



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
Joanna Zimny, Executive Assistant
legislativehearings@ci.stpaul.mn.us
651-266-8585

Tuesday, October 13, 2020

9:00 AM

Via Telephone

9:00 a.m. Hearings

Remove/Repair Orders

- 1 [RLH RR 20-31](#) Ordering the rehabilitation or razing and removal of the structures at 1033 GALTIER STREET within fifteen (15) days after the September 23, 2020, City Council Public Hearing. (To refer back to October 13, 2020 Legislative Hearing and Public Hearing continued to November 4, 2020)

Sponsors: Brendmoen

Layover to LH October 27, 9 am (no representative was able to be reached for the hearing).

No one appeared

Moermond: the Public Hearing is scheduled for November 18, 2 weeks from now makes it October 27, we will keep that Public Hearing date. Recommend a 2-week layover.

Staff report by Supervisor Steve Magner: I would like to read our updated summary into the record. The building is a two-story, wood frame, duplex with a detached two-stall garage on a lot of 5,227 square feet. According to our files, it has been a vacant building since September 10, 2015. Findings of Fact, Conclusions of Law, Order for Judgment and Judgment filed and recorded with the Ramsey County Recorder's Office on July 21, 2020 finds Philip S. Schloss as the fee owner of the property subject to a mortgage interest on the property by Deutsche Bank, NA. Ramsey County property records still indicate HSBC Mortgage Corporation as the owner of the property which is invalid according to the Order for Judgment. A Vacant Building Registration Form was received by the Department of Safety and Inspections on September 11, 2020 indicating Mr. Cooper holds a mortgage interest on the property and Xome Field Services as the responsible party. To date, an Assignment of Mortgage has not been filed with the Ramsey County Recorder's Office.

Moermond: who is Cooper?

Magner: Mr. Cooper is a mortgage business. It is not a person; it is a company.

Moermond: we did have some back and forth communication Flyckt who represented

Deutsche bank in a foreclosure action, so to have clarification that is helpful.

Magner: we renoticed this hearing at the request of a number of people, including Mr. Flyckt. This went to Philip Schlosler in Nevada, Mr. Cooper in Louisville, TX and Xome Field services in Austin TX. We also sent this certified, and we have those receipts.

Moermond: and those are the two names on the vacant building registration. They were listed and notified by certified mail. This was originally scheduled August 25, council public hearing September 23 and based on the City's interest in making sure all interested parties have received noticed, it was renoticed to occur today. So this is round two.

Magner: and for the record, since Mr. Flyckt was emphatic that Deutsche bank was the owner, and we failed to notice them. So that's one of the renotice reasons. We went certified mail to the address he gave us at 2000 Avenue of the stars, and that was returned on September 28, 2020. It said return to sender not deliverable. Originally sent September 11, and returned and stamped in by our office September 28

Moermond: so a thorough notification process on this. A two-week layover shouldn't affect anything.

Magner: a Jamie Barrett signed for Xome field services on September 19, and Jeffery Kobow signed for Mr. Cooper. Both signed for the certified mail. I think we've tried to go well beyond the letter of the law as far as notification, but as usual we are trying to locate every avenue we can. The rest of the summary is the same, no performance deposit or code compliance and 39 work orders, repairs to exceed \$100,000. No one is maintaining this property.

[Adam Soczynski, attorney, was called at 10:03 am October 13, Voicemail left saying we're continuing it 2 weeks and assume you'd like a call at that time. We'll copy you in the correspondence as well]

Laid Over to the Legislative Hearings due back on 10/27/2020

2 [RLH RR 20-33](#)

Ordering the rehabilitation or razing and removal of the structures at 1023 JESSIE STREET within fifteen (15) days after the October 21, 2020, City Council Public Hearing.

Sponsors: Brendmoen

By close of business Tuesday, October 20 PO to submit updated affidavit including Securian funds and proof of ability to withdraw from Securian account, if provided will recommend 180 for rehabilitation of the structure.

Rosalind Costilla and David Rocha, owners, appeared via phone

Moermond: I got the materials you sent, I looked at them as well as Mr. Steve Magner, you really do have things together nicely, just a couple follow up questions and we're ready to put this to bed. We have two different sets of bids, one from Richfield construction, and one from a variety of contractors. Richfield around 82k, new ones around 75. Which plan are you going with?

Roche: not with Richfield. When I called him up a couple weeks ago to let him know we're moving forward, he said "he was passing because Reid Soley told him we weren't

allowed to rehab the place". He didn't want to wait for the new code compliance, the old one was for a duplex. So we have Prime Time, he is sending us tomorrow a bid for exactly how much it will cost. We have an approximation from him now.

Moermond: looking at the Prime Time stuff, I found the electrical was around \$19,100, heating \$12,000, plumbing \$15,000-\$17,000, and then it looked like about \$30,000 total.

Roche: that's correct.

Moermond: so that's about \$75,000. I'm going to ask Mr. Magner, it sounds like Richfield may have had the wrong end of the stick in talking to Mr. Soley. Do you know anything about that?

Magner: I am not privy to the conversation, but Richfield would have been told we generally don't issue permits until a grant of time was approved, and if it was prior to the most recent code compliance being done, we can't issue.

Moermond: it sounds like the new bids are more affordable, so if that's what you're going with, I am satisfied, we'll just need the updated last one. The other consideration was the Securian money being used to fund half the work, and as part of a retirement account, I just need some evidence it can be liquidated. Some don't have that ability for this kind of thing, others do. It should be straightforward to go to their website or talk to your financial advisor, that says you can take out a loan on it, that would be enough for me to say that it is ok to use that money and not liquidate it until 2021 because of your tax interest. Would you be willing to do that?

Roche: the \$50,000 is a disbursement from my 401k. The second comes after the first of the year, as you know I want to stay within a certain tax bracket.

Moermond: so you are retired?

Roche: I am not.

Moermond: but you're taking disbursement.

Roche: if you look at the photocopy I sent you it says I'm 100 percent vested, so I can ask for withdrawals whenever I want to do that.

Moermond: ok. I can see the column that says that. I understand that, is there some sort of a statement that says because you're 100 vested you can do the withdrawal? Does that make sense? That's all I need is that documentation.

