

City of Saint Paul

15 West Kellogg Blvd. Saint Paul, MN 55102

Minutes - Final - Final-revised

Legislative Hearings

Marcia Moermond, Legislative Hearing Officer Mai Vang, Hearing Coordinator Jean Birkholz, Hearing Secretary legislativehearings@ci.stpaul.mn.us 651-266-8585

Wednesday, November 29, 2017

11:00 AM

Room 330 City Hall & Court House

11:00 a.m. Hearings

Orders To Vacate, Condemnations and Revocations

RLH VO 17-59

Appeal of Dhaneshwarie Himraj to a Correction Notice-Complaint Inspection (which includes condemnation) at 1032 DULUTH STREET.

Sponsors: Bostrom

Attachments: 1032 Duluth St.appeal.11-28-17

1032 Duluth St.SPFD Photos.11-13-2017 1032 Duluth St.Fire Report.11-13-2017 1032 Duluth St.DSI Photos.11-14-2017

1032 Duluth St.Fire Inspection Immediate Orders.11-14-2017

1032 Duluth St.DSI Photos.11-15-2017

1032 Duluth St.Fire Inspection Inspection Deficiency

Notes.11-28-2017

1032 Duluth St.DSI Photos.11-28-2017

1032 Duluth St.Electrical Permit Info as of 11-28-171032 Duluth St.Mechanical Permit Info as of 11-28-17

1032 Duluth St.Mayer Elec Bid. for Paul Himraj 133534.11-28-17

1032 Duluth St.Himraj Ltr.11-30-17 1032 Duluth St.Mulholland Ltr.12-4-17

Dhaneshwarie Himraj & husband, Pawan Himraj appeared.

Marcia Moermond explained the process: her job is to hear the orders from the fire inspector and develop a recommendation for the City Council to consider. Because this is an emergency situation, she will put a temporary decision on the record until they can consider the matter in a City Council public hearing. She anticipates putting this in front of the Council next Wednesday (December 6) at 5:30 p.m. She will start off with a staff report. She understands there is a tenant remedy action in place. She has had an opportunity to background herself by talking to Angie Wiese, head of Fire inspection. Moermond also talked to the lead electrical inspector Dan Moyoihan and lead mechanic inspector Kevin Champlin. Later, the owners will get a letter confirming

her recommendation to the City Council. This letter will be copied to anyone signed in today. It will be part of the public record. We have a public record we started and it includes Himraj's appeal, the fire report, the photos the Fire inspectors took. The Fire inspector took photos on November 14 and 15 and those are in the record. They also took photos on November 18.

Himraj said she does not have a copy of the fire report. Moermond asked staff to get a copy.

Moermond will start with the staff report. The two supervisors are here.

Leanna Shaff reported they worked up a timeline. On November 13, there was a fire in the mechanica/electrical room. All heating was inoperable due to the fire. Fire Safety and Inspections condemned the building and the Red Cross sheltered people for three days. On November 16, permit work was approved and finaled for two boilers and electrical. The fire alarm system was backed up. The goal was to allow occupancy for a short period of time so people were not displaced before the holidays.

Moermond asked was the 3 days the maximum for the Red Cross. Shaff responded pretty much. Once there was heat in the building, they [Fire] could allow some occupation of the building.

Moermond asked about November 16 and what the permit was for. Shaff responded to get heat in the building because of boiler repair. A. J. Neis responded they were okay to turn the gas lines on. Someone added that only two boilers are on.

Someone responded there are four boilers. Someone explained that there are two backups. There are four boilers.

Shaff said they would allow occupancy for the rest of November 27. George Niemeyer (inspector) and she were there. They spoke to several tenants. There was a spaghetti of extension cords there. The caretaker had no information, and he didn't want to tell the tenants any information. The tenants were upset and didn't know what was happening. They were gracious the City was giving them information. On 27th, there were no permits, no plan on the electrical or restoration of the property. On the 28th, they made a decision to enforce a vacate today at 1:00 p.m. They couldn't allow continued occupancy. There is a generator.

Moermond asked did the tenants know about today's hearing. Mrs. Himraj responded some of them.

Shaff said Neis pointed out that the property owner has an affidavit on file that they don't need to have the carbon monoxide alarms. It allows for an exemption if there are heat detectors in the boiler room. With the absence of that, we now have a carbon monoxide issue with the generator running 24 hours a day, 7 days a week.

Neis said that one of the generators is one foot from an openable window. There are other concerns about relocating a generator. Right now, there is a serious carbon monoxide issue.

Moermond asked are there other things. Shaff said Neis, Niemeyer, and others were at the building. They put a notice of vacate on every unit door and all the main entry areas. Everybody coming out of the building would know of the vacate. They spoke to some of the tenants. The owners were notified of that meeting and chose not to show

ир.

Moermond asked how tenants would know. Neis responded Niemeyer contacted the owner that there would be a meeting at 1:00. The owner said her husband may come but there were other appointments. Owner said 'I don't see a point in coming out because the tenants would be yelling as us anyways.' There were three calls after the fire on November 19 and 21. There were also calls made to Fire Department because there was a concern that the breakers would pop. Even if power unit is on now, it's overloaded so things are popping, they are nervous, and calling 911. This is is a not a good situation with a power.

