



City of Saint Paul

15 West Kellogg Blvd.
Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

Marcia Moermond, Legislative Hearing Officer
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651-266-8585

Tuesday, November 24, 2020

9:00 AM

Remote Hearing

9:00 a.m. Hearings

Remove/Repair Orders

- 1 **RLH RR 20-45** Ordering the rehabilitation or razing and removal of the structures at 2531 EDGCUMBE ROAD within fifteen (15) days after the December 9, 2020, City Council Public Hearing. (To be referred back to January 12, 2021 Legislative Hearing)

Sponsors: Tolbert

Refer back to LH January 12, 2021 at 9 am for further discussion.

Craig Barbee, attorney at Usset, Weingarden & Leibo o/b/o Nationstar Mortgage d/b/a Mr. Cooper, appeared via phone

Moermond: we'll cut to the chase on this one. We haven't heard from Mr. Hanson. We emailed and sent snail mail and nothing. Also checked with utilities, there has been water consumption, electric, and gas consumption. Not at a normal level, but enough to think he's in there and using it. Not necessarily living there, but definitely using the utilities. Legally he can be there 8 am to 8 pm. We're working hard to have this conversation with him. Did you say he was up to date on his mortgage?

Barbee: that's correct. My client has taken some action too. My client retained Xome Field Services and they inspected the property on November 19 and found it vacant. They reported the utilities were shut off and it was secured. They posted notices. My client does want to make the repairs, and then we'll also send a default letter to Mr. Hanson with the intention that if he doesn't repair we will move forward with foreclosure. As long as it is vacant and secure they can move forward with the repairs.

Moermond: I got that information from the water utility folks. They and Mr. Magner's team both observed tire track and footprints there. We definitely have conflicting information. I'm guessing my water information is probably better. Mr. Magner, you asked for an additional report from your field guy?

Magner: me and one of my staff went out there the day after a snow. There were fresh tracks into the garage and then into the house, with no tracks coming out. No response at the door. That means someone used the garage and went into the house,

could be anyone. We don't know who. I've seen a lot of weird things. We do know there's no response from Mr. Hanson except for a couple phone calls, and we've tried over the last 3 years to reach out to him. We do have the building placarded, along with hearing notices, we don't get a response and we don't know.

Moermond: we have this conflicting information, and we're not certain what the situation is based on what I've learned. I don't know what Xome was looking at either. Our people were there about the same time. They were there two days in a row. According to the water meter man, he said the meters are moving every day. That's their observation over 72 hours. In terms of water usage, since 2017 when it went into the vacant building program, it has consistently used between 6 and 10 units of water per quarter. That's about half to two-thirds of what you'd expect for consumption for 1 person. So it is not definitive to me. That billing is up to August 27, 2020, so not the current quarter.

Barbee: and he's also using electricity?

Moermond: he checked the meter and said there was movement from one day to the next, so it is moving. I don't know how much use it is. Xcel energy is tight lipped about accounts, so I doubt we'd get good information from them. What I do know is we have had a registered vacant building for 3.5 years with no progress in rehabilitation or removal. All indicators are that it is in a nuisance condition, and we don't have a code compliance on whether it is in a dangerous condition. That would help in making decisions about how critical this is. Your people have Xome as an REO who marked it as vacant based on their assessment. Because of that you would move to foreclose on the mortgage and move towards rehabilitation.

Barbee: we'll work with you to do the code compliance, but this new information that he may be living there may throw a wrench in things. We'll maybe have to have Xome go back out there.

Moermond: and that's consistent with what our vacant building staff has found over the years.

Barbee: I just don't know if we'll be able to go in and make the repairs. We may need to go through the foreclosure process first. He's current on his mortgage so it is unusual. They've authorized me to notify him of the default for the failure to keep the property in good condition. He has 30 days to respond and then we'd start foreclosure. That letter will go out today.

Moermond: this is scheduled for Public Hearing December 9, 2020. The City would like to try and do a deeper dive to get Mr. Hanson talking. We're going to send him a follow up letter via email and serve it and post it on the door. We'll include all the relevant documents from what is going on. When Mr. Magner's team did the ownership and encumbrance report they noted the US Department of Veteran's affairs is an interested party, therefore we're assuming he's a veteran. I made a phone call to Ramsey County Veteran's services this morning. They may have better luck getting ahold of him, and they'd be representing his interests in this conversation. Dealing with someone represented is always easier. We're going to do that on our end, you do your stuff on your end. I'm going to suggest we reconvene January 12 and hopefully have more information. Hopefully he has started talking by then. We'll give him all of our contact information. Mr. Magner, do you want someone as the contact?

Magner: Joe Yannarely.

Moermond: he's the vacant building program supervisor.

Barbee: the payoff is \$161,734.74.

Moermond: thank you, next time hopefully Mr. Hanson will be involved and we can make some headway.

Barbee: anything from Xome the City needs?

Moermond: contact information would be best in case there's something that happens at the property.

Magner: he can send us a name for the folder in case we do an abatement notice.

Moermond: and there will be contact information in that 30-day letter from you?

Barbee: yes, my number. He can reach out to me.

Referred to the City Council due back on 12/9/2020

2 RLH RR 20-48

Ordering the rehabilitation or razing and removal of the structures at 750 CHATSWORTH STREET SOUTH within fifteen (15) days after the January 6, 2021, City Council Public Hearing.

Sponsors: Noecker

Remove the building within 15 days with no option for repair.

Adam Soczynski, Usset Weingarden & Leibo o/b/o US Bank, appeared via phone

Michael Bernier, Realty Group MN, appeared via phone

Brian Hortelius, owner, appeared via phone

Moermond: normally we're talking about fixing the property or knocking it down. If we're talking about rehab there are a number of conditions to be met if the Council gives a grant of time. It is scheduled to go to Council January 6, 2021.

Staff report by Manager Steve Magner: The building is a two-story, wood frame, duplex with a very large, detached accessory structure/garage on a lot of 14,375 square feet. According to our files, it has been a vacant building since April 5, 2019. The current property owner is Edward W. Hortelius c/o Brian Hortelius per Amanda and Ramsey County Property records. On September 16, 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 September 22, 2020 with a compliance date of October 22, 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 \$61,000 on the land and \$158,500 on the building. Real estate taxes are current. The vacant building registration fees were paid by check on April 20, 2020. As of November 23, 2020, a Code Compliance Inspection has not been done. As of November 23, 2020, the \$5,000 performance deposit has not been posted. There have been thirteen summary abatement notices since 2019. There have been seventeen work orders issued for: Garbage/rubbish, Boarding/securing, Grass/weeds, and Snow/ice. Code Enforcement Officers estimate the cost to repair this structure exceeds \$100,000. The estimated cost to demolish exceeds \$30,000 (due to the large accessory structure on the

property).

Moermond: 13 summary abatement orders since 2019, that's quite a few. It sounds like every month the City is doing something out there.

Magner: it does look like the City is in the process of managing this property currently.

Moermond: where are you at in the process Mr. Hortelius?

