Taylor: we did everything up to gutting. We're waiting for the 3 majors to come in, the permit guys. As far as financing. This year was a drought, a disaster. I do snow plowing. We needed that money to survive, versus doing the rehab. We had to reach out to lenders, and the problem always came up that the property wasn't in our name. We found one now that is willing to work with us. It was a hassle. We ran into disaster so we had to use some of our money to survive and pay bills.

Moermond: I'm looking at an account balance of 185k and an affidavit saying you dedicated the funds to the project.

Darrough: I did dedicate it, but I also have that snowplow business which takes care of my day-to-day living. Most of my money had to go towards regular living that was in my account. It is true I was going to use it for this project, but since it didn't snow I had to use the money for everyday living. It is my business and personal account.

Taylor: right now it is just the 3 majors.

Darrough: so now I'm looking for another way to pay but without the title being in my name I can't really do much. I did finally find a lender willing to work with me.

Moermond: I'm skeptical. I look at the account balance and also letters we rejected from the bank. You signed an affidavit, and the money wasn't set aside for that purpose. I never heard anything about this. you didn't call for the follow up inspection. 0%, I'm ready to ask the Council to forfeit the \$5,000. If you have more, then show me you have more done, get the inspector in there. Right now, I need a high level of confidence the work plan you show will be for real. You have it gutted and haven't had trades in. You gave me a schedule that is blown. You showed me money that you spent on other things. You showed me the cash, gave me an affidavit, spent it on other things. I'm sorry it didn't snow this winter. I get that, but at the same time if this was done you'd be selling it. Decisions were made. I haven't looked back at your purchase agreement to see how this impacts that. I don't see Ms. Omaha here. But I'm concerned about capacity to get the work done if additional time is granted.

Let's get Mr. Zane in to get an actual percent complete. That's the first thing. When we have that we can start to make decisions about the Performance Deposit. I'm not hearing you have the money now to do this. What's going to be different. I don't know if the same bids, the same contractors are in play? I need confirmation of that. Who is doing the work and their schedule. Do you have the money to pay them. At minimum I'll ask for an additional \$5,000 Performance Deposit.

Darrough: we just need to get Mr. Zane in and get that percentage.

Moermond: let's get him in there and get that percentage by the 25th. We'll talk again the 26th. I look at this and say I need to be able to take you at your word, and I can't right now.

Darrough: I would like to know why it is that the Certificate of Occupancy can't transfer until we own it.

Moermond: because that's what the City Code is. It used to be that people would sell a Category 3 Vacant Building to unsuspecting buyers who don't know what is going on. That provision is intended to prevent that. It is heartbreaking. It happened a lot to people with the dream of homeownership.

Darrough: that makes sense.

#### Laid Over to the Legislative Hearings due back on 3/26/2024

#### Other

8 <u>RLH OA 24-1</u> Making recommendation to Ramsey County on the application of Maria Esperanza Renteria Rodriguez, fee owner, for repurchase of tax forfeited property at 890 DUCHESS STREET. (March 12, 2024 Legislative Hearing)

Sponsors: Yang

Allow for repurchase.

Moermond: we had an application for repurchase. Ramsey County has by policy made a request by the City of an informed opinion on which repurchase should be allowed, and if there are any conditions under which that repurchase should be made. We have the Code Enforcement history and history of calls to the property to determine whether it constitutes a municipal problem. What is it you are seeing, Mr. Yannarelly?

Supervisor Joe Yannarelly: not a Code problem in the last 6 years.

Moermond: the police call record looks light too. Maybe a couple calls, but over 5 years 5 instances. The other four were traffic issues. That's negligible.

Yannarelly: I agree with that assessment.

Moermond: and nothing from 2022 to the present. Recommend allowing for repurchase with no conditions attached.

Referred to the City Council due back on 3/13/2024

9 <u>RLH OA 24-2</u> Making recommendation to Ramsey County on the application of Eagle Rock Real Estate, LLC, fee owner, for repurchase of tax forfeited property at 1021 MINNEHAHA AVENUE EAST. (March 12, 2024 Legislative Hearing)

Sponsors: Yang

Recommend allowing repurchase, noting property needs a new CCI and cannot be reoccupied until CC certificate is issued.