Shaff said there was a plan submitted to the senior electrical person. It was a different electrical company that was supposed to start. Now there is a permit that was pulled this morning in order to do the repairs. It is not just a temporary fix. It is a permanent fix of 6 to 8 days.

Moermond said there was a significant fire, more so because of its location. This is not a one unit thing.

Shaff said there are other code violations. They have not had an opportunity to go through every unit. Neis added that they are triaging the situation. They will pull a full certificate of occupancy. I can tell you the carpeting is gross unsanitary. They did not want to write orders on all of that. The main issue is getting the power back on.

Moermond said 16 days have passed.

Mrs. Himraj and her husband appeared. Mrs. Himraj said they are looking for more time. They have been working since the fire happened. The first day, they had a company out there to do the exterior lights and hallways lights. Boiler people came out. Mr. Himraj said Southside Electric came out. Two boilers and hot water heaters are up. Salvage One came out. McQuillan did the hot water heaters.

Ms. Himraj said when she spoke to her agent, they said they are still investigating. It is taking so long because the costs are greater. They have a responsibility to make sure their people are house safely. Mrs. Himraj responded they paid another company to start. Most units have one adult or one or two kids.

Moermond said there are between 60 and 90 people legally occupying those units. You imagine there are additional people there.

Neis said the owners thought there were 2 to 3 people in each unit. They estimated between 90 and 100. Two thirds had alternate housing. There are 30 that are remaining. Neimeyer spoke to about 12 that were there. The owner estimated 30 people were still inside the building. Two thirds have vacated.

Moermond asked about financial arrangements. Mrs. Himraj responded they have given some of them back money. The insurance does not cover housing. It covers loss of rent. Tenants should have renter's insurance, but a lot of them don't. (She gave Moermond a phone number for the insurance company.) The generator is not theirs. It is from a tenant. The inspectors gave the tenants permission to have it.

Moermond asked how many units the current tenants are living in. Mrs. Himrah responded 10 apartments are occupied. They indicate they do not have money, no place to go. They have lent out battery operated lamps so that have lights. They are

happy with that.

Moermond asked about Mayer Electric. Mrs. Himraj responded they want to upgrade the electrical meters. Moermond responded the estimate is three days to get the parts. The fire was about 15 minutes in total. He is going to work through the weekends.

Shaff asked if Moermond had a copy of the proposal. She read one of the proposals, and it does not include premium, lawn repairs, asphalt repairs. Their experience has not been real positive, given the property owners interactions with the tenants.

Mrs. Himraj said they have been in contact with them every day trying to get things approved. Even last Saturday she called.

Moermond said if they worked with Southside several days ago, they would have had this taken care of.

Mrs. Himraj said the fire happened on Monday. Southside gave them the proposals. They had a temporary fix, which the City denied because of extension cords.

(There was discussion on how this was going to be paid for.)

Gerry Kaluzny and Chris, SMRLS, appeared.

Moermond said she just got a copy of the order.

Kaluzny said 7 tenants are named in the tenants remedies action. On the 13th, the Red Cross put folks up for 3 days. After 3 days, his phone started ringing. They gave notice that they would file a tenants remedies action.

Moermond asked how notice was provided. Chris said she they gave an e-mail address and a notice.

Kaluzny said they appeared before a judge on the 17th. The judge ruled that the owners shall immediately address the issues in the building. He is starting to see some concern that there is no end date. SMRLS looked at what will be a remedy they can provide, they look at the possibility of an administrator, and do not feel there is an excuse. The owners can't say they cannot fix it. There has been little movement. Because they have not complied with the court order, they can be held in contempt of court. Chris added there was an issue with another tenant. They also had another hearing with the tenant who could not come to the first one. The defendants did not show up to that court hearing. Unless this is taken care of quickly, they could ask for sanctions from the court. What happens to the property living there is criminal. I feel that there should be some accountability. He does not want to see the accountability on the people who are living there. Some of them do not have relatives in town. He is assuming this is going to be resolved.

Moermond asked when the judge is seen next. Chris responded December 7.

Kaluzny said it does no good to appoint an administrator unless there are funds to fix the problem. The building is now condemned. Legally, they don't have to and probably should not pay rent. This is more than finding a hotel room. Moermond said this is trying to figure out how to feed your family without a refrigerator and stove. Chris added the court order was that no rent was due. Some of those tenants have received

money back.

Kaluzny said this is a work in progress for SMRLS. They do not have the opportunity to run in tomorrow and get the funds. He is happy someone has put money down on this.

Rick Larkin, Director of Emergency Management, appeared and said the Red Cross is not in the position to assist 30 families. This also does not fit the definition. This is about a landlord matter. They are supportive of any efforts guided by DSI.

Travis Bistodeau, DSI, said they have contacted every social service agency they can think of. It appears there may be a plan in place.

Neis said that one of the things they discussed is the owners have the ability to relocate the tenants. He asked if they have other units to rent or hotels. This is a landlord/tenant issue.

