

Minutes - Final

Legislative Hearings

Tuesday, February 23, 2016	9:00 AM	Room 330 City Hall & Court House
	legislativehearings@ci.stpaul.mn.us 651-266-8585	
	Jean Birkholz, Hearing Secretary	
	Mai Vang, Hearing Coordinator	
Ма	arcia Moermond, Legislative Hearing Off	icer

9:00 a.m. Hearings

Remove/Repair Orders

1 <u>RLH RR 15-13</u> Ordering the razing and removal of the structures at 870 FULLER AVENUE within fifteen (15) days after the June 3, 2015, City Council Public Hearing. (To be referred back to Legislative Hearing on January 26)

Sponsors: Thao

Laura Krenz, Lindquist & Vennum LLP, appeared representing E. Diane Smith, owner.

Greg Finzell, Rondo Community Land Trust, appeared hear the end.

Inspector Steve Magner, Vacant Buildings: -update

-read letter sent to Ms. Krenz on Jan 27, 2015 (attached) by Mai Vang -since then, he had a conversation with Greg Finzell, Rondo, who's been involved with these hearings over the last couple of months; he was asking about the possibility of Summer Smith, Ms. E. Dianne Smith's son, might be the position to act as an agent for his mother for doing some of the rehabilitation and what would this body be looking for

-he told Mr. Finzell that our standard package of: 1) Performance Deposit; 2) Code Compliance (done); 3) contractor bids based off code compliance; 4) work plan with timelines; 5) misc. issues like probate, taxes, etc; Mr. Finzell was in contact with Ms. Krenz regarding those issues; Ms. Krenz also sent an email to Mai Vang -subsequently, he had a conversation with Ms. Moermond

-thinks that we need to be clear that DSI is willing to provide Ms./Mr. Smith with permits for rehabilitation as long as the main issues can be addressed as to the ability, the funding, the timing and the resources

Ms. Krenz:

-she did speak with Greg Finzell and does understand what needs to happen -they did receive Power of Attorney from James Oliver; it will be filed and sent to Ms. Smith to sign (will send a copy) -expects that probate will be done in less than 6 months -currently, Summer Smith is interested in doing the rehabilitation work; he will hire Maliq Davis, who is a general contractor; she will have Mr. Davis prepare the bids, etc. -finance the cost of rehab: Mr. Smith is willing to obtain financing but he doesn't have any interest in the home and as she understands it, you can't transfer ownership until that work is done; are there any exceptions? Could we at least get Mr. Smith a partial ownership in the home so that he could obtain financing?

Mr. Magner:

-Chap 33 of the code outlines the prohibition of transfer of ownership for Category 3 buildings; we have in this forum reviewed documents in regards to a contract that identifies the title will transfer after the nuisance condition is rectified; he doesn't know, because he's not the lender, if that would qualify for stated ownership to obtain that goal; you'd have to work with the lender about that

-we've recognized that there's contractual agreements that identify the 3rd party is going to be in the process of doing the rehabilitation and sometimes in lieu of the title but the actual physical title transfer doesn't occur until after the issuance of the Code Compliance Certificate, which identifies that the nuisance condition has been abated

Ms. Krenz:

-her sense is that Mr. Smith had talked to a number of lenders and they are unwilling to finance unless is has some ownership interest

Mr. Magner:

-what he's saying is that the actual transfer of title can't occur until the nuisance condition is abated but if there's a contractual ownership agreement and the bank accepts that, then, that's their decision

-we can't make a recommendation on that specific transfer of title to occur prior to that and send it to the City Council because it's in direct violation of an Ordinance that has been identified and passed by the City Council

-there can be a contractual agreement but there can't be a physical transfer of title -if there were a partial ownership interest that was passed on and was put into Mr. Smith's name and the county agreed with that, then, it wouldn't be an issue; you'd have to go the county and find out how that would work; currently, the property is in 2 parties' names and if the deceased party's interest was transferred to Summer, in this case, then, we would clearly meet that threshold that he's assuming the lender would accept

Ms. Krenz:

-thinks what the plan would be that Dianne's Smith's interest (owns half of the property now & the other half is owned by her mother, who's deceased), but if Ms. Smith is willing to currently transfer her half interest and once the probate process was completed, the entire interest could be transferred

Mr. Magner:

-no sure that he can speak to that -since we are still waiting for probate to be worked out, we should take this under advisement

-recommends that we lay this matter over for a couple hearing dates; in that time, he can take that question back to the City Attorney, who would review it and give us a better feel for it

Ms. Vang: -will Lay this Over to Mar 22, 2016 LH to gather input from CA

Mr. Finzell arrived. Security downstairs decided to open up his briefcase and go throught it thoroughly.

Ms. Vang: Layover to give attorney a chance to work with Dianne Smith on the probate plan.

Laid Over to the Legislative Hearings due back on 3/22/2016

2 <u>RLH RR 16-6</u> Denying request for a stay of enforcement of Council File RLH RR 15-37 ordering the rehabilitation or razing and the demolition of the structures at 2227 BEECH STREET within 30 days after the October 7, 2015 City Council Public Hearing.