Moermond: we had an application for repurchase. Ramsey County has by policy made a request by the City of an informed opinion on which repurchase should be allowed, and if there are any conditions under which that repurchase should be made. We have the Code Enforcement history and history of calls to the property to determine whether it constitutes a municipal problem. What are you seeing, Mr. Yannarelly?

Joe Yannarelly: fairly quiet for quite a long period of time. It was inadvertently left as a Category 3 when it should have been a Category 2, we will make that correction.

Moermond: it looks like Ramsey County would have been owner of record as of August 1, right? I ask because there was garbage, rubbish, and snow removal issues from 2023.

Yannarelly: right, but someone removed it.

Moermond: so no work orders. This is a Category 2 Vacant Building, recommend allowing for repurchase noting this will need a new Code Compliance Inspection Report and before it can be reoccupied it needs to receive its Code Compliance certificate. This would be the current owner getting that since it is an application for repurchase from someone in an ownership position. Would you look for a sale review?

Yannarelly: call Mr. Humphrey for that information.

Referred to the City Council due back on 3/13/2024

## 11:00 a.m. Hearings

#### Summary & Vehicle Abatement Orders

**10** <u>RLH SAO 24-18</u> Making finding on the appealed nuisance abatement ordered for 1525 MARGARET STREET in Council File RLH SAO 24-15.

<u>Sponsors:</u> Johnson

The nuisance is abated and the matter resolved.

No one appeared

Update by Supervisor Richard Kedrowski: an inspection was done this morning and the vehicle was removed, also an issue for the utility trailer, which is now in front of garage in an approved location, so the property is now in compliance.

Moermond: nuisance is abated and the matter resolved.

Referred to the City Council due back on 3/20/2024

# **11** <u>RLH SAO 24-22</u> Making finding on the appealed nuisance abatement ordered for 12 OAKLEY AVENUE in Council File RLH VBR 24-11.

<u>Sponsors:</u> Jalali

The nuisance is not abated as it relates to the February 7 SAO, and authorize the Department to take action to abate the nuisance.

No one appeared

Moermond: we have a situation where they were to remove loose trash and rubbish from rear yard.

Staff update by Supervisor Kedrowski: there were no photos showing the original findings, but on my inspection there was still loose trash, tote of debris, broken furniture, loose fence sections and a TV.

Moermond: any new conditions since the Summary Abatement Order was issued?

Kedrowski: the shed is unsecured and there is a mattress and personal items inside, appears someone is living inside.

Moermond: would you normally issue orders to secure the shed?

Kedrowski: yes, and if they don't the City would.

Moermond: no objection here to issuing those orders. No compliance with the February 7th orders, it goes to Council March 20th. We'll send it forward saying the nuisance wasn't abated and ask you to do one more drive by before then.

Kedrowski: I did include Inspector Hoffman too, so I'll make sure he handles that boarding.

Referred to the City Council due back on 3/20/2024

## 1:00 p.m. Hearings

### Vacant Building Registrations

# **12** <u>RLH VBR 24-13</u> Appeal of Roger and Lana Cheatham to a Vacant Building Registration Notice at 1769 SAINT ANTHONY AVENUE.

<u>Sponsors:</u> Jalali

Layover to LH March 19, 2024 at 1 pm for further discussion. PO to submit work plan by noon on Monday, March 18th. Units 2 and 4 to remain unoccupied until C of O is issued for those areas of the building.

Roger Cheatham, owner, appeared via phone

Update by Supervisor Mitch Imbertson: we developed a new report you will want to look through in detail, since there were a few things with questions I needed to check permit history and records for. We talked during the walk through, but please reference the written report. We did an inspection yesterday, March 11. This is a four-unit building. It appears since the time of our previous discussion someone has moved in. One unit was occupied, and one additional unit that was occupied by the owner per the explanation given but it didn't appear it was being used as a primary residence or being slept in. Two were completely vacant. Unit 3 was occupied and slept in, Unit 1 was the owner's unit which may be used more as a secondary residence.

Moermond: sort of partial occupancy?

Imbertson: no bed or sleeping materials but had furniture and storage. 2 and 4 were empty. Unit 3 there was no working smoke alarm. That was installed during inspection. No other immediate hazardous issues, however, we had a number of violations throughout the other units and the exterior. 30 items total on the report. The largest issue remaining is the exterior repairs, that was previously noted on many of the previous reports issued. Issues with water intrusion behind stucco and loose stucco, one area appears at risk of falling from building. Holes in soffits and trim and issues with window frames needing repair. Those are probably the largest in terms of scope of work.