Roche: even if I have done the withdrawal already? For the \$50,000? Beginning of next year I will withdraw whatever I need to finish the job. I've already withdrawn money.

Magner: maybe we just get an updated bank statement with the withdrawal showing that, and then it would help?

Moermond: yes, right now we need to see the money is available, it sounds like it is, the affidavit of available funds only referenced the credit union money, not the Securian money, so we don't have that balance among our paperwork. You have your affidavit, if you could just, edit that so it also reflects the Securian money. We're ready to button this up, we just need to get that documented for our records. You guys look

like you're ready to go, I don't see any problems. Just this housekeeping. Can you get those revised documents and account statement showing the \$50,000 by the end of the week?

Roche: I think we probably can do that. Things have been slow with Securian due to Covid, so I'm not sure.

Moermond: have this to be my close of business next Tuesday, on Wednesday your Public Hearing day, October 21, I'll ask them to give you the 180 days for the rehab. If there's an issue and it is delayed, I'll just ask them to continue it for another week so you can get that in. this is pretty low level, you've gotten the big hurdles done. Do you have any questions? You'll get a letter confirming this as well.

Roche: how does that work with the council meeting? Are we going to have to be involved?

Moermond: good question. You don't need to testify unless you want to object to what I'm recommending. My intention is to recommend what you're looking for, so it should go through without the council even discussing it. As soon as these details are nailed down, I will recommend 180 days. If it goes off the rails, you can address the Council directly, I don't foresee you will need to because you're getting what you're looking for.

Referred to the City Council due back on 10/21/2020

3 RLH RR 19-30

Ordering the rehabilitation or razing and removal of the structures at 1904 PRINCETON AVENUE within fifteen (15) days after the December 18, 2019 City Council public hearing. (To be referred back to Legislative Hearing on July 28, 2020)

Sponsors: Tolbert

Recommend removal of the structure within 15 days with no option to repair.

Steve Anderson, attorney, appeared via phone

Supervisor Steve Magner: letter sent August 28 to Steve Anderson regarding the repair or removal of this property, August 25 at the Legislative Hearing Marcia Moermond recommend continuing the matter to October 13 via phone. The code compliance must be completed or Ms. Moermond will recommend removal of the building. Please contact Joe Yannarelli to confirm the property was cleaned out by the week of October 5. I'm unaware of any conversations about it being cleaned out, nor any code compliance.

Moermond: and then some scheduling we dealt with, an email from Ms. Zimny. Here we are now talking about the cleanout and code compliance. Mr. Anderson, what's going on?

Anderson: I have not been in the house since end of August, due to the hospital. I have communicated with her, and my estimation is it is not cleaned out. I talked to her last week, and she indicated that she had tried to remove things, she had done some, but she didn't stay on plan. Some of that I will take credit for having not been able to go over there, she's not on plan though. I told her I would talk to her right after this hearing, and she may want to re-up the efforts. She's behind.

Moermond: I have been at this since July of last year. We've been trying super hard to

get this under control. November 26, 2019 was my first Legislative Hearing. We're coming up on a year. We don't even have the house cleaned out, nevertheless inspected. I'm sending this to Council November 4 and asking them to issue an order for removal within 15 days. You can address the Council; we just need to know you want to and how to reach you. They meet at 3:30 that day, traditionally they will take 5 minutes worth of testimony, more than one person on the line is fine. I would say, what you already know, the most persuasive there needs to be a lot of forward movement, but I have nothing to "hang my hat on" right now. That's going to be my recommendation. We'll confirm this in writing as well. It isn't cleaned out, we don't have any timeline that has been kept, we've continued this numerous times on promises and plans that have fallen through.

Anderson: I know the husband was working on financing prior to me getting sick. So we may have an update there.

Moermond: if the Council sends it back to work on more, that's fine, but right now I have nothing to share and I've gone as far as I can with it.

Anderson: in the event the next couple weeks I get some evidence of compliance, do I send it to you or wait to the 4th?

Moermond: send it as soon as you can so we can attach to the record so the Council can view it ahead of time.

Referred to the City Council due back on 11/4/2020

- 4 [RLH RR 20-24](#) Ordering the rehabilitation or razing and removal of the structures at 657 SHERBURNE AVENUE within fifteen (15) days after the July 8, 2020 City Council public hearing.

Sponsors: Thao

Layover to LH October 27, 2020 at 9 am. PO to submit signed and detailed bids, including contractor and subcontractor bids, and an affidavit by close of business October 26, 2020.

Achoyea Tea, owner, appeared via phone

Supervisor Steve Magner: letter sent September 10, confirming September 8 at the legislative hearing, Marcia Moermond recommending continuing the matter to October 13, at this hearing. Property owner must submit evidence of financial documentation of \$100,00 to rehab, submit preliminary work plan and bids and maintain the property.

Moermond: have any of those conditions been met?

Tea: I dropped it off last night. At the office.

Moermond: what office?

Tea: Jackson Street.

Moermond: it should be coming to our office. What did you leave them?

Tea: the bank statement and the plans. They said drop off over there.

Magner: I'm getting something from Reid, I'll have him send it to you, but I will it quickly. From RIE Constriction Inc., an estimate to Ms. Tea per code compliance from August 24 for a cost of \$17,500. This is unsigned, and not dated, and required half payment down to start. There is a statement from Think Mutual Bank for Ms. Tea and it is dated September 30, 2020 for an account that shows a balance of \$58,121.96. I'll have Reid scan and send to us.

Moermond: what kind of detail is there in the bid?

Magner: negative. Everything I have read is the bid.

Moermond: my concern is the bid is very different than what the estimate by City staff is to do the work on the property. When that's the case I look for a much higher level of detail from the contractor. City is exceeding this to cost more than \$100,000, this is less than one fifth that estimate. I need a lot of proof you can do that for that amount of money. Perhaps RIE can provide that, but we'd need to see a detailed bid from them and their subcontractors to show that. The bid isn't signed or dated by you or them, that also needs to be done. That's the next step you have.

Tea: tell them to?

Moermond: that is an extremely low bid, my concern is that the work isn't going to be completed for that amount and I need to show in detail how they can accomplish the fixes for that \$17,500. It is extremely low. I'm concerned about it being accurate.

