

City of Saint Paul

15 West Kellogg Blvd. Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

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Tuesday, July 16, 2019

9:00 AM

Room 330 City Hall & Court House

9:00 a.m. Hearings

Remove/Repair Orders

1 RLH RR 19-22

Ordering the rehabilitation or razing and removal of the structures at 1146 PAYNE AVENUE within fifteen (15) days after the August 14, 2019, City Council Public Hearing.

Sponsors: Busuri

Layover to August 13, 2019 Legislative Hearing for the following conditions to be met if owner intends to rehabilitate the structure:

- 1) post a \$5,000 performance deposit;
- 2) order a team inspection (to be conducted on July 18, 2019);
- 3) provide a work plan or sworn construction statement, including schedules for completing the work;
- submit bids from a general contractor and subcontractors;
- 5) provide documention on sufficient financing to do the rehabilitation (line of credit, construction loan, or personal bank account);
- 6) must provide an affidavit indicating the dedication of funds to be used for this project if funds are not project spcific;
- 7) the property must be maintained;

If owner wishes to remove the structure, they will need to have a licensed demolition contractor pull a permit with the City of St. Paul.

Bill Tipping, attorney at Larson king, representing Marathon petroleum and speedway Steve Morris, with Operations Speedway, representing Speedway Boyce Williams, from Marathon Petroleum but representing Speedway, real estate division

Jack Byers, Executive Director, from Payne-Phalen community council.

Staff report from Code Enforcement Manager Steve Magner: 1 story concrete block wood frame, commercial building on 12,632 square feet, vacant since Jan 6, 2018. April 17, 2019 inspection of the building was conducted and a list of deficiencies which constitute nuisance conditions were developed and photographs were taken. Order to abate nuisance building was posted on May 6, 2019 with a compliance date of June 5, 2019. As of this date the property remains in a condition which comprises a nuisance as defined by the legislative code. Taxation has palced an estimated market value of 116,400 on the land and \$239,600 on the building. Real estate taxes are current, vacant building registration fees have been paid by assessment on March 6, 2019. As

of July 15, 2019 a team inspection has not been performed, a \$5,000 performance deposit hasn't been posted. 11 SAs since 2018. 7 work orders for garbage, rubbage, securing, tall grass and weeds. Estimated cost of repair is to exceed \$50,000, with demolition starting around \$30,000. We have been informed by our Fire C of O that the tanks have been recently removed and disposed of properly under permit.

Ms. Moermond: it looks like Inspector Neis that says tanks were removed and intact and in good condition, and soil samples tested.

Mr. Magner: it looks like unless we hear different from MPCA it wouldn't be deemed dangerous or part of nuisance. July 11, 2019 from Payne-Phalen community council, board met on June 25 2019 and community input was taken and discussed by board, and they voted to support the city and recommended that the gas station be demolished and environmental cleanup. The board made a point of saying that future new development should not be auto related or contain a drive through from Jack Byers, ED.

Mr. Byers: the letter sums up the recommendation of the board to the city. When the board took this issue they were excited about the possibility because it's been a nuisance for a long time. There have been long months with chain link fences around the site, and it's a place that's a nuisance both in looks (graffiti included) and activity around the fence. The site is adjacent to the Arlington Hills community and rec center, so it doesn't feel safe to them. Payne Avenue as a whole is in a place where business owners are making investments to turn the community around, and this site in challenging for people who would want to invest.

Ms. Moermond: I'm curious Mr. Tipping, what is it that Marathon Speedway would like to do with this property and what is going on, is there foreclosure going on? What's happening with ownership?

Mr. Tipping: we're here because as the tenant we have the role and are the responsible party to respond to the situation. When this came to a head, we scheduled a compliance inspection, Thursday July 18 at 1:00. Representative from Marathon and Speedway, as well as myself, will meet Inspector Perucca. The goal is that this process keeps moving forward, so we know the nuisance and repairs so we can execute to get this done. This was the first instance; we asked to continue so we had that information and would be in better position to respond. Part of the ongoing discussion with the landlord is how much to clean up, demolish, move forward and we need financial information.

Ms. Moermond: it's really common to be at this point, so I'm not alarmed by where you're at, we need to get the conversation going and it's been publicly noticed.

Mr. Tipping: I would add that the storage tanks have been removed and as of this week there's been some landscaping work done as far as weeds, I have photographs. All those things are in play, we look forward to having a chance to meet with the inspector Thursday. Mr. Morris has indicated the graffiti has been removed as well.

Ms. Moermond: the "team" code compliance inspection will create a punch list of what's required to bring its back to its former use as a gas station/convenience store. That isn't necessarily the same list that got you to the list of being a nuisance or dangerous building. That gets you out of the vacant building program with the demolition hanging. The performance deposit is intended to ensure you get the job done, its returnable upon rehabilitation of the project with modest interest. It's typically

a 6month grant of time. I asked Ms. Vang to give you a graffiti waiver form.

