



Minutes - Final

Legislative Hearings

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Tuesday, April 9, 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

Refer back to LH May 28, 2024 at 9 am for further discussion and update on environmental assessment and closing.

Voicemail left at 9:44 am: good morning Mr. Radio, this is Marcia Moermond from St. Paul City Council calling you about 455 Robert. Received your letter and in review, a couple of questions under point 5 page 2 the due diligence time period was extended 30 days but not sure when those 30 days conclude. The other thing was the phase 2 analysis and what that is shaking out to look like for this property. I think you were going to talk to your client about that and getting info from the contractor or what kind of agreement they have. I can look up generics on phase two but was hoping for better specifics. I know phase 3 is supposed to be completed April 29. I'll ask Council to send this back to Legislative Hearing April 23 and we can lock in those details for the Council. This will go to Council April 24. After April 29 we should have that assessment and info about if phase 3 is necessary.

Moermond: generically a phase 2 environmental site assessment includes a "subsurface investigation" which is collecting soils, gasses, ground water samples to determine if cleaning operations are necessary. Phase 1 said phase 2 was necessary. If sampling comes back with contamination it would likely need to be addressed before redevelopment.

Note: Council Public Hearing April 24. Ask to refer back to Legislative Hearing May 28.

Referred to the City Council due back on 4/24/2024

- 2 **RLH RR 24-15** Ordering the rehabilitation or razing and removal of the structures at 706 CONWAY STREET within fifteen (15) days after the May 15, 2024, City

Council Public Hearing.

Sponsors: Johnson

Layover to LH May 14, 2024 at 9 am to review work plan(s), schedule, bids and financing. PD to be posted by no later than COB May 8, 2024. (CPH May 15)

Jay Mitchell, Plaza I LLC, appeared

[Moermond gives background of appeals process]

Staff report by Supervisor Matt Dornfeld: The building is a two story, wood frame, duplex on a lot of 3,746 square feet. The Fire Certificate of Occupancy was revoked on September 17, 2012. Property was referred to Vacant Buildings with files opened on November 27, 2012. The current property owner is Plaza I Inc, per Amanda and Ramsey County Property records. On January 17, 2024, 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 February 5, 2024, with a compliance date of March 6, 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 \$11,300 on the land and \$190,300 on the building. Real estate taxes are current. The vacant building registration fees were paid by assessment on January 3, 2024. A Code Compliance Inspection was done on January 22, 2021 and has since expired. A new one has been paid for as of April 8, 2024. As of April 8, 2024, the \$5,000 performance deposit has not been posted.

There have been twenty-five Summary Abatement notices since 2012. There have been eight work orders issued for: garbage/rubbish, tall grass & weeds, and snow/ice. Code Enforcement Officers estimate the cost to repair this structure exceeds \$75,000. The estimated cost to demolish exceeds \$30,000.

Moermond: Plaza I appears to have taken ownership when? Other names show up on reports and Plaza I showing up a couple of years, but the last transaction is a bank sale in 2013. Not sure what happened, a contract for deed? Something not recorded properly? Curtis Wetzel shows up until pretty recently. How long have you been involved?

Mitchell: mid-2015.

Moermond: and your job?

Mitchell: manage it, see it through to new Certificate of Occupancy. Outside of making sure there were no vagrants. We started in 2020.

Moermond: the Code Compliance was 2021, so likely then. The history on the abatement orders is almost 12 years in the Vacant Building program. The arc of the problems the City has had to take care of and where they fell.

Dornfeld: it is pretty quiet since 2020. Most of the nuisance complaints were pre-November 30, 2020.

Mitchell: it is on our hot list of properties we check daily for trash and vagrants.

Dornfeld: consistently quiet for four years.

Moermond: the proposal is due to its time in the Vacant Building program?

Dornfeld: I'll accept that. I didn't schedule this inspection, so I can't speak to why this one specifically was put into Category 3 other than the length of time in the Vacant Building program does fall into that box that we try to push them forward.

Moermond: it typically is usually long-term Vacant Buildings or one with a lot of issues.

Mitchell: 2020 on was during Covid, we had all permits pulled and all the work done to rough in. Electric was finalized. I was in the process of having Aaron and Mario come out for the HVAC but it went from a Category 2 to 3 and consequently they suspended the permits. We're realistically ready to close this out. I just need finals on HVAC, plumbing and building.