Moermond: if you were to prioritize which are the biggest life-safety concerns, what would those be?

Imbertson: if there is a plan involving any length of time for permanent repair, the loose area at the northeast corner of building needs to be secured so there isn't a risk of falling pieces of stucco. Getting working smoke and carbons in all the units would be good to do, even if no one is sleeping in there, but especially unit 1.

There are a number of other items considered safety related, but all similar in priority level. Basement dryer vent needs repairs, clearance in front of electrical panels, basement stairway doorknob was damaged. Open area of floor where concrete was removed around main drain stack in basement. Water heater vent issues, reviewing the permit history we didn't see any permits pulled for the water heater. Fire extinguishers due for service, one needs to be mounted. Missing fixture globes. Bathroom shower repairs. Hole in ceiling that needs to be maintained for fire separation. Unit 2 has had the bathroom gutted and has missing living room ceiling. That work would need a permit. Ceiling light in unit 2 was removed as part of the ceiling coming down. missing cover plates. Unit 3, the occupied unit, there was a sagging portion of the ceiling that was also loose. Damaged radiator cover in unit 4. No flooring in unit 4. Also, ceiling removed and missing cover plates. That's the whole list.

Moermond: first priority would be the smoke and carbon detectors throughout, whether unit is occupied or not.

Imbertson: the detectors aren't hardwired so there should be some flexibility on placement to give some level of protection.

Moermond: with respect to the water heater and dryer venting, and sewer stack?

Imbertson: sewer stack can be a lower priority since the area is minimally occupied. Code says to maintain the floor, but we don't expect a large number of people to be walking by.

Cheatham: it isn't a common area at all.

Imbertson: dryer and water heater weren't immediately hazardous to level of red tagging them, so possibly second priority to smoke alarms.

Moermond: it seems simple to provide clearance around electrical panels. Where I'm going with this is splitting this out so you can put together a work plan so you can address the items. Short vs. long-term priority. You did just get an email from Mai Vang that list from yesterday's inspection. I'd like to give you a week to review that and put together a plan on tackling those items. Priority going to smoke and carbons and electrical panel, close behind dryer and water heater issues. Probably wise to stabilize the plaster at minimum if a full repair isn't done.

Cheatham: sure, that works.

Moermond: we'll send a letter confirming those priorities. No one should occupy units 2 or 4 pending receiving that Certificate of Occupancy. One other thing strikes me that this is in the Vacant Building program currently. The venting issues need a permit. I'd like a general repair permit pulled for the building so we have an inspection following up on those as a condition on getting out of the Vacant Building program.

Imbertson: anything beyond a \$500 value.

Moermond: with rebuilding walls and ceilings that definitely would be beyond that amount. Let's give you a chance to react to the list.

Cheatham: that sounds good.

Moermond: have something to my team by next Tuesday. we'll have a deeper conversation then.

Laid Over to the Legislative Hearings due back on 3/19/2024

# **13** <u>RLH VBR 24-17</u> Appeal of Kevin Christ to a Vacant Building Registration Notice at 1391 ENGLEWOOD AVENUE.

### Sponsors: Jalali

Layover to LH March 19, 2024 (unable to reach PO).

Voicemail left at 1:35 pm: this is Marcia Moermond from St. Paul City Council calling you about your appeal for 1391 Englewood. We'll try you back in a little bit.

Voicemail left at 2:02 pm: this is Marcia Moermond from St. Paul City Council trying to reach Kevin Christ regarding your appeal for 1391 Englewood. We'll reschedule you for next Tuesday between 1 and 3, on March 19. We will send an email confirming this.

Laid Over to the Legislative Hearings due back on 3/19/2024

# **14 RLH VBR 24-18** Appeal of Marlene Barrett to a Vacant Building Registration Requirement at 1297 SEVENTH STREET WEST.

Sponsors: Noecker

Waive VB fee for 90 days (to May 1, 2024). Building to remain a Cat 2 VB and requires a building only CC.