Magner: my main concern is there is no detail, one sentence that says it can be fixed for that amount. In these situations, especially coming from a general we need subcontractor bids indicating who is doing what and what they're doing. There needs to be more.

Moermond: so Ms. Tea, we will send you a letter confirming what we're looking for here, and I'd like to have that detail filled in from you by October 26, 2020. You need to deliver those materials to City Hall. We'll have specific information in our letter. I'd like to put this in front of Council November 18. Legislative Hearing October 27.

Laid Over to the Legislative Hearings due back on 10/27/2020

5 [RLH RR 20-32](#)

Ordering the rehabilitation or razing and removal of the structures at 901 YORK AVENUE within fifteen (15) days after the October 7, 2020, City Council Public Hearing. (To be referred back to October 13 Legislative Hearing)

Sponsors: Yang

Layover to LH November 10, 2020 at 9 am. PO to install lock box on property by Friday, October 16, 2020, and provide bids and evidence of financing by close of business Friday, November 6, 2020 for consideration at Legislative Hearing November 10.

Scott Redinger, owner, appeared

Supervisor Steve Magner: a letter was sent dated September 11, 2020 to confirm at the September 8 hearing you recommended referring the matter back to Legislative Hearing on October 13 for further discussion. Should you wish to rehabilitate the property you must apply for a code compliance by Friday, September 11, post a

\$5,000 performance deposit by September 30, and maintain the property.

Moermond: we did get the code compliance application and performance deposit posted. First thing we need to cover is getting the code compliance inspection done. Right now an application has been made, but not conducted. My understanding is there is no lock box number provided on your application, and that needs to be handled.

Redinger: I don't know where to get one. I guess I'm at a loss there.

Magner: my recommendation is to go to any hardware or big box store and you can buy one through them. It is sold on the shelf. Use the code that comes with it and put the key for your front door in it and hang on the knob and then provide us the combination. Then staff can go in when they have time

Redinger: I can do that today or tomorrow.

Moermond: we would like you to call Nathan Bruhn and give him the code. We will talk again November 10 and I'll look for some bids and some financing together to do the work.

Laid Over to the Legislative Hearings due back on 11/10/2020

6 [RLH RR 20-42](#)

Ordering the rehabilitation or razing and removal of the structures at 535 FOREST STREET within fifteen (15) days after the November 18, 2020, City Council Public Hearing.

Sponsors: Prince

Layover to LH November 10, 2020 at 9 am. PO must post \$5,000 performance deposit and apply for code compliance inspection by close of business November 6, 2020.

Vanna Yean and Malika Keo, owners, appeared via phone

Staff report by Supervisor Steve Magner: the building is a two-story, wood frame, single-family dwelling on a lot of 4,792 square feet. According to our files, it has been a vacant building since April 26, 2019. The current property owner is Vanna Yean and Malika Keo per AMANDA and Ramsey County Property records. On July 14, 2020 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 July 21, 2020 with a compliance date of August 20, 2020. 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 \$12,700 on the land and \$110,900 on the building. Real estate taxes are current. The vacant building registration fees were paid by assessment on June 2, 2020. As of October 12, 2020, a Code Compliance Inspection has not been done. As of October 12, 2020, the \$5,000 performance deposit has not been posted. There have been eleven summary abatement notices since 2019. There have been thirteen work orders issued for: Garbage/rubbish, Boarding/securing and Snow/ice. Code Enforcement Officers estimate the cost to repair this structure exceeds \$65,000. The estimated cost to demolish exceeds \$20,000.

Moermond: 13 orders is quite a few. Are they recent?

Magner: May 2019 and sprinkled through to the last one, April 2020. Some excessive

consumptions sent out.

Moermond: Mr. Yean, tell me what you're looking to do with the property.

Yean: I was ill until recently. I wanted to rehab; my daughter was in there doing it. 3 weeks ago I tried to take a line of credit on my own home to rebuild. Now I'm working with a credit union to get money, and also looking at working with a potential investor, I've been working with contractors that will help, but the price was high unless I can get money from the bank. My intent is to keep and rebuild and bring up to code.

Moermond: it sounds like what you want to do, but don't have the tools necessary to accomplish that, the money and haven't been well. I don't know if you're co-owner is better situated. Is that the same situation?

Yean: yeah, she's my wife. I'm working with the utility, referred me someone at the credit union to work with, but it takes time. They were seeming ok, only to find out it wasn't ok. I mow the lawn; I try to keep everything up. It is not 100 percent guilty, but I'm unhealthy, I keep up the property nicely. I'm just asking for more time to work with the bank. Trying to get as much money as I can, we owe the mortgage.

Moermond: how much?

Yean: like 50,000, to Mr. Cooper. I want to break even so I don't have to pay out of pocket to pay off the mortgage. I don't want to walk away.

Moermond: if you want additional time to sort things out, I'm going to need you to post the \$5,000 performance deposit and apply for the code compliance inspection. Those are absolutely necessary to get more time to figure out where you go from here. The inspection report will list out the things that are necessary to be fixed before someone can live there again, it is also the finish line for getting out of the vacant building program and selling.

Magner: building cannot have a transaction of title under chapter 33.03 of the legislative code as a category 3 nuisance structure until the nuisance has been abated. The owner can enter into a contract with a developer, third party, and they could rehab and obtain the code compliance certificate and once that happens they can transact and take title with the county to transfer the property.

Moermond: what I'd like to do is give you a few weeks to get the performance deposit posted and apply for the code compliance inspection. You have a Public Hearing on November 18, and they will look at whether they should issue an order to have to removed, it is quite serious. I'd like to give you an opportunity to slow that down and get a chance to get contractors and bids and figure out how you will finance. I would like to you to apply for the code compliance inspection no later than November 6, and the performance deposit posted by then as well. Then, I'd like to talk to you on November 10 about where you're at with financing, rehab and people you're working with. November 18 your case is in front of Council and I'd like to ask them to continue it but you have to do those first two things, and you also need to maintain the property. You do have a spotty history there. Because your house was condemned for gross unsanitary, it needs to be cleaned out before you can get the code compliance inspection. They won't go through and assess unless the house is clean.