Hortelius: I want to apologize for the City for having to deal with this. It has been a nuisance for me as well. My dad passed away and hadn't lived in it for almost five years prior to that. The water pipes broke in the boiler over the winter and flooded the house and it is a disaster. There is no insurance money. They declined payment to my father, and he was trying to get that rectified and then passed away. I went back and did a substantial cleaning in 2018 to the best of my ability and left with the idea I would be selling it. Ran into troubles selling, and the neighbor when I was there and I believe started reporting things. Then it was deemed a nuisance and then a Category 2, and then went into foreclosure. I have worked out a deal with the bank to give me some time on that. Also to get it put into the estate name, which it should be now. I hired Mike Bernier to sell it, but I kept getting roadblocks and we couldn't market it because of Category 2 status, and then Covid. I never got a reply from the City over many months and attempts, except for one from Mr. Magner a month ago after it was put into Category 3 status. We have a plan to sell it, but because it is a Category 3 we understand there are some motions to get approval.

Moermond: the first thing necessary to sell a Category 2 building is a have code compliance done. That was clear in all your paperwork you received, including the vacant building registration notice. I'm not sure what you were doing in terms of communicating and your roadblocks.

Bernier: the bank changed the locks. We're not trying to fix it; we want to sell it to someone who will tear it down. They will escrow the money to do so and make it a condition of closing within a certain time frame, within your guidance. We want to sell with the teardown attached to it.

Soczynski: I represent US Bank, and right now we're learning this new information. Typically the owner is not interested in anything. We have the final debts. It is not in foreclosure; it is sitting here waiting. We are just sitting here trying to figure out if we need to do anything. I'm not sure after listening to them. The value of the property doesn't contain a very large loan. A teardown might benefit everyone. They may be able to pay off loan with the land value. Right now I'm just waiting to see what's going on and see if my client may need to do anything. I was just retained by the client a few days ago. This is a new situation for them in terms of understanding and organizing this for them. I don't know what we'll have when we finish here.

Magner: I don't know that I have any comments except for obviously I need to clarify, now that this is a category 3 it can't be a straight transaction or sale. If Mr. Hortelius wants to enter into a contract with a third party to rehab once the property had a code compliance inspection, he could transact with the County. But he'd have to bring that third party to the table with a financial plan and work plan. The other option, as the bank is suggesting, Council could have a resolution to remove either by the current ownership, or the City would raze it. Then they could sell the real property to anyone for redevelopment. My assumption based on its location is they wouldn't have a problem finding buyers for the lot.

Moermond: what's the outstanding amount of the mortgage?

Soczynski: in 2003 for under \$54,000 it was taken out, but I believe the balance is under \$40,000. I don't have any documents stating that, but that's where I believe it is.

Hortelius: the number I was as given from the bank for reinstatement was \$18,000.

Moermond: procedurally, if you were to sell it to someone to knock it down you need to sell in a way that the title doesn't transfer until the buildings were removed from the site. Sometimes that is done by mortgage for contract for deed, that's typically how that happens. The City code says the nuisance conditional has to be abated before it is transferred. Ramsey County says the parcel is worth \$61,000. My guess is that's low. Mr. Magner is also estimating \$30,000 to remove the building. He's indicated because the garage is so big it may be higher than normal. That would be the same for you or for whoever is buying the property. City does get good bids on demos. We pay our bills and have business. If the City moves forward to knock it down you won't be further behind financially. At the point of sale there would be a pending assessment for the cost of the demo. Again, that's pretty competitive with what you'd get. Do you have any buyers you are working with?

Hortelius: no, because of the Code we are unable to market it. I've gotten some calls about it, and people trying to get me to do some weird things to broker a sale. We want to put it to market and however we have to work around the change of title thing, but we want to put a number of around \$30,000 in escrow for the removal with a date certain to proceed and take care of it. I know the City wants it rehabbed or removed because it is a nuisance. I want to cooperate as best we can. As far as marketing we were going to try \$80,000 with the subject to remove on top of that and see what happens. It is a substantially sized property, looking at comps it is probably a good number. We can't legally market it because of the status of the property.

Moermond: you could have before it was declared a nuisance. What is your legal position in terms of transacting the property? Your earlier answer wasn't clear that the title has transferred to you or a trust? I'm curious if your legal status will slow things down.

Hortelius: it shouldn't. I am the only heir and the executor. I called the bank to work things out with them and get title changed to the estate name, that is supposed to have been done 2 months ago.

Soczynski: I did search probate, and it is open and been administered. It appears without being able to pull the letters, he probably has title. He has the documents he needs to transfer.

Moermond: that helps. That also means you could pull a demo permit on it.

Hortelius: I don't have the funds available to do anything like that.

Magner: this may be one of those cases where for expediting and financing the City works out best to remove it and hire the contractor. The City fronts the costs, and then we ultimately process it as an assessment, which takes about six months. If we move forward we'd be razing in February and the assessment would be June or July, so the owner has about six months of free financing. Quite frankly, 2 days after it is razed they could sell it and use the proceeds to pay off the pending assessment. This is an

option for the owner and his agent to move forward. It is probably faster than marketing and escrowing and finding a contractor.

Moermond: it would take a bit longer since they ask the site to have reestablished ground cover and that needs warm weather. If the City moves forward with removing, and it comes forward as a special assessment, it accrues interest of around 4%. You could also ask for payments to be divided over up to 10 years. If you don't have the matter resolved by mid-2021, the bill could be significantly reduced pending the same. That would buy you time to get a better offer on your parcel. I'm hearing a convoluted path if the buyer does the demo because there are a lot of contingencies, and a straightforward path with the City doing the removal. Mr. Hortelius you're in the driver's seat.

Soczynski: I want to correct the record. I have a January payoff statement. The full payoff is \$36,350 to pay off the mortgage. The number he got was the reinstatement to make the loan current, but there's a principle balance of \$28,000.

Hortelius: it is interesting the City is taking the posture of being in the business of demo as opposed to taking the fastest route to ratifying the nuisance property, which is what our plan is.

Moermond: you are completely in the driver's seat. I just mean to explain the options. What happens now is you get to decide how we move forward but it is my job to put deadlines on that decision-making. The City is in the nuisance abatement business. If they are in the position to have to remove it, that's what we do. It is rare we remove it versus the owner fixing it, but if they do you have the facts to make your decisions.

Hortelius: our hands are tied. We can't market it for sale based on the City ordinances. We were hoping to market it to sell and put in hard timelines on it. I know the title transfer—Mike had to leave he's the one with knowledge on this.

Moermond: you had a time frame for the call. You also had time to act.

Hortelius: I made several calls and even sent some emails to try and figure out the process to work through the Category 2 problem.

Moermond: and I struggle with this when I see the City has been out there 17 times. You being on top of this isn't what this record indicates.

Hortelius: I understand that. I take 100 percent responsibility for the condition of the property. What I don't take responsibility for is the process in which the City has in trying to work with people to get it resolved. Let's not argue points on that. All I'm trying to say is we want to market it, sell it, and have it demolished. I have an extensive construction background. That building, even prior to the flooding and roof leaks, was really not a salvageable building. I suggested that at first but Mike wanted to market it as a possible rehab. What loopholes do we have to put in? Putting money into escrow for the teardown won't satisfy the City's ordinances. What's the best way to legally transfer title to someone who will turn it into something? It is 14,000 square feet in the City.