Mr. Magner: if you sign the form we immediately send it to our contractor when there's a report of graffiti, and we paint it over and there is no charge to the property owner. City policy is to encourage immediately removal of graffiti.

Ms. Moermond: it should go without saying that you have a Public Hearing August 4, and if I am saying then that if the City had to go mow and pick up a mattress, it doesn't look good for your intentions on the property. Honestly the Council will read that just the way I said, that you don't care. When we have the vacant building code compliance in place and performance deposit in place, the next step is a plan for rehabilitation. A general contractor would prepare this for you, it would be how the code compliance will be addressed. Many make a sworn construction statement. We would be looking for that with some level of detail so that we know, for example, roof is repaired in September, rough in plumbing in October, so we have something we can follow up on. You're a large corporation but the amount of money that it's going to cost to do the fixes; we need to have a sense that the funds are set aside for this purpose. So right now the estimate prepared before was excess of \$50,000, but if it's going back to a gas station you need new tanks in the ground. If you can get it done for less, then I need documentation that it will be properly done for that amount of money. How you set that money aside, specific account or some sort of letter of credit for Realty Income Properties to do that work, I leave that to you. After today's hearing Ms. Vang will send a letter with all these details. What a lot of people like to do is to take all the info and have another conversation to look at those materials. If we've met those conditions I'm comfortable to give you the recommendation to get the time to fix the building.

Mr. Tipping: we're in discussions with the landlord about rehabilitation.

Ms. Moermond: ok, so that's what we're looking at if you want to rehabilitate the property. What we'll do a Legislative Hearing August 13, 2019.

Mr. Magner: if you decide to move forward with removal, and you are hiring your own contractor, we need to make sure the owner is signed off on it. If you as the tenant not to move forward with any development, my assumption is that the Council will pass a resolution to remove it, and our department will be charged with this and we charge those costs back to the property taxes, and the owner of the property pays the taxes and assessment. If you fail to do that it goes through the county to forfeiture to the state.

Ms. Moermond: the Council takes a vote August 14, if it were a demolition it would be at 15 day order.

Mr. Magner: so if they fail to take action then City steps in to take action.

Ms. Moermond: did the \$30,000 estimate include the tank removal?

Mr. Magner: no, that was only the above ground structure. This is a fairly easy demolition, the driving factor is that we have to restore the site to a pre-developable or developable site and there are multiple curb cuts. Most likely future development has to meet zoning requirements so there wouldn't be any curb cuts on Payne Avenue. It's possible but it would have to go through site plan review, any time there's a site with a curb cut they don't stay.

Ms. Moermond: the site is mostly concrete.

Mr. Magner: we would be taking everything from the site, so we would be putting in top soil and seed and erosion measures, and keeping the sidewalk.

Mr. Tipping: so our next conversation is August 14?

Ms. Moermond: yes, if you have your answer before that we don't need to have the hearing, but we would want to talk if things are incomplete so we can figure out an appropriate deadline.

Referred to the City Council due back on 8/14/2019

2 SR 19-59

Reviewing request of owner to have Council reconsider its Order to Remove or Repair the Structures at 888 MARYLAND AVENUE EAST.

Sponsors: Busuri

Layover to August 13, 2019 Legislative hearing for property owner to get more information from buyer.

Mr. Timothy Grande, attorney for appeals court action, appeared Mr. Lester Meltzer, owner, appeared Ashley Skarda, Zoning staff, appeared

Ms. Moermond: this is in the midst of an Appeals Court case. The Council issued a 15 day order. The contract for deed which was in place was cancelled, the 3 gentleman who had ideas for the sites redevelopment are out of the picture, and Council had decided there wasn't enough substance. Mr. Meltzer has asked for a delay due to contract for deed cancellation and a stay on the orders to remove, to get an opportunity to have a plan heard for the rehab of the site.

Staff report from Code Enforcement Manager Steve Magner: letter sent June 20, 2019 (attached to record) regarding this hearing and the conditions for rehabilitating property, outlining the conditions which Ms. Moermond requires for property rehabilitation. Code compliance condition has been met. New performance deposit posted yesterday, July 15, 2019. Supersedeas bond was posted, but ended up with City Attorney's office. Because of ongoing property maintenance problems, must continue to maintain the exterior, orders were issued May 15 for removal of a shopping cart on the property. June 4 was a tall grass and weed order. Because of these ongoing maintenance problems, a plan should be provided. A certificate of code compliance will be measured use in determining whether the building has been rehabilitated and the nuisance or dangerous conditions have been addressed.

Ms. Moermond: there was mention of May 15 and June 4 orders, have there been any orders since that time?

Mr. Magner: June 5 was the last one, tall grass and weeds, and the last time we sent out a letter.

Ms. Moermond: so that was a tall list and I think that work plan is going to take up most of our conversation. What have we got in our packet?