<u>Sponsors:</u> Prince

Melanie Smith, Real Estate Broker, The Ewing Group LLC, representing new owners, Shellpoint Mortgage, appeared. This was previous owned by Ocwen.

Inspector Steve Magner, Vacant Buildings:

-at previous hearings, this property was represented by a different law firm; they came to the table with a proposal for rehabilitation; then, at the last hearing, they came and indicated that Ocwen had transferred their ownership to a different mortgage company and that were no longer under retainer to do this work; so, the original construct that was put together by the hearing officer does not exist -the property was then put back to City Council and we were informed that this party has come forward and wants to do the rehabilitation; we had received some documentation in regards to that; the foremost issue today is that the commitment letter for the availability of funds for the rehabilitation was not clarified; in her words, Ms. Moermond wrote, "This letter is insufficient; it has a qualifying comment." That letter submitted by the Ewing Group (attached) states: This letter is to serve as a commitment to rehabilitate the property referenced above in accordance to the bids provided and per city code. Final commitment approval is subject to investor review. It's his understanding that the hearing officer did not believe that the last sentence provided enough documentation or caused concern for that documentation; that issue needs to be resolved before we can move forward any type of recommendation -the other documents that were provided probably meet that threshold but we need to have a commitment from the ownership that they have dedicated the specific funds for rehabilitation and not that they're going to make that decision after the fact; the City Council needs to make that final decision and issue a grant of time; then, the mortgage company can have their servicer hire the contractors and do the rehabilitation

Ms. Smith:

-that makes sense; unfortunately, the attorney representing Ocwen did not provide the letter or identify where things were at; so the Feb 10 deadline was almost impossible to meet

-the bids that are inside the packets that she sent over to Mai -she has not seen the other rehab plans from Ocwen; so, she doesn't know if the investor is the same or not

-her job is, essentially to market and sell the property whether it ends up being razed or ...

-she has not heard back as of this morning if they have the go ahead -in her correspondence with Mai, she has identified the process of when she completed her broker price opinion, which included what she thought the property would sell for (just the lot) and also what the property would sell for if it were demoed; this property was a little bit newer housing stock for the immediate area and it was her recommendation, based on current costs, it would make sense to rehab it vs. demo it; that was the asset manager's opinion also

-their goal is to rehab the property but we're not the decision maker; the investor is and whether the investor changed hands or not, she doesn't know; so, it's possible that the investor is the same

Mr. Magner:

-believes that it would be most prudent to Lay this Over to the end of Mar and in the mean time, if your client can get a guaranteed commitment of funds, then City Council can make a decision on it

Ms. Smith:

-as soon as I have the go ahead, I'll reach out to Mai to re-schedule this or have a Council meeting to wrap this up

Mr. Magner:

-thinks there's some confusion in regards to the \$5000 Performance Deposit; the original law firm representing Ocwen posted a Performance Deposit on Jan 5, 2016; we just need to know if that deposit will stay in place or are we, for some reason, going to give that \$5000 back and they you post a new deposit - that needs to be aired out

Ms. Smith:

-she is working on that, too; she will ask if the \$5000 is part of the transfer or will the other law firm contact the city to ask for their \$5000 back

Ms. Vang: -she will Lay this Over to Mar 22, 2016 LH

Ms. Smith, representing ShellPoint, is waiting to hear from the investor on plans for the property. *Ms.* Smith is to send any communications by March 16. Legislative Hearing Officer is asking for a revision commitment of financial letter and post a \$5,000 performance deposit.

Laid Over to the Legislative Hearings due back on 3/22/2016

3 <u>SR 16-7</u> Reviewing request of owner to have Council reconsider its Order to Remove or Repair the Structures at 805 HUDSON ROAD.

Sponsors: Prince

Patrick Nseumen, owner, appeared.

Inspector Steve Magner, Vacant Buildings:

-The building is a one-story wood frame commercial building on a lot of 3,920 square feet. According to our files, it has been a vacant building since July 6, 2012. -The current property owner is Patrick Nseumen per AMANDA and Ramsey County Property records.

-On September 17, 2015 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 September 30, 2015 with a compliance date of October 30, 2015. 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 \$28,300 on the land and \$700 on the building.

-Real estate taxes are current.

-The Vacant Building registration fee was paid by assessment on July 31, 2015.

-A Team Inspection was done on October 17, 2014, which would have to be re-done at this time; it's more than 1 year old

-As of December 7, 2015, the \$5,000 performance deposit has not been posted. (Has been posted since this was written)

-There have been eleven (11) SUMMARY ABATEMENT NOTICES since 2012. -There have been six (6) WORK ORDERS issued for:

- Garbage/rubbish
- Grass/weeds
- Snow/ice

-A letter from the Department of Parks and Recreation, Forestry Division, was issued on December 7, 2015 to remove a dangerous tree on private property with a compliance date of December 21, 2015.

Code Enforcement Officers estimate the cost to repair this structure exceeds \$40,000. The estimated cost to demolish exceeds \$12,000.