Magner: maybe I wasn't clear. The issue we have here is that there is a specific section of 33.03 in the legislative ordinances that prohibit the sale of a category 3. Specifically, because of what Mr. Hortelius is speaking of. We have been doing this a long time, including the foreclosure crisis, and for him to comment that we're in the

business of tearing down buildings. Quite frankly we were then, because of situations like this that doesn't allow a straight transaction. The ordinance was changed because of this situation, where it was marketed and supposed to be demolished by people who would buy it, turn around and sell it to someone who thought they could move in. We had people who bought properties with their last dollars literally days away from being torn down. I'm not trying to push our services, but it is often the cleanest way. If he doesn't want to front the money for the demo the City will do it. He'd have six months to market and sell it. The way to get the most time is to have the City remove the nuisance. Even after six months the City doesn't have to be paid. You won't lose the property unless you ultimately never pay, which is three years. You'd have quite a bit of time after its razing. If you don't want the City to do it you need an investor who buys it on a contract and fronts you the money.

Moermond: this will be my recommendation to the Council: January 6 I will recommend it is removed within 15 days with no option to rehab. You have 15 days to begin removing the building and pulling the demo permit. That would start a clock with Mr. Magner's people, we'd allow another 30 days for the demo to be completed. If you want to demolish it on your own, Mr. Magner needs to approve the contract with the purchaser and the title can't transfer until the demo is done. The 15 days is time in which you can act on it. If it doesn't happen, the City can take bids for the removal of the property and ultimately demolition. We discussed the timeline earlier. It is up to you how you want to proceed; Mr. Magner would review any contract with a potential purchaser, otherwise the City will move forward. Mr. Magner's staff can give you that.

Mr. Hortelius: who is best to talk to about what's going on here? Mr. Magner? So when I bring this back to Mike we can market it subject to approval of Mr. Magner and no transfer of title until it is razed and meets City's expectations? That's what you're saying?

Magner: we'll try to do whatever we can to help him and his broker.

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

- 3 RLH RR 20-49 Ordering the rehabilitation or razing and removal of the structures at 1976 FAIRMOUNT AVENUE within fifteen (15) days after the January 6, 2021, City Council Public Hearing.**

Sponsors: Jalali

Remove the building within 60 days with no option for repair.

*Richard Baum, attorney for Lois Diesing, appeared via phone
Michelle Schumacher, Cornerstone Renovations, via phone
Geraldyn Barosso, neighbor at 1963 Fairmount, via phone
Lucas Wiborg, interested party, appeared via phone
Megan Welborn, VM left November 24 at 10:49 a.m.
Robert Wellborn, potential buyer, appeared via phone*

Staff report by Manager Steve Magner: The building is a two-story, wood frame, single-family dwelling with a detached one-stall garage on a lot of 6,098 square feet. According to our files, it has been a vacant building since November 6, 2014. The current property owner is Lois R. Diesing and Martin F. Nolan per Amanda and Ramsey County Property records. On September 9, 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 September 14, 2020 with a compliance date of October 14, 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 \$160,100 on the land and \$104,600 on the building. Real estate taxes are current. The vacant building registration fees were paid by check on November 13, 2020.

A Code Compliance Inspection was completed on November 17, 2020. As of November 23, 2020, the \$5,000 performance deposit has not been posted. There was one summary abatement notice issued since 2014. There was one work order issued for overhanging vegetation in the sidewalk/alley. Code Enforcement Officers estimate the cost to repair this structure exceeds \$50,000. The estimated cost to demolish exceeds \$20,000.

Moermond: what I notice about this is we're looking at a building that's been in the vacant building program for six years. We have a high value on the land. The CC was recently done. We don't have a performance deposit and a property that's been maintained pretty well over the years. Mr. Baum what is your client interested in doing?

Baum: I represent Lois Diesing. It was in her revocable trust, so technically the ownership is through her and Barry Nolan as trustee. She lives in Massachusetts and is a senior and Mr. Nolan has been assisting her with her affairs, including this home. They arranged for the home to be cleaned out, which it is now. He spoke with some neighbors who have interest in the property, which is where the Wellborn's came into the picture. A purchase agreement was signed, the buyer was Michelle Schumacher and her business who have been hired by the Wellborn's to look at the property and determine what they can do in terms of turning the lot around. We don't personally know what their plans are. There is talk of demo. We did have the inspection report done, and we've shared that with Ms. Schumacher. We're at a point where if it wasn't a Category 3 and nuisance designation we would have closed earlier this month with plans for construction or demo. Turn it into something that wasn't a nuisance. We're at this point where we're at an impasse due to the City requirements that ownership can't transfer due to the Cat 3 designation. Our goal is to have an understanding between all the parties. It comes down to timing for my client to have a deed recorded to transfer title to Schumacher holdings, LLC and allows for development to move forward. We paid the vacant building fee. I know it is up to the City's discretion as far as prorating that fee? I know that's a minor issue.

Moermond: the vacant building fee was paid by check November 13. It went into the program November 6, 2014. The fee paid was for November 6, 2020 to November 5, 2021. Because it was paid, it was a de-facto agreement that it was a valid charge. The fee itself is appealable as indicated in your letter, also appealable if it is unpaid and goes to special assessment. It is my normal practice to prorate fees but having paid it in full without appeal isn't promising. It looks like an agreement and then asking the City to process a refund. I'm going to hear from Ms. Schumacher and we can discuss that later.

Schumacher: I was made aware of the property via conversation with Ms. Wellborn. She and Robert had been through some properties we'd built in the area. After talking further and going through the home with my contractor, we were made aware they wanted to build and tear the current home down. Based on its current condition this makes the most sense. We worked with both attorneys representing Lois to make the purchase with the plan to tear it down after getting permits. We are developing a custom home. Our desire would be to allow the home to remain standing until permits are issued for the build and time closely the demo followed by the excavation for

footings and concrete and then framing. That typically makes the most sense as far as safety as well as cost perspective instead of tearing it down, filling it, and then re-digging it 2 months later. Our desire would be to close as it sits now and go in for a permit within the next month. We just received first draft yesterday for the start of their custom home.

Magner: what would the time frame be for the completed project plan?

Shumaker: in the next month. We're in the first draft just yesterday sent for review. Typically it is about a month to make changes and edits, and then as soon as we have those completed cross-sections go and then permits. Typically we say it is about an 8-week process with St Paul for permits. Likely a start in March with completion roughly 7 months later.

Magner: I ask because one option for you and the attorney is you may consider asking the hearing officer for an amendment to the resolution to make it 30 days to remove the building. That would put you well into February, and if your plans are into the department and within the window to raze and construct, that timing would probably work out for you.

Barosso: I'm just here as an interested party to hear what's happening. I'm happy to hear there's a plan to move forward. We would love to have Megan and Richard stay on the block.

Wiborg: also an interested party curious on the plans for the property. I am not a neighbor, just an interested member of the public.

Mr. Wellborn: I'd like to confirm we are planning on building a new home there that fits into the neighborhood well. We live four houses down now, about 4 years ago we moved in.