Yean: understood.

Laid Over to the Legislative Hearings due back on 11/10/2020

10:00 a.m. Hearings**Making Finding (Substantial Abatements)**

- 7 **RLH RR 20-37** Making finding on the appealed substantial abatement ordered for 1282 HAGUE AVENUE in Council File RLH RR 20-10.

Sponsors: Thao

PO to submit evidence of paid (zero balance) contractor bids and updated schedule by end of day Monday, October 26 in order to receive additional grant of time to complete project.

Nneka Constantino, owner, appeared via phone

Moermond: I understand you've been in communication with Ms. Zimny, which is great. We're just following up on this, we granted 180 days for the rehab, always we go through at that mark and see where people are at, if people are not done we try to figure out the roadmap. Mr. Magner is going to update the record and we'll come back to you and see where you're at. It seems pretty straightforward.

Supervisor Steve Magner: letter went out October 5 about the remove and repair indicating the project was 80% complete. In cases like this we recommend continuing the performance deposit to allow additional 180 days if we receive an updated work plan, provide updated bids and updated financial documents, maintain the property.

Moermond: so Mr. Bruhn did an assessment and said 80 percent which is great.

Constantino: he said 80-85%.

Moermond: yes he did in an email dated October 1. My understanding from Ms. Zimny's conversation with you is were looking at cabinetry and fixtures?

Constantino: yes ,that's the only thing left needed for the code compliance. The contractor doesn't want to put in a temporary fake kitchen to pass code compliance, but that's it, the walls need to be primed, floors sanded, fixtures installed. He doesn't want to pay the people to do that before the kitchen cabinets in. The cabinets were delayed because of Covid, there's no overlap and they keep the house empty between contractors and there's a backorder on the cabinets. I still have money in my brokerage account, they are paid in full. Last time there was confusion about the line of credit, I don't want to deal with that again, it is paid in full, I'm just looking for a sworn statement from contractor there is no money owed. I still have \$20,000 available but it isn't needed for the code compliance.

Moermond: perfect. I think Ms. Zimny indicated that, and then we are good to go on that.

Constantino: I have different things requested that aren't in the code compliance. I want crown molding, recently. He's coming up with a sworn statement with the code compliance saying those items are all paid in full, I did pay for the molding but that's not part of the code compliance.

Moermond: so he will have that, so we don't need to worry about financing. And updated work plan, at this juncture, the bids are still good and there's nothing new cause it is paid for, just delayed timing due to Covid.

Constantino: they couldn't start because of shelter in place, it is been delayed for a while.

Moermond: would you or your contractor be able to just put a couple sentence on the plan to finish those two things, cabinets and fixtures. If it is two months, fine, up to six months that's fine too. I'll ask the Council to give you six months, when you have your certificate you can apply to get your performance deposit back again. You've already asked your contractor for this.

Constantino: he is waiting to see back from the manufacturer on the timeline for cabinets. The person doing granite can't do it until cabinets are in. I'm just waiting for that statement, I plan to have it by this weekend, and some kind of timeline for the cabinets. I have an appeal filed too.

Moermond: perfect. We have a Public Hearing on the follow up schedule for October 28 back when Council voted April 1, the idea is that's 180 days after the original vote. Will you have those last two items in by end of day Monday October 26?

Constantino: yes, I plan to have it by next Monday.

Moermond: perfect, then on the 28 I'll recommend you get the 180 days if the conditions are met. Sounds like we're ready to button that up and we'll talk in a week or two about your vacant building registration.

Referred to the City Council due back on 10/28/2020

8 RLH TA 20-590 Making finding on the appealed substantial abatement ordered for 975 MARSHALL AVENUE in Council File RLH RR 20-14.

Sponsors: Thao

Layover to LH October 27 at 10 am (CPH October 28). PO must post \$5,000 performance deposit, bids, work plan and evidence of financing and affidavit of funds as well as documentation of Court appointed receiver for the property in order to receive additional grant of time for rehab. (PO to submit updated VB registration form).

*Anthony Bassett, Construction Funding LLC, appeared via phone
Joel Hilgendorf, attorney, appeared via phone*

Staff report by Supervisor Steve Magner: letter sent out September 25, 2020 to Sean Skrypek and Mr. Zins granting 180 days to abate the nuisance building. There will be Legislative Hearing scheduled for today.

Moermond: my understanding from the email exchange is that no progress has been made and no follow up inspection was conducted to assess the percentage done.

Magner: yes, according to Mr. Bruhn.

Moermond: I'll let you explain where things are at from your perspective.

Hilgendorf: Construction Funding, LLC is the mortgage holder, I am their attorney. Mr.

Bassett is a representative to answer questions .They have a mortgage securing the loan by MN Premier Properties. At this point MN Premier Properties has defaulted on the loan and abandoned project. We have commenced an action in Ramsey County district court to have a receiver appointed, that has been granted last week, that receiver will have the power to secure the property and fix the conditions because MN Premier Property hasn't taken any action. The property is in foreclosure and sold at sheriff's sale October 27. You are no longer dealing with the owner, who has appeared to abandon the project, now a receiver who has been appointed by us, the lender.

Moermond: do you have one selected at this point?

Hilgendorf: Guardians Property Management Services.

Moermond: a couple of things here, I'd like to see an updated vacant building registration form on record with the City so the City has current contact information if something were to happen at the property. Let's get that taken care of. We can email you that form. I'm hoping you can share the court's decision for the record here. That would be a good start towards documenting why additional time should be granted. The legislative code says there has to be a \$5,000 performance deposit posted for a grant of time, the Council can forfeit that if there isn't an abatement of the condition, and we are at zero percent done. This isn't your \$5,000, this is the soon to be previous owner's. The Council typically would ask for at least another \$5,000 posted, these are refundable upon issuance of certificate of code compliance. I'm here looking at this, the performance deposit is a piece. Clearly, the same things we looked for from the prior owner would be looking for here, work plans, bids, evidence of financing, affidavit that the funds are dedicated to this project. Mr. Wagner, what are your observations?

