



City of Saint Paul

15 West Kellogg Blvd.
Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

Marcia Moermond, Legislative Hearing Officer
Mai Vang, Hearing Coordinator
Jean Birkholz, Hearing Secretary
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651-266-8585

Tuesday, January 29, 2019

9:00 AM

Room 330 City Hall & Court House

9:00 a.m. Hearings

Remove/Repair Orders

- 1 [RLH RR 18-52](#) Ordering the rehabilitation or razing and removal of the structures at 1368 ALASKA AVENUE within fifteen (15) days after the January 9, 2019 City Council public hearing. (Amend to remove within 15 days) (Public hearing continued from January 9)

Sponsors: Tolbert

Mike Stephani, Attorney, Dykema Law Firm, appeared o/b/o Mortgage Electronic Registration System (MERS), Deutsche Bank & Ocwen Loan Servicing LLC.

Steve Magner, Code Enforcement Manager: read letter dated Dec 28, 2018 (attached) to Mike Stephani;

-on Dec 27, 2018, the Legislative Hearing Officer recommended that your client apply for a code compliance inspection & post a \$5000 performance deposit by Jan 8, 2019; if the 2 conditions are met, she will ask City Council to refer the matter back to LH on Jan 29, 2019; it is expected that your client will come to a decision about whether to rehabilitate or demolish the property by that time.

Ms. Moermond: what has your client decided?

Mr. Stephani: they obtained bids that greatly exceeded \$100,000; so, they decided to demolish the property & have their contractor do that; they want to confirm the time frame for doing that

Ms. Moermond: Mr. Magner, talk about how they can get their performance deposit back & what DSI looks for if they do the demolition on their own

Mr. Magner: once the Council passes the resolution to remove the bldg within 15 days; we'd ask you and your client to provide us with a signed contract with a licensed demolition contractor in the City of St. Paul; if they can provide that signed contract with a schedule to complete the work, we will hold off on doing the work at least 15 days after Council passes the resolution; normally, the project should take about 30 days to commence (getting all the prep work done & the physical dwelling removed)

Ms. Moermond: so there's a couple of steps inside that 30 days:

*Mr. Magner: there's a number of things they would need to do: 1) contact utilities to get those disconnected; 2) hire an abatement contractor to remove the asbestos/hazardous waste; 3) hire an exterminator to have the property abated & signed off by DSI Animal Enforcement; once those steps are done, they can get their permit & move forward with the demolition; they also have to work with Ramsey County to have the house inspected prior to the demolition
-it was my understanding prior to these hearings that your client had actually solicited some bids so I'm assuming they're close to moving forward on this*

Mr. Stephani: yes; they do have a demolition bid

Ms. Moermond: I will ask the City Council to consider this on Feb 13, 2019; at that time, I will ask them to amend this to be a 15-day Order to Abate the Nuisance Building (the 15-day window that your client has to take those steps DSI is looking for); as of now, you could send an email to DSI directed to Mr. Reid Soley asking for your client's performance deposit back; Mr. Soley & Mr. Yannarely will communicate to get that taken care of for you

*Mr. Magner: we're happy to release the performance deposit but we would like to see the commitment thru the demolition & if your client chooses not to do the demolition and they're asking us to move forward with the demolition, we're fine doing that but we'd just like to know sooner rather than later so we can request bids.
-if we don't have a contract by the end of the 15 days, we will be in the process of soliciting bids & we will award it to our contractor to move forward with the demolition*

Ms. Moermond:

Remove the building within 15 days.

Referred to the City Council due back on 2/13/2019

2 [RLH RR 18-50](#)

Ordering the rehabilitation or razing and removal of the structures at 2059 IDAHO AVENUE EAST within fifteen (15) days after the January 2, 2019, City Council Public Hearing. (To be referred to Legislative Hearing on January 29, 2019)

Sponsors: Bostrom

John M. Hanson, owner, and Joe Steinmaus, appeared.