Mr. Grande: I'm skipping 1-3, those have been completed. Look at tab 9, those are the cancellation for contract for deed documents, they are filed. Title is with LH Meltzer,

LLC. That took time; the demo was issued during the 60 day waiting period. Starting first with the work plan and bids, items 5 and 6, and the inserts are identical because they contain the info sought. Sworn construction statement, the signed contract itself, is in page 2 from Closure Construction, Inc. Shows the cost they will do for the line item work, which is essentially same info as sworn construction statement. The schedule is current is on the 3rd page of the work schedule, shows work starting as of August 1, to be complete within 30 days of permits. As for financing, we address that in tab 7, the banker needs to appraise the property along with the sworn construction statement. The financing by Mr. Meltzer is on the last page of tab 7, the snapshot of effort to get financing. The work by Closure Construction will bring it back to code compliance, he's looking for a loan of \$80.000, some of those are soft costs for closing. Drake has been my lender for many years, we don't see any problem.

Mr. Magner: if he's taking out a loan of \$80.000, and putting \$32,000 into building, what are the soft costs? Reviewing your bid, it looks like he's simply doing the minimum items noted in team inspection. We're not addressing site improvements like parking lot or signage or landscaping. And I don't know if because of the preexisting use might have some problem with the way its set up. The elephant in the room is the drive through.

Ms. Moermond: when I'm seeing the work plan I'm not seeing any mention of its end use. There have been different proposed uses and they have different inspections. If a restaurant use is the end use, then the tenant would take over at some point for choosing fixtures for example. We've had situation where finishing has been painful because the tenant issues weren't in place. I'd like to see more than a blank box.

Mr. Meltzer: I have been contact by Minnesota Restaurant brokers who have offered \$250.000. They want to do it right now as a restaurant. It has a hood mechanism and refrigeration, and the drainage and necessities of a restaurant. I don't anticipate a long period of time. What they want from me is the clear probability of them going into it and making it back into a restaurant. I say that we're within striking distance on price.

Ms. Moermond: you anticipate a purchase agreement in the near future?

Mr. Meltzer: it will be an outright sale to a responsible party

Ms. Moermond: In your conversation with the Restaurant Brokers has there been a discussion about the drive through?

Mr. Meltzer: It hasn't been discussed. We've kept this at arm's length since there's no sense of surety until the City signs off.

Ms. Moermond: right, so I'm at this point where I feel like I have 80% of a plan, which is great. But it's not 100% in getting this functional as a restaurant again. We can work with you, there are things that might slow down if they want to have a drive through. I wanted to have Ms. Skarda talk about this so you have what zoning staff will look at and why. I'm willing to work with the kind of calendars, but this isn't going to be quick.

Ashley Skarda, City Zoning: I come into play when a building permit comes into play to do these activities. I look at the exterior as it relates to zoning, so if there's a change of use (something as small as fast food to normal restaurant), I look at whether you're redoing the parking lot or doing a patch. The more you redo the more the new zoning rules apply. A fast food use would have more steps. New drive throughs need a conditional use permits

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Ms. Moermond: how long does it take for the grandfathering to go away?

Ms. Skarda: a year on the vacant list.

Ms. Moermond: ok so it could have been able to go back, but now it goes back to its underlying zoning.

Ms. Skarda: conditional use permit would include a drive through, which would have issues with curb cuts w/in 60 feet of intersection or residential property. A regular restaurant there are less steps. If you just do a mill and overlay of the parking lot, its less steps.

Ms. Moermond: the deeper you dig the more regulations you trigger.

Mr. Magner: it's important for the perspective buyer to engage the zoning department right now with their plans. If they want a non-fast-food restaurant without a drive through, just patch the parking lot, and have you do the items that's one thing. If they want a fast-food restaurant again, because their "grandfathering" has ceased, they have to reestablish that use they go to the planning commission to get that. For your potential buyer to have a Taco Johns again, because of the time lapse, they have to go reestablish the use for the drive through. If they don't' want to have the drive through then we're more back to a simpler plan.

Ms. Moermond: so let's say they want the drive through and file with the planning commission. How long does that normally take?

Ms. Skarda: it does take a few months, 2-3 months. If you applied for zoning change today, the City has 60 days to make a decision.

Ms. Moermond: if we're doing a calendar we want to include into that this process, so were not saying it's done in 30 days when we know the finishing work for the drive through is included, and not set you up to fail.

Mr. Grande: so your goal is the property is up to its intended use

Ms. Moermond: I look for the certificate of occupancy. So that piece of it and who you choose to work with becomes part of the plan I give to Council to get the certificate issue.

Mr. Meltzer: so if I sell the property, as is, informing the new owner they have to go before planning commission, I can do that in good faith and sale can be made?

Ms. Moermond: I would ask your attorney what good faith is, you would be selling a building with an order to remove on it.

Mr. Meltzer: how do I get the order of demolition removed?

