

# Minutes - Final

# **Legislative Hearings**

Tuesday, February 23, 2021	9:00 AM	Remote Hearing
	legislativehearings@ci.stpaul.mn.us 651-266-8585	
	Joanna Zimny, Executive Assistant	
	Mai Vang, Hearing Coordinator	
	Marcia Moermond, Legislative Hearing Officer	

# 9:00 a.m. Hearings

# Remove/Repair Orders

1 <u>RLH RR 20-31</u> 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. (Legislative Hearing on March 8, 2021)

Sponsors: Brendmoen

Refer back to LH March 9, 2021 at 10 am for reconsideration. (CPH March 10, 2021)

Adam Soczynski, attorney for Usset, Weingarden and Liebo o/b/o NationStar Mortgage Corp d/b/a Mr. Cooper, appeared via phone Philip Schloss, owner, appeared via phone Barry Rohweder, potential purchaser, appeared via phone

Moermond: Mr. Schloss, despite your name being on the documents as owner you haven't appeared yet in a Legislative Hearing on this matter. Let me give you some background before we get started. My job is to review the proposed order to remove or repair this property. My recommendation goes to City Council tomorrow. I have had this in hearing since October 27, 2020 and the Order to Abate was issued in June of 2020. What I do is to look at a set of conditions, if the owner wants to rehabilitate, which looks to be the case here. There was a letter sent February 12 outlining those conditions. The way I like to begin is to have Mr. Magner summarize those expectations and update the record with the latest details.

Staff report by Manager Steve Magner: letter was sent February 12, 2021 to confirm on February 9, 2021 saying Ms. Moermond will recommend the building removed within 15 days with no option to repair. There was another letter sent the same date that stated the conditions to Mr. Schloss and Mr. Rohweder. In spite of the referral, Ms. Moermond will review information Tuesday February 23 with the goal of determining whether her recommendation should be amended. There are a number of conditions that must be met to rehab a category 3 vacant building including financing, affidavit, work plan and bids, and to maintain the property. Ms. Moermond will review any requests for a change in recommendation today.

Moermond: turning it over to Mr. Soczynski, my understanding there was a Sheriff's sale and your client was the highest bidder at \$70,000? Previously you'd mentioned the

mortgage was as much as \$261,000. Where is your client at?

Soczynski: we had set out the options and then it seemed like we got finished with the hearing and the property owner decided they hadn't abandoned the property and were interested in taking the lead. My client is basically watching this. We're not in a position to move forward while ownership rights are being established by the property owner and investor. We're waiting to see what happens with them and their course of action and react from there.

Moermond: Mr. Schloss, what is going on from your perspective? I would note that although my office became aware of this February 9, the actual purchase agreement was executed 4 days prior. What's going on and why we haven't seen you for six months?

Schloss: I didn't consider myself the owner any longer. I went into bankruptcy in August of 2012 they told me I had to surrender the property to the bank, which as HSBC. Which I guess is usual that I didn't hear from them, though I tried to contact them. I filed a quick deed with the City. Time went by, then HSBC got the taxes billed to them, and they never called me, or the City, to see why there were getting the tax bills. Then Mr. Soczynski got ahold of me to challenge the transfer of ownership, to foreclose the property. That's what I wanted done in 2012 to avoid where we are today. I am embarrassed it has been that way so long. I agreed I wouldn't challenge the transfer of ownership, since he said he wanted to foreclosure and transfer title. I never was really notified; I can't remember how I found out about the sheriff's sale to dispose of the property. Deutche Bank then took over since it was a money loser for them. I guess what happens when these foreclosures come up you have a lot of investors in the property at a bargain basement price. I looked on Zillow and the price seemed pretty good. So I got a few offers and Barry happened to have best one. I made him aware of the vacant 3 code violation, and he reassured me it was ok and we could move forward with the purchase. I never realized what was involved with trying to get the code violations cleared up before it could transfer. I'm surprised that we are here. I never got the Council notices.

Moermond: they went to the address of record with Ramsey County property taxation. The obligation of the City for proper legal notification was met. If you changed your address and didn't notify Ramsey County that is on you.

Schloss: HSBC was the owner. It wasn't corrected until last June and the owner was clarified.

Moermond: according to code you received the notification as required by the City. Figuring out ownership, those parties were also notified and had been participating. You didn't. I hear your excuses about a six-year unresolved situation. The conditions for a category 3 registered vacant building are outlined in the City's code and have been discussed thoroughly in this process of hearings. I don't know how they could be a surprise to Mr. Rohweder who said he did understand the conditions.

Schloss: you missed the whole point. You have someone moving forward to fix the problem. You have two issues left to be resolved. You have your choice of a vacant lot, or it can be rehabbed. That's all I have to say.

Rohweder: as far as the history of myself, this is all we do. We certainly have the capacity to do it. The form you got may not be adequate, but we can fix that. We executed the purchase agreement on the 5th. We are prepared to move forward. I've

given a credit card for the \$5,000 performance deposit. As far as I'm concerned we are ready to move forward. We are spending over \$100,000, so the title being approved has to happen.

