



Meeting Minutes - Action Only

Legislative Hearings

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

Tuesday, March 27, 2018

9:00 AM

Room 330 City Hall & Court House

9:00 a.m. Hearings

Remove/Repair Orders

- 1 [RLH RR 18-11](#) Ordering the rehabilitation or razing and removal of the structures at 521-523 DESNOYER AVENUE within fifteen (15) days after the March 14, 2018 City Council public hearing. (Public hearing continued from March 14) (Legislative Hearing on March 27)

Sponsors: Henningson

Jeff Chermak, proposed buyer, appeared.

Drew Ross, Joyce Perrin & Richard Howey, Linda Van Egeran & Steven Mose, neighbors also appeared.

Ms. Moermond: today, I was looking for: 1) the taxes to be paid; 2) \$5000 Performance Deposit posted; and 3) an indication of financing sufficient to complete the rehab, which has coat tails on it because you are doing some sort of financial transaction between you & Mr. Olson; I need that in the record in addition to the fact that you have the actual money (any financial/contractual agreement you have with Mr. Olson, I need to have on the record)

Mr. Chermak: the security is this property & another property; because we can't purchase this property, there's basically a loan going to Mr. Olson that he's been using to hire us to rehab the property; that loan is secured by that property & another property; I gave that signed document to you the last time we met here

Steve Magner, Code Enforcement Manager: I do have a recollection of them submitting that document

-a letter was sent out Mar 15 to Jay Olson (attached); on Mar 13, LHO Marcia Moermond recommended to continue to matter today, Tue, Mar 27, 2018 & for the following conditions to be met:

- 1. provide a revised work plan, in accordance with the Code Compliance Inspection Report;*
- 2. provide signed contractor bids; and*
- 3. provide an affidavit dedicating the funds from the US Bank account for the project.*

Scheduled to go to City Council Public Hearing Mar 28, 2018 at 3:30pm

Ms. Moermond: I guess I was looking at an older document

Mr. Ross: I want to confirm with Mr. Magner that I recollect that the agreement was left with you 2 weeks ago

Ms. Moermond: yes; I do have the actual signed documents in front of me

Mr. Chermak: the sworn construction statement was not able to be completed because there was no code compliance report; I received it last Fri (inspection was done Mar 20, 2018); there are no surprises in it; I think that everything within the building was covered by the previous bids; (electrical covered the code camp/ report; we had to go back to the plumbing & get a revised bid from them, which I haven't yet received; HVAC was basically the same as what was covered in the code camp/ report)

Mr. Magner: what plumbing issue was not addressed in the original bid?

Mr. Chermak: raising the meter 12 inches above the slab; & the matter of a clean out before each horizontal take off

Mr. Magner: those are not major things; probably add \$1000 onto the bid

Mr. Chermak: I do have a signed bid of the previous version & we have an agreement to add on

Ms. Moermond: do you have the bids with you today?

Mr. Chermak: I do (entered); Ms. Moermond is reviewing them

*Ms. Moermond: this goes in front of Council tomorrow
-what's the name of the person yoU're working with at INTECHS?*

Mr. Chermak: the contractor's name is Jim Cotroneo

Ms. Moermond: \$3900 plumbing bid; \$9650 electrical bid; heating - 2 new furnaces-\$3990/unit (Behm); your general is INTECHS (only variable), which is that I have applied for my own contractor license with the State of MN; I have a QB#, which is how they track me in their system but they have not issued me a BC#, which is a building contractor number; I have all the course work, etc, done; just waiting for the email with my numbers; it may be our own LLC doing the contractor or it may be INTECHS

Mr. Magner: I think these are the same that I have; the electrical is different; from a staffs concern, I don't think there's any issue there

Ms. Moermond: what's your thought about changing contractors mid-stream?