Magner: we do have an outstanding resolution with noncompliance, normally in these cases we'd look for a request to enforce the request to remove the building, but now that we have a third party that's willing to foreclose and rehab, we'd try to work with that party, and Council has to set that determination increase performance deposit to \$10,000 for that grant of time.

Moermond: good point, as soon as the Council votes to find the nuisance is not abated enforcement staff could proceed with demolition. I'm not interested in doing that recommendation if there's a receiver appointed and interest in rehabbing. I'd like that to happen and establish those conditions. Hearing that, what are you thinking?

Hilgendorf: from what you've indicated, I don't think there will be a problem with those conditions. Those are things they intend to do without even being conditions.

Moermond: to get us started, does DSI have a preference for a \$5,000 or \$10,000 performance deposit on this?

Magner: we don't have a preference. My recollection is that when we have this situation in the past, the first performance deposit is forfeited, and then the mortgage company is submitting an additional \$5,000, because they aren't the party that originally failed. This is different than if the original party failed in the original time and coming back and asking for a second bite at the apple and we raise the stakes to ensure compliance. That's not the situation here, they're stepping in to protect their asset.

Moermond: I tend to agree. So I'll ask Council to forfeit the existing \$5,000 performance deposit, require an additional one put into place, and if we get those records of receiver being appointed and \$5,000 posted. I'll put a deadline of Friday the

23 if we have those two things, documentation of receiver being appointed and \$5,000 posted. If those are in place, I'll ask at the October 28 City Council meeting to refer it back to Legislative Hearing on November 24, and at that point I will be asking for timeline, bids, evidence of financings. Typically when it comes to this kind of a situation where a financial institution is in ownership, just because they have money it doesn't mean they intend to spend money or this purpose, it requires a letter from someone who can make that commitment on behalf of the institution. Any questions?

Bassett: would it be possible for us to begin the rehab prior to the November 24 hearing date?

Moermond: if you can have those work plans into me sooner, I am willing to move up your hearing date so Council can give that grant of time. People seem to be slowed down with contractors with staggered contractors due to Covid. I can look at it November 10 as well. As soon as we sign off on the plans you can pull permits to commence work.

Bassett: let's move it to November 10, we already have a bid from a general contractor. We shouldn't have a problem meeting that and are anxious to get started.

Moermond: I can also do October 28 Council Public Hearing and ask for the grant of time with no Legislative Hearing, if the conditions are met.

Hilgendorf: I'm just waiting on signed order from the judge, he did verbally grant it.

Moermond: I'll schedule a hearing for October 27, if everything is in place I'll ask Council October 28 to issue the grant of time. If you need more time to wrap up details, we'll lay it over 2 weeks and do it that way.

Referred to the City Council due back on 10/28/2020

9 RLH RR 20-39 Making finding on the appealed substantial abatement ordered for 2022 STILLWATER AVENUE in Council File RLH RR 20-15.

Sponsors: Prince

PO to submit updated work plan to finish work, proof of financing or financial capacity to complete the project (or proof contractors have been paid). VB fee must be paid before additional permits will be issued.

Kim Sorn Theng, owner, appeared via phone

Moermond: Council granted you 180 days on April 8, so we're coming up on the six-month mark. We need to follow up because you're not done yet. Mr. Wagner will update the record.

Staff report by Supervisor Steve Wagner: September 17, 2020 a letter was sent, granting 180 days on April 8. Hearing was scheduled for today. We put them at 50%.

Moermond: building and electrical permits pulled, no plumbing.

Theng: I have money to finish. I have it almost done; it is about 80% but only 40% mechanical.

Moermond: but you need a permit. You get 0% if there's not permit.

Theng: they tried to pull one but they wouldn't let them because of the vacant building fee.

Moermond: where are you at with the project?

Theng: building is almost done, but plumber couldn't pull a permit, I told them to, I call every day.

Magner: we won't issue permits prior to the payment. If the owner would like to pay that today, he could pull those permits.

Theng: I thought I paid it. Ok, I will do it.

Moermond; ok, then you'll be able to pull it. Have you paid your contractors in full or are there balances owed?

Theng: plumber and electrical full, plumber I haven't paid yet.

Moermond: I need to see the paperwork those contracts have been paid, and how far you are with payment for the ones who haven't, evidence of the money to complete the project, and then a schedule for how you'll finish the work. If you are intending the mechanical is done in November for example, just put that into writing. Those sound doable?

Theng: yes, doable.

Moermond: you will get a letter confirming this, the \$5,000 performance deposit I'm going to ask the Council to continue that because you are at the 50% mark. That deposit will be continued and you won't have to post an additional one.

Magner: verify that the owner is going to submit the vacant building fee soon, we have to hold permits.

Theng: yes, today or tomorrow.

Magner: grant of extension should be based on him paying that fee, to get permits to complete the project.

Referred to the City Council due back on 10/28/2020

Special Tax Assessments

- 10 RLH TA 20-549** Ratifying the Appealed Special Tax Assessment for property at 759 UNIVERSITY AVENUE WEST. (File No. J2102A, Assessment No. 218501)

Sponsors: Thao

Delete the assessment.

No one appeared

Moermond: resolution should indicate we will delete the assessment. Minutes will

indicate the owner took action to install the motion detector lights, no dumping signs, and removed vegetation.

Referred to the City Council due back on 1/6/2021

11:00 a.m. Hearings

Making Finding (Summary Abatements)

- 11 [RLH TA 20-597](#) Making finding on the appealed nuisance abatement ordered for 1908 ROBYLN AVENUE in Council File RLH SAO 20-22.
- Sponsors:** Jalali
- Couch was removed and nuisance was abated.*
- No one appeared*
- Moermond: making finding about whether it was abated, staff found it was and couch was removed.*
- Referred to the City Council due back on 10/28/2020**