Steve Magner, Code Enforcement Manager: read letter sent Dec 28, 2018 to John Hanson (attached) confirming that on Dec 27, 2018, the LHO recommended that the clean-out of the interior was to be done by Jan 7, 2019 & that Mr. Hanson needed to contact Joe Yannarely or Reid Soley this week to schedule an appointment to verify that the interior of the property is cleaned out so that a code compliance inspection could be conducted. Ms. Moermond will ask the City Council on Jan 2, 2019 to refer this matter back to Legislative Hearing on Jan 29, 2019. At that time, it is expected that you will have preliminary plans for the rehabilitation of the property & be able to demonstrate that you have the necessary funds to complete the work.

Ms. Moermond: did either Mr. Yannarely or Mr. Soley get invited to determine whether the building was ready for the code compliance inspection?

Mr. Magner: No; on or around Jan 7, I asked Mr. Soley if he or Mr. Singerhouse had

any contact with Mr. Hanson; he said, "No;" I then asked Mr. Singerhouse to go out to the property to see what was going on; he went out that day & found that there was a dumpster; however, nothing was in the dumpster; the property should have been cleaned out but the dumpster was still empty; I did report that back to you at that point; we're back to square 1; now, it's my understanding that Mr. Hanson has been working with someone to get the house cleaned out & at this time, it is cleaned out; & maybe the inspectors have been thru there; the code compliance inspection application was generated on Jan 9, 2019

-on Jan 28, 2019, we have the electrical inspection done (Jan 29) & Mr. Seeger has done his (Jan 24); I don't have the plumbing or mechanical has been done at this time

Ms. Moermond: Mr. Steinmaus, what is your interest here?

Mr. Steinmaus: I'm going to buy the property; otherwise, I'm not doing any work -I came up with a price of \$90,000, of which I'll give him \$10,000 earnest money; I'll take over the property & have the rehab done in 60 days; I won't have title to the property but I will have an agreement & the money will be sitting at the Kueppers, Kronschnabel & Skrypek PA law firm for him to pick up as soon as I'm done with the work

Ms. Moermond: that agreement will need to be approved by the city

Mr. Steinmaus: I went over & cleaned the house for the inspectors; I think the final inspector was there yesterday; I have the bids, I have the bond, I have the money from the bank, I have everything that you guys need; my contractors can start in the next week & they'll be done in 30-45 days on the plumbing, electrical & a new furnace; entered copies of all his documents (Ms. Vang scanned them)

Ms. Moermond & Mr. Magner quickly viewed the documents

Mr. Hanson: I have agreed to do this
-he cleaned it out & I have a lot to say about that; I thought he was my savior but he threw everything out; he didn't leave me anything; he took anything that he thought I might want & put it in the breeze-way & the city will come out & throw it in the garbage; he emptied the garage too; I had a bunch of lawn mowers in there; he put them out in the yard; city will complain about that too; all kinds of things are missing; my newest refrigerator is missing; I had a \$300 fish house; it's gone; the plan was to set aside things that had value

Mr. Steinmaus: do you want to get rid of the house today or do you want me to walk away?

Mr. Hanson: you, ran away;
-he's been threatening me with "The City's going to come & knock the house down;"
-when Seeger was out there, he asked me, "Do you know this guy; is he a felon; what is with this guy?"
-I've gotten myself into a bad situation but I think I'm being taken advantage of
-I've got the \$50,000 to fix the house (ball park)

Ms. Moermond: you have some decisions to make; you say you have the money to do the rehab but you haven't done the rehab yet & I don't see any plans yet for you to do the rehab

-what do you want to do?

Mr. Hanson: I think I'll get bids; once I get that done, I'll turn it over to a contractor; I don't know where I'm even at; I don't know what the house is worth; I don't want to be taken advantage of; I don't even know what the house is worth

Ms. Moermond: Mr. Hanson, you own the property; the city has an Order that the Council will be considering about Ordering it removed because of the building's condition; we've been going very slowly to clean out the house & get the inspection done; the next step is figuring out what to do with rehabbing it; you can come to a legal arrangement with a 3rd party to be able to do the rehabilitation & eventually transfer title to them; you can try to do this on your own but I see a past history of not being able to deal with this; get some good advice on your own but I'm not going to wait indefinitely; I don't need to have this house demoed; I do need to get rid of the nuisance

