

# **City of Saint Paul**

15 West Kellogg Blvd. Saint Paul, MN 55102

## Minutes - Final

## **Legislative Hearings**

Marcia Moermond, Legislative Hearing Officer Mai Vang, Hearing Coordinator Joanna Zimny, Executive Assistant legislativehearings@ci.stpaul.mn.us 651-266-8585

Tuesday, March 26, 2024

9:00 AM

Room 330 City Hall & Court House/Remote

9:00 a.m. Hearings

#### Remove/Repair Orders

1 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. (Refer to March 26, 2024 Legislative Hearing)

Sponsors: Noecker

Layover to LH April 9, 2024 at 9 am for update on timeline of phase 2 environmental review and extension of due diligence period.

Thomas Radio, attorney representing ownership, appeared

[Moermond reads update Mr. Radio submitted]

Moermond: you were all needing to do the environmental review, it was new information that the auto repair to the south perhaps needed remediation. It sounds like that has been initiated?

Radio: phase one was completed, and because of those results they will start on phase 2 to further delineate the problems. The buyer and seller have agreed to split those costs 50/50. Due diligence was extended 40 days. There was a \$40,000 reduction in sale price due to water main issues. Lights are still all green for closing. I don't know exactly when yet. But everyone remains committed and are putting more dollars in from both sides. Everything looks positive.

Moermond: when did the 40-day extension begin?

Radio: the 40 days ends tomorrow. I can't believe that's what they intended, I haven't seen the final signed documents. Once I get that I'll know exactly beginning and end dates. I can't believe they're signing something that ends tomorrow. I have an email into the broker right now. I'll provide that update by email.

Moermond: I'd like to time continuing conversation based on that extension. What did we learn from this phase 2. I know phase 1 is diagnostic, is phase to planning or executing remediation?

Radio: I also need to find that out. I can provide the start date, end date, and what is involved in phase 2.

Moermond: that would be great. No matter who is doing the redevelopment, we'd still be sitting in the same circumstance of doing the environmental assessment, so to move to demolition because the nuisance isn't sensible. Letting it play out is. If we could hang some of that info in the file, it would be useful. Pending that, how about let's plan on connecting April 9, updating record on phase 2 and what that involves. Then we can send it to the Council for a formal update to send back into formal hearing.

Radio: sounds good.

Moermond: we can do that in writing if you'd like and save you a trip down here.

Radio: Mr. Yannarelly informed me that the garage door is open, we'll take care of that.

Moermond: the Council office also received a note of interest from the owner of El Burrito Mercado, and the District Council president. I told them they are welcome to look at the Council record, and it was on a path moving forward. It is separate correspondence but I also didn't want to hide the ball on it.

Radio: appreciate it.

Laid Over to the Legislative Hearings due back on 4/9/2024

## 2 RLH RR 23-58

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)

Sponsors: Kim

Remove within 15 days with no option to repair.

Voicemail left for Hart at 9:56 am: this is Marcia Moermond from St. Paul City Council calling Wesley Hart about 378 Sims, we'll try and reach you back in a few minutes.

Voicemail left at 10:00 am: we'll go ahead and call Mr. Purtell and conduct the hearing on 378 Sims. We'll follow up with a letter by way of email with the results.

Voicemail for Purtell left at 10:01 am: this is Marcia Moermond from St. Paul City Council calling Bill Purtell about 378 Sims. After 2 phone calls we've been unsuccessful in reaching Mr. Wesley Hart. We'll send follow up correspondence. My recommendation in all likelihood will be removal of the property as we haven't received financing or work plan

Moermond: my recommendation is this property be removed within 15 days with no option for rehab. We'll send this to Council April 17.

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

#### 3 RLH RR 24-17

Ordering the rehabilitation or razing and removal of the structures at 887 CHARLES AVENUE within fifteen (15) days after the May 1, 2024, City

Council Public Hearing.

**Sponsors:** Bowie

If CCIR ordered and \$5,000 PD posted by April 24, refer back to LH May 28, 2024 for review of work plan, bids, and financing.

Kyle Runbeck, owner, appeared

[Moermond gives background of appeals process]

Moermond: I have Runbeck and Sons, LLC as the owner. You are?

Runbeck: Kyle Runbeck, it is me and my dad.