Moermond; the demo and rebuild plan, sounds exciting. Here's where I'm at with this. We'll have to have the City sign off on the contract that is between the seller and the buyer about how the demo and title transfer will occur. Hopefully we will be able to approve that. I know you want to close before the demo is initiated but City Code doesn't really allow that. So I need contingencies put into any agreement that would cover this, and you'd want to cover your financial interest as well. There's an attorney on the line, and we do have examples of how this has been done in the past. Because it is not in rehab, but in demo, it is not going to be as strict of a review of the contract as we typically would have. Mr. Magner will be doing that review, because what we're talking about then is the demo permit; when it is pulled and by whom. The City will just issue an order for removal. Typically that action would be within 15 days, which would be pulling the demo permit and having a contractor on board to do it. If the Council does a longer order, I'm happy to recommend that. Right now on January 6 the Council would have a proposed order within 15 days. I'm happy to ask them to issue the order to be 60 days. That means by the 60 day mark the demo contractor needs to be lined up and have the demo permit pulled, and then you have 30 days in which to act. By April 6 the building needs to be down. You can work with Mr. Magner for any extraordinary weather circumstances.

Magner: if during that 60 days they should be ready to go if they submitted their plans for review and City was ready to issue a demo permit and new construction permit. We just have to see the demolition contract from the party at that time to grant that extra 30 days to get through any permitting with the City or County. I think 60 days should

more than work, they just need to tie this up.

Moermond: share that purchase agreement and any addendum with Mr. Wagner so he can be assured it is compliant with local codes. I wish you all well, this is an exciting project.

[Mr. Wellborn had been dropped from call, so was called back in]

Moermond: Basically I'm recommending the Council grant 60 day for the removal of the building. Mr. Wagner and DSI would be reviewing.

Magner: if for some reason this doesn't move forward the City will remove the building after that 60-day mark if everyone drops out.

Baum: so timing for closing, we'll work through the agreement. Then Mr. Wagner will review that, and once he gives the ok in terms of closing how do we work from that?

Moermond: when the building is removed the title can transfer. Mr. Wagner when you look at that paperwork what will you look for exactly?

Magner: demo permit and contract in place as to how they remove it and the agreement that states how this party will take title to it and move forward.

Moermond: that would be the owner is in the position to pull the permit, or someone contracted by the owner? Who can even walk into the pull that permit?

Magner: owner or contractor working or current owner. We can't give a third party a permit to raze someone else's house.

Moermond: so a signed contract between Ms. Schumacher and Ms. Diesing to remove it.

Magner: as long as it is a legal binding contract.

Baum: I'll follow up with Mr. Magner separately.

Schumacher: so closing won't happen until the property is down? That's unique.

Moermond: it came up earlier today too. The reason the code is written is because during the mortgage crisis we have unscrupulous sellers selling to unsuspecting buyers. This turned into whoever is owning the property when the order to abate is issued are the one who deal with it.

Shumaker: am I able to go in for the Welborn's and pull permits on a property we don't own?

Moermond: if you have the agreement of the owner to do that, yes you do. With Ms. Diesing's blessing you can. Any last comments from Ms. Barosso, Mr. Wiborg, or Mr. Wellborn?

[all parties: no comments]

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

11:00 a.m. Hearings**Summary Abatement Orders**

- 4 **RLH SAO 20-48** Appeal of Melissa Peterson to a VEHICLE ABATEMENT ORDER at 910 CLEAR AVENUE.

Sponsors: Yang

Grant to December 11, 2020 for compliance.

No one appeared

VM left 11:31 on 11/24/20

VM left 11:35 on 11/24/20

Moermond: you have a deadline in the order of November 19, so that has passed. We got your appeal November 17. This will go to Council December 9 and I will recommend an extension to December 11. We will send a follow up letter with this recommendation and how to talk to Council.

Referred to the City Council due back on 12/9/2020

- 5 [RLH SAO 20-47](#) Appeal of Paul F. Stefanyshyn to a Summary Abatement Order and Vehicle Abatement Order at 98 GARFIELD STREET.

Sponsors: Noecker

Layover to LH December 1, 2020 at 11:00 am (rescheduled per owner's request).

Laid Over to the Legislative Hearings due back on 12/1/2020

Making Finding Order

- 6 [RLH SAO 20-40](#) Making finding on the appealed nuisance abatement ordered for 2233 ENERGY PARK DRIVE in Council File RLH SAO 20-24.

Sponsors: Jalali

Layover to LH January 26, 2021 at 11:00 am. Council has not yet adopted RLH SAO 20-24 so no deadline has been established at this time.

No one appeared

Moermond: the resolution in front of us is the making finding. The Council hasn't made a decision on the appeal of the original order. It goes before them December 9, there have been conversations between Public Works, Council Offices, and the management company. It looks like we will be talking about a compliance deadline which may include applying for and getting permission from Public Works or removal of those boulders. If Public Works denies the application to have the boulders present that is also appealable. Any extension should take this into consideration. I'm going to continue this through January 26 and we should have an answer about what deadline the Council selects and any follow up.

Laid Over to the Legislative Hearings due back on 1/26/2021

Correction Orders

11:30 a.m. Hearings

Orders To Vacate, Condemnations and Revocations

- 7 **RLH VO 20-55** Appeal of Tabatha Jackson to a Correction Notice-Complaint Inspection (which includes condemnation) at 1094 KENT STREET.

Sponsors: Brendmoen

Grant to January 1, 2021 for compliance.

Tabatha Jackson, owner, appeared via phone

Staff report by Supervisor AJ Neis: this is a condemnation issued by Torrance Hariel. He received a Complaint October 26, 2020 regarding blocked egress windows and outside and inside of property had a lot of "junk". The complainant's words, not ours. He went out and did an inspection and did find the building itself was severely cluttered inside and out. He ordered the clutter to be reduced by 90% inside. He found non-working smoke alarms, holes in the ceiling which still haven't been repaired, as well as no carbons. He did a reinspection November 20. The occupant had made substantial progress. There are now photographs of that updated progress. As a result of that, he gave an extension to December 21 to get the building into further compliance with reduction of materials. At that point, the owner could make repairs. You couldn't get a ladder in there to make repairs before.

Moermond: in the photographs I'm also seeing on the first floor I see a square section of sheetrock hanging down, and it appears to be stained black from mold. Is that accurate?

Neis: it looks like that could be the case, but I haven't been inside. I think that may be the second floor, so maybe a roof leak.

Moermond: there is another photograph that is clearly the second floor since the ceiling is angled, and there I see plaster has come off. In that case there is no doubt that's a roof leak. The other I was guessing first floor but it isn't necessarily.

Neis: the top left there is an angle.

Moermond: yes, or maybe staircase. So we have some water damage in addition to the other things. Ms. Jackson, what is going on?

Jackson: it has been a long journey with this tenant. Ultimately, we've been trying to get him out because we've been trying to keep it cleaned, especially the yard, but he's constantly threatening us. The police have come, he won't let us on the property, plus with the pandemic I wasn't able to evict him to fix it completely. I do have an eviction hearing December 1 which should hopefully get him out. That's why I'm appealing. He will get out and then I'll be able to fix it myself. I don't want this to be an issue at all. He keeps threatening me. Requested warrants. I've talked to multiple fire inspectors over the last few months, asking them what I should do because I don't want it to be

an issue. I haven't been able to get any help because he's there and I can't legally remove him. He's purposely trying to cause problems for me.

Neis: we do have some leverage based on the Governor's orders. There is an exception for a tenant or occupant who is destroying property or there are multiple code violations that cause a health or safety concern for tenant or the neighborhood, then the orders would stand and would be allowed for eviction.