Mr. Magner: my expectation is that if we're coming back here in 2 weeks, Mr. Hanson needs to have a complete package done (signed it over to someone else or 4 subcontractor bids; contractor with a Work Plan/timeline; show us the money - bank statement)

*Ms. Moermond: you won't find out what the house is worth from the code compliance insp report; you'll find that out from a real estate broker or an appraiser, who works with a broker & get that resolved; they can give you before & after rehab estimates
-I've been dealing with this for 2 months now; I've given you a lot of rope; I can get the code compliance expedited; you need to get contractors in there to do initial bids; they can tweak their bids when the report comes out
-will Lay this Over to Feb 12, LH; have draft work/estimates done
-goes to City Council on Feb 27, 2019; that is when the decision will be made; the end of the line
-I will call DSI to get the code compliance inspection expedited*

Layover to February 12. Owner is required to provide a work plan, financing and affidavit of financials if he intends to rehabilitate the building.

Laid Over to the Legislative Hearings due back on 2/12/2019

3 [RLH RR 18-45](#)

Ordering the rehabilitation or razing and removal of the structures at 1232 SEVENTH STREET EAST within fifteen (15) days after the November 7, 2018 City Council public hearing. (Amend to remove within 15 days) (Public hearing continued from January 2)

Sponsors: Prince

Melissa Porter, Shapiro & Zielke, LLP, appeared representing Harrington Mortgage Services & MERS.

Steve Magner, Code Enforcement Manager: read letter sent Dec 28, 2018 to Melissa Porter (attached) to confirm that on Dec 27, the Legislative Hearing Officer stated that at the Jan 2, 2019 City Council Public Hearing, she would ask the Council to refer the matter back to LH on Jan 29, 2019; at this point, contractors should have been able to assess the property & the existing code compliance inspection report dated Apr 18, 2017; also expected is that your client will have the updated inspection report and have decided whether they will rehabilitate or demolish the building

Ms. Moermond: when we talked on Dec 27, 2018, the inspector had been

re-scheduled

-there's no updated code compliance inspection report as of today

*Ms. Porter: I was not aware of that; however, I received a message from them earlier this morning that they had decided not to rehabilitate the property
-the next piece that I don't know is whether they or the city will demolish; they've made is very clear that because it has not yet gone to foreclosure sale, they don't have possession of the property; they don't have ownership interest yet; I will confirm with them & get back to you; my assumption is that they would just allow the city to demolish rather than try to work with a property that they don't own yet*

Ms. Moermond: this will go to City Council on Feb 13, 2019

Mr. Magner: for clarification sake, they did order the code compliance inspection; I believe all trades inspectors have gone thru; the most recent report I have this morning is that Jim Seeger was just compiling the last parts to give to Mr. Perucca (team inspection) for it to be produced; at the end of the day, we are going to produce it but I don't believe that it's going to be less than the original report that your client has; so, they already know what they're working with & it will probably be worse

Ms. Moermond:

Remove within 15 days with no option for repair.

Referred to the City Council due back on 2/13/2019

- 4** [RLH RR 18-44](#) Ordering the rehabilitation or razing and removal of the structures at 931-933 SHERBURNE AVENUE within fifteen (15) days after the October 24, 2018 City Council public hearing. (Public hearing continued from October 24)

Sponsors: Thao

Rescheduled per owner's request.

Laid Over to the Legislative Hearings due back on 2/12/2019

- 5** [RLH RR 19-4](#) Ordering the rehabilitation or razing and removal of the structures at 888 MARYLAND AVENUE EAST within fifteen (15) days after the February 27, 2019, City Council Public Hearing.

Recommendation is forthcoming. Layover to February 12.

*Randall Strand, Attorney, appeared representing Hasan Hasan, co-owner (not present)
Nathan Krogh, Attorney, appeared representing Mohamed Shambolia, co-owner & President of SMH Inc (present)*

Lester Meltzer, contractor, appeared

Ahmad Al-Hawwari, co-owner, appeared

Steve Magner, Code Enforcement Manager:

-The building is a one-story, steel girder and masonry, commercial building on a lot of 13,504 square feet. According to our files, it has been a vacant building since May 6, 2016.