Ms. Moermond: that's what we're talking about today. I want to see a complete set of plans that will lead to a certificate of occupancy. You are responsible for a portion of those plans, we need to have the owner/occupier involved if that's the end use. I am supportive of trying to get this fixed up, giving zoning consideration and assumptions about the drive through, so you are the one having conversation with the potential buyer.

Mr. Meltzer: they contacted me with a buyer, it shouldn't take too long. I needed to know where we were with the City.

Ms. Moermond: right now it's stayed; we have even delayed action on appeals court findings to have this conversation.

Mr. Meltzer: I'll talk to broker today, and will have to meet with them and their attorney. Can my contractor start doing remediation of the property?

Ms. Moermond: I wouldn't do anything until Council passes a resolution giving a grant of time for rehabilitation.

Mr. Magner: for clarification, this meets most of the intent of the June 20, 2019 letter. The key part of this is the final use. Your final use is now selling to another party, and their ability to perform. That being said, the other party has to go to zoning and tell us what they're going to do. If this is 75% (the document they provided) we need the 25% of what they will do with the building. Once that is added the hearing officer will make a recommendation to Council about a grant of time, and then we can give permits to your contractor.

Mr. Grande: when the new buyer comes to zoning, does he need to have plans for construction?

Mr. Magner: if they're using the existing building, they would have the "as builts" and then make details as to what they're adding or changing. We need architectural drawings before building permit could be issued. The plans you have are for how to create the envelope; we need to know what's going inside the envelope.

Mr. Meltzer: I need to tell the buyer, he has to present to who?

Ms. Moermond: what I normally see happen is a purchase agreement with these contingencies and it wouldn't close until those are met.

Mr. Magner: the buyer needs to engage the Zoning department on what they want to do.

Ms. Moermond: layover to August 13, and if you could bring the buyers that day that would be great. At the very least have plans from them.

Laid Over to the Legislative Hearings due back on 8/13/2019

11:00 a.m. Hearings

RLH SAO 18-56

Summary Abatement Orders

Making finding on the appealed nuisance abatement ordered for 1122 JACKSON STREET in Council File RLH SAO 18-47.

Sponsors: Brendmoen

Nuisance is not abated.

No one appeared

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Ms. Moermond: I emailed Mr. Magner, copying Ms. Wiese and Steve Ubl about this, the Summary Abatement on the accessory structures was issued last June. It was appealed and had a long process on whether the nuisance had been abated. The determination would be whether they could pull a building permit. Unfortunately giving the size of the structures, they were inaccurately informed they didn't need a building permit, in spite of issues. The thinking was that we would ask the Council to make a finding that the nuisance was not abated, and they would ask you to issue fresh orders.

Code Enforcement Manager Steve Magner: I spoke with Steve Ubl this morning, he identified the main concerns his staff sees. I'm going to work with my staff to re-issue a summary abatement to remove said structures or bring a structure into compliance. The problem I see is that we have too many accessory structures on the parcel, we have them within the setbacks, and the owner would be required since they are permanent. Then they have to meet the intent of the building code and we have to have some sort of engineering defining these, and need to have the trade permits for those utilities that have been installed in these structures. I don't know if owner is able to accomplish this. Quite frankly, because of the scope of this, I think we need to have a site plan.

Ms. Moermond: would the removal of these structures exceed \$5,000?

Mr. Magner: I don't think so, based on what's there. I have seen these from the road but not up close, I think they could all be disassembled using conventional methods and put into a dumpster. Our cost would be under that if we hired a contractor to do this.

Ms. Moermond: This goes to Council next Wednesday, July 24, 2019; you can issue orders before then. I'll let Patrick Kelly, attorney, know.

Referred to the City Council due back on 7/24/2019

1:30 p.m. Hearings

Fire Certificates of Occupancy

4 RLH FCO 19-72

Appeal of Elizabeth Kortz to a Fire Certificate of Occupancy Approval with Corrections at 845 ORANGE AVENUE WEST.

Sponsors: Brendmoen

Give extention for compliance until August 16, 2019.

Elizabeth Kortz, owner, appeared

Staff Report by Supervisor Leanna Shaff: Fire C of O inspection by Inspector Efrayn Franquiz approved April 19, 2019, front steps and garage need to be repaired. Originally he gave a compliance date of June 26, 2019, but Ms. Kortz contacted him and asked for additional time, June 12 letter gave extension to July 19th. In talking to inspector Franquiz, he was looking to make sure we got compliance yet this summer, a lot of time we don't because the season is so short, we have no issues if it's done by end of month.

Ms. Moermond: you have an A grade property and a contractor hired. Where are things

at with him?