11:30 a.m. Hearings

Orders To Vacate, Condemnations and Revocations

- 12 [RLH VO 20-45](#) Appeal of Katie Elliott to a Revocation of Fire Certificate of Occupancy and Order to Vacate at 1025 HUDSON ROAD.
- Sponsors:** Prince
- Appeal withdrawn by owner.*
- No one appeared*
- Moermond: We were holding off on this one, the owner said I'm withdrawing because I want an inspection, it occurred that day or the next, I wanted to wait in case something happened they wanted to discuss. Inspection results were that the property is code compliant and a Fire C of O has been billed and issued. No issues here. Consider it withdrawn and archived.*
- Withdrawn**
- 13 [RLH VO 20-46](#) Appeal of Pamela A. Herzberg to a Revocation of Fire Certificate of Occupancy and Order to Vacate at 1547 SHERBURNE AVENUE.
- Sponsors:** Jalali
- Refer back to LH January 12, 2021 at 11:30 am for further discussion. Property to be reinspected prior to January 12 hearing to confirm conditions have not deteriorated further.*
- Pamela Herzberg, tenant, appeared via phone*

Staff report by Supervisor AJ Neis: this is a revocation of Fire C of O and order to vacate. The revocation of the Fire C of O is for long-term noncompliance regarding violation at the property. Jack Toeller initiated the inspection a few months ago, had several orders written, there are photos attached. Inspection started about 4 months ago. Exterior violation for rotted fascia, a roof leak, my understanding the roof leak was semi-corrected but that caused some damage and deteriorating upstairs. The house itself is sanitary, Ms. Herzberg is going an excellent job. I advised her to file this appeal, she is currently in the process of looking for alternate housing and didn't want this to adversely affect her displacement. I got a phone call from Renter's Warehouse saying they are going to be managing it from here on out, I'm hopeful the repairs will start being conducted soon.

Moermond: before I talk with Ms. Herzberg, when I look at the photos the only one giving me pause is ceiling water damage by a light fixture by a ceiling. What might make that safe?

Neis: not using the fixture and being cautious as she walks around there.

Moermond: I don't see it called out in the orders specifically, am I missing it?

Neis: it is by the fixture; it is number 8.

Moermond: so including damaged light fixture isn't in orders?

Neis: the light is intact.

Moermond: do we know that?

Neis: the light does work, it is not broken, I advised her not to use it.

Moermond: I'm just uncertain with the water damaging, may need new wiring or fixture.

Neis: without taking the ceiling down, it could just be securing the junction box, or more.

Moermond: the other thing I wanted to ask, item 9, extermination? What triggered that?

Neis: I didn't speak to Ms. Herzberg about that, she may have said something to Mr. Toeller.

Herzberg: to speak first, the extermination, we had a dead rat we found in the back of our stove, that's why he was ordered to do some extermination and replace the stove, we did get a new stove and they did send an exterminator out, that has been dealt with. Otherwise, the roof has been a problem, the light fixture has been like that probably about a year. It is kind of a moot point to fix the inside before the outside, the roof water damage is causing further damage into the bedroom and peeling paint across the whole room. The fire inspector have been amazing, the landlord has never come to meet them, I'm asking for an extension, I was searching for a home actively, I do have a preapproval, I would like to find and close before I have to move. We do have a positive Covid test in the last week, so we can't leave to home search right now.

Neis: I would guess that would delay any repairs as well?

Herzberg: yes, on the inside. They called and I said they couldn't come in, but there is a lot of exterior things, but none of that is started.

Moermond: I'm thinking to send this to Council and recommend sending this back to legislative hearing. I don't know how much time you will need; I'd like to have an inspector check it again and as long as things continue to be in the same condition more or less we can continue extensions. I do want to check the ceiling isn't failing completely. We'll send this to Council November 4 and ask them to send it back to legislative hearing January 12, 2021. I'll ask for a fire inspector to walk through prior to then, and during that time there's no additional enforcement on these orders. I'd love if Renters Warehouse would come into compliance, but for purposes of vacating we will not do that unless there's something dramatic that happens.

Herzberg: do they still come reinspect end of October?

Moermond: no, that will not happen. What would you do if Renter's Warehouse wanted you to inspect on something?

Neis: I'd find more about the active Covid testing, and they want to have something inspected we certainly could. If things do deteriorate, Ms. Herzberg—

Moermond: we can have Joanna include your contact info in the letter – both desk and cell.

Herzberg: I'm quarantined for 14 days.

Moermond: the October 30 inspection is null in void right now; we'll look at this in January and see how we're doing.

Neis: she was given a number to SMRLS, the revocation is still an order with an extension, not granting the appeal. It is still in effect.

Herzberg: that's good to know for the lawyer, thank you. Laura Jelinek has been advising me on her own time.

Moermond: we'll copy her on the letter we send.

Referred to the City Council due back on 11/4/2020

1:30 p.m. Hearings

Fire Certificates of Occupancy

- 14 [RLH FCO 20-122](#) Appeal of Dennis Gudim, Statera Fitness, to a Re-Inspection Fire Certificate of Occupancy With Deficiencies at 1025 SELBY AVENUE.
- Sponsors:** Thao
- Layover to LH October 27 at 1:30 pm. PO to submit survey and engineering analysis.*
- Dennis Gudim appeared via phone*
- Moermond: I understand you've been communicating with Ms. Zimny about the survey, you were hoping to have it by last Wednesday, and you still don't?*

*Gudim: not by last Wednesday, by this Tuesday. They *came* last Wednesday. I talked to him yesterday and it should be done by end of the week.*

Moermond: I have to emphasize that at this point, any extension I do is looking at how the results are affected by the survey. I can't do one if it will adversely impact people on the other side of that well. I need that information. Any progress on the front footings for the building?

Gudim: the engineer and surveyor are working together, once the survey is done the engineer will determine that.

MM: they will have that to you Friday? That including the engineer's work?

Gudim: I don't know, I'll call him today. If the survey is done today, hopefully engineer can do that this week.

Moermond: I'm going to lay this over one more time for 2 weeks to October 27 and then hopefully all the information is together. As soon as you get it send it on so we can look at it before the hearing. That would be great.

Laid Over to the Legislative Hearings due back on 10/27/2020

15 [RLH FCO
20-145](#)

Appeal of Laurel Hedlund to a Fire Inspection Correction Notice at 709 BEDFORD STREET.

Sponsors: Brendmoen

Layover to LH October 27, 2020 at 1:30 for further discussion. PO to provide update from contractor with feasibility of window installation, and plan for next steps to make bedroom code compliant and legal.