- The current property owner is SMH Inc. per AMANDA and Ramsey County Property records.
- On September 26, 2018, 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 October 17, 2018 with a compliance date of November 16, 2018. 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 \$134,200 on the land and \$75,800 on the building.
- Real estate taxes are current.
- The Vacant Building registration fees were paid by assessment on June 1, 2018.
- A Team Inspection was done on January 9, 2019.
- The \$5,000 performance deposit was posted on November 9, 2018.
- There have been seventeen (17) SUMMARY ABATEMENT NOTICES since 2016.
- There have been twelve (12) WORK ORDERS issued for:
 - Garbage/rubbish
 - Boarding/Securing
 - Grass/weeds
 - Snow/ice
- Code Enforcement Officers estimate the cost to repair this structure exceeds \$50,000. The estimated cost to demolish exceeds \$15,000.

-this is a small commercial structure, which was originally built & previously used as a Taco John's

-the perplexing issue for DSI is that now we have 2 different pathways come to us from this ownership group; one individual wants to do one thing; and the other individuals want to do something else; because we're in this process, the dept, including the licensing manager said that we really need to have the ownership & desired path identified before DSI is going to do work because if one party is planning on doing a restaurant & the other party is doing some type of retail establishment, we have a conflict; we need to figure out where we're going; hopefully, we can resolve that thru this process today

Ms. Moermond: looking back at emails, who is Chris Royal?

Mr. Krogh: I understand that's the attorney for the 3rd party

Mr. Al-Hawwari: he is my counsel; he will not be attending

Ms. Moermond: gentlemen, tell me where you are at; I'll begin with Mr. Strand

Mr. Strand: clearly, our clients want to keep the bldg; they don't want it demolished; they have a lease in place for someone to go in & pay for the work to fix it up & open a restaurant; the issue we're facing is who has the authority to act for the owner? we have 2 shareholders (that Mr. Krogh & I represent), who claim that they have the majority interest; one is President & the sole authority to sign the documents o/b/o SMH Inc; we're running into issues with the third share holder; it's my understanding that the third share holder also wants to save the bldg but wants a different use put in there; we had hoped to resolve the issue without litigation but I'm not sure that's going to be possible anymore - to clearly have the authority to act on behalf of the company

Ms. Moermond: I'm looking at an agreement (Buy/Sell Agreement) that looks like it was executed on Feb 25, 2017; is that the agreement that established this partnership?

Mr. Krogh: the starting point was a Contract for Deed dated Nov 30, 2016 when we had Shambolia signing as President; the vendor/seller, Lester Meltzer, (LH Meltzer LLC) of the Contract for Deed is here; SMH Inc was the vendee/buyer, signed by Mohamed Shambolia as President

-there's also some core/governing documents of SMH & that's one of the documents that you indicated - there's a Resolution that shows that there are ____ shares to each of the three parties; the Buy/Sell shows Mohamed Shambolia signing as the President - it's signed by all three parties
-definitely, SMH wants to rehab this bldg; it's just a struggle over who has authority & what lease is going to be in place

Mr. Al-Hawwari: I am the 3rd owner of this mix & I also have been the financier, responsible for the bldg since Sep 2017 & I do pay the mortgages; I hire the people; I maintain the bldg

-I think the attorney for Mr. Shambolia forgot to mention that Mr. Shambolia was not able to participate or show any evidence of any funds put towards SMH as a capital contribution; I'm sure Mr. Meltzer will provide evidence that Mr. Hasan, his cousin, wired the money from CA & Mr. Mohamed has absolutely not a penny contributed to this corporation; we went thru the right channels & I'm sure the attorney recalls this conversation where he could not provide any evidence of a capital contribution

Ms. Moermond: what are the different businesses being discussed here?