Ms. Kortz: I'm pretty sure he will be finished, but I contacted and had asked for the end of the July, and he only gave until the 19th, which I get, but the contractor came on Tuesday and midway through, he had to stop because of rain, and it's been that kind of a year, for painting you don't want it to rain. When he gave me only 4 extra days beyond when the contractor thought he could finish I was nervous. I asked what happens if then he comes out and it's not finished, and then he didn't want to work with me, so thought for my own well-being and to avoid concern I wanted to have all bases covered. I called Friday and said I was pretty sure it's going to be done, but the days the contractors been out there's been a lot of rain. I don't want a hurry job done, I want it done properly. I had contractor issues in June, and another backed out. Last time the inspector came out he found something else I needed to fix, I felt like Mr. Franquiz wasn't working with me. Everything is done except for one project, they will be done Friday, and someone is out there today.

Ms. Moermond: when you file an appeal the inspection is on hold. You seem to be telling me two different things, that you'll be done on Friday and that you've had weather and contractor issues. When my office received the appeal it was scheduled 2 weeks out, which is a generous length of time. What I need to do is figure out a way to close this. When Inspector Franquiz is asked to approve an extension, is a month a standard length of time?

Ms. Shaff: yes, especially during the summer, when the season is so short, because we want to make sure progress is being done.

Ms. Moermond: this is how anyone would be treated in this circumstance?

Ms. Shaff: yes, pretty common.

Ms. Moermond: there's the painting and front steps. Are those cement or wood?

Ms. Kortz: cement and they are done. I'm just waiting for the garage.

Ms. Moermond: this goes in front of Council August 7, and I will recommend you have a deadline through August 16 to complete the work. The inspector will send you a letter and let you know when he is coming by, on or after August 16. If you have it done before then, great, and we will close the book on it. You have a cushion now.

Ms. Kortz: my fear is he would come back and find something else and l'd have reached the end of the time frame.

Ms. Moermond: I think we have a solution. We have a cushion of time.

Ms. Shaff: you don't have to be there for the inspection.

Referred to the City Council due back on 8/7/2019

2:30 p.m. Hearings

Vacant Building Registrations

5 RLH SAO 19-38 Appeal of Rick VanWert, on behalf of Craig Johnson, to a Summary

Abatement Order at 270 EARL STREET.

Sponsors: Prince

Deny the appeal.

Rick VanWert, renter of property, appeared

Staff report from Matt Dornfeld: February 1, 2019 Inspector Friel notes: 1.5 wood frame single family rental house that may be partly occupied. Inspector Singerhouse and SPPD staff inspected, Inspector Thomas revoked C of O. Peeling paint and number of deficiencies documented. Cat 2 Vacant building per Certificate of Occupancy revocation. Moving forward May 28, 2019 Friel said house appeared occupied but no answer at door, lights on and vehicles on premises. July 3, inspected with Officer Hanson and found one male Rick, said he lived there with 2 other people. He was told the Certificate of Occupancy was revoked and can't be legally occupied until it has a Code compliance inspection and a Summary Abatement was issued.

Supervisor Leanna Shaff: inspection process started in August 15, 2018, no entry on August 29, and September 20, 2018. Orders written October 11, December 4, 2018 and pending revocation December 28, 2018, January 17, 2019 and finally revoked January 31, 2019.

Ms. Moermond: did the inspector get in?

Ms. Shaff: yes, he did. October 11, 2018, there are orders, there are 9 deficiencies front door latch, kitchen ceiling, kitchen floor, throughout the house damage to wall coverings, extension cords, chipped exterior paint, window screens. Nothing big, just long term non-compliance.

Ms. Moermond: were you living there Mr. VanWert?

Mr. VanWert: yes. I'm not really an agent, I'm his...he's really sick and can't walk well. I'm here on his behalf. He's my landlord and I'm the tenant. He hasn't had anyone to help him with the compliance. I like where I live so I am helping as much as I can.

Ms. Moermond: so what's going on, why isn't he here?

Mr. VanWert: he had double hip surgery years ago, and he can't walk, he has to use a walker, and that's a lot of the reason why there's no compliance

Ms. Shaff: Mr. Johnson has been quite antagonist toward the department, refusing to meet with the inspector, refusing his mail and returning the envelopes with rude comments. He refuses to cooperate. Most of this is, he may be in bed, but he refuses to do work.

Mr. VanWert: he is a cranky old man. I'm here to try, he doesn't have anyone else to help, I was the last to know, I saw the vacant building sign on there and I knew I wasn't supposed to be there, he took them off and said everything was ok. We've had work done; the work she mentioned has been done. He just doesn't want to comply with anyone. They used to send me mail and then they quit sending it to me, so I don't know when people are there. I work during the day and there's no one there to let the inspector in. The fire inspector is right, he's cranky.

Ms. Shaff: he sends mail back as "refused".

Ms. Moermond: you are living and paying rent on a house without a C of O and in the Vacant Building program. This isn't' because the City told you you could do, this is something Mr. Johnson has set up. You're in this place; it was sent 6 months ago, he's not taking responsibility for basic repairs. There's little the City can do besides revoke the C of O. You wrote you're an agent of the owner, but I don't have information from the Fire C of O program that you're actually the property manager. I'm not hearing that's the case.