Jackson: and that's what our grounds are with our lawyer. We have just been waiting for a hearing date because they wouldn't give us one.

Moermond: even if the tenant were to clean up the hoarded conditions, we still building related issues. My best guess is when those hoarded conditions are cleared up there may be violations that were hidden because the house was so full. Would you want to revisit on that Mr. Neis?

Neis: with hoarded homes we do typically find additionally issues. Based on the photographs just put in, it looks like some of the floors may have issues. It is possible there will be more, in addition to rodent infestations and bugs when contents are removed. It sounds like that is your desire to get him out and rehabbed. How long has he lived there?

Jackson: over 2 years. He was doing well, when February hit everything changed. I haven't gotten any payments since February, no rent, trash, Xcel or anything. I've brought in dumpsters and have videos and pictures of them going into my dumpster and taking things out and brining it back inside. He's also broke into my house next door because he's upset. He's a tyrant and I want him out. I want this fixed, I don't want any hazards, and I'm stuck because I wasn't able to do much legally.

Neis: you're saying he wasn't a "hoarder" prior to February?

Jackson: he was perfect, he paid on time.

Neis: I'm not talking about monetary issues.

Jackson: yes, no, he wasn't like this before. I don't think it was Covid related, I think it was a personal issue because he would cry when I tried to talk to him. It is either a mental condition or drugs.

Moermond: I have to put a deadline in place. We're just looking at the order to vacate. If they remain unaddressed and it is vacated, they would refer it to the vacant building program. With an eviction and active work happening, I'm thinking they would give you some grace before doing the referral. Since you filed an appeal of the Nov 4 orders, there shouldn't have been a second inspection, that was a mistake. The only impact that had was they got a better sense of the cleanout and giving an extension on their own. You have a December 1 hearing, there's a December 21 deadline in the orders. I'm going to say January 1, so you have something to bring to Court. I think that would be reasonable because that's the first of the month for him to find a new lease. I have no idea what the court will do. If things go sideways at your hearing and you want to follow up that isn't a problem, we can discuss this again if you wanted to let us know Monday. Otherwise we'll do a January 1, 2021 compliance date and see how the hearing goes. We'll get that letter out so you have it for Court and have the complete record I am looking at here, with both sets of photographs so the conditions are evident.

Referred to the City Council due back on 12/9/2020

8 [RLH VO 20-56](#)

Appeal of Hussein U. Abdullahi to a Revocation of Fire Certificate of Occupancy and Order to Vacate at 1393 PROSPERITY AVENUE.

Sponsors: Yang

Layover to LH December 1, 2020 at 11:30 a.m. for further discussion. PO to submit a work plan for making repairs by noon on Monday, November 30th.

Hussein Abdullahi appeared via phone

Staff report by Supervisor AJ Neis: this is a revocation of the Fire C of O and order to vacate issued by Inspector Thomas. The C of O was revoked due to long-term noncompliance in August of 2020. My understanding is the previous owner was not going to make any repairs and the house was pending sale. Subsequently, it was purchased and the C of O had already been revoked during the purchase process, I don't know if that disclosure was given to the current appellant. He spoke with Mr. Thomas who advised this was a vacant building. Thomas explained he bought a revoked building and owner insisted that he will move into unit 2 and his property stay as C of O property. The new owner's C of O is revoked and that's where were sitting. There are multiple code violations on the property.

Abdullahi: I'm appealing to have more time to fix the code violations and line items. I've already started on some but being unprepared and not knowing we were moving into a property with these violations I don't have the capital to work on it right now. I'm essentially needing more time. I know it needs to be fixed. I'd like until January or February to fix the issues. I've already made a lot of progress. I fixed the ceiling and bathroom in unit 4. I just need to fix floor of unit 4 and the hard part is getting an HVAC tech to do unit 3. We've solved the bedpost problems in 3 and are getting closet door fixed. In unit 2 they said there was dust in the floor so we're getting the HVAC system cleaned out. I just ask for more time.

Moermond: when you filled out the appeal form, you didn't give your mailing address, what is it?

Abdullahi: 1392 prosperity Ave, unit 2.

Moermond: are the other units rented?

Abdullahi: yes.

Moermond: you acquired it on October 8, 2020?

Abdullahi: closing date was October 9.

Moermond: looking at the history of Fire orders, it looks like this process started in April of 2020 and that the previous owner, Infinity Financial didn't want to make an appointment to meet the inspector. They kept sending letters and finally the inspection happened in June, and then follow up July 21, revoked August 6, and then inspectors went back again a couple more times. I'm seeing a series of 5 inspections followed by a recalcitrant owner even wanting to do an inspection. You're telling me the owner didn't disclose to you there were orders and the C of O is revoked, but you're saying you did know?

Abdullahi: I did not know before closing. There were emails back and forth asking for a TISH.

Moermond: there wouldn't be one on a 4-unit building, I'm surprised your realtor asked that. It would be a Fire C of O.

Neis: typically a realtor would have done a City look and easily been able to see these orders. This is readily available on our website. These orders predated the closing by a lot.

Moermond: if you're behind the 8 ball in dealing with the orders. The City wasn't unreasonable. It is a question of disclosure by seller to you the buyer. You paid a lot of money for the building, \$404,000. You paid that much money but don't have enough money to fix a dryer vent, that doesn't sync for me. Have you looked into the City's Rental Rehab program?

Abdullahi: I haven't. The thing is, when I purchased this I had to put in an additional \$6,000 and removed money from my 401k plan. I'm skating on thin ice with my savings because I want money saved to take care of paying the mortgage and tenants are having a hard time with Covid. I want to be safe. In terms of having that capital I need more time. I know Infinity Financial hasn't been very transparent.

Moermond: and your realtor didn't do their due diligence. That is your employee. Them not doing what they need to is a complaint with them and the seller.

Abdullahi: that's true. It is my first time buying and that's the problem. I didn't have any experience and my realtor was dealing with her first multifamily unit. This was a recipe for disaster.

Moermond: I'm guessing she made a nice commission. The rub is you're not prepared to deal with the repairs, and the problem is born by the tenants. They have to wait for the building to be repaired. This is basic stuff. You want more time. Can you give me a work plan on when you can have things executed?

Neis: The C of O is revoked and has been. I'm not an attorney, but if they got legal counsel rent can't be collected until repairs are made or put into escrow. Making note, he should also attend a Landlord 101 training.

Moermond: I'm going to ask for a specific plan about doing these repairs. If they require a permit, the permit being finalized is the benchmark for completion. Plans with specific deadlines to review that I can react to. We can be more specific about expectations then. Let's talk December 1. We'll email you and you can reply to that email with the plan to do each of the things in the orders. Mr. Neis is correct, if any of your tenants went to court you'd be in big trouble. Have that to us no later than Monday at noon.

Laid Over to the Legislative Hearings due back on 12/1/2020

1:30 p.m. Hearings

Vacant Building Registrations (including Fire orders)

9 [RLH VBR 20-73](#) Appeal of Rebecca Amidon to a Vacant Building Registration Notice at

1285 BEECHWOOD PLACE.

Sponsors: Tolbert

Layover to LH December 8, 2020 at 2:30 p.m for further discussion and an update on trades permits. Waive the VB fee for 90 days (to Feb 3, 2021). Inspector Dornfeld to inspect and Moermond to follow up with trades permits.