Mr. Magner: my assumption is that Mr. Chermak is going to do it for less money than his contractor; so, from a money standpoint, there's not much to do; the reality is that if he fails to perform, the simple act of the city razing the structure puts his money in jeopardy; the loan that he's giving to Jay Olson to pay him back to do this work is predicated on both this property & another property; so, there's a fairly large financial

incentive to get this completed; if we don't go forward with this, then, we're back with Mr. Olson in charge of these properties & he's proven over time that he takes no action; Mr. Chermak has come to the table under some difficult circumstances & has gotten to the point where he's clearly able to rehabilitate these; if not, we'll be back here reviewing what's happened & we can change our resolution to remove the structure -problem solved; nuisance abated; I just don't think it will come to that; I think they're going to get it done; and this is 2018 and there's a huge demand for housing

Ms. Moermond: you're making some really good points, some logical points about this situation; I'm looking at a history, a pattern of ownership & maintenance that's not logical; I'm looking at continued ownership by Jay Olson for the next 6 months or until the project is completed & the mortgage is finished; Mr. Olson is still a factor, a wild card in my view because of his past actions/inactions

Mr. Chermak: a detailed Work Plan was submitted, which offered a breakout timeline; we don't have to worry about other projects; this is our only one at this time -my end goal is to get the neighborhood back on track

*Ms. Moermond: Get me that sworn construction statement within a week with bids & timeline
-will recommend granting 180 days*

(Discussion followed with neighbors regarding Mr. Olson's other properties in Desnoyer Park.)

Remove or repair within 180 days.

Referred to the City Council due back on 3/28/2018

2 [RLH RR 18-3](#)

Ordering the rehabilitation or razing and removal of the structures at 735 MARGARET STREET within fifteen (15) days after the February 14, 2018, City Council public hearing. (Public hearing continued from February 14)

Sponsors: Prince

Forthcoming.

No one appeared.

Referred to the City Council due back on 4/4/2018

3 [RLH RR 18-2](#)

Ordering the rehabilitation or razing and removal of the structures at 1536 VAN BUREN AVENUE within fifteen (15) days after the February 14, 2018, City Council public hearing. (Amend to remove within 15 days with no option for rehabilitation)

Sponsors: Henningson

Need financial documentation by April 1.

No one appeared.

Referred to the City Council due back on 4/4/2018

10:00 a.m. Hearings

- 4 [RLH RR 18-13](#) Making finding on the appealed nuisance abatement ordered for 1426 DESOTO STREET in Council File RLH RR 17-29. (Legislative Hearing on March 27)

Sponsors: Brendmoen

Greta Bjerkness, o/b/o Ocwen Loan Servicing LLC, appeared.

Steve Magner, Code Enforcement Manager:

-read letter of Mar 15, 2018 to Ms. Bjerkness:

This is to confirm that on March 13, 2018 at the Legislative Hearing, Marcia Moermond, Legislative Hearing Officer recommended continuing the above-referenced matter to Tuesday, March 27, 2018 at 10:00 a.m. in Room 330 City Hall with a City Council Public Hearing on March 28, 2018 at 3:30 p.m. in Room 300 Council Chambers. Ms. Moermond is requesting the following conditions to be met by March 27: 1) an updated work plan for the remaining repairs; and 2) updated financing documentation available if over the original amount of \$75,000. If your client is still within the \$75,000, what is the cost of the remaining repairs? If those items are approved, she will ask the City Council to continue the first \$5,000 performance deposit.

-an update to that was a series of emails; the last email was sent by Joe Yannarely: It appears that the building permit that Jim Seeger closes out & issues the code concerns will close the VB file (in ref to Ms. Bjerkness' email: I'm following up on the status of 1426 Desoto; the property is set for a LH tomorrow; my client has reported that the plumbing has passed inspection & HVAC was to be inspected today (which was yesterday); assuming HVAC passes the inspections, all necessary areas have passed inspection; is anything outstanding?

-what that means is that Mr. Seeger is ready to sign-off but he can't do that until HVAC is signed off; I've checked the HVAC permit & they were out there yesterday, Mar 26; they inspected & found a couple issues & gave verbal orders to the contractor to correct; I believe that one of the issues is to open an area for an inspection; & the other issue was to get another permit

-Is that your understanding, Ms. Bjerkness?