-should also be noted that this commercial building is located in a residential zoning district and it's lost its legal nonconforming status

-the owner filed an application to rezone the property from RT-1 family residential to a T-2 transitional neighborhood; the Zoning Committee of the Planning Commission met Nov 24, 2015 and recommended denying the application to rezone the property and the full Planning Commission was scheduled to take up the matter on Dec 4, 2015.

-subsequent to that, City Council denied that request to rezone -so it defaulted back to the original RT-1, so it would have to be some type of residential use

-that hearing on Dec 8, 2015, no one was present; then, it went to City Council Jan 6, 2016 when the Appellant did appear; since then, a letter was mailed Jan 27, 2016 to *Mr.* Nseumen (attached) from Mai Vang, Legislative Hearing Coordinator

Amy Spong, Heritage Preservation Commission (HPC):

-has nothing additional to report

-the HPC did adopt a resolution on Nov 19, which has been in the record all along; for the record, the HPC concluded that "The proposed demolition will have no adverse effect on the program for preservatioarchitectural control on the Dayton's Bluff Heritage Preservation District for the findings that were established in the resolution..." (Attached)

-it was built during a period of significance for the district but it's been altered; you can't recognize it's original use (it had been a gas station)

Mr. Nseumen:

-the application from RT-1 to RT-2 was denied -he wrote out a \$5,000 for the Performance Deposit -if that structure was meant for residential use, he would have no problem in keeping it as residential -another critical point is that the building is in good shape, regardless of any inspection; there are no structural bones; it's brick with no issues; the roof is missing a couple shingles only -it was a running business a couple years ago; really all that happened was that it was boarded up -it seems to wasteful to demolish a building that is fit for use - fit to contribute to the community -as I've noted in previous meetings, he has made good faith attempts prior to it falling into a Category 3 status; he opened up permits to complete the code compliance repairs; he was stopped - the permit was denied because of it's gray zoning status; there's been a true attempt on his part to bring this building back; the quagmire that it's in because of it's zoning status has made it completely difficult -he is committed to show proof of funds and going through whatever process he needs to; he wrote the check for the performance deposit -his goal is to re-apply for rezoning or conditional use; the previous owner had a conditional use for business but once she left, it reverted back to it's original use; almost forced into a terrible situation because of it's status; even from a financing

perspective, it puts him at a disadvantage

-the next step in this process was this hearing; the outcome of this hearing, he believes will be taken into context

-rezoning is dependent on this but his process.....that's what he doesn't understand; he's committed to bringing the property back

-what does he need to do next

-he's more than happy to go through a team inspection; just basic things to do to get it out of the city's angry list; instead of tying him to a specific zoning request, can he just bring the building up to it's basic standards; the list was very small; not big items - is committed to fixing the items on the list; doesn't think that's tied to what use it's going to be

Ms. Vang:

-as of today, if you were to bring the property into compliance, it would have to be in compliance with the RT-1 zoning definition but if you're proposing to make it an RT-2 zone, we'd have to wait until the zoning piece is resolved

Mr. Magner:

-unfortunately, today the only thing I see you able to move forward with is you could apply for a code compliance inspection to meet the RT-1 zoning (single family residential) based on the size of the property; they would send a team of inspectors out there and they would give you a definitive list; from there, you could come back to this forum with a work plan, including timeline, and a financing plan and meeting the criteria; however, that doesn't sound like that's what you want to do; you want to change the actual zoning, not get a conditional use; if you want to do that, you have to go through a rezoning process

-maybe we should Lay this Over for 3-4 weeks to see what you find out about what you ultimately want to do with the property; you could get the code compliance inspection done; get your contractors to put in bids; put some estimates and financing behind that in a work plan, etc; if you decide to get the property re-zoned, you'd need to make application for that

-you'd have to meet the requirements for a single family residential structure; he doesn't know whether this property meets that; you need ample space; you'd have to have a bathroom, a bedroom, egress from the bedroom; obviously, there'd be structural changes you'd have to make to the property to accommodate that use

Ms. Spong:

-has a couple thoughts; this building was never built as a residence; it's not a situation created by the owner; when all of these commercial corners were built, they were not zoned residential; they got zoned residential later on -thinking of another situation - we had a lot of meetings on a property where the zoning was not yet resolved and they were going to go get some additional permits.... they weren't going to put in a kitchen, bathroom and bedroom; there was some discussion and we did have a plan to move forward with the building official at that time; the zoning was underway but we just didn't have a final decision of that zoning decision; this is a little different because we've had a denial already of a rezoning decision

-asked Mr. Nseumen if he's met with zoning staff since the last denial?

Mr. Nseumen:

-he had, just to get a sense of what direction, what options he had; with no guarantee, he did get some indication that it would get looked at if he did propose something; initially, he is looking at opening a small cafe with no drive thru window; he's committed to re-apply for T-1 with great hope that it gets approved and he's willing to go thru the re-application process

Mr. Magner:

-he does not have a recommendation for Mr. Nseumen one way or another -thinks it's prudent for him to check your recourse to finding out how to get the zoning changed so that you could rehabilitate the structure for the specific use that you want -recommends a Layover to the end of Mar to get more information on the rezoning

Mr. Nseumen: -he will go through the rezoning process then

Ms. Vang: -will Lay Over to Mar 22, 2016 LH to give Mr. Nseumen time to explore the rezoning

Owner wants to re-apply for rezoning. Recommendation is forthcoming.