Mr. Strand: a restaurant & a tobacco shop

Mr. Al-Hawwari: we submitted a license, which is pending for a tobacco store in that location; I think we should be granted the right to go forward with this before this letter of abatement was issued; we were in the process of rehabbing the bldg - I was; & we had the Order of Abatement & at the same time, when we went to pull permits, we had a code compliance report come out; we had to wait a month or so & on Nov 9, 2018, I went down & I paid \$5000 performance deposit & \$658 to list the bldg as vacant & to pay the fee for the code compliance; we received the code compliance insp report on Dec 20, 2018 & I hired an electrician, who already got paid, who pulled the permit to do the work; he's waiting on his final inspection

-because of the complex of the Order to Abate the Nuisance Bldg & the code compliance, the city turned down our plumber request for permit; the bldg currently has no water, no heat & Xcel Energy demanded that a city inspector has to call in; so, we sent the plumber to inspect the bldg & then when he went to pull the permit, so far, we couldn't - we had to wait for this meeting

-we also have estimates from Liberty Plumbing to conduct the work on the code comp report; our general contractor to do other multiple things; we did paint the bldg twice because of graffiti & I was in the process of fixing halfway on the garbage enclosure
-I also have the document for Echo Electrical, who already pulled a permit & did the work to comply with the code compliance report & paid for it; so, I feel that I should be getting the right to do this; I've been taking the bldg over financially, physically & personally; the other partner, Mr. Hasan from CA, I expected to see but I see that his cousin is here

Ms. Moermond: Mr. Al-Hawwari, you arrived late & didn't hear me speak with frustration over the fact that the city has had on 17 occasions since this became a Registered VB, issued Orders to maintain the property; that doesn't tell me good things about your maintaining the property (shoveling the walk, garbage/rubbish, tall grass/weeds, etc - basic maintenance items); you don't have a great track record

-Mr. Magner, what's going on with the permits?

Mr. Magner: I & the licensing manager & our staff met to discuss this issue & based on the email traffic we were getting, we're very puzzled - we had one entity at the beginning come forward & indicate that they were going to rehabilitate the structure for retail sales tobacco property & apply for the license; then, a month or so afterward, we had the other partners come in, giving us mixed messages saying that they wanted to rehabilitate the structure for a restaurant; then, if this is the same ownership group, why don't they have a clear path? this is very unusual for us to have this kind of mixed message coming from the ownership group; so we made a decision not to move forward with any more permits because we knew this hearing was coming up & because we didn't know, legally, who we should be giving permits to
-the hope for today was to have some resolve by the parties coming together

Ms. Moermond: this is similar to a retaining wall/fence in need of repair between 2 properties with different owners

Mr. Magner: those are convoluted paths - with joint ownerships, parties have to assume their responsibilities

Mr. Shambolia: I'm the one who bought the bldg at the beginning & I signed the Contract for Deed; I got 2 partners & we divided it into thirds; me & Hasan signed a lease with a tenant to open a restaurant; after the fact, Ahmad came & he signed a lease to himself; he made the lease from himself to himself as a present - & wanted to open a tobacco shop; we didn't know that he was opening a tobacco shop until we were driving by the bldg & we saw a sign, "Tobacco Shop coming soon;
-we have a tenant already who wants to open a restaurant but when he saw the sign..... he was supposed to do all the work; he was supposed to be responsible to bring the bldg up to code but he saw the sign Ahmad put up without our permission
-we are 3 partners; he can't do everything by himself like he's the sole owner; he's not the sole owner; any money he paid was his contribution because he never paid any money at the beginning to get into the bldg
-we don't want to open a tobacco shop; we want our tenant that we have right now to make the bldg into a restaurant because this is the only tenant that has a lease; Ahmad signed the tobacco lease to himself; he's the landlord & the tenant, which doesn't make sense
-Ahmad, we'd like you to show us what contribution & what capital code you have to show it to them; & we want you to ask the lawyer representing Hasan about the lease - who has the lease

Ms. Moermond: I want to be 100% clear: I'm not going to be making any decision about who owns this building & who has the right to make the decisions about what happens with it's rehabilitation or it's demolition
-my job is to guide the City Council in its decision making about the Order to Abate this Nuisance/Dangerous building; and to the extent to which you guys don't have a shared understanding to do something, I'm not going to accept plans from you because they're, obviously in my view, going to be litigated; what I do see when I look at this case is that your building value is about half of the land value; so, I do see development potential, even if the building were eliminated by the city with an Order to Abate a Nuisance Building
-you folks need to come together with a crystal clear agreement
-this is a district court matter; what they do is not our business
-the que for license applications will be taken from this hearing process because this will be the most in depth discussion of ownership