Laurel Hedlund, owner, appeared via phone

Neis: was there a 2011 appeal filed for an egress window?

Moermond: there's nothing in Legistar.

Neis: I ask, because when I was doing the research I was curious to know how many bedrooms are downstairs. There was supposed to be an escape window back in her previous orders, saying the window was too small. That's why I was looking, or did they just discontinue the use of that room. That was previous ownership. They called it for double hung window, there are two bedrooms downstairs.

Moermond: are Kelly Booker's orders specific in one bedroom or another?

Neis: it just says downstairs bedroom, if this was the only bedroom it would be relevant to find out what happened there.

Moermond: presumably they stopped using it. Let's check historic ownership.

Neis: permit replacement, looks like that may have never been followed thorough with.

Moermond: when in 2011 were those orders issued?

Neis: C of O, November 12, 2010.

Moermond: ownership changed January 31, 2011 and September 19, 2018. So two ownership changes since then. Looking at the window, I can't see it great. The first photo in the file is the enclosed front porch, and we're talking about a picture window on the wall of the house. That must be the only egress from that space then, or there's another and it is not big enough?

Neis: that's the million-dollar question. Is there another bedroom downstairs? He makes note of it being a four bedroom, if there are 3 upstairs, then that would be the bedroom she was referring to in 2010. The research said it was cited before, but I didn't see an appeal but pre-2011 if there wasn't Legistar.

Moermond: no, nothing. Let's get her on the phone.

[calls in appellant]

Moermond: I'm calling about your two appeals, one on Western, one on Bedford. I know we've had hearings before, but I'll give some background.

Neis: 709 Bedford is a Fire C of O correction notice issued by Franquiz, what's being appealed is a window that exits onto a front porch. Currently it is being used as a bedroom, which leads into an enclosed front porch, which fire code doesn't allow. The question I have is, Ms. Hedlund how many bedrooms are on the first floor?

Hedlund: including this bedroom, there are two.

Moermond: how many on second floor?

Hedlund: two.

Neis: I ask, because there was a correction notice issued in 2010 by Kelly Booker about an escape window being too small out of a sleeping room, I wasn't sure if it was this room, about a window being too small. If it was this room, it wasn't supposed to be a bedroom.

Hedlund: I can't comment on that, I just purchased 2 years ago. I can't comment on 2010.

Moermond: Zillow isn't definitive but it does say 3 bedrooms. There's a discrepancy between number of bedrooms and what you're using it for, which leads me to the orders issued back then were pertaining to the other bedroom vs. this one. Is there more than one window leading out of the bedroom that exits to the front porch?

Hedlund: there are two bedrooms, but they both face forward and exit onto the porch.

Neis: there was a permit pulled in December 2010 that says 1 bedroom must meet new egress window requirement, it was never finalized. Was there a window that looks like it was installed in the last 10 years?

Hedlund: all of the them look newer, it may have been, there's a rear bedroom that opens out, so that was probably it.

Neis: yes, that's probably right, it would make sense.

Hedlund: that would pertain to the rear bedroom then on the first floor.

Moermond: what are you looking for?

Hedlund: it is rented as a four bedroom to a lady with many children ,she uses all the bedrooms. Section 8 inspects it annually and has had no issue. If the City said it can't be issued as a bedroom, section 8 will follow that and she will be over occupancy with a 3 bedroom.

Moermond: what do you mean by over occupancy?

Hedlund: according to section 8 there can be two people per bedroom, and I know you have your own standards, but that's what they say. If this is not counted as a legal bedroom, there will be too many people per bedroom.

Neis: St. Paul Legislative code states bedroom size, the minimum square footage is 70 square feet per occupant, if it is 100 square feet you can have two, and 50 square feet thereafter. So 150 for 3, etc. that's how we determine it.

Hedlund: based on the sect 8 occupancy she would be over occupancy. That's not counting for gender. For sect 8 they will give you bonus bedroom for each child of different gender gets their own bedroom after a certain age, that's not accounting for gender differences.

Neis: is it possible to put a casement window out the side of that room?

Hedlund: I did some research and the exterior is stucco, and when you get into cutting into that in a 130-year-old house, it is hard to patch and flash it, it is basically asking for leaks.

Neis: does this have a closet?

Hedlund: no.

Neis: I ask because code bedrooms don't have to have a closet, but it is a good indicator of original intended use. It was possibly a living room converted to a sleeping area. It is hard to tell in this case if this previously was an open porch. Based on the fact it intervenes into the porch, which looks like it was enclosed for a long time, the fact there was no closet makes it likely it was a living room converted to sleeping room.

Moermond: yes, it wouldn't have been a bedroom at time of construction. So where do we go from here? I'm struggling because we do not allow bedrooms to egress to enclosed porches. Almost all the ways this is dealt with is ways to meet code and extensions to do that, such as having a contractor installing a window that exits directly outdoors, another would be to open up the front porch, that looks to be tricky giving age of construction, another would be to somehow add in the porch as part of the bedroom, that would make it one room, not two spaces. The issue is having to go through two intervening rooms. One fire exit has to be directly to the outdoors. Those options are the ones normally on the table. I don't know if you've had a contractor look at installing a window, I hear you coming down on the negative side of it, I don't know what your rental analysis would be as keeping a 4 bedroom vs. 3 and whether renovating would pay off for you. That's your analysis to do. Do you want to look at

that?

Hedlund: I haven't had a contractor come out. I know I can rule out some of those, I don't want to remove the porch windows, I don't want to knock down walls to make porch part of bedroom. I have looked into a new window, but no contractor has come, but my research they advise against it due to flashing and issues with stucco, I don't think it makes sense from a financial perspective for the additional rent vs. the involvement in adding a window.

Neis: one other suggestion, I'd like to run by the building official, there is a provision in the code, I don't know if it applies, that's why I'd want his opinion and it may not work. Can you take one of those interior windows that leads to the porch and be converted into a door? Is there a rear door in that building?

Hedlund: yes, from the kitchen.

Neis: the existing building code says a window isn't required if the means of egress are independent of each other and pass through one lockable area.

Hedlund: I think it would make the building weird. The door would be next to the front door, leading into a bedroom. I appreciate the creativity though.