Laid Over to the Legislative Hearings due back on 3/22/2016

4 <u>RLH RR 16-7</u> Ordering the razing and removal of the structures at 82 GEORGE STREET WEST within fifteen (15) days after the March 16, 2016, City Council Public Hearing.

Sponsors: Noecker

Remove the building within 15 days with no option for repair. No one appeared.

Inspector Steve Magner, Vacant Buildings:

-The building is a one and one-half story wood frame single-family dwelling on a lot of 3,920 square feet. According to our files, it has been a vacant building since December 3, 2013.

-The current property owner is Robert D. Sherry per AMANDA and Ramsey County Property records.

-On December 10, 2015 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 December 18, 2015 with a compliance date of January 17, 2016. 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 \$11,900 on the land and \$81,100 on the building.

-Real estate taxes are delinquent for the following: \$2,437.15 for 2012; \$2,111.88 for 2013; \$2,129.92 for 2014; and \$6,569.22 for 2015. Total amount owing to date is \$13,248.17. The property is scheduled for tax forfeiture July 2016.

-The Vacant Building registration fees were paid by assessment on January 6, 2016. -As of February 19, 2016, a Code Compliance Inspection has not been done. -As of February 19, 2016, the \$5,000 performance deposit has not been posted. -There have been sixteen (16) SUMMARY ABATEMENT NOTICES since 2013.

-There have been fifteen (15) WORK ORDERS issued for:

- Garbage/rubbish
- Boarding/securing
- Grass/weeds
- Snow/ice
- Remove/repair wood fence

-Code Enforcement Officers estimate the cost to repair this structure exceeds \$50,000. The estimated cost to demolish exceeds \$15,000.

-DSI, Division of Code Enforcement Resolution submitted for consideration orders the property owner to repair or remove this structure within fifteen (15) days; if not the resolution authorizes the Division of Code Enforcement to demolish and assess the costs to the property. Amy Spong, Heritage Preservation Commission (HPC): -built in 1900; a small classical revival style cottage -original owner was Joseph Brechner; builder was L.M. Baumeister -it is setback from the sidewalk by quite a bit -originally, there were 4 detached family dwellings on one large lot; 2 auto garages were added up to 1946; at some point, the parcels were all divided into individual single family lots -originally had a full width 1-story open front porch, which has been enclosed -original clapboard siding has been wrapped in aluminum -original 1 1/12 story featured a rectangular layout on a concrete block foundation -has an intersecting gable roof features gable return around the 2nd floor windows; the windsymmetricalmetrical -last time West Side was surveyed to identify historic resources was 1980, which is considered out of date; we can't use a lot of that survey information from that time; do not have an updated historic survey information -given the unusual setback, this property does not have potential for local designation or national register -SHPO said it is not eligible for national register -demolition will not have an adverse affect

Ms. Nhia Vang: -will recommend removal within 15 days with no option for rehabilitation

Referred to the City Council due back on 3/16/2016

5 <u>RLH RR 16-8</u> Ordering the rehabilitation or razing and removal of the structures at 595 JESSAMINE AVENUE EAST within fifteen (15) days after the March 16, 2016, City Council Public Hearing. (To be referred to March 22 Legislative Hearing)

<u>Sponsors:</u> Bostrom

No one appeared.

Inspector Steve Magner, Vacant Buildings:

-The building is a two-story wood frame single-family dwelling with a detached two-stall garage on a lot of 3,920 square feet. According to our files, it has been a vacant building since February 11, 2015 due to a fire in which there was a fatality. -The current property owner is Mao Vang and Dao P. Yang per AMANDA and Ramsey County Property records.

-On December 2, 2015 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 December 16, 2015 with a compliance date of January 15, 2015. 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 \$8,800 on the land and \$100,700 on the building.

-Real estate taxes for 2015 are delinquent in the amount of \$916.73.

-The Vacant Building registration fees were paid by assessment on June 30, 2015. -A Code Compliance Inspection was done on June 29, 2015.

-As of February 19, 2016, the \$5,000 performance deposit has not been posted. -There has been one (1) SUMMARY ABATEMENT NOTICE issued since 2015 which has resulted in no WORK ORDERS being issued.

-Code Enforcement Officers estimate the cost to repair this structure is \$60,000 to \$75,000. The estimated cost to demolish is \$12,000 to \$15,000.

-it is his understanding in this case, the Appellant had contacted us seeking to have this matter laid over; they could not appear today; staff has no issues with having this matter laid over

Mai Vang: -they are asking for a pretty long Lay Over due to a death in the family; Ms. Moermond denied that; she laid it over to Mar 22, 2016

Mr. Magner: -seems as though Mar 22 is reasonable due to the recent death

Amy Spong, Heritage Preservation Commission (HPC): -built in 1887; a 2-story Greek revival cottage -frame; limestone foundation; rectangular layout with a forward facing gabled roof -side gables are support by projecting ________ -porch has been enclosed over time -some windows appear to be vinyl replacement sash -original 4-inch clapboard underneath vinyl -area was within the last survey in 2011, which is considered up to date; it was not identified as a potential historic resource on a local level nor was it identified as having eligibility for the national register -did not see a fire report; Ms. Vang handed her one to review -SHPO - not eligible for national register -demolition will have no adverse affect

Ms. Vang:

-asked if they need to do another code compliance inspection report

Mr. Magner:

-he assumes that at this point in the process, we won't need another code compliance inspection report; if it keeps getting laid over until the end of the year, we might -there were 2 fires at this property

Ms. Vang:

To refer back to Legislative Hearing on March 22 and to continue the public hearing to April 6.