Becca Amidon, owner, appeared via phone

Staff report by Supervisor Matt Dornfeld: November 2, 2020 inspector Joe Yannarely responded to a neighborhood complaint of the house being vacant and not maintained. Upon his inspection he deemed it vacant and did some research with water and found water has been off since 2013 with no consumption. He documented by peeking through the window the interior is gutted and there was a large amount of tree brush in the back yard he issued a summary abatement for.

Amidon: the tree brush is gone now. We talked about this last year, we're working on it to live in. We got really far and was close to being done and I had some health issues and got pulled away and my husband has a full-time job and hasn't been able to get it done. We had a plan to get it done by this past summer, and then Covid happened and the person we hired to help couldn't go in the house with my husband anymore. This year has made it much more difficult. Our plan is still to move in, we just need to get it done.

Dornfeld: I'd like to preface this by saying I can't connect to the internet right now.

Moermond: I'm looking at a vacant building file that was opened 2018. That was what was appealed in 2018. I recommended waiving the vacant building fee for 90 days. It looks like DSI had this as a Category 1 vacant building and closed that file October 2018 because water was restored. It sounds like we're looking at something deeper in terms of documentation of things not being completed. Although the water was reconnected it hasn't been used and it has been vacant for at least 7 years. I'm not sure what happened that it got closed, but we're looking at a new Category 2 vacant building with a previous file opened and closed.

Dornfeld: yes.

Moermond: it is unusual where you weren't actually released from the vacant building program through the appeals process. It was a staff decision.

Amidon: I thought this was over when we met with you the last time.

Moermond: July 2018. All I did was waive the vacant building fee 90 days.

Dornfeld: who closed the file?

Moermond: it was you. You closed the file within 3 months of the waiver being put in place, so there was no fee. Here we are again, it wasn't resolved then. That's to your benefit Ms. Amidon, you weren't billed for a fee in 2019 nor did you have to pay 2018's fee. Here we are now in 2020. It puts me in awkward position when it has been vacant for such a long time and it is not close to being done.

Amidon: it is close to being done. It has been a challenge during Covid, but we finally have hired a contractor. My husband just doesn't have the time to get it done. It is

super close, we're happy to have Mr. Dornfeld go in to look.

Moermond: it came in as a Category 2 this November and I have permits from 2012 for plumbing to Michael Amidon and also an electrical and building permit, all from 2012. Those are ancient permits that would have normally expired. I'm not sure why they haven't been. This is unusual. Mr. Dornfeld, any insight?

Dornfeld: I don't know why the trades permits are still open. They should have been abandoned or expired.

Amidon: I have to get them renewed for the new contractor anyways, right?

Moermond: it would be a new permit entirely. Here's the rub, because your building is a Category 2 with major deficiencies, the code requires a code compliance inspection report. The contractor must address the issues on the punch list in order to get out of the vacant building program.

Amidon: we can't have one more thing to do with that house. I finally found someone to do the work, I just need to get it done.

Moermond: the question at this point is what is that work going to be and who defines that scope of work?

Amidon: we just remodeled the kitchen and downstairs to live in. It isn't to sell or anything. Can't people remodel their houses?

Moermond: of course they can. This is a unique situation, but this has been vacant for 7 years and is not up to code. It is under significant reconstruction which means it needs a code compliance inspection. I'm hoping we can get eyes on to confirm the scope of depth of what is going on. You're talking about a contractor being done in the spring of 2021.

Amidon: it is doable, there's not much left.

Moermond: and I can't confirm that because there hasn't been a City person in there in eight years.

Amidon: the brush was sitting there, but we hire someone to shovel and mow and we keep the outside clean. We had the brush and I forgot to tell the guy to take it away.

Moermond: it looks like you were lucky and now it has just caught up with you. What will it take to get you out of the program? You may need a code compliance inspection. Are you hiring new trades people? Building, electrical, plumbing?

Amidon: I think so. I'm not well versed in this. It has been really stressful, especially with Covid. I don't know what this code compliance means, tons of money and time?

Moermond: a code compliance inspection would put four trades inspectors in doing a walkthrough to determine the minimum things that need to be done to bring it into compliance. So much time has passed since the original permits were pulled. That list of things would be given to the contractor and then talk to them about that list for the bid. That inspection runs just under \$500. In play also is the vacant building fee itself. I'm trying to figure out the best way to be helpful but also be real that this is a vacant building and we are here again. Mr. Dornfeld, could you talk to the trades inspectors on

where they're at with this? I'm not even seeing rough-in inspections.

Dornfeld: I think the trades folks haven't been there for a long time. They won't have any clue what's going on. This house is in a nice area and its market value is \$700,000 to 800,000. I'd be happy to take a peek to see what progress is being made. Sounds like I gave them a break last time. Exterior is in good condition; it is being maintained. They were a category 1 due to a water shut off, then they got the water back on. That's why I closed the file. We're not talking about a crumbling down home.

Amidon: I remember you saying now that none of this would have happened if we hadn't had the water shut off.

Dornfeld: and the second time is because of the brush in the back.

Moermond: we need to figure out a path forward. I don't want to throw a wrench in this, but I have to treat you the same as anyone else.

Amidon: this happened now because of the brush?

Moermond: when there's a complaint and an inspector gets eyes on it one of the questions is if it is a vacant building.

Amidon: don't people have second homes all the time?

Moermond: but this isn't where you're living. Not even part time. Not even one day a week.

Amidon: how do we fix this?

Moermond: right now the answer is getting the code compliance inspection report. I'm willing to consider something simpler, but you have some old permits and I don't know if the work that needs to be done is the same as it was in 2012. You'll need to have contractors pull new permits and what those permits cover is what I want to talk about more with trades. I'd like to do a 90-day waiver on the vacant building fee, and if you aren't done you can appeal the assessment and we can look at prorating that. I want to talk to the building official and get his take on it and maybe Mr. Dornfeld could walk through and shoot some pictures?

Dornfeld: yes, me or Mr. Yannarely. We can accommodate that.

Moermond: let's put a pin in this for 2 weeks and give Mr. Yannarely a chance to visit the property and take some pictures.

Dornfeld: would next weds at 10 am work for you? Wednesday, December 2.

Amidon: yes.

Laid Over to the Legislative Hearings due back on 12/8/2020

**10 RLH VBR
20-74**

Appeal of Michael Allen to a Vacant Building Registration Notice at 1721, 1725 and 1729 CARROLL AVENUE.

Sponsors: Jalali

Grant the appeal to be released from the VB program. Property to become a

preliminary VB and be reevaluated in six months.

Michael Allen appeared via phone

Staff report by Supervisor AJ Neis: this is a revocation of a Fire C of O and order to remain vacant from May 2019. Migdal sent out an appointment letter to do routine fire inspection, went there, no show. Determined the property was vacant. He sent a revocation notice to the property owner on 2 occasions with mail returned. Once he got the second notice back he went and posted it on the property in June 2019 and then got a call. He advised somebody the building was to remain vacant and that was the last he heard of it. He continued his vacant checks. Typically after about a year if the building is being maintained we allow the building to be unoccupied without sending it to vacant buildings. After a year we determined it was still vacant. It was transferred to vacant buildings in October 2020. My understanding it is occupied. We assume it is vacant, but your appeal says it is not.