Moermond: the permits are 3 years old, which means they would have been expired. But it sounds like we're in a place to get this buttoned up.

Mitchell: I can supply photos.

Moermond: we have photos from inspectors of how things have changed over time. I'm not worried about that. Who is Plaza I LLC?

Mitchell: Mr. Gelb.

Moermond: he is also super familiar with the process then. Getting that Performance Deposit posted shouldn't be a financial problem then. You probably know what will be in the Code Compliance Inspection Report so could do a prelim work plan and schedule, that could be revised later. You may even be able to get a Council vote by May 15.

Mitchell: 30 days? Oh yeah.

Moermond: it is getting that Code Compliance Inspection Report kicked out and you having time to react to that.

Mitchell: how soon?

Moermond: he has the money. I think we'll play the same roles as before where you put together the bids and schedule so you have that package. Mr. Gelb has the money to show. If you get that Performance Deposit posted by May 8, it is an automatic layover and I would think a couple of weeks would do the trick. Council doesn't meet the fifth Wednesday, which there is in May. The next meeting would be June 5. If you get all of the pieces put together before the first Council vote, May 15, you have a clean recommendation once staff and I agree, and you can pull permits before the Council Public Hearing. So, we can move more quickly, but we can slow things down if needed if you have that Performance Deposit posted.

Referred to the City Council due back on 5/15/2024

10:00 a.m. Hearings

Making Finding on Nuisance Abatements

- 3 **RLH RR 24-16** Second Making finding on the appealed substantial abatement ordered for 621 BIDWELL STREET in Council File RLH RR 23-66.

Sponsors: Noecker

Layover to LH April 23, 2024 at 10 am for status update (permits finalized/issuance of CC certificate).

Shannon Powell, Freedom Mortgage, appeared via phone

Staff update by Supervisor Matt Dornfeld: February 28 the City Council granted to March 25, 2024 to abate the nuisance. Legislative Hearing was scheduled for April 9, 2024 to find out current progress, which is at 80%.

Moermond: has it been maintained?

Dornfeld: yes, it is has. No complaints from the neighbors lately. There is some sensitivity in the neighborhood.

Moermond: you were having some difficulty with the contractor on the ground giving you different information than what the City had. He was saying done, City was saying no finalized permits. Have you talked to them?

Powell: I spoke with my contractor yesterday and they flew their senior person out to St. Paul to walk thorough with Clint so everyone was on the same page. The problem was the photos didn't show some of the things Mr. Zane wanted to see done. As of yesterday, the exterior we have repair or replace something near the entry door and the exterior wood window trim with mold, which will be replaced this week. The interior should be completed today, but I haven't followed up with them. Drywall seam and mud taping. The Kitchen they're installing the remaining cabinets and getting a permit for the gas to the stove. I talk to them at 2 daily. The bathroom they have scheduled for this week with the tape, mud and sanding. That will take until next week. The trip hazard in the room off the kitchen the wood frame is being removed and will be done this week. 3 bedrooms need some drywall repair, which should be done this week. Basement hallway has a transition strip and some drywall and adding baseboards, as well as the living room. That should be done by early next week. The 4th bedroom has some more sheetrock. Final weatherstripping and then cleaned. My contractor said the photos were not as clear so when Lou did the walkthrough he said there were these items. They'll make it right and we should have everything wrapped up by end of next week, aside from the permit piece for the gas line. I think the confusion was he thought we'd contract with HUD and they would have accepted it this way, but we have made it clear that St. Paul Minnesota does not.

Moermond: it sounds like we should be wrapped up by the Council Public Hearing. We'll talk again April 23, and if you aren't done you'll be within a breath of that. I feel good about this. I appreciate you taking care of business on this.

Referred to the City Council due back on 4/24/2024

- 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. (Refer back to

April 23, 2024 Legislative Hearing)

Sponsors: Johnson

Refer back to LH April 23, 2024 at 10 am for further discussion.

Jodisha Darrough, potential purchaser, appeared via phone

Joe Steinmaus appeared via phone

Kevin Vu, potential purchaser, appeared via phone

Staff update by Supervisor Matt Dornfeld: this matter was continued to today from March 24, 2024 for further discussion. The Current recommendation is the City Council forfeit the original \$5,000 Performance Deposit.

Moermond: most recently my office received information from Mr. Steinmaus and we will start there. We have a Quitclaim deed which gives me some Chapter 33 heartburn. Mr. Steinmaus?