-you all seem to want to rehabilitate the structure but you have different ideas about what that would look like

Mr. Strand: commented that this is not the proper forum to get into a debate about this decision & I was going to cut it off but you did a better job

Mr. Krogh: I appreciate you clarifying what your role is going to be moving forward -moving forward, I think that all documents should be transparent & should be provided

Ms. Moermond: any piece of paper that I get will become part of the public record, which is electronic; you can look at it- click on the item; that includes email exchanges & other documents that have been forwarded to the city, etc. (all documents associated with the case)

Mr. Strand: I'm not very familiar with this process; is there a way that we can delay this to give the parties time to duke this out - to get it resolved?

Ms. Moermond: how long of a leash do you think you need? I'm not hearing that litigation has been filed; I know that can be a protracted process; they can go from 6-12 months & I'm not willing to wait 6-12 months for this nuisance to be taken care of -if the city were to grant time for this to be taken care of, it would be a maximum of 180 days from when the Council votes & I don't know to what extent you could expedite their discussions & I don't know to what extent this can be handled outside of a courtroom; you would probably want to file & then find out
-I don't have a good feeling about this happening in less than 12-18 months if it goes the court route to figure out the ownership situation

Mr. Magner: I want to make sure that everyone's clear on this because I think I heard 2 different paths from this ownership group; one party, who apparently has funding; he has bids; he has a plan & he wants to move forward with it; the second party says they have an end user & the end user would be doing the rehabilitation under their lease; if that's the plan that comes back to this table, I think it's imperative that the end user has a signed contract with the ownership group & they'll need to have funding, work plan, estimates, whatever is needed to go forward with

Ms. Moermond: was there a particular use envisioned at the time that the Dec 20, 2018 code compliance inspection was conducted?

Mr. Magner: I don't know if that encompassed a change of use; the previous restaurant was a fast food establishment prior to the zoning change; the licensing manager's concern (& it would be a zoning issue), if they wanted to re-establish that use, there would be concern about the drive-thru; that has to be part of that puzzle; I don't know if they'll need a drive-thru if they go the restaurant path; if they do, it need's to be addressed but not at this table (BZA or Planning Commission); this research is on them to do

-the team inspection that was done was just to put the basic shell of the bldg back together but it doesn't discuss the "use"

-the use that the first applicant brought forward is allowable with a license & build out; same with the other use but because of the drive-thru is a little more convoluted

-the other thing is that one party is ready to go & the other party doesn't have their lessee here today & I don't know that they're ready to go; when they come back, they need to have that party here with all of the things that Ms. Vang includes in her letter

Ms. Moermond: I think that would be part of the site plan review process & therefore,

it would be routed to the Planning Commission

Mr. Al-Hawwari: I was there attending the code compliance inspection & we indicated to them that we had no use for the restaurant portion of it & they did express concern about the drive thru - they asked us & we said that the drive-thru would be out of order -comment about the SMH corporation - within the Buy/Sell, we do have a majority decision to make to assign the management of the bldg to a separate entity - to lease & maintain the bldg

Ms. Moermond: I trust that the 3 attorneys involved can come up with an appropriate agreement

Mr. Shambolia: we gave the lease that we have to the city; the tenant is ready to go, to do the work; he has estimates, he has the funds; the tenant talked to the city with me but at this time, Ahmad was going behind our back to pull permits; can we get our tenant to pull a permit & do the work; he's ready to go; he can get it done within 30 days