Staff report by Supervisor Joe Yannarelly: the building is a two story, wood frame, single-family dwelling with a detached one-stall garage on a lot of 5,084 square feet. The Fire C of O was revoked on November 14, 2019. The property was referred to Vacant Buildings with files opened on December 2, 2019. The current property owner is Runbeck and Sons, LLC, per Amanda and Ramsey County Property records. On December 21, 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 January 8, 2024, with a compliance date of February 7, 2024. 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 \$152,600 on the building. Real estate taxes are current. The vacant building registration fees were paid by check on December 15, 2023. As of March 25, 2024, a Code Compliance Inspection has not been done. As of March 25, 2024, the \$5,000 performance deposit has not been posted. No Summary Abatement Orders have been issued since 2019 and no word orders have been issued. Code Enforcement Officers estimate the cost to repair this structure exceeds \$75,000. The estimated cost to demolish exceeds \$30,000.

Moermond: a building that has been sitting empty for 5 years. We have the last set of orders the Fire Certificate of Occupancy inspector wrote.

Yannarelly: I know it said it was missing drywall. Not sure if it was down to the studs. No permits. Photos in referral.

[discussion about how the estimated repair cost is done]

Moermond: you want the building back online. It strikes me that you have owned this building not generating income, you've been paying taxes and Vacant Building fees. It isn't providing housing or income. That is expensive. Often people want to get it off their books and productive again. Is that where you are at?

Runbeck: yes, we want to rehab it. Being changed from a 2 to a 3, I'll have to do it this year. I've been putting it off because I was living in Milwaukee before my divorce. I'm back here now.

Moermond: we would love to move forward and send our letters to you by email. If you sign in we can do that. That means you get the letters immediately. What have you done so far? Have you talked to any contractors?

Runbeck: I have a contractor who says he will have availability to give an estimate.

Right now, it is mostly surface items like redoing trim and doors. Putting in floors in the kitchen and bathroom. Cabinets in the kitchen. Shouldn't be too much.

Moermond: so tenants left it in rough shape.

Runbeck: after I do whatever needs to be done, we'll probably change it. We bought it with my LLC, but I'm going to homestead it, so we will change that.

Moermond: the Code Compliance inspection needs to be done. We can get you an application. They will look for a lock box to be put on the property. We will also give you the Vacant Building Performance Deposit form. Those are the 2 building blocks to get started. One creates the punch list of things that need to be done, and you would show contractors.

Runbeck: why can't they be in contact with me. If I have someone else's things there I don't want some person going through. I'm sure they're trustworthy but—

Yannarelly: you can ask Clint Zane about that. Maybe they can give you a window, but you would need to discuss that with him. He's the one who issues the Code Compliance Inspection Report.

Moermond: and painting tools I don't worry about, but if people are leaving other types of tools around then it sounds like you're jumping the gun before we have that punch list.

Runbeck: there is stuff in the basement, boxes mostly. Same with the garage.

Moermond: do those boxes impede access to furnace, electrical panic, water lines, things like that?

Runbeck: no, it is clear from that.

Moermond: Clint Zane is a good contact for that. He's a building inspector. The other thing we look for is that Performance Deposit. [Performance Deposit and timeline are explained how they work in conjunction]. Let's have that done by April 24.

You'll also need to provide evidence of financing matching the amount of the bids you receive. That avoids a position down the line where you're six months down the line and you're 5% done and we have no option but to demolish because there is no money. That protects everyone's interest, especially yours. Lastly, I look for a plan. Often a general contractor can put a sworn construction plan together. If you are managing it yourself you can put it together yourself based on what your contractors are telling you. [long discussion about what types of financing is accepted & the affidavit]

Doing that Code Compliance Inspection and posting that Performance Deposit is enough for me to stand in front of Council May 1 and say Mr. Runbeck has done these things and I would like to give him time to sort things out and get bids. I'll ask them to send this back to Legislative Hearing May 28 to see where you are at.

Referred to the City Council due back on 5/1/2024

## 10:00 a.m. Hearings

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

## 4 RLH RR 24-13

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 April 9, 2024 for further discussion. Current recommendation is to forfeit the original \$5,000 PD.

Jodisha Darrough, purchaser, appeared via phone Joe Stainmaus appeared via phone

Moermond: are we calling anyone else into the hearing this morning?

Darrough: a Joe should be called in.

Moermond: we're talking about 1356 Reaney. He's going to give an update to get us started.

Staff update by Supervisor Joe Yannarelly: you wanted Mr. Zane to give a percent complete, he came in at 5%. We've done a work order to secure the garage in January and clean up the rear of the property in December.