Marlene Barrett, owner, appeared via phone James Gregor, nephew of owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Mitchell Imbertson: it was not in our Fire Certificate of Occupancy program; however, I will note around 2016 I see the tax statements going to a different address for the property. So, if it wasn't owner occupied as a primary residence, once it is occupied it would need a Fire Certificate of Occupancy applied for.

Staff report by Supervisor Matt Dornfeld: January 2020 our Code Enforcement department received a neighborhood complaint the sidewalk wasn't shoveled and pile of trash on property for at least a month, possibly vacant. Code Enforcement confirmed the complaint and noted the water was shut off to the property. It was then made a Category 2 Vacant Building January 28, 2020 per Inspector Kalis. We've had six Summary Abatement Orders issued over the last 4 years for items like tall grass, snow and ice, yard waste, household refuse and general debris. No work orders issued, so always had compliance after orders were issued. Rick Gavin has been monitoring and spoken with the property owner over the years. Last, I'm seeing a building only Code Compliance inspection was paid for in September 2021 but I cannot find that that inspection was ever performed. I dug deep as I could and could not find it. It was paid for. Moermond: tell me what you're looking for today?

Barrett: we're going to put it on the market and I wanted to get it out of a Category 2 status. Some of the items the gentleman talked about, I hired someone to shovel the walk since I cannot do it as I have a physical disability. That person had been doing it and then suddenly, after I paid him in August, he didn't do it in February and I couldn't reach him. I tried to find someone who could shovel it. Unfortunately, the neighbor said she would but it never seemed to be clean enough for the City. As far as any trash, there wasn't ever really at all. My son was landscaping and cut the grass faithfully for many years.

Moermond: why don't you think it should be a Vacant Building if it has been for four years?

Barrett: I don't have it rented, but I spend a great deal of time going through things here. This is where I grew up. I was slowly going through things. There wasn't a week that went by that I wasn't here multiple times.

Moermond: so, you're watching closely, that's excellent.

Barrett: not only here, next door too. Next door asked if they could put a couch partially on my property while they wait for Waste Management. Then I got a letter about it. It wasn't mine, so I called the neighbors about it. They told me they had called.

Moermond: and you're digressing into nuisance conditions, but this is a Category 2 Vacant Building that you want to sell. That is all excellent. It sounds like a sensible decision. I guess what I'm hearing is you simply don't want it to be a Category 2. Anything else you'd like me to know? It sounds like you had a chance a few years ago in having a building only inspection, what happened with that?

Barrett: I'm not sure, I sent it in and was waiting for someone to contact me. Jim Gregor wants to talk to you.

Gregor: on the code violations, in the last year we've received two letters for the adjacent property. So, some things are not accurate.

Moermond: honestly, the fact there has been the occasional nuisance condition is I also heard that whatever it was was taken care of. It doesn't have anything to do with the categorization as a Category 2. I see in 2021 Department of Safety & Inspections let you do a building only Code Compliance. The fee was paid, the inspection wasn't done. I don't know why. I'd like to see some follow through on that. Thing one is what do I need to disclose to a purchaser, a full Code Compliance Inspection or a building only Code Compliance Inspection. Thing two is the Vacant Building fee, nearly \$5,000. I imagine you don't want another one, but you need to turn the ship around. It went into the program January 29, 2020. The fee we are talking about today covers January 29, 2024 through January 28, 2025. I would like to give you a chance to get that inspection done. If I was to give a 90 day wavier, takes you to May 1, 2024. Have you talked to a realtor yet?

Gregor: I am one. The property is livable. They were saying things that aren't true. It is livable today. It shouldn't be considered vacant because this is her urban cabin.

Moermond: that ship sailed four years ago. It has been in the Vacant Building program for four years. Here we are now, what do we have to do to get you out of there.

Gregor: we responded back in 2020 and talked to Rick Gavin and he was no help in trying to get us out of it. Marlene had been conducting cleanup and maintenance on the property to do the sale. As a Category 2 it makes it difficult to get the best price. It isn't a distressed property. She feels she's been unfairly treated due to her age and not being able to navigate the bureaucracy. The City turned off the water. She drinks bottled water. She wasn't even aware the water was off. The issues were the neighbor's problems, not hers. We feel there should be a credit for all the years. She'd like to get it back.