*Ms. Moermond: I'm hearing that the work itself is not something that will take 6 months; more like 30-60 days to get things done & the work signed off -regardless of the use that's chosen, the city would not consider the nuisance & dangerous conditions to be abated until a Certificate of Occupancy for the space is issued; that is the benchmark; there is no half measure in this; there's no "we got most of it done;" you won't get a Certificate of Occupancy unless it is certified toward a particular use; that just makes sense
-I'm going to invite you guys to talk to one another about how you want to approach the circumstance you find yourself in; regardless of the final outcome, how are you going to abate the nuisance & how are you going to start this conversation? (small conference room is available right now)
-this will be in front of Council on Feb 27, 2019
-a performance deposit is posted by Mr. Al-Hawwari
-a code compliance inspection report has been done (I will follow up with DSI to find out if there was a particular use in mind when they did it; it appears to be all too general on some key points; I'd like to see that flushed out a little more on their part)
-I want to talk to you folks again in 2 weeks time to see how things are going; LH Feb 12, 2019; at that time, I will have answers on that code compliance insp report*

Mr. Krogh: he does not have his counsel here; I will refrain from discussion

*Ms. Moermond: we have the code compl insp report & the \$5000 perf deposit was posted (refundable); we also look for work plans with timelines & bids; money to execute the work plan that's set aside; the property maintained
-at the Feb 12 LH, Mr. Al-Hawwari, have your Counsel with you*

The following is an outline of conditions which Ms. Moermond would look for if the owner(s) want to rehabilitate the property:

- 1. Code Compliance Team Inspection - this inspection application was applied for on Nov 9, 2018 & completed on Dec 20, 2018. Note: Ms. Moermond will follow up with the Building Official as to any intended use inspectors were considering in the preparation of inspection report;*
- 2. Performance Deposit - deposit was posted on Nov 9, 2018;*
- 3. Property Maintenance - the owners must continue to maintain the exterior areas of the property; e.g. pick up trash, shovel the walk, etc.*

As there are apparent differences among the owners as to the intended end use of the building, Ms. Moermnd will look for resolution of these differences to the point there is agreement on the abatement of the nuisance/dangerous building conditions. This translates to the development of a work plan & financing which all parties have agreed & which agreement will need to be approved by the City. The following is a description of what is generally required for work plans & financing.

4. Work Plan - preliminary plans with timelines or sworn construction statement, noting that a certificate of code compliance shall be the measure used in determining whether the building has been rehabilitated & the nuisance & dangerous conditions have been addressed;

5. Bids - provide general & subcontractor bids;

6. Document Demonstrating Financial Capacity - provide financial documentation such as a construction loan, a line of credit or a bank statement which demonstrates the financial means to complete the project;

7. Affidavit - if using funds from a bank account, will need to provide an affidavit indicating the ability to pay for the work. The City currently estimates the rehabilitation exceeds \$50,000; and

Ms. Moermond is anticipating that the owners and/or their representatives will have had the opportunity to discuss this matter among themselves prior to the Legislative Hearing Tuesday, Feb 12, 2019 at 9:00 a.m. in Room 330 City Hall. The goal of the hearing on this date is to establish

1. whether the above conditions have been met; or

2. if they have not, under what conditions Ms. Moermond would ask the City Council to continue the matter in order that these plans can be developed.

FOLLOW-UP: I discussed the "Fire Inspection Code Compliance Notice" dated December 20, 2018 with the Building Official to determine if there was an assumed end use for the structure which was the basis for the inspection report's findings. The property was inspected as an A-2 Occupancy, consistent with its continued use as restaurant space. Plans would need to be brought forward, likely in the form of a professionally prepared Code Analysis, which would outline necessary changes for mercantile use. -Moermond 2/4/19

Laid Over to the Legislative Hearings due back on 2/12/2019

1:30 p.m. Hearings

Fire Certificates of Occupancy

- 6** [RLH FCO 19-15](#) Appeal of Brad Cheney to a Fire Inspection Correction Notice at 20 EXCHANGE STREET EAST.

Sponsors: Noecker

Laid Over to the Legislative Hearings due back on 2/5/2019

- 7** [RLH FCO 19-16](#) Appeal of Alan Roers (representing David Wetherill) to a Fire Inspection Correction Notice at 602 LAWSON AVENUE WEST.

Sponsors: Brendmoen

Laid Over to the Legislative Hearings due back on 2/12/2019