Mr. VanWert: he has told me I'm the caretaker.

Ms. Moermond: there's paperwork to fill out to make that legal. I'm hearing at least 7 times he's ignored this. I don't know what else to do besides tell you that you need to find somewhere else to move. I think you may need legal representation, you have been relying on this situation, I don't know if you're a squatter, I don't think you are but I don't have an owner or representative sitting here.

Mr. VanWert: he wants me to pay the fines; he's given me a signed check to pay for the assessment.

Ms. Moermond: that doesn't mean you can live there. He had an opportunity to appeal the Fire C of O Orders, and many opportunities since. Now here we are in July, and the inspector is saying someone's living in this registered vacant building. The ship is sailed on this. I would like to see him play ball and fix this up, but I'm not seeing him being willing to be part of that conversation. In most cases like yours, with an owner sitting here, saying they will get it done, but I don't have that here.

Mr. VanWert: I'm in between a rock and a hard spot. I can bring him up here, but it's going to ruin everyone's day.

Ms. Moermond: that's the point, he's not wanting to do this, he wants to be difficult. That's fine, he can do that, but until he fixes those repairs he can't use this as a rental property.

Mr. VanWert: the interior repairs are done, just outside peeling paint done. Tiling, interior paint, baseboards, are all taken care of. I did it, he was in the hospital for 30 days, he had a mild stroke. Not 6 months, but there were times when the inspector was there and left his card and couldn't get in.

Ms. Moermond: I don't want to put you out, but I don't have any tools with the owner. If he did show up and make an effort, but I'm not seeing he wants to do that, he likes the fight. The order being appealed today is the summary abatement, saying this property needs to be boarded and secured. Deny appeal, it will go on the council agenda. I would like you to have time to find another living situation. You may want to call SMRLS. In terms of Mr. Johnson's obligation to you, you should have a representative giving you advice. Council will consider this August 7, and deny appeal.

Mr. VanWert: when I go talk to Mr. Johnson, he has to show interest in saving the property?

Ms. Moermond: for me that ship has kind of sailed, 6 months have passed since enforcement actions have taken. Right now he has to deal with the Vacant building program, the fee, and schedule an inspection.

Referred to the City Council due back on 8/7/2019

6 RLH VBR 19-44

Appeal of Evan Bibbee/Claire Bibbee to a Vacant Building Registration Notice at 1060 MATILDA STREET.

Sponsors: Brendmoen

Waive Vacant Building fee for 90 days. Cat 2 has been changed to Cat 1.

Evan Bibbee, co-owner, appeared. Claire Bibbee, co-owner, appeared.

Staff report from Supervisor Leanna Shaff: September 1, 2018, it was recommended to Council that they have until June 1, 2019 to complete items 1,5, 6 and 7 exterior items. The inspection was conducted by Inspector Efrayn Franquiz, on June 5, 2019 no one showed for the inspection. Tenant wasn't informed of the re-inspection and phone numbers weren't good. He emailed the owner, can't secure financing to correct deficiencies and will be selling the property by the end of the month. We suggested he refer to VB program for noncompliance with Council's resolution. Had a temporary certificate until June 1, 2019.

Supervisor Matt Dornfeld: Cat 2 VB because of that referral

Mr. Bibbee: we sent a certified letter on May 26th, informing Inspector Franquiz and it was signed for on May 31, because when he send me an email asking where I was for the re-inspection, I was in DC for a professional conference between 24th and the end of the week. I responded to his email right away. I sent the certified letter because last fall when we had the re-inspection, that were not granted the appeal, I had planned for a given day and got a substitute teacher and I was up here all day, and no inspector came, and then the next day Franquiz phone and asked me where I was, I told him I wsa there all day yesterday and he said "you did not get the notice that the inspection was occurring today?", and 2 days later I received a letter postmarked the day of the reinspection, notice of the reinspection date. There's been communication issues with emails too, one from last fall went for almost 2 months without a response. I sent the registered letter so I knew it was received. We refunded a month of rent to them, since we aren't keeping it. It just seems like for whatever reason we get notice the next day, but I was there the other day mowing the lawn and people had mattresses and used dressers on the right of way and I feel like maybe it's our fault that we got on the radar, we really took the only sort of honest course of action we could take which was finding a purchaser and making it right.

Ms. Moermond: you have a purchase agreement in your appeal.

Mr. Bibbee: we close July 31, 2019. It was sold to Homevestors, Accord Realty, they have done a lot of houses in the area. I'm not sure what the long term plans are, they usually improve and sell as single family homes. They are planning and removing the furnace, and bid for the roof. All together for us it was upward of 40k, we just couldn't' handle that. This was our best course of action. I don't know what we can actually appeal. It is vacant, but it's not abandoned and it's not neglected. The last notice tall grass and weeds dated June 28th. We did it immediately; we've truly tried to do what the feasible course of action to make this a better home. It used to be our home and we loved living in it. It's sad to see what tenants do, when we moved from the cities this was our only choice. Even though we complied with getting renters out in time, this got piled on too.