Moermond: that is beyond the scope of what I can tackle today. What is in front of me today is the Vacant Building registration and allowing that building only inspection rather than requiring a full Code Compliance Inspection. I'm happy to move forward a building only list be developed, it will remain a Category 2. You maybe want to address those and have a Code Compliance certificate for point of sale. The Vacant Building status was appealable, the same language was in the letter sent out in 2020 and each year after. I'm happy to ask the Council gives a 90-day waiver. I will also say if a Code Compliance certificate is issued after that 90 days, I'm more than happy to look at prorating that. We will email Clint Zane about this building only Code Compliance inspection, so he knows that should be done.

Who is the right contact for scheduling that inspection? Can you put a lock box on the door?

Gregor: she's close enough, we'd like to be around for inspection. If you're going to make the recommendation we'd like it reduced to a Category 1 and do a TISH.

Moermond: I imagine you would but I'm not going to do that. It has been too long.

Gregor: the other avenue is district court?

Moermond: for past years, that is something you should contact legal Council about. The City has already dealt with those. There are probably time limits but I can't give legal advice. I can't deal with that at all in my role here. A current assessment is what I do.

Gregor: so I can only appeal the recommendation after getting the letter.

Moermond: absolutely, to the City Council. The Building only inspection is already paid for, so it is just a matter of scheduling. We'll include Clint Zane's contact information in the letter.

Gregor: will the inspection she paid for substitute for the TISH?

Moermond: I don't know the code addresses building only vs. TISH. I do know if it is a full Code Compliance inspection it IS a substitute for a TISH. I would have to say I believe you'd still need a TISH but I'm not the expert on TISH reports, those are privately done. That is my impression.

Referred to the City Council due back on 3/27/2024

## 1:30 p.m. Hearings

Orders To Vacate - Fire Certificate of Occupancy

15	<u>RLH VO 24-5</u>	Appeal of Occupant to a Revocation of Fire Certificate of Occupancy and Order to Vacate at 421 THOMAS AVENUE #1.
		<u>Sponsors:</u> Bowie
		Layover to LH March 19, 2024 at 1:30 p.m. (hearing rescheduled due to staff schedule).
		Laid Over to the Legislative Hearings due back on 3/19/2024
16	RLH VO 24-7	Appeal of Tianna Verdega, Tenant dba Clubhouse Entertainment, to a Fire Certificate of Occupancy Correction Notice, including Condemnation) at 220 ROBERT STREET SOUTH. (Refer back to May 12, 2024 Legislative Hearing)
		<u>Sponsors:</u> Noecker
		Recommendation forthcoming. Refer back to LH May 12, 2024 at 1:30 p.m.
		Tianna Verdega, tenant unit 202, appeared Dee King, tenant unit 202, appeared
		[Moermond gives background of appeals process]
		Moermond: lots going on here. Complicating factor for this is a previous appeal for the address.
		Verdega: which we were unaware of.
		Moermond: the Council did hear a previous appeal, which dealt with the condemnation of the large conference room area due to unsafe circumstances that had developed there. Police reports of after-hours parties. Gunfire. Drinking. This isn't ok to be happening in an office space. With that as background, the Council said we hate to see the other businesses punished because of this, is there a way they can still use the space and have it done safely? What I am thinking is that the only possibility is a nuisance abatement plan be put into place. What will you do to make it go away and not happen again. I want a signature and consequences if it is violated. That's with Mr. Raj Mehta. He missed his Council Public Hearing. I met with Mr. Mehta afterwards and said nothing party-wise until we figure out that nuisance abatement plan because I have no reason to believe it is an isolated use.
		We have a big problem. Underage service. Advertising for the "secret location" with drugs and drinks and entertainment. We have Crimestoppers tips coming in. This is the backdrop for your business wanting to use the space. I wanted you to hear that as a starting off place. I've been working with St. Paul Police Department and Fire Inspection on expectations needed to make it safe for both users and general public. We are working on pulling a meeting together to discuss this in depth. February 14 was that date I spoke with him. The next party was February 16th. This is an appeal for the record label's space.
		King: we just got a suite in that building, 202. The suite next to us is 201 that is supposed to be condemned. Limit of 11 people I think—

Moermond: let's get that staff report so we're all on the same page, then come back to you.