Moermond: would you like to look at a contractor to look at your situation? I think that's the most straightforward way to deal with that. You bought a 3 bedroom, your renting it as a 4 bedroom, we have a family located inappropriately unless you illegally use that front room, how do we get to the other side, we have a large family and Covid. It is very awkward. I don't like being in this position. I would love to you have you give a suggestion that isn't you telling people to kick them out.

Hedlund: I can have a contractor come out. Based on my internet research, I don't know if it is possible to have them stay through Covid and then enforce that? And then revert to 3 bedrooms? I don't know if the tenant will stay if it is a 3 bedroom.

Moermond: I think I'll reach out to Dominic with Section 8 certificates at Pubic Housing Agency? We'll touch base with him and the building official to see if he has anything to add. You committed to talking to a contractor to assess what is involved in installing a window so it could be a legal bedroom. Let's continue our conversation in two weeks, October 27.

Laid Over to the Legislative Hearings due back on 10/27/2020

**16 RLH FCO
20-140**

Appeal of Laurel Hedlund to a Fire Correction Notice-Reinspection Complaint at 1108 WESTERN AVENUE NORTH.

Sponsors: Brendmoen

Grant the appeal.

Laurel Hedlund, owner, appeared via phone

Nies: appeal regarding retaining wall in disrepair. The wall, as you can see from photos, is in need of restacking and repair. It is not professionally maintained. Issued by Franquiz with a reinspection date of October 14, the appellant has an estimate of \$9,200.

Moermond: this seems straight forward. what are you looking for?

Hedlund: the wall is on both properties, it meanders, and it is slanted at a 30-degree angle. It is a dry stacked wall, no mortar, so shifting is expected. I did have someone out to look and he did say it will stay as is and last another 10 years. There might be cosmetic issues, but it does do its job and hold back the earth, it is stable. So that's what he said, to replace it, because of the freeze thaw cycle, there is natural disheveling, the stacking doesn't always stay straight. The most they will warranty it for is 2 years, just to restack it is \$10,000 for cosmetic reasons. It will only be guaranteed 2 years. considering it is only a cosmetic issue and it will last indefinitely as is, and it is on shared property, I would like to leave it or share the expense with the neighbor who has part of the wall.

Moermond: with respect to the shared wall or not, that is something you'd need to talk to them with directly. The City issues orders for your property because the wall in large measure falls on your property but also the doctrine of lateral support, you must maintain the soils on your property which is what the wall is doing. I don't know I concur it is cosmetic, it does appear to be buckling, but were looking at a situation that can continue for a while and if there is failure it would be into the right of way or a driveway, these are slow motion things and I agree. I'm going to recommend the Council grant your appeal, noting the issue may come up again in your next set of fire orders. It is not indefinite, but for now, or a change in conditions we may be talking again.

Referred to the City Council due back on 10/28/2020

17 [RLH FCO
20-146](#)

Appeal of Alan Bell, Salon Elise, to a Correction Notice-Reinspection Complaint at 1619 UNIVERSITY AVENUE WEST.

Sponsors: Jalali

Layover to LH Nov 3, 2020 at 1:30 for further discussion. PO to contact DSI staff prior to hearing (Eide & Defresne).

Alan Bell, owner, appeared via phone

Staff report by Supervisor AJ Neis: correction notice by Sebastian Midgal. The building was previously used as a barber shop, and then converted into a social club. Midgal is requesting drawing by an architect that the building complies with the change in use to assembly/occupancy. There are additional requirements like exiting, emergency lighting, travel paths. We're not saying it can't be used like this, we need documentation that it is in compliance so we can review it in accordance with code.

Bell: were looking for, because of the environment change with business, I'm not looking for an assembly, I do broadcasting. Podcasts and that sort of thing and occasionally a small group of artists performing. Never really a public environment. A new type of business. With Covid it happens that it works. It is more of a Warner Brothers lot with different sets because of its unique architecture.

Neis: that's what we're looking for, we want to see what you're looking for and proposing. You said it was a new business, you're even trying to figure out the plan. We just want the documentation of what you're looking to do so we can confirm it meets applicable codes.

Bell: because I'm membership based; each member has a business idea we try to incubate. We walk them through a process of opening a legal business, we work

closely with the City to do it the right way.

Moermond: would you say you're providing a business incubator space?

Bell: exactly. No type of business for any committed timeline. A chef may do tastings, but they don't do cooking in our place, and then we talk to them about connecting with a commercial kitchen, things like that. We've had people open as a restaurant for weekend just to see if they would do it.

Neis: which would make it an assembly.

Bell: we connect with them the kitchen, right now they'd just come and grab food. We work out the administrative part of it in my building, we don't cook or they don't come. They may serve samples to staff, it would be private, not public.

Neis: so share you proposed use of the building, what your plan is. Right now it is a hair salon. When we talk about a business, an assembly is also a business, so is retail, they have different occupancy classifications. We're looking for the intended use of the building, how they will be used and to provide documentation of how it will be using that intended use.

Moermond: nuts and bolts, you would look at is if there is on occasion a group of 25 to 50 people coming together, the space is equipped with proper exits, doors swinging in right direction, bathrooms, etc.

Neis: yes, in one context. He used the terms "sets" for podcasts, we'd like to see what those "sets" are being constructed out of, if there are curtains, if they meet flammability requirements.

Moermond: so you want a flexible location, so maybe spec out a couple different scenarios. Ms. Neis do you have someone in plan review that could maybe talk to Mr. Bell in terms of expectations?

Neis: based on what he was saying, I would start with would be zoning and make sure it is fine. It probably is, but just making sure it falls into that category as far as parking, etc. if you don't have zoning authorization, plan review wouldn't get very far.

Moermond: have a couple preliminary conversations with the right staff at DSI, and you can be better informed. I'd like to continue this for 3 weeks and send you a letter with some contacts with DSI, let them know you will be reaching out, and you can connect and figure out the path for this to go down that is hopefully painless. I support what you're trying to accomplish here, I don't think it is tough, it is just bureaucratic.

Laid Over to the Legislative Hearings due back on 11/3/2020

2:30 p.m. Hearings (None)

Vacant Building Registrations