Ms. Moermond: you're looking at the Vacant building fee and walking into the closing.

Ms. Bibbee: we had a notice of vacancy, we thought they were staying until the end of July, but we moved them out June 28. Now we have this VB fee.

Mr. Bibbee: We close end of the month.

Ms. Moermond: I'm thinking Homevestors is going to work quickly. They're going to want to move more quickly than not. If I did a 90 day waiver on this fee that would mean if the building comes into compliance w/in 90 days we can get you out of the program.

Mr. Dornfeld: we would have to drop them back to VB 1, to avoid code compliance issues

Mr. Bibbee: we don't want to make it so they can't get permits.

Ms. Moermond: I'm thinking we can change it back to Cat 1, and have these issues addressed within that time period. All I'm seeing is building exterior repairs. Let's do a 90 day fee waiver and change to Cat 1. If the C of O is reinstated w/in that time the VB fee will be deleted.

Mr. Bibbee: that would essentially once they do that exterior work? They want to renovate and sell, not use as a rental, from my understanding. They want to demolish the garage so it may not be renovated.

Referred to the City Council due back on 8/14/2019

7 RLH VBR 19-42

Appeal of Robert F. Bier to a Vacant Building Registration Notice at 174 PAGE STREET WEST.

Sponsors: Noecker

Deny the Appeal

Mr. Bier, owner, appeared

Supervisor Matt Dornfeld staff report: So, 174 Page goes back to August 28, 2018. I opened a Cat 1 Vacant Building file due to a fire in the home and house was condemned. House was in a hoarded state. Spoke with the property owner, we held the vacant building fee, and gave him 90 days to get moving and make some repairs, and he got slowed so that didn't happen. Then I made a mistake and closed the wrong file, and accidentally closed the file in Febreuary 2019. I was made aware of my error on May 29, 2019 by Supervisor Westenhoffer, who we received a complaint a no gas complaint from Xcel. He went out and found it in similar to worse conditions than what I left it in. After that I reopened the file and issued a summary abatement to property owner to clean up and it's now a Cat 2 with numerous code violations.

Mr. Bier: it's a catch 22, I wind up working part time to get dumpsters, but then I can't work on the house to fill the dumpsters because I'm working.

Ms. Moermond: talk to House Calls, you may qualify for free dumpsters. You have the gas off and you had a fire?

Mr. Bier: small fire, more smoke damage than fire. I'm staying at friend's house. In order for me to get permits, I have to have the inspection but I can't fix the outside

without an inspection, but I can't get a permit because I haven't got the house cleaned out. The outside of the house needs work, I'd love to start and I can't, because I can't get a permit. And I don't want to get myself in deeper.

Mr. Dornfeld: What do you want it to become?

Mr. Beir: I would like it to be an owner occupied house again. It's been in my family since 1937. It has memories, and it's a charming house when it's clean. I want to get back in; I am totally at a loss for what timetables are placed on me for finishing and doing. I know nothing can happen until I get the inside cleaned out.

Mr. Dornfeld: I think you should hire Restoration Professionals, it would be done and over with rather than him doing himself, it's an enormous project, you may get it done but it will take a long time.

Mr. Bier: now that I'm not working I can devote time being there. My issues with \$2,100 going to VB fee, that's 5 dumpsters, which means I can't afford a dumpster for a couple months again.

Ms. Moermond: Let the VB fee go to assessment, then it goes to property taxes. If you go to assessment and appeal it, I can make it payable over 5 years. So, right now we can set it up so you can let it go to assessment, I'm not going to worry about doing a waiver. In a couple months you'll get a letter about the proposed assessment, appeal it and we can divide over 5 years. I can also prorate if you are out of the VB program. I would love if you can connect with House calls and Lauren Lightner. They also have Restoration Professionals to help do cleanup services. They also have housekeeping services, they could help you connect with people who specialize in your circumstance. Then you can get to a point where you can have that inspection.

Mr. Dornfeld: clean it out, and get the Code compliance inspection done, and then you get done whatever you want first. Make sure you keep the grass cut, and put interior into a dumpster.

Referred to the City Council due back on 8/14/2019

8 RLH VBR 19-43

Appeal of Abraham Gleeson to a Vacant Building Registration Fee Warning Letter plus Summary Abatement Order at 65-67 WINIFRED STREET WEST.

Sponsors: Noecker

Deny the appeal on the VB fee, revert to a Cat 1 and allow permits to be pulled. Grant the summary abatement order as the nuisance has been addressed.