Staff report by Supervisor Jim Perucca: 1300 square foot general office building, no sprinkler or elevator system. Fire Safety responded to a complaint from St. Paul Police Department February 20 that events keep happening in the upper level suites. They mentioned 207 in this case. Another event this past Friday, February 16 with loud music until 5:30 am. This is a commercial office property. February 23, myself and inspector Migdal and Manager AJ Neis did an inspection and found areas on the second floor to have been in use as an assembly. There are photos. Some concerns with the use of the space, it appears was definitely used as an assembly type area. We have not enough exiting from those spaces. Doors swing the wrong direction. We do not have proper fire separation from corridors. Found evidence of alcohol and amplified music. Our inspection felt this was an improper use and a public safety issue.

Moermond: what are the concerns?

Perucca: not enough exiting. The business owner did post an occupant load of 11. It was used for several hundred people at the time. Fire separation is improper from corridor and other suites. No fire protection or notification. Typically, we would have that in an assembly use. As part of building code ADA access is nonexistent. We have past incidents, January 1 police responded to a party which led to the condemnation of the lower-level suites. During that even police said juveniles were running in and out, possible explosions or shots fire. It does appear Clubhouse Entertainment does have many social media advertisements for parties.

King: we never had a party January 1.

Moermond: we've established that.

King: we just got in that building.

Perucca: but a Halloween party October 29.

King: not ours.

Perucca: there is social media documentation.

Moermond: what are you looking for today? I hear from him this isn't a safe use.

King: the date you went on the 23 and shut it down. We were there the night before. There's a Bluetooth speaker we did have in the room. We were using that room to assemble; our suite is connected to that room. We're fixing that up. We didn't know about the shootings and all that stuff when we moved in. We did know o the event space downstairs and thought he was going through the motions to get that overturned or fixed or whatever. We have a recording studio, a gambling room and a podcast room. We were using that room to breakdown things to put into the office. Empty boxes. Massage studios. Wood from the office. We were working assembling that stuff.

Moermond: when was this?

King: the 22nd. Someone came the next day and really condemned the room. Supposedly they came because of use utilizing the room the night before. There are cameras everywhere in that place. Clearly there was no party going on. 9 people coming in and out. It wasn't until 4 am. The agents saw the video, I saw it, the same one they did. Moermond: we're talking about February 22? A police report form that day indicates the police were there at 10:30 p.m. on regular patrol. The report says: While driving in the lot I spoke with a white male, mid to late 30's who identified himself as "T-Man", who rents 3 spaces for a studio and a podcast. The large influx of traffic was for a birthday party he was hosting for his friend. It appeared the party was taking place on the second level where lights and strobe could be seen through the window. Party guests were parking in back and walking through the back side entrance. That is consistent with where you guys are at with it?

King: yeah.

Moermond: so a big birthday party happening.

King: like I said, we have cameras and everything.

Moermond: that would mean that information was provided to the police and they weren't provided access to the building on that occasion from what I've seen, or any previous occasions when they've had the doors closed on them.

King: no one closed doors on any officers and no officers have attempted to come in the building.

Moermond: were you there? At the door?

King: yeah. That's why I'm actually here.

Moermond: in the parking lot? Having this conversation?

King: no, I was not in the parking lot.

Moermond: that's where this is all happening. You're saying no, and you're saying it second-hand.

Perucca: just to clarify, when we were out there we did speak with the building owner to access his video. He experienced technical difficulties and couldn't provide any information to us.

Verdega: we were unaware of that. We had just spoken to him and he said he had the video up the next day.

Perucca: he attempted and could not seem to find that.

King: I feel like we're picking up someone else's mess. We're trying to run a business. We didn't know all this was going on. Had we known, we would never have moved in.

Perucca: can I clarify, you are Clubhouse Entertainment, correct? You did have an event on February 16.

King: February 13. Wait, not February 13—did we have one the 16th? I think maybe. I don't know.

Perucca: I'm looking at your social media indicates a party from 1:30 am to 5:30 am at a "secret location."

Moermond: and the crime stopper tip attached to that specified it would be at this

address.

[Verdega whispers to King in background: Just say we've been there two months]

King: we wouldn't have been in that location then. No, we haven't had any events there since we've been there.

Moermond: but the flyer said you did.