Moermond: we have a commercial building that in May of 2019 was determined to be vacant, per normal practice he sat on the file for a year before sending to the vacant building program and here we are.

Supervisor Matt Dornfeld: I don't have anything to add other than James Hoffman opened a Category 1 on October 28, 2020 per the referral.

Moermond: I did see there was a fair bit of activity on 1725 Carroll for the planning documents. Mr. Allen what are the plans?

Allen: it sounds like there were two notices in 2019 that didn't get to me, I want to make sure we're clear on that. I was never told there was a vacant building being considered. The only communication I received was on October 10 in the last couple weeks regarding the vacant building registration form. We immediately replied. The biggest issue is we were never notified that this was even a potential issue. We've been working on this building for a while and it has mainly been going through architectural and planning things. This started in June of 2020. We have been talking about what it would take to create a cluster development at that property. In August we maybe got our first approval to do a cluster development and have been working with planning and zoning. We've been in this thousands of dollars so far to get approved to do this. As of the last couple months we've received approval for the cluster development on the site. We're not allowed to do anything because we had to get approvals from the City, we had to get 3 different variances for the setbacks and have a certain percentage of your space unoccupied. We had to get approval for that. It has been a long process. We're not allowed to do anything while we wait, and those just happened within the last month. Yesterday we just got a site plan review invoice to pay to continue. I think there's just a misunderstanding. We weren't told it was considered vacant in the City's eyes.

Moermond: I think part of that is the different addresses in play here. 1721 is the one we are discussing and 1725 is the one with the activity. It also appears the appointment letter and revocation letter from 2019 were addressed to MBA Investments, LLC at 1642 Carroll. When I look in the system at the C of O Responsible Party it is listing Mr. Allen on Selby. I'm not sure why there's a disconnect there. Any insights there?

Neis: that was documented by Inspector Migdal. He went above and beyond by posting the notice on the door because of the fact that there was mail returned. It is the

owner's responsibility for an address change. It isn't our job to track them down. It looks like there was another change to 1264 Energy Lane in May.

Moermond: when will you be executing these plans? Building demo and building something new it sounds like?

Allen: the 1721, 1725 and 1729 are all one building, with three doors.

Neis: what is it being used for?

Allen: storage for our business and has been for a long time. The property has been kept up this whole time, mowing, shoveling, all those things. It isn't just a vacant building. For the last year there's been people in and out. As far as timing, we just got the letter from the City for the permit application for site plan review invoice on Monday, November 23. The plan is to finalize the bids and start pulling permits. The idea was to start pulling them before the end of the year.

Moermond: what happens to the storage in the building?

Allen: the storage will be moved to a different warehouse.

Moermond: the use of the property when I checked it, it is coded as office use.

Neis: Inspector Migdal spoke with someone in 2019 from All Energy Solar about the revocation. To say you never knew doesn't seem to be accurate. The primary use of the business is business, but that doesn't mean it can't be used for storage. Especially if it is mixed use. It could be used for storage even though it is marked as office.

Allen: All Energy Solar is my company and I work there. We used to be located at 1642 Carroll Avenue. With regards to someone calling you, I'm not aware of someone responding. I don't know what else to say or do. I am surprised I'm being told about this and it is being sent to the 1264 Energy Lane address. I'm glad it did, but I'm happy to prove this isn't vacant and we have been actively working towards all of these things. We just weren't aware of this.

Moermond: sounds like you'll be getting moving in the spring?

Allen: we'll pull permits before January. We've been working with an architect for the last year. Our bids are due at the beginning of December and then we'll pick a contractor. Beginning of spring is when we'll start, yes.

Moermond: I'd like this changed to preliminary vacant building and reviewed in six months' time. If folks aren't moving by then we'll have another conversation then.

Referred to the City Council due back on 12/9/2020

**11 RLH VBR
20-75**

Appeal of Derick/Tamla Crockett to a Vacant Building Registration Fee Warning Letter at 181 FRONT AVENUE.

Sponsors: Brendmoen

Waive the VB fee for 90 days (to February 6, 2021).

Tamla Crockett, owner, appeared via phone

Staff report by Supervisor Matt Dornfeld: this is a category 1 Fire Exempt vacant building November 5, 2019. Trades permits are on file, rehabilitation is ongoing. I don't have internet so I don't have previous fees or extensions offhand.

Moermond: it has been waived the entire time, so we're still talking about the original fee.

Dornfeld: so 2 fees currently due.

Moermond: Correct. 2019 went to assessment in June. So this is the 2021 fee. Where are you at with rehab?

Crockett: everything is signed off on other than the building permit. We just haven't been rushing because fees have been so expensive with everything going on. It has been hard to get products without it being very costly. Electrical plumbing and heating have been approved.

Moermond: the electrical permit was pulled December 2019 originally; it hasn't been approved or finalized yet.

Crockett: I just looked at that, electrician said he was calling. I'm not sure why.

Moermond: he needs to have the inspector come look, same with plumbing permit.

Crockett: that was finalized a month ago. The plumber wasn't following through so we hired a new plumber and he received a new permit. The original person wasn't following through and it was holding up building stuff. Finally we hired someone new and as soon as we did that, the next day the original plumber went and finished.

Moermond: I have a contractor for plumbing, Brian Koloinan, but you have another one for Anthony Webster Barr.

Crockett: that was for the same thing.

Moermond: and that reads as active issued. That's not finalized. It is worth looping back with the inspector to make sure it is in order. It sounds like you'll be done soon.

Crockett: we are, it just has been a lot. Contractors are not showing up.

Moermond: So a 3-month waiver on your fee will get you through? To February 6, 2021. If you aren't done it will go to assessment and we can look at prorating it, but it sounds under control.

Crockett: the City said that he could just cancel that permit because it was a duplicate as the original?

Moermond: I don't know what to say about that.

Crockett: it's the same thing, and I had to pay a fee to Barr Webb just because he gave an estimate and pulled a permit. I get it, but I don't need it hanging out there.

Referred to the City Council due back on 12/9/2020

2:30 p.m. Hearings

Vacant Building Registrations

**12 RLH VBR
20-72**

Appeal of Alex Delendik to a Vacant Building Registration Notice at 609 SIMS AVENUE.

Sponsors: Yang

Deny the appeal to be released from the VB program. Property to remain a Category 2 vacant building, requiring a code compliance inspection. Waive the VB fee for 90 days (to February 3, 2021).

Alex Delendik appeared via phone

Staff report by Supervisor AJ Neis: this was a revocation of the Fire C of O and order to vacate. This property was revoked and appealed pending revocation due to long term noncompliance. A deadline was given to appellant with a reinspection scheduled for November 2. Inspector Franquiz arrived and waited, walked around property and observed exterior deficiencies weren't done and two units were vacant. He knocked with no answer several times and no one showed up for the inspection. As a result it appeared the building was vacant and secured, so in addition for failure to comply with orders it was sent to vacant buildings.

Moermond: so he went to do the reinspection and found it to be vacant. The noncompliance with the orders in and of itself would have also triggered that referral.

Neis: yes. it was compliance or to be vacated.

Moermond: we had hearings September 15 and 22, Council voted October 14. You just had a TISH it looks like?