Referred to the City Council due back on 3/16/2016

6 <u>RLH RR 16-9</u> Ordering the rehabilitation or razing and removal of the structures at 839 THOMAS AVENUE within fifteen (15) days after the March 16, 2016, City Council Public Hearing. (To be referred back to Legislative Hearing on March 22; Council public hearing to be continued to April

6)

Sponsors: Thao

Jared Goerlitz, PFB Law, appeared on behalf of JN Homes LLC. John McKusick, McKusick Business Services, owner, also appeared.

Inspector Steve Magner, Vacant Buildings:

-The building is a two-story, wood frame, single-family dwelling with a detached two-stall garage on a lot of 4,792 square feet. According to our files, it has been a vacant building since May 8, 2013.

-The current property owner is Mckusick Building Services LLC per AMANDA and Ramsey County Property records.

-On December 2, 2015 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 December 10, 2015 with a compliance date of January 9, 2016. 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 \$11,200 on the land and \$74,200 on the building.

-Real estate taxes for 2014 are delinquent in the amount of \$1,106.76, which includes penalty and interest. Real estate taxes for 2015 are delinquent in the amount of \$1,650.42, which includes penalty and interest. Property is scheduled for tax forfeiture July 2016.

-The Vacant Building registration fees were paid by assessment on June 3, 2015. -A Code Compliance Inspection was done on May 5, 2015.

-As of February 19, 2016, the \$5,000 performance deposit has not been posted.

-There have been eight (8) SUMMARY ABATEMENT NOTICES since 2013. -There have been five (5) WORK ORDERS issued for: Garbage/rubbish; Grass/weeds; Snow/ice

-Code Enforcement Officers estimate the cost to repair this structure exceeds \$30,000. The estimated cost to demolish is \$12,000 to \$15,000.

-DSI, Division of Code Enforcement Resolution submitted for consideration orders the property owner to repair or remove this structure within fifteen (15) days; if not the resolution authorizes the Division of Code Enforcement to demolish and assess the costs to the property.

Amy Spong, Heritage Preservation Commission (HPC):

-1 1/2 story classical revival style built in 1915

-original owner Matt Raas; builder was Alvin Derr; originally built as a single family dwelling and has maintained that status

-these 2 block faces were built during a very similar period of homes - they have continuity; similar building styles, mapping, most have original full front open porches; this porch was enclosed early on

-windows were changed to vinyl, vinyl siding over wood

-was part of the boundary area surveyed in 2001; was identified as a potential historic resource but it did not go into the next step of getting a more extensive survey done on it; was recommended for further study

-with that, demolition would not have an adverse effect from an historic preservation perspective

-noted that SPPO looked at this from a national register status and it does not meet the criteria for national register eligibility

Mr. Goerlitz:

-he contacted Ms. Moermond and everyone by email about a month ago -his client was the lender on this property; has now foreclosed its mortgage on the property by a sheriff's sale which took place Jan 7, 2016; that sale was confirmed by Order of Ramsey County Court on Feb 9, 2016; on that same day, we had had a hearing to reduce the redemption period down to 5 weeks at which Mr. McKusick was in attendance and indicated that the property was abandoned and vacated and that he was planning to take possession of the property and rehabilitate it to resolve the abatement issues; the redemption period is now Aug 9, 2016; so, we don't have title to this property for the ability to abate the nuisance until they obtain title; we originally asked for a continuance to this hearing but at this point, we would defer to Mr. McKusick's plans to rehabilitate the property satisfying the code compliance inspection report; to the extend that he does not do that, we'd like the opportunity to pick up where he had left off so that we can rehabilitate the property; from an economic standpoint, this is not a property that should be demoed; it can easily be rehabilitated

Mr. McKusick:

-he wants to rehab this property; he and the lender have a long history; it's complicated; I've done work for the lender but I wasn't able to work on this property; the lender said that he's willing to stand back and let McKusick to the remodel to more forward to getting the house on the market; pay off the taxes; pay off the lender; etc.