Steinmaus: the problem is we're drafting a purchase agreement that should be ready in the next 2 days. We just got that quit claim deed because Kevin and the previous people will have to team up to transfer the title. They already paid her, which shouldn't have happened. I thought we'd grab that quit claim deed from both parties and hold them at the attorney's office to hold it over. Kevin is ready to go. I know you want to hear about them already transferring money, but that's what happened. Kevin is very experienced and knows what he's doing. If you could give us another week to get the purchase agreement and title work done. We do know there are taxes and assessments.

Moermond: so, you're schilling for Kevin Vue on this one.

Steinmaus: he is a quality guy who does quality work. I can't take it on, so I just stepped in to help.

Vue: I am a licensed plumbing contractor; I have done a lot of Category 2 and 3 properties. I did a lot of jobs for Joe. If you look in the record I've done a lot of jobs with houses like this. I've been to the house and through it a few times and I think I can handle it no problem.

Moermond: who is financing this?

Vu: I have the money, 300,000 to do the project.

Moermond: and you understand I'm walking into this with Ms. Darrough indicating she had sufficient funds and didn't. I then thought Mr. Steinmaus was doing this, and I know from previous interactions he does have the funds. I don't know the same about you. I have a concern it is a shade of a bait and switch from this side. Mr. Vue you'll really have to perform on this. Are you Castro Plumbing, Mr. Vue?

Vu: yes.

Moermond: I have a bid in front of me that's unsigned. You did a bid for yourself?

Vue: I basically do the work under my company name and my own workers. The licensed electrician will do the electrical.

Steinmaus: his work is the best I've seen. He has 30 to 40 rentals in mint condition. I wouldn't bring him in if I didn't know he was outstanding. The Cook property was a tear down and he made it into a palace.

Moermond: I need this one-page unsigned bid fleshed out with more detail and a schedule. I don't want to see a letter from the bank with money, I need an account with the money, the affidavit dedicating the funds. I'm walking away from an agreement where that wasn't the case, so one sentence from Community Resource Bank isn't going to cut it. The back taxes. The title work. We'll send this to Council next Wednesday April 17, and ask them to refer it back to Legislative Hearing for consideration April 23. We owe them a staff report from April 3, so we need to do that next Wednesday. We'll wrap it up on the 23rd. Any questions or concerns?

All: no.

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

11:00 a.m. Hearings

Summary & Vehicle Abatement Orders

- 5 [RLH SAO 24-24](#) Appeal of Thalassa Barajas to a Summary Abatement Order at 894 CLARK STREET.

Sponsors: Kim

Appeal w/d by owner, as nuisance has been abated.

No one appeared

Moermond: this appeal has been withdrawn by the owner since the nuisance has been abated. Withdrawn and archived.

Withdrawn

1:00 p.m. Hearings

Vacant Building Registrations

- 6 **RLH VBR 24-21** Appeal of Cecilia Resendiz to a Vacant Building Registration Fee Warning Letter at 1056 BEECH STREET.

Sponsors: Johnson

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

No one appeared

Moermond: there is a chain of emails I wanted to summarize. Since the last Legislative Hearing I have had several conversations and emails with Department of Safety & Inspections staff. The Deputy Director was able to get out last week along with Nathan Bruhn to put eyes on the property to determine any significant violations prior to

reoccupation. The only thing they identified was a plumbing permit needed to be applied for to deal with the burst pipes and expect that to be forthcoming. That didn't rise to the level of ordering the house vacated. They provided information at that time to Ms. Resendiz that she could reoccupy, but we called from our office to let her know as well. I expect she is back in the house again and working on the plumbing permit.

My recommendation is the City Council grant the appeal.

Referred to the City Council due back on 4/24/2024

**7 RLH VBR
24-23**

Appeal of Chet Funk to a Vacant Building Registration Fee Warning Letter at 1081 RANDOLPH AVENUE.

Sponsors: Jost

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

Chet Funk, owner, appeared

[Moermond gives background of appeals process]

Staff report by Supervisor Matt Dornfeld: Department of Safety & Inspections received a neighborhood complaint on February 12, 2024 that said it was possibly vacant. Inspector Hesse followed up on February 13 and felt it appeared vacant. He did check for water usage, which was minimal since August 2023. He didn't document any code violations and transferred it to the Vacant Building program. We opened a Category 1 Vacant Building based on that referral based on it being vacant with minimal water usage.