Shaff said she was forwarded an e-mail. It looks like Ramsey County has staff to assess emergency assistance

Moermond said her simple math is that 10 units are being affected and put them in a hotel, it comes to about \$5,600 to \$7,000. Owners are thinking insurance does not cover that, but renters insurance may cover that. She asked what is the likelihood of moving the court date to deal with this emergency. Kaluzny responded they have already tried.

Neis said they were talking about the temporary power and why it was denied. One of the concerns is the temporary power would not meet the code and they would overload the outlet, which would be a potential fire hazard. He brings it up now because they are doing the exact same thing with the hallway power right now. Also, he took some time to look at hotel websites and is seeing local hotels for as cheap as \$46 a night in the Roseville area.

Moermond asked about the generator. Neis responded he spoke with James Perucca (inspector) who approved a generator for Thanksgiving. He said that was on the north end of the building. This appears to be a different generator that was installed prior. He did not think about it being removed. This generator was not approved.

Moermond asked about weighing the pros and cons and asked were there conditions in which continued occupancy would be possible or were the condition rejected because of past behavior of the owners. Shaff responded some of the original decision to let it continue to be occupied were concerns about it being cold out and the holiday season. They were concerned about heat. When there was no movement in getting the building repaired, they couldn't allow the continued occupancy of the building. They cannot meet the minimal standards now.

Bistodeau said they have tried to figure out what they can do to allow it to be safely occupied.

Moermond said 12 days ago there was an allowance of re-occupancy on the presumption that there would be immediate action taken. Now, another 10 days in, they are cutting the cord. The balance is the behavior of the owners being slow in taking action and the tenants tapping into the electrical in the hallway. That has worsened the situation. Bistodeau responded that is correct. They thought the owners

were dealing with the contractor and had a plan in place.

Shaff said the goal was to have it done by Monday.

Moermond asked what is different now. They put \$25,000 as a downpayment for Mayer Electric. She asked do they have the cash on hand to finish this job if it runs to \$75,000. Owners responded yes. It was never a matter of them not willing to do it. They had 3 plans in place. They were trying different avenues. They were looking at temporary fixes at one point, but that was not good enough. Neis responded it is not that the plans are not good enough. They are looking for code compliance in the minimal possible standards.

Mrs. Himraj stated she called probably 100 contractors. A lot of are booked out. The premium is not the issue.

Moermond is inclined to recommend to the Council that the building needs to be vacated. DSI is working with Ramsey County to see if they can make available hotel rooms that would cover some of the time. It would be great if the owners took over the cost of the hotel space after the vacate date. Once the building is empty it becomes a vacant building and needs to be registered. If you can get the certificate of occupancy re-established, she can get her out of the vacant building program. She is creating a carrot for them to remove quickly. We are waiting to hear back from Ramsey County. Their concern is this going to blow their budget for emergency housing.

Mrs. Himraj said they are estimating to be done on Monday or Tuesday.

(A recess was taken.)

Moermond said she will recommend to the City Council that they and the building must be vacated by 9:00 p.m. tonight. If you have the condemnation lifted by December 15 then you will be out of the vacant building program. Getting the condemnation listed means getting the power safely restored, the heat operated, permits signed off. The permits would need to be finaled by the inspectors. Ramsey County can do housing up to ten days. The taxpayers are paying for six days of your tenants to be housed. The owners should pick it up if it takes more time than that. Right now, the building needs to be vacated as of 9:00 p.m. Ramsey County is ready to provide assistance. Fire inspector will post notices of who the tenants need to contact. She will get that information to Mr. Kaluzny and his folks. There are some hotels they are looking at and she is not sure which ones they are landed on. There is a tremendous amount of staff time for this situation. Staff are going to be out there and this will be a billed visit to the property. It would be great if they could provide leases and contact information for the people who still live there. People can go out to the building on a limited basis to retrieve items.

Shaff asked would staff monitor this. Moermond responded staff will be there Friday 9:00 to 10:00 a.m. and 3:00 to 4:00 p.m. for people to retrieve items. Owners should be there to unlock the doors.

Neis stated that tenants will still have to access the building 24 hours a day. DSI will not be monitoring that. Mrs. Himraj said they were planning to change the door locks. Moermond responded they can let the tenants know. Tenants can be there from 8:00 to 8:00 p.m. only for tenants to get what they need. The condemnation will not be lifted until the permits are signed off.

Mrs. Himraj asked about the electrical being signed off. Moermond said all basic facilities need to be restored for it to be habitable.

REC:

- 1) deny the appeal to allow continued occupation while electric and heating service is restored;
- 2) grant to November 29, 2017 at 9:00 p.m. for the property to be vacated;
- 3) allow re-occupation of the building if the permits for the provision of electric and heating systems are finalled by December 15, 2017;
- 4) allow the building to remain out of the vacant building program if owner gets the permits for the provision of electric and heating systems finalled by December 15, 2017; and
- 5) require that a full Fire Certificate of Occupancy inspection for deficiencies not related to the condemnation be initiated if the building is not placed in the registered vacant building program for failure to meet the December 15, 2017 deadline

Referred to the City Council due back on 12/6/2017

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