-the code compliance inspection report on the surface looks like there's a lot of repairs to be done; I'm a general contractor; he has the permits in place to do everything except for the mechanical, electrical & plumbing

-he thinks that he can have this property up and running in 60-90 days -he has enough money to pay for the electrical, mechanical & plumbing; has credit with Home Depot and Menards

-when he purchased the property, a \$5000 performance deposit wasn't needed

Mr. Magner:

-this is a Category 3 Vacant Building and as such requires a \$5000 performance deposit posted before the city will issue any permits

-it switched to a Cat 3 on Dec 10, 2015 when the Order to Abate was posted

Mr. McKusick:

-that would wipe out my resources to rehab the house; is there an alternative? -he knows that he has enough money to do what he needs to do; the \$5000 is extra and he knows that he doesn't have enough for that, too

Mr. Magner:

-in a case like this, the expectation that would be presented to Council by the Hearing Officer would be that a \$5,000 Performance Deposit be posted and it could be in the form of a bond, as well; if you don't have the money, you'd have to seek that bond somewhere (there's a cost for the bond but it's not the same as the deposit); -you'd need a Work Plan identifying whose going to do the repairs and when (timeline)

-you need bids for the plumbing, electrical and mechanical -you need proof of financing -taxes need to be paid prior to the Clty Council Public Hearing -assumes that the hearing officer will lay this over for a couple of hearing sessions with the necessary items -at the that time, the hearing officer can grant up to 180 days for rehabilitation

-at the that time, the hearing officer can grant up to 180 days for rehabilitation (standard path)

Ms. Vang:

-will Lay this Over to Mar 22, 2016 in order for you to pull everything together

To refer back to Legislative Hearing on March 22: The following conditions must be met in order to receive a grant of time if owner intends to rehab the building: 1) the \$5,000 performance deposit must be posted;

2) the property must be maintained;

3) the property taxes must be paid or make an arrangement with Ramsey County to have payment plans made;

4) a work plan or sworn construction statement, with timelines, for the completion of the rehab of the building;

5) provide financial documentation indicating the funds for the rehab (City's estimate exceeds \$30,000) (line of credit, construction loan, personal bank account);

6) provide subcontractor bids; and6) must provide an affidavit indicating the amount of funds to be used for the project.

City Council Public Hearing to continue to April 6, 2016.

Referred to the City Council due back on 3/16/2016

7 <u>RLH OA 16-2</u> Making no recommendation to Ramsey County on the application of Elizabeth A. Schwantes for repurchase of tax forfeited property at 560 CHARLES AVENUE.

Sponsors: Thao

Inspector Steve Magner, Vacant Buildings: -Repurchase Application to Ramsey County for the property of 560 Charles Avenue -he reviewed the application -it appears that we had to issue some abatement Orders; no police activity -doesn't think that staff would be making a recommendation one way or the other

Ms. Vang: -will go forward without making a recommendation

Making no recommendation to the County Board.

Referred to the City Council due back on 3/16/2016

11:00 a.m. Hearings

Summary Abatement Orders

Correction Orders

8 <u>RLH CO 16-3</u> Appeal of Robert Arnold, Ashland Property, LLC to a Correction Order at 443 ASHLAND AVENUE.

Sponsors: Thao

Rescheduled per owner's request.

Laid Over to the Legislative Hearings due back on 4/5/2016

11:30 a.m. Hearings

Orders To Vacate, Condemnations and Revocations

 9
 RLH VO 16-13
 Appeal of Lonn Anderson to a Fire Certificate of Occupancy Revocation and Order to Vacate at 251 MARIA AVENUE.

 Sponsors:
 Prince

Lonn Anderson, Maria Associates LLC, owner, appeared.

Fire Inspector Leanna Shaff:

-Fire Certificate of Occupancy Revocation/Order to Vacate issued by Inspector George Niemeyer -9 items on the list -first inspection Jun 15, 2015 -on 4-2, inspector rec'd an email requesting a date change -on 5-21, he also rec'd an email for a date change -7-27 -inspector writes: re-inspection on 7-22, responsible party wasn't present; tenant said they are not given Notice; responsible party said he wasn't given a Notice of the inspection from the management company -insp writes on 8-25-15: I wrote Correction Orders -1-28 he rec'd a call from Lonn; told me it was in the process of being sold by the loan holder; had 2 offers on the building but the loan holder has not made any decisions; he let me know that not all the repairs were completed; asked for an extension; denied -2-9-16, met Lonn on site; bedroom in #2 was the only thing done; he also gave me smoke detector affidavit; none of the other repairs had been completed; he let Lonn know that he was going to take action against the C of O -quite an on-going inspection -there are still 11 items on the list of Orders; 6 are interior; 5 are exterior -Insp Niemeyer has asked for a comprehensive and detailed work plan on all the exterior repairs to include approximate timeline; we have not rec'd anything Christine Boulware, Heritage Preservation Commission (HPC): -added that #3 was an exterior repair, as well - a window cord Ms. Shaff: -as of this morning, there has not been an HPC application submitted either -we understand that exterior things can, necessarily be completed during winter but we're looking for good faith from the property owner, meaning that all the interior repairs are done; it appears that we haven't received that Christine Boulware, Heritage Preservation Commission (HPC): -this property is located in the Dayton's Bluff Heritage Preservation District; all exterior work is subject to review & approval by HPC staff, depending upon scope of work -this building is historically known as the Arm Brewster Double House, constructed in 1892 -on Feb 17, 2015. Mr. Anderson came to speak to me at the counter of PED; she provided him with an HPC application, design review check list, information about the guidelines; and we'd need a photos, a scope of work because there are a few exterior items, prominently, the front stoop, that would require a little more review -the deficiently list of Feb 9, 2016, she sees #3, the window - repair of the cord and it's considered maintenance and she doesn't need that in an application; it's fine to do now -a chimney needs repair; she needs a scope of work of what's happening; masonry specs; looks like the mortar joints are missing mortar and some brick is crumbling, so, mortar specs and details would be required; and it's suggested that a mason do this work rather than someone putting on a concrete mixture that would be damaging to the property -it's noted that the front cement steps need work; looks like it needs a footing under there; the guidelines say that concrete steps should not replace wood; in this case the wood is not there and the concrete steps, depending on condition, if they can be lifted and a footing be put underneath, it's fine for them to remain; if they can't be lifted or if the handrails need to be replaced, more information will be necessary and she will provide the general guidelines