Moermond: typically attorneys are involved to craft that agreement. I don't have anything like that right now, so I can't look at that now. I'm also curious, I see in the purchase agreement that the cost is \$7,600 but I don't see any mention of what's going on with the mortgage. Tell me about that.

Rohweder: there's some detail on the second to last page. Subject to the sheriff's certificate and any encumbrances. Typically when we buy foreclosed process, it is beneficial to go to foreclosure. In this case it's the first mortgage against it.

Moermond: so it is an unresolved issue right now.

Rohweder: what is unresolved?

Moermond: you aren't in possession using this instrument.

Rohweder: we can have our attorney draft something.

Moermond: hear me, this has been going on for six months. You parachute in at the last minute and the recommendation has been made. Activity took place that's not consistent with code and you're asking for an exception to the rules. The property also hasn't been maintained, there have been 39 work orders.

Rohweder: I can understand your frustration. It didn't come to our attention until two weeks ago.

#### Moermond: how did it?

Rohweder: County record of the foreclosures. That's what we do, we shop 9 counties. I did send a crew on Friday to clean up mattresses and police the grounds. At this point, we're prepared to move forward and we need to wrestle these issues, but we can do that.

Moermond: I see your financing is preapproval letter, not actually money in the bank to be spent. Am I missing something?

Rohweder: one requirement was a construction loan. Typically the bank needs about 3 weeks, but we haven't requested it because of the uncertainty here.

Moermond: the City isn't giving time until the money and plans are locked in. You have to have your act together before the City will grant time. The contracts, financing and so on need to be approved. I would never recommend a grant of time before those pieces are in place. You're saying you need the reassurance you need to do the rehab—

Rohweder: that's not necessarily the case. I'd like to know from you if you can have the documents by Friday, you will consider it. I can't pull it together before tomorrow's hearing. We're prepared to proceed; it will be beautiful. It is advantageous for the City to let the process roll for another week but obviously I don't control that.

Moermond: back to the beginning, Mr. Magner, any comments?

Magner: I don't have any observations or questions.

Soczynski: the only thing I would add is, I don't know Barry personally, but in the past the names and the situations have come up in foreclosures and redemptions and situations like that. Just from the past conduct I would tend to believe he can get it rehabbed and do it more efficiently than my client would.

Schloss: I would hope you would give Barry maybe two more weeks. The Council would be understanding from a human standpoint of what's transacted. I apologize it has got to where it is, but I would think a rehabilitated building would be better than a vacant lot. He's expressed his interest. It is a beautiful property built in the 1880's. A reoccupied building would be better than a vacant lot.

Moermond: and we don't know how long it would sit vacant versus having new construction. My concern is the nuisance being abated.

Magner: I just wanted to check on a couple facts. When did the mortgage stop being paid on? 2012?

Soczynski: I'd need time to look that up.

Schloss: I went into bankruptcy and it was approved in August or September of 2012.

Magner: the question is, you as the owner with a mortgage, for \$155,000 originally, you stopped making payments. So from 2012 to today no one has made a mortgage payment. That mortgage, whatever it was, there was considerably more than what the sheriff's sale was for.

Soczynski: original loan amount was \$155,000. It sold for \$71,000 at the sheriff's sale.

Magner: what is the redemption cost?

Soczynski: so \$70,000 plus fees and interest. We're talking about that bid plus any carrying costs.

Magner: Mr. Rohweder is buying position from Mr. Schloss to come in and redeem the property from the bank for what they paid for it?

Soczynski: yes, it appears he will redeem in place of the owner at the amount bid.

Magner: we need documentation from Mr. Rohweder that says, "I have \$70,000 plus cost to pay off the mortgage, I'm paying \$7,600 to Mr. Schloss, and then I have another \$108,000 to rehab it." He needs to show to the City he has \$108,000 + \$70,000 + \$7,600. Basically \$200,000 to show he can enter into the contract with Mr. Schloss to rehab. I don't think Ms. Moermond can change her recommendation until she sees that.

Moermond: that is correct. I'm looking at now if there is an additional grant of time to get your act together or not. Looking at the materials in front of me now, I'd like to think about this more. I'm not thrilled with the situation. It really lacks the two key components, financing and an actual legal agreement allowing transfer of title following completion of the rehab and inclusive of the bank's consideration. Can it be built in a way that is acceptable? Perhaps. Does Mr. Rohweder have the experience to do this? I

don't know if he's done a category 3 vacant building in the City. Your name doesn't ring a bell. This would be a chance for Mr. Schloss to make some money, and the bank to mitigate losses somewhat. Since we began this hearing process, the City has issued orders on a monthly basis to maintain it, which doesn't speak well of any effort to deal with the nuisance it presents to the neighbors. Those are the things the Council will and should look at.

Rohweder: assuming we get an agreement to proceed, those issues will be gone. I've introduced myself to the neighbors and gave them my business card. Its likely 90 days or less, I put 120 days to be safe, from date of commencement. To assuage that concern of yours, that won't be an issue moving forward if we are involved.

Schloss: I can hear your frustration. From my viewpoint it is a historic building and you have someone stepping forward to get it occupied and reliably pay taxes on the property.