Moermond: we left things at 0%, now we know we're at 5%. We know that you ran out of money and are unable to use the funds dedicated for this purpose. I'm not sure where we're at with the purchase agreement but maybe you can update me on the plan?

Steinmaus: we met with them on Sunday and cut a deal on the price. We just called title company and attorney.

Moermond: and I'll roll back here---this is not her property. This is Arlana Omaha's property.

Steainmaus: correct, that's why we're figuring that out. Title company will get that straightened out. We should be able to figure this out. Kevin Wu is my partner on this, TK Inspiration LLC, he's a licensed plumber. He did 788 Cook, it was beautiful. If we could get a week to get title straightened out we can get things rolling.

Moermond: we need the usual---I really want to untangle the title and as it relates to Arlana Omaha, curious about that and need the City to sign off on that. Maybe if you can work on that the same time as the plans and money and other pieces. I will also say I'm going to recommend the Council forfeit the \$5,000 Performance Deposit put into place by Ms. Darrough.5% doesn't cut it. That's the reality of it. Ms. Darrough is welcome to ask the Council for a different outcome. We'd also be considering the grant of time at that hearing to get the work done. I'll continue these two weeks for you to sort this out. Perhaps we can be done enough that Mr. Yannarelly can approve things before sending to Council. Given the \$5,000 Performance Deposit is forfeit, it does mean a new \$5,000 Performance Deposit needs to be posted.

Steinmaus: there's no way to save that if we're coming in to save the day?

Moermond: no. Not with that percentage complete. I don't think so. Many representations were made in the Legislative Hearing process on a number of levels, my recommendation will not be that.

Steinmaus: what if I start crying on the phone? These poor people who didn't know what they were getting into.

Moermond: well played Mr. Steinmaus, but no. The Council may be much more sympathetic than me.

Laid Over to the Legislative Hearings due back on 4/9/2024

## 5 RLH OA 24-3

Making recommendation to Ramsey County on the application of Fee Owner, Hotland Properties, LLC, for repurchase of tax forfeited property at 732 STATE STREET.

Sponsors: Noecker

Layover to LH April 23, 2024 at 10 am.

Moermond: Ramsey County property tax forfeited lands have received the money for an application for repurchase but not the actual application yet from the "owner". They haven't been able to send it to us because of that. The other thing is the entity whose name is Hotland Properties, LLC we were unable to find an LLC with the Secretary of State with that name, but we did identify quite a number of names from a previous transaction. That needs to be sorted out. Who is the signature on the application, and do they represent the LLC. Those are open questions. Nick Hanson with the County is aware of those questions. I'll recommend this is laid over to April 23.

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

### 1:00 p.m. Hearings

## Vacant Building Registrations

## 6 RLH VBR 24-13

Appeal of Roger and Lana Cheatham to a Vacant Building Registration Notice at 1769 SAINT ANTHONY AVENUE.

Sponsors: Jalali

Waive the VB fee through July 1, 2024 and grant to April 23 for items 6, 9 (stabilizing stucco), 25 and 28 (under general building permit). Items 2 - 4, 10 - 12, 14 - 16, 21 -24, 29 and 30 are completed and to be reinspected on April 3 at 10:30 am. Grant to July 1, 2024 for balance of the orders (5, 7, 8, 13, 17 - 20, 26 & 27). Unit 3 may not be occupied past April 23 without certification and no other units may be occupied until Fire C of O is issued.

Roger Cheatham, owner, appeared via phone

Moermond: walking through your plan you submitted. We had priorities we discussed with Mr. Imbertson, then a second set of priorities, and then everything else. Walking through what you provided. Do you have your work plan and inspection orders handy?

Cheatham: yes.

Moermond: walking through the first second. March 25 works as a deadline, naming that Mr. Imbertson and I said you will need a general repair permit. They'll be looking for that. Ms. Shaff looked at Mr. Imbertson's availability to check on those.

Shaff: 10:30 am April 3 he can come out.

Cheatham: that should work.

Moermond: looking at the work plan for the first set of priority items, are there any items you want to comment on Ms. Shaff?

Shaff: I have a few concerns. Item 2, the dryer, it was just unplugged and gas shut off.

Cheatham: I took the pipe out too.

Shaff: that should be done by a mechanical-type person to make sure there is no leakage.

Cheatham: I took it off horizontally to see how much lint was there.

Shaff: did you cap it?