-there's a note about the soffit above the front door; specific photos from the applicant

will be required that show the areas where work is necessary along with what the proposed scope of work will be; a copy of that will also go to the fire inspector; and whatever is necessary to go along with the building permit to DSI - Plan Review -looks like there's been concrete patching to the stucco in the back of the property; given that this property was designated in 1992 by the City Council, in the address file, she has no building permits or record of any work every being conducted at the property on the exterior; it hasn't been reviewed and approved by HPC staff and we can look into Amanda to see if there have been any plaster permits pulled for stucco work; thinks that will also require review

-those are the items she sees for the exterior that she will coordinate with Mr. Anderson

Mr. Anderson:

-his main objective is to be granted an extension; hoping for 90 days to get even all the exterior work done

-interior items completed: 1,2,3,6 - could be re-inspected Mar 2 for confirmation -background on why it's taken so much time to get items done: they've owned it since 2004; one of the members of the partnership is a very astute real estate developer and investor; and the decision was made about 3 years ago to stop paying the mortgage and the taxes to try to get it at a discount from whomever the note holder was; the mortgage, originally was with Washington Mutual; then, it transferred to J.P. Morgan Chase; and through the financial crisis, we didn't even know who owned it; -no Notices were ever sent; we sent certified letters to the address on file for the recorder's office and never got any response; this went on for 3 years; then, over the summer after the first letter was received regarding the inspection and while he was in the process of completing the repairs, the taxes were coming due and we were at risk of tax forfeiture; so, we entered into a payment plan with the county, which must have triggered something as far as the recorder's office; all of a sudden everyone in the partnership got served papers from Callthin County Financial, based out of CA; they started a process of foreclosing on the building; negotiations took place; they do not want to take title to the building, so we still have title; essentially, we are doing a short sale but we need Callthin's approval; he thought this was going to be done back in Sep-Oct, 2015 and the new buyer would be responsible for the code compliance issues; it's taken much, much longer than any of them expected -he is somewhat glad that they are now in this position because he thinks it's kind of forcing the issue with the lender to either approve it or do something with it - that's the history of why it's taken so long

-we are at a position where we don't want to have any issues with this moving forward; so, if nothing comes of this, we will go ahead and do the repairs -there's be 2 full price offers submitted: 1) one by Bill Curry; and 2) the other by George ___?__, who owns the building next door

-regardless, we want to bring the building up to compliance but we do need extra time for the exterior items

-originally, there were some pieces of stucco on the back that were falling off; and he was ignorant of the fact that they needed a permit for the patch; agrees that it's subpar work; thinks it may have to be torn off and re-done -he has lived at the house for over a year now

Ms. Boulware:

-Orders sent Jun 22, 2015, item #15 for exterior repairs says, "Permit may be required for exterior repairs; contact HPC for approval on all exterior repairs, including the stucco on the back of the building -the HPC application needs to be submitted as soon as a full scope of work and photos can be put together; bring it to DSI office; she will look it over to make sure it's complete; once the application is complete, their review time begins

Mr. Anderson: -the work had already been done at that point

Ms. Vang:

-going forward, you will need to pull the necessary permits to get all of these deficiencies corrected -a complete HPC application needs to be submitted

Ms. Shaff:

-it doesn't look like anything in the interior needs permits -asked Mr. Anderson about items #4 & #5

Mr. Anderson:

-we were doing some plumbing work in Unit 2 when the inspector came and the plumbing permit wasn't closed; now, it is closed; but Unit 9 is beneath Unit 2; so in order to complete the work in Unit 2, we had to get into Unit 9 (unoccupied) and do a little bit of plumbing work, which involved taking out some of the walls and ceilings; the permit was opened in Aug 2015 and finally closed just last week (2-19-16); now, we do that ceiling/wall work

-work in Unit 9 should not take very long, probably a 2-day job; provided he can get his guys out there, it should be done in 2 weeks

Ms. Boulware:

-added that typically you would not be doing any re-pointing or any stuccoing until night time temperatures don't fall below 50 degrees

Ms. Vang:

-will grant until Mar 2, 2016 for the interior work to be completed; re-inspection Mar 2, at 1 pm

-will grant until 4:30 pm Mar 4, 2016 to submit the initial HPC application -will grant until Jul 1, 2016 for the exterior work to be completed

Owner has until March 2, 2016 to get the interior items done. (This is also the reinspection date indicated in the February 9 Revocation letter); grant until July 1, 2016 for the exterior items provided owner submits an application to HPC for review by March 4.