King: the flyer could have never said anything because we never put a location. If you get one of our flyers—

Moermond: that's exactly right, it was the police showing up and the Crimestoppers that gave the actual location. King: so the police showed up to the building?

Moermond: yes, they got called to come to the building.

King: well that couldn't have been us then because-

Perucca: that's why we were involved.

King: it couldn't have been us then because we never had an event there. We had an event October 13. We had a show there. We haven't had a show there since. Most are in Minneapolis.

Perucca: did you have one scheduled for last week, March 8?

King: yes, we did. It wasn't at that location. It was at the Armory. It wasn't at that place.

Perucca: the Minneapolis Armory?

King: yes. Excision was the actual show. We hosted the after for the artist that came for the show. And that was not at that place.

Perucca: nor should it have been, as you were notified by Mai Vang.

Verdega: the clubhouse team has noticed a flyer from a fake account we had asked to take down multiple times.

King: it wasn't even ours.

Verdega: we don't know who it is, but we noticed the fake account started listing our office address. We repeatedly messaged them to take it down, because it was the flyer for the after set for the party. We repeatedly told them to take it down, it isn't the right location, it isn't a location for them to share. Maybe that's the flyer?

King: I forgot about that. I have text messages of us talking about this fake account and fake flyer floating around with our name on it. To be honest, I personally think it is my kid's mom but my team doesn't know.

Perucca: if I may, you aren't under any scrutiny right now.

King: we know, we're just trying to figure out what we can do as a company operating in this building.

Perucca: if you aren't responsible, somebody is portraying you and using the building in an unsafe way. Whether the building owner, or you as tenants, are able to police that action to prevent it from continuing.

Moermond: the physical space isn't safe for a gathering. It doesn't have adequate fire separations between rooms. Carbon and smoke detector issues. These things are things we'd look for in order to have a safe assembly space. Alternatively, if there's a sprinkler system that would provide safety as well. King: I didn't know it didn't have sprinklers. It has been sanctioned to function as an

office business. If it doesn't meet the requirements for safety how is it up and running?

Moermond: different uses have different requirements.

King: with the condemned signs on the outside of the building, we've already lost two customers that came to check out the podcast and game room. They busted a U-turn because they thought the building was condemned. They don't read all the way through. They thought they were at the wrong building. That was two customers, and once that happened we realized we have to figure something out. We have a year lease and we're losing business because of this condemned sign. It looks bad for a business period. I'm thinking this may be a good enough reason to break the lease, with all this going on.

Moermond: what Mr. Perucca was bringing up were the expectations for an office building are incredibly different than the expectations for a place where people assemble. It is ok to use as an office space. Different code requirements for different uses. Other concerns have to do with basic safety. Gunfire or fireworks. Mr. Mehta is saying fireworks but the police are saying people are calling screaming about gunfire. I have very different kinds of information.

King: you know that wasn't us though, right?

Moermond: I'm assuming not. I don't think you'd show your face here if it were. What I can do is say right now it is not safe to have gatherings of people because it has happened in such an unregulated and unsafe way. That has happened on multiple occasions. What I would like to do, if you continue to be tenants, is have you be present in the meeting with Mr. Mehta in the abatement plan meeting.

King: yes, please.

Moermond: that's the next step. You think about things that will help make the circumstances better. I welcome the input, I really do. I think everyone wants to see business be successful in the City. But we don't need to be out there at 4 am chasing 18-year-olds who've been served liquor.

Verdega: in the meantime, the list that was already given of things that needs to be fixed, will be getting worked on if it isn't already done.

Moermond: and I understand from this list that access needs to be provided to the tenant space in 202. King: that would be us.

Moermond: Mr. Perucca, you and your team would be doing that then?

Perucca: yes.

King: can we get a time so we are there and ready?

Perucca: there is a reinspection scheduled for March 23.

Moermond: I don't see a time.

Perucca: no, it was open but we can work with you.

King: just a heads up, she supervises the office and I need to talk to my team, we were thinking about getting away from the building due to all the things going on. We also don't want to seem like we are the type to tuck our tails and run from a situation.

Moermond: you have to look out for your interests. You take care of you. I need to work through the problems I'm faced with. The inspectors will be out there on the 23rd. Are you in on the 23?

Verdega: I can be.

Referred to the City Council due back on 3/27/2024