Mr. Abraham Gleeson, owner, appeared

Staff report by Matt Dornfeld: Made a Cat 2 Vacant Building on March 18, 2019, by Inspector Kalis per a code enforcement referral. The complaint to code was house was in disrepair and vacant but house may be occupied. Owner is deceased but proof of brother living in garage. Steve Magner and Reid Soley got involved and spoke with Mr. Gleeson the new property owner.

Mr. Gleeson: I never had any contact.

Mr. Dornfeld: they changed the file to a Cat 1, waived the fee for 90 days to allow the

new property owner to make repairs, and move back in. As of July 1, the 90 days had passed, the VB fee came due and there was work being done. Since it was unknown whether permits need to be pulled Mr. Seeger has issued a stop work order. We upgraded it back to Cat 2 on July 1, 2019 and VB fee is now due. I issued a summary abatement for tall grass and weeds in yard, and I spoke with Mr. Gleeson on the phone and explained the process and advised him to file the appeal.

Ms. Moermond: who was the inspector who did the 90 day waiver?

Mr. Dornfeld: Steve Magner

Mr. Gleeson: I do have some photos, its zoned commercial, it was an old butcher shop. I work in real estate and stumbled upon this 3 months ago, so I've owned it less than 3 months, and liked the features and wood floors, porcelain tubs. It was a restoration passion project for me. I've been working from inside out, the exterior needs some love. I'd be happy to share the photos of the inside I sent them to Councilmembers Prince and Noecker, also letters from the neighbors. I am behind schedule, when I would call DSI their response was that I wasn't under a timeline.

Mr. Dornfeld: there's no timeline on the code compliance inspection.

Mr. Gleeson: The first thing I've gotten from the city was this. I'm 75% done. I'd like to turn the butcher shop into a business again. I don't plan to do the bare minimum, I want it running properly. I have four active permits on 67 Winifred. I can't pull anything for 65 Winifred. I want an extension.

Mr. Dornfeld: building and plumbing permits pulled at 67 Winifred. Nothing at 65.

Mr. Gleeson: I'm not a seasoned real estate investor; I do about 1 a year, as a passion project.

Ms. Moermond: what's the anniversary date on this one?

Mr. Dornfeld: March 18, 2019.

Mr. Gleeson: I closed less than 90 days ago. I bought it fully furnished, so I had a month to clean it out.

Mr. Dornfeld: when do you think you'd be done?

Mr. Gleeson: I have a baby coming any day. 60-90 days.

Ms. Moermond: it shouldn't have been made a Category 1 in my view, the property was condemned and ordered vacated. The code says they are automatically Category 2, that it got waived it is to your advantage, I don't think it should have happened. Again, I don't know where the conversations happened. You're half way in, if you're in earnest and pulling permits, I'm going to be in it with you, and not force the issue to get a Code compliance inspection. That being said what's going on in 65 that's causing the inspector to be concerned?

Mr. Gleeson: the gentleman's brother was living in it.

Mr. Dornfeld: the red tag was a referral to make sure work without permit wasn't taking place. Mr. Seeger's response is: July 3, 2019 he issued a stop work order. That's all

the notes say, at 65. So in speculation, I think he just put that in under the assumption that there's a possibility of work taking place at 65 and wanted to see permits pulled or an appeal happen.

Ms. Moermond: I'm not looking at what was submitted for the building permit for 67 building. So obviously it covered a few things.

Mr. Dornfeld: the July 9 and 10 (orders) I believe were issued in error. There is a general building and plumbing for 67. Those were issued last week. They are tied by the same PIN number, but they issued them for 67 but not for 65.

Mr. Gleeson: butcher shop itself dates back to 1885. They share a boiler and a water heater, the rest of utilities are separate.

Ms. Moermond: I can't look at charm as a consideration. The most useful thing I can do is square away what we're doing with permits and we are 4 months into a 12 month billable year on the VB fee. I would look at prorating the fee, not eliminating. I would say let this go to assessment, you can pull permits in spite of the nonpayment of the fee, if you can get out the VB building program by 6 months of anniversary date I'll cut in half. Having been a condemned building, by rights I should say you need a code compliance inspection, but you already have permits, so you need to get an electrical and mechanical still. I think I will deny the appeal on waiving the fee, let it go to assessment and prorate it. Don't pay it at all. You'll get a letter saying it's a proposed assessment in a couple months. Appeal that and say I got out of the VB fee in 6 months please cut in half, and I'll say yes. So it would begin to accrue interest at 4% once its assessment. This isn't a financial crisis. I want to find out from Mr. Seeger or Mr. Ubl to see what's going on with the permits for 65.

Mr. Dornfeld: I think we need to change it back to Cat 1. Then he can pull permits on both units until Sept 19th, 2019.

Ms. Moermond: let me send an email to the supervisor to say all 4 trades permits need to be pulled an finaled, we'll use that instead of a code compliance inspection.

Referred to the City Council due back on 8/14/2019