Referred to the City Council due back on 3/16/2016

1:30 p.m. Hearings

Fire Certificates of Occupancy

10 <u>RLH VO 16-12</u> Appeal of Paul L. Belmonte to a Fire Certificate of Occupancy and Order to Vacate at 632 & 634 LEXINGTON PARKWAY NORTH.

Sponsors: Thao

Paul L. Belmonte, owner, appeared.

Fire Inspector A.J. Neis:

-Revocation of Fire Certificate of Occupancy issued by Fire Inspector Justin Elvestad -was Revoked due to long term noncompliance - going on since as early as Apr 2014 when they initially tried to do the inspection and the property owner had called and said he was putting on a new roof and installing new windows and there were active building permits (at that time, it was Fire Inspector Lisa Martin); a lot of work was being done; receipts were provided; so, we delayed the C of O inspection until Oct 2015, and Mr. Elvestad took over the file and conducted the C of O inspection; found numerous code violations

-issue we're dealing with is basically a fire separation from the basement; there's a tuck under garage area - side by side duplex with 2 tuck under garages -photos in file

-the fire separation from the rehab/remodel work in the basement is not intact and there's a vehicle that's parked in the garage area; the primary issue we have is the fire separation between the garage and the house

-there's a lot of exterior work that inspector advised the property owner that needed to be done before winter (get exterior sealed up) on front of house

-our police is 90 days before we Revoke; we are well over that; in addition, this started back in Mar 2014

-at this point, he doesn't know if the work will ever get done

-his recommendation to the inspector when he forwarded the file was to Revoke the C of O and Order the building vacated in hopes to get the property owner to comply sooner rather than later

-currently, one unit is vacant; the other unit is occupied

-with the fire separation not intact at this point, the home is not safely habitable with the vehicles, etc.

-there are active building permits

-all he needs to do is to get the work done and have the permits finaled and approved; the, the Fire C of O can be issued

Mr. Belmonte:

-one unit is occupied into which he'll be moving into; the other side is vacant -2013 - put on new roof; 2014 - he installed a new furnace, central air and some windows

-2015 - he had eye surgery in Feb; prostrate issues in Jul; he took 2015 off and he had told the inspector about this

-2016 - he started to work on the basement; he got the 2 x 4s up, the fire doors were ordered and he's installing them

-inspector coming Mar 1 and by that time, he should have installed the fire proof sheet rock installed (unit 634)

-by Mar 31, 2016, he should have both units with fire doors and fire proof sheet rock installed in garages (has permit)

-if the weather cooperates, he will have the front entry done by Apr 15, 2016 -put egress window where there had been a broken window

Mr. Neis:

-if the fire separation is intact by Mar 31, 2016, they would be willing to extend the vacate with the condition that the permit was finaled and approved (Mr. Elvestad will go into the computer to check if the building inspector has been out to inspect and believes that the fire separation is intact and in good repair); the vehicle cannot be stored in the garage until the fire separation is finaled and approved; then, he'd go along with an extension to Apr 15, 2016

Mr. Belmonte:

-the car cannot be moved out; there's no motor in it; it's a storage car

Mr. Neis:

-a vehicle, whether operable or inoperable has to have the fire separation; if you need to flatbed it out of there until you get the fire separation done, then that's what you need to do

Mr. Belmonte:

-by Mar 1, that one side should be all done fire proofing -tenant lives in 634; 634 needs to be fire proofed; the 632 side is separate; there's a wall right in the middle -the inspector OK'd everything in 2012

Mr. Neis:

-both sides of those walls need to be fully intact in order to have a fire separation -the fire code has remained the same about fire separations for a very long time

Ms. Vang: -*Mr.* Neis' recommendation is sound; suggests he tows the car

Mr. Belmonte:

-I'll have to appeal that because the vehicle cannot come out -he can have all this done by Mar 31 - both sides will be fire proofed but the car has to stay; I will appeal that -he's trying to have one side done by Mar 1, 2016

Ms. Vang: -you can definitely appeal it before the City Council on Mar 16, 2016

Mr. Neis:

-the car is what's causing the violation

-we could reschedule the re-inspection

-if the car is on the 632 side (vacant) and he has the separation intact from the 634 side by Mar 1, 2016 like he is suggesting and no one is occupying the 632 side where the car is, then, he's amenable to granting time to Mar 31

Ms. Vang:

Inspector to keep the March 1 reinspection date so he can inspect the 634 Lexington side for fire separation compliance between the garage and house. Once in compliance, owner must remove vehicle from 632 side to 634 side in order to extend time to March 31 for the rest of the repairs.

Referred to the City Council due back on 3/16/2016

2:30 p.m. Hearings

Vacant Building Registrations

11 <u>RLH VBR 16-12</u> Appeal of Heather Otto, Osaka Properties LLC, to a Vacant Building Registration Fee at 323 LAWSON AVENUE EAST.

Sponsors: Brendmoen

Appeal withdrawn. Inspector and appellant worked out an agreement.

Withdrawn