Delendik: we're thinking of changing the entity with the contract for deed, so we'll still hold the property. It is just a formality.

Staff report by Supervisor Matt Dornfeld: November 3, 2020 Vacant Building Inspector Hoffman opened a Category 2 vacant building per Inspector Franquiz's referral.

Moermond: you found it to be empty?

Dornfeld: Hoffman's notes say it does appear to be empty as of November 3, 2020.

Delendik: I talked to Franquiz and Hoffman November 3. When we agreed on doing the repairs in September we gave notice to the person that was occupying Unit 1 that has the electric meter and panel. The gentleman refused entrance to his unit, he contacted the City Attorney and Attorney General and the City Council or City Clerk who told me that it was no longer enforced and told me to stop harassing the gentleman in unit 1. He wouldn't grant me access and changed the locks. If they were on the site they would have seen all the doors are posted with forbidden access and we changed the locks. The main apartment the man has firearms and a knife. November 2 we talked to Kelly who is the scheduler for vacant building referrals who said the inspection shouldn't be done. The Attorney General told us the vacate couldn't be enforced. I talked to Franquiz and he said he wasn't aware of any of this and obviously didn't meet anyone or get any access and told me he just transferred to vacant buildings. I spoke to Inspector Hoffman who said to do the appeal. We got possession of the unit finally last week. It is still posted as no entrance, forbidden. No other attempts to get into the unit will be approved or it will be a violation of the City code or Attorney General, I don't know. Attorney General told me they won't enforce the order to vacate due to the moratorium. I would have to move him to a hotel. They advised me

to stop any communication about a move out because it is technically part of the state order from the Governor. I am just asking to put it into Category 1. We don't want to rent until we fix it. I'm the new owner and it is unfair. I got the revocation where I have no control of the property, I don't even have keys. I have an issue where I've been working in good faith and giving people time to move out and actually fix it to get the fire certificate. I wouldn't send my workers because it was hostile. The Attorney General assured me it wouldn't be enforced. This property has had a rental license since 1989. 30 years those smoke detectors have been there. I've owned it for 3 months and I end up as the scapegoat. The previous 30 years there were no issues and no one enforced it. Now they're doing it after I purchased it. It is just unfair. I'd just like it put to a category 1 and pull the permits so I can do the necessary repairs and put tenants in. I have never been contacted by the Attorney General before, trust me it was intense you don't want to talk to him. You should have it noted that the State contacted the City, your conversations should be recorded.

Moermond: I think you have some misunderstandings of some things. You're really all over the place on this. Even talking about the smoke detector codes, you're misunderstanding the orders. There's nothing particular to you being a bad actor, it has been code forever. If there isn't a smoke detector outside of a bedroom, sometimes people remove them—

Delendik: no, no, it has to be wired. If it hasn't been done since 1988 and had a rental license in those 30 years it should have been enforced. How did he get the license year after year? I'm asking you to not punish me because you gave the previous owner lots of passes.

Neis: I didn't get any calls from the Attorney General. The Governor's eviction orders, in terms of order to vacate, that's failure of nonpayment of rent. It doesn't pertain to buildings that are unsafe or have life safety issues that would pose hazards to the property.

Delendik: I told them it is a matter of safety and sent them the orders, but I need access to do the hardwire smoke detector. They told me to cease communication since he promises to move out. I have a recorded voicemail from them.

Neis: as far as the vacate, any orders that are regarding life safety don't pertain. In regard to the work, we received a work plan. The eviction orders didn't have anything to do with allowing you to maintain the property. You gave a work plan of when things were getting done. Had you complied by the deadline it would be a non-issue and you'd have your C of O. I looked at the TISH report by his own inspector he hired, it would warrant a Category 2 vacant building status. It appears our orders helped get the occupant out and category 1 status would do nothing but allow him to put someone in right away.

Delendik: I don't think you can until you comply with the orders.

Moermond: as an owner occupant, but you still need a Fire C of O in order to rent. The next issue is whether it should be a Category 2. The first concern is should there be a code compliance inspection that needs work done off or should it simply be the Fire orders? The second question is the vacant building fee itself. Looking at these orders, are there multiple trades involved?

Neis: specifically in his private inspection there were floor joist connectors missing, they noted 10 hazardous conditions in the house. Telescopic columns not approved for support, missing knockouts, water shut off, furnace didn't respond to thermostat,

improper handrails. There's a lot here. A Category 2 has multiple code violations with multiple trades warranting a code compliance inspection. For all intent and purposes that's what this building is.

Delendik: when I spoke to you on September 15 you told me these violation are not indicative of a category 2. You want me to play it for you?

Moermond: we have notes as well. It didn't say you could be a category 1.

Delendik: I didn't get access, the Attorney General got involved as well. Now it is saying the City says it was ok and it was my responsibility. One person said I couldn't touch him. I was stuck between the 2. When you did the vacant building registration it was fully occupied. It is now posted no trespassing. He had guns, how did you want me to go in and deal with him? I know you have a point, now I'm being punished into Category 2 when you said it could be 1

Moermond: I didn't say that. I defined both. I said it was a staff determination and we could have a conversation and that was appealable which is what we're doing right now.

Delendik: all this stuff was there for 30 years. I wasn't able to comply. You know what a Category 2 is right? It is a whole new set of orders. I'm ok with being a category 1 and getting this fixed in 3 months. There's no owner occupant, it is a corporation. City still has control. 30 years vs. 3 months. It is just not fair.

Neis: the property actually had a pretty clean bill of health up until 2014 when things started going downhill. I would accurately say it has been on the decline about the last 5 years. A lot can decline in that amount of time. In all fairness, we weren't in the property to allow this to happen. It hasn't been 30 years.

Moermond: It was 2007 when the Fire C of O was expanded to include single family homes and duplex. It couldn't possibly be more than 13 years back. This is all beside the point. This is whether it should have a code compliance inspection and be subject to the vacant building fee. I have to look at building conditions and whether it is safe for the next person to live there. When it gets to this condition and is empty it is a category 2 vacant building and must meet minimum standards as defined by the code compliance inspection. When we reviewed that list and Mr. Neis was commenting on the TISH report, those are things considered in whether this can be tailored to your property. I was hearing there are a variety of systems that are showing deficiencies. Should we go off of that or go to a deeper inspection? My assessment is it is an appropriate candidate for a code compliance inspection. I'd prefer to waive the vacant building fee and invest that money back into the property.

Delendik: when did the hardwire smoke code alarm get written?

Moermond: this is State Fire code matter.

Neis: specific to the city--

Delendik: it was 1988

Neis: that was for single family homes.

Moermond: where are you going with this? You're saying your being picked on because of this one piece of code. I've heard your comment but it doesn't change the nature of

the direction of your case. I hear you but I disagree with your conclusion.

Delendik: one of the tenants moved in sometime in 1989 and the tenant said nothing has been done.

Moermond: I don't know if she's a certified inspector. I'm guessing not. I don't know your conversation but I have objective inspection reports in front of me I'm using to make this decision. I invite you to share your additional thoughts with the Council. It is totally ok to disagree with me on this. I suggest you gather that information and we'll send you a letter on how to do so. We'll waive the vacant building fee for 90 days and have this be a category 2 and require a code compliance inspection and a certificate before it can be reoccupied.

Referred to the City Council due back on 12/9/2020