Cheatham: the pipe is still there; I just took the flexible part that goes from the dyer to the horizontal pipe off to see how much lint was there. He said the screws would collect lint. I didn't see any. I took photos.

Moermond: Mr. Imbertson can check on that next week.

Shaff: on the first priority list, item 21 in the living room. It sounds like you added an electrical box there?

Cheatham: I put a temporary box in, it won't be permanent. Obviously I will have to have an electrician come in and look at the wires, it is old knob and tube wiring.

Shaff: we should have an electrician look at that sooner than later.

Moermond: item 21 doesn't indicate in the orders a permit is necessary, but we'd like to leave that open-ended so Mr. Imbertson can make a determination on that when he has eyes on.

Shaff: yes. A permit would be necessary to install a box.

Moermond: box installation does require a permit.

Shaff: basically, a property owner can only replace lightbulbs, outlets or switches. Any time any wiring is run, it requires a permit and must be done by a licensed electrician when it isn't owner occupied.

Moermond: Mr. Cheatham, any comments about the first list of items?

Cheatham: what list are we talking about?

Moermond: page 1 and beginning of page 2 where we talk about the items that were to

be completed as of yesterday. The march 25 list.

Cheatham: I guess I don't have that list.

Moermond: I thought you had the work plan in front of you.

Cheatham: oh, you're talking about my list?

Moermond: yes, sir. Any comments on anything on your list for the first second, March 25.

Cheatham: I don't think so, no.

Moermond: moving on, we had looked at this tried to split out the immediate priorities and then intermediate priorities. We didn't discuss intermediate versus longer-term. I've been trying to focus on checking in with Ms. Shaff, and if we give a hearer deadline for some items and longer for others and where we draw the line.

I want to do that. The deadlines I'm looking at are July 1 for some items, and April 23 for some. The first item on a tighter timeline is item 6.

Shaff: Mr. Imbertson's orders say the vent connecter isn't installed correctly, etc. I would hate for that to come apart and fill the building with combustion byproducts. Water heater is basically a boiler and we want to make sure that is 100% installed properly so we don't have a safety issue.

Moermond: another is stabilizing the stucco. This isn't replacing it, it is stabilizing what is there, item 9. Your notes say you have someone giving an estimate this week. I'd like it stabilized by April 23. Get it stabilized so we aren't worried about it falling off and injuring someone.

Item 25 didn't end up on your list, relating to the sagging ceiling in unit 3. I think we're looking at an April 23 deadline for that as well. We talked previously about the impact of failing ceilings on other units. Ms. Shaff, what is the reasoning in the fire code for those rules?

Shaff: if it is sagging and loose on the third floor, with the rain we're having, any roof issues cause it to be water-logged which is an issue for that unit as well as the ones below. Also, sheetrock or lathe and plaster when compromised loses its integrity, so if there is a fire in the unit heat and smoke can spread much more quickly. Also you noted that you patched the hole in one of the ceilings, those fall under the general building permit because those are required to have a one-hour occupancy separation. You can't just throw regular sheetrock up there. It must be rated, mudded and taped, under permit.

Moermond: if the average person does that work and has a building permit, what will the building inspector want to see? The sheetrock up and mudded but they can still see it is fire rated before it is painted?

Shaff: right.

Moermond: so a rough-in time with eyes on before it is painted.

Shaff: and how it is mounted, no breaks in the paper. All of that makes an assembly.

Moermond: that is connected to 28 as well, ceiling in unit 4. Unit is 4 isn't occupied, and unit 3 is. Occupancy is the last thing I wanted to talk with you about. When we started this process, you had indicated you lived there and your grandson was moving in. During the hearing process you moved your grandson in and you defined your own living situation as having a "man cave", but it wasn't your primary residence. I want to be explicit in talking about occupancy so everyone is on the same page. Those items we are talking about for unit 3, in order to be occupied, needs to have those ceiling things addressed and any other items that affect just that unit. That unit needs to be certified for occupancy or he will have to have someplace else to live. That is your deadline. You have a chance to get it taken care of so he can continue to be there. Later you mentioned you would be moving your wife, Lana, in during April or May. No one gets to live in any other unit until it is certified by the Department of Safety & Inspections as habitable.

Last, regarding the July 1 deadline. Failure to meet the July 1 deadline will result in you being in the Vacant Building program. You are out now while you execute this work plan, but failure to meet the terms of the work plan will result in you being in it. No one living there AND you have the Vacant Building program to deal with.