Moermond: Mr. Funk, what is going on?

Funk: I purchased this property years ago, who owned it for 25 years. It isn't in the greatest condition to be put on the market and has been part of a redevelopment plan for the block. I use this, along with the lot next door which we lease from MNDOT, the construction manager lived there as they worked across on the apartment across the street. We use it to stage construction equipment. The man who was planning on buying the home, he was going to the end of the year but they have yet to close on the property. I was unaware of this being a Vacant Building, I'm still unclear what the definition of this, how long one was to repair a property to put it on the market? That's why I was appealing.

Moermond: the original code inspector looked at chapter 43 of the Legislative Code and felt it met the definition. He was thinking about no water usage and had been vacant. I'm hearing from you a construction site manager was living there periodically, which is fine. It hasn't been vacant. I will say right now I would say we're on notice that no one is officially living there full time, so the definition of Vacant Building would mean empty for 365 days and/or secured by other than normal means. In this case we're just looking at the clock starting, so I don't think you meet the basic definition. I'm inclined to grant your appeal, and I will recommend that.

However, I did want to note that this is a residentially zoned property, you can operate some kinds of businesses out of there, others not. It would require a home occupation person, which is a zoning thing. I do know for a fact construction equipment staging on a residential parcel wouldn't work. Just putting that out there as an FYI.

Funk: when would I know the answer, and how long do I have to get a full-time

resident in there?

Moermond: you'll get a letter from my office by email on Friday, as you are in agreement with the recommendation it is what you are looking for. The Council will go forward without any discussion.

Referred to the City Council due back on 4/24/2024

2:00 p.m. Hearings

Fire Certificates of Occupancy

- 8 **RLH FCO** Appeal of David Mallet to a Fire Certificate of Occupancy Correction
 23-81 Notice at 1592 GREENBRIER STREET. (Refer back to April 9, 2024
 Legislative Hearing)

Sponsors: Brendmoen

Deny the appeal. Property requires Fire C of O as long as it is non-owner occupied as a primary residence.

David Mallet appeared via phone

Moermond: we're following up today on what is going on. When we last spoke your brother was staying there and there was a question about whether he would be leaving voluntarily, perhaps eviction and sale. A lot of moving parts. We're here for an update on the family and occupancy on this.

Mallet: my brother was incarcerated and just got out as far as I know. Nothing has been done yet. I've been trying to get in contact with him. I went over there. Nothing has changed on this. I looked into evicting him and would have had to hire a lawyer. Sounds like I need to hire one. It is a family matter.

Moermond: I talked it over with Mr. Imbertson. The City isn't in opposition to your brother, or someone else who isn't the owner living there, but you need a Fire Certificate of Occupancy for that.

Mallet: it isn't a rental property.

Moermond: it isn't an owner occupant since your parents died and you are a trustee. You aren't living there. A trust isn't an occupant. We need a Fire Certificate of Occupancy on this thing. If you want to take this to the City Council—

Mallet: if you can get in there great, otherwise you'll have to talk to my attorney, I'm going to hire one.

Moermond: you'll need to fill out an application for a provisional Certificate of Occupancy.

Mallet: right, you said you were going to send me something and never did.

Moermond: a letter was sent October 13.

Mallet: I never got anything. They have my information to go do an inspection.

Moermond: you need to make an application for a provisional Certificate of Occupancy. They won't just show up randomly. You as representative of the estate would need to notify your brother, the occupant, of the inspection. You'd be well served to be present so you're aware and have eyes on.

Mallet: send me the forms I need to fill out.

Moermond: I'm going to recommend the property can have an extension to May 1, 2024 to file for a provisional Certificate of Occupancy.

Mallet: you guys are just after money.

Moermond: we'll get that application out to you. You have the extension. We opened this file last October for things to settle and they really haven't. hopefully things start to improve for you.

Mallet: I may make it my summer home. If I'm occupying it you have nothing to do right?

Imbertson: if we have documentation of it being your primary residence you'd be considered an owner occupant.

Moermond: if you're doing it to subvert the law and the City Attorney reviews the case it isn't ok.

[Mallet laughs and hangs up]

Moermond: we'll send him the provisional Certificate of Occupancy application by email. Sounds like him and someone in the background was disagreeing with the process. If he doesn't complete that, Mr. Imbertson you can move forward with the next level of enforcement.

Referred to the City Council due back on 4/24/2024