Ms. Bjerkness: I did not know any of that information

Mr. Magner: plumbing & electrical have been finalized; bldg has been inspected; Mr. Seeger is simply waiting for the warm air (HVAC) to be finalized; the warm air was inspected on Mar 26 & the noted indicates: duct work covered prior to inspection; bath fan lower level bathroom; permit required for the 2nd fl bath fan; work without permits

Ms. Moermond: at City Council tomorrow (Mar 28), I will ask for a 2-week Lay Over to give you time to get your Certificate of Code Compliance

-Steve, you can check with Mr. Seeger on Mon Apr 9

-Tue Apr 10, we'll be back here to make sure they have the code compliance certificate

-back at City Council on Wed Apr 11, 2018

To continue public hearing to April 11 with a Legislative Hearing on April 10, if necessary.

Referred to the City Council due back on 3/28/2018

11:00 a.m. Hearings

Summary Abatement Orders

- 5 [RLH SAO 18-16](#) Appeal of Ron Staehel to a Summary Abatement Order at 995 MILTON STREET NORTH.

Sponsors: Brendmoen

Deny the appeal. (No one appeared)

Referred to the City Council due back on 4/4/2018

Other - Graffiti Abatement Order

- 6 **RLH SAO 18-20** Appeal of Opal Sherwood to a Graffiti Abatement Order at 1265 THIRD STREET EAST.

Sponsors: Prince

Grant to July 1, 2018 for compliance with the scraping and peeling paint in front of house facing the street.

A making finding resolution will go before Legislative Hearing on July 10 to determine if the nuisance has been abated with a Public Hearing on July 11.

Referred to the City Council due back on 4/11/2018

11:30 a.m. Hearings

Orders To Vacate, Condemnations and Revocations - Code Enforcement

- 7 **RLH VO 18-10** Appeal of Chad Van Veldhuizen to a Notice of Condemnation as Unfit for Human Habitation and Order to Vacate at 1570 STILLWATER AVENUE.

Sponsors: Bostrom

Deny the appeal on the condemnation and order to vacate and refers to VB Program.

Referred to the City Council due back on 4/11/2018

1:30 p.m. Hearings

Fire Certificates of Occupancy

- 8 **RLH FCO
18-40** Appeal of Cale Nelson to a Correction Notice-Complaint Inspection at 722 GRAND AVENUE.
- Sponsors: Noecker
- Grant an extension to April 20 to install temporary fencing for the length of the handrail; grant to November 1, 2018 for permanent repair of the retaining wall.*
- Referred to the City Council due back on 4/25/2018**
- 9 **RLH FCO
18-37** Appeal of Zenaida Reyes to a Fire Inspection Correction Notice at 1315 RICE STREET.
- Sponsors: Brendmoen
- Grant an extension to June 1, 2018 for the completion of the repairs.*
- Referred to the City Council due back on 4/25/2018**
- 10 **RLH FCO
18-42** Appeal of Beth Greeder to a Fire Inspection Correction Notice at 1441 VAN BUREN AVENUE.
- Sponsors: Henningson
- Grant until June 1, 2018 to decrease occupancy to 4 unrelated adults.*
- Referred to the City Council due back on 4/25/2018**
- 11 [RLH FCO 18-41](#) Appeal of Leeann Schray to a Fire Inspection Correction Notice at 1380 WHITE BEAR AVENUE.
- Sponsors: Bostrom
- Appeal was withdrawn by Appellant.*
- Withdrawn**

2:30 p.m. Hearings

Vacant Building Registrations

- 12 **RLH VBR 18-3** Appeal of Danielle Sobaski to a Vacant Building Registration Requirement at 1124 MATILDA STREET. (To be referred to Legislative Hearing on March 13)
- Sponsors: Brendmoen
- Grant extensions as outlined in the work plan, noting most of the items have been abated.*
- Referred to the City Council due back on 4/18/2018**
- 13 [RLH VBR 18-17](#) Appeal of Michael Parkey to a Vacant Building Registration Renewal Notice at 969 RICE STREET.
- Sponsors: Brendmoen

3/27/18: Deny the appeal. (No one appeared)

3/28/18: Owner came to office today and stated he missed the hearing. Rescheduled to Monday, April 2.

Laid Over to the Legislative Hearings due back on 4/2/2018