#### Referred to the City Council due back on 4/10/2024

## 7 RLH VBR 24-22

Appeal of Taronda Richardson to a Vacant Building Registration Notice at 638 DALE STREET NORTH.

**Sponsors:** Bowie

Waive VB fee to June 6, 2024 in accordance with "custom fee waiver" given by DSI.

Taronda Richardson, owner, appeared via phone

Moermond: I'm calling about 638 Dale. You have an appeal of the Vacant Building fee. There has definitely been some inside City confusion, and I want to clear that up as best we can. You had a fire early November?

Richardson: October 31, 2023.

Moermond: it looks like you went into the Vacant Building program November 6. Given a 90 day fee waiver, which is exactly what can be done under Code. It looks like staff gave another waiver after that, on March 8, 2024 and they said you had a wavier to June 6. Does that sound right?

Richardson: yes, that's correct.

Moermond: do you know who you talked to?

Richardson: it was via email. This process has been totally devastating. I lost everything. I've had to find housing, clothing, a long time to get my affairs in order to be able to deal with this.

Moermond: we're fine. I just wanted to give you some piece of mind. Since you have that waiver through June 6, I'll make that recommendation to Council. I'm doing that formally since staff can't legally grant more than a 90-day waiver. I assume they wanted to help, but they couldn't legally do what they did. I don't want to make a bad situation worse, but that's where I'm coming from. You did pay \$25 to file an appeal, staff made

that representation. I'm going to ask that money be refunded. That will take a few weeks to be processed. I will mention that typically your insurance would cover this fee. You can talk to your adjuster, we can give additional information if you need it, in case you end up with it.

Richardson: I submitted to both my HOA and Insurance provider, and they won't be paying it. They told me to appeal it because it is undergoing rehab, it isn't vacant.

Moermond: we can send you that chapter of City code so they know the local law. They may not consider it vacant, but legally the City does. You could take that higher. I just mention that. Option 2, if this does end up being a fee since the work isn't done in the waiver time period. [Moermond explains fee as tax assessment process]

Richardson: this is hard to take for someone in my position. Someone is there working every day. It feels very overwhelming, I won't lie. I can't imagine where this is going to come from.

Moermond: if you want to share your insurance agent's information we can share the City's perspective on the legality of the Vacant Building status. We're happy to do that, because I do believe the responsibility lies with them because it is a cost that is incurred because of the fire. It isn't a bill coming to you for any other reason.

Richardson: yes. I think that would be good.

Moermond: right now, you have a waiver through June 6, 2024. Reply to the email we send you with your insurance agent or adjuster's information. We can let them know City code.

For the record, the fire happened October 31, went into the Vacant Building program November 3. 90 day waiver takes us to February 3. An additional 90 day waiver takes us to May 3. The waiver granted by Department of Safety & Inspections was to June 6. So that was an additional 4 month waiver, a total of 7 months waived. That needs to be noted that was done without the legal authority to do so. We'd love to have the email Mr. Robert Humphrey sent to the property owner.

Referred to the City Council due back on 4/10/2024

## 1:30 p.m. Hearings

## Orders To Vacate - Fire Certificate of Occupancy

### **8** RLH VO 24-8

Appeal of Lee Bozeman to a Revocation of Fire Certificate of Occupancy and Order to Vacate at 1695 SEVENTH STREET EAST.

<u>Sponsors:</u> Yang

Rescheduled to April 2, 2024 at 1:30 pm.

Voicemail left at x2861 10:37 am: this is Marcia Moermond from St. Paul City Council calling Lee Bozeman about orders for 1695 Seventh St E. Given what you said in your appeal, I'd like to continue this a week. We'll try the other number we have for you, then try this one back.

Voicemail left at x2861 10:38 am: this is Marcia Moermond from St. Paul City Council

calling you about calling Lee Bozeman about orders for 1695 Seventh St E. Given the weather and the appeal I'd like to save a trip downtown. We also called x6493, which we'll try again. I'd like to reschedule this hearing.

Lee Bozeman appeared via phone

Moermond: I'm calling you for your appeal at 1695 East 7th. You may have noticed the weather is bad today. It may work out better for you if we move this hearing to next Tuesday at 1:30. No enforcement in the meantime, we'll continue it a week and have the conversation in a week when its safer to travel. Next Tuesday is April 2, 1:30 in the afternoon.

Laid Over to the Legislative Hearings due back on 4/2/2024

City of Saint Paul