Moermond: the property taxes have been paid by the financial institution and are current.

Schloss: so they did bid through the quick deed title, from my viewpoint I no longer consider myself the owner.

Moermond: and yet your name is on a purchase agreement and you are collecting \$7,600.

Schloss: that is because they needed to get me clear title. There was confusion about who really owned it. That's the confusion here too. I didn't own it form my viewpoint and I guess HSBC didn't think they owned it either. I can submit letters I sent them. I tried to contact realtors, but I couldn't get permission from HSBC to sell. I couldn't get any communication with them at all. I did try to dispose of it in 2014 and get it occupied. That's where Mr. Soczynski stepped in to clear the title. It was because I didn't give the proper notice to HSBC, but they did get notice because they got tax notices. They never contacted me. This is the quandary that caused this long of a time. Barry sounds sincere he can rehab it. It is a beautiful property; I didn't have the money to rehab. It would be a mistake to not give more time instead of having a vacant lot with a fence around it. That's all I wanted to say as to why it is suddenly coming before you. They have foreclosed and the sheriff has a certificate to it.

Soczynski: I only wanted to say in defense-- and HSBC isn't even my client in this matter-- but regarding the bankruptcy they didn't handle it properly through the bankruptcy court and then a deed was filed generically from the owner to a bank that doesn't even own the property of record. And then of course because the deed was accepted by the County, the tax records are changed and they go and get send somewhere. We undid all of that because it wasn't done how it was supposed to be done through the bankruptcy. We couldn't foreclosure because of the wild deed. A colleague put the title back in a way we could foreclose, which we did, and now we are here. That's just how I see what happened in terms of the title. When the file came to us in 2018, everything had already happened since 2012, and our job was to make it so Mr. Cooper could foreclose the property. That involves my involvement here, and now we're handling the property in whatever situation it is. We're trying to make it the best we can for the City here. Really, I'm onboard for whatever is in the best interest of the City. I'm all for giving Barry more time to remedy the situation, I believe he probably can.

Moermond: thank you gentleman. We have all of your emails. I will be considering this matter and getting you my recommendation prior to tomorrow's Public Hearing. If you want to testify prepare to, and then you can cancel if you want to. Let Joanna Zimny know if you want to testify tomorrow.

Soczynski: when is the hearing?

Moermond: tomorrow at 3:30.

Soczynski: ok, just wanted to write it down again.

Referred to the City Council due back on 2/24/2021

# 10:00 a.m. Hearings

2 RLH RR 21-2 Making finding on the appealed substantial abatement ordered for 864 MARION STREET in Council File RLH RR 19-29. (Legislative Hearing on March 9, 2021)

Sponsors: Thao

Layover to LH Tuesday, March 9, 2021 at 10 am. By noon on Monday, March 8 PO must: 1) post an additional \$5,000 PD with DSI, 2) updated work plans and schedule, including subcontractor bids, 3) updated proof of financing available to complete the work and 4) updated affidavit dedicating funds to the project.

Robert Schilling, owner, appeared via phone Richard Bowen, attorney, appeared via phone

Schilling: I still have the breathing issues, so if I get weak on you, don't be surprised.

Moermond: we are making a finding about whether the nuisance condition has been abated at the property. The Council passed a resolution August 26, 2020 granting 180 days to abate. We're trying to find out percentage completed if it isn't finished, and figure out a path forward.

Staff report by Manager Steve Magner: a letter was sent February 10, 2021 to Mr. Schilling and Mr. Bowen regarding the making finding hearing today. DSI staff will update progress on abatement of the nuisance conditions. If you have the code compliance certificate by February 23, this hearing will be canceled. If you haven't received the code compliance certificate, contact Joe Yannarelly to schedule an inspection as soon as you can to determine percentage completed. This goes to Public Hearing March 10, 2021.

Moermond: who would like to speak first?

Bowen: I know that there has been difficulty due to Covid. The electrician tested positive and couldn't work. Another person got Covid at a different time. I also know that one of the laborers has a wife with stage 4 cancer so he had to back off quite a bit because of fear of infecting his wife with Covid. There's been some problems there. I spoke with the electrician two days ago, he's ready to come in now and complete the work. He says it won't take much time. I think with the medical situations, including Mr. Schilling's, he's having major heart surgery. All these situations that have arisen have thrown off the timeline to get the work done. I would ask for an extension to have the work completed. In talking with the electrician and plumbers, Ryan's Plumbing, it could be corrected and ready for another inspection.

Moermond: Mr. Magner, what was the percentage of completion?

Magner: Mr. Bruhn's email from this morning says: My initial findings are that not much has been done to the property except for some general clean up and some windows were installed. They have not had any rough-in inspections done and don't have plumbing or mechanical permits pulled. That being said, the best I can say is that I would put completion at 20%.

Schilling: I got the impression that the plumbing and electrical issues were 90% of his determination, and that a lot of the work that had been done to the building didn't really apply in his decision. We put new windows throughout, those have been completed, but those didn't register very high in his opinion. There has been steady activity, just not the right kind. We definitely want to finish the project; I have everything riding on it. I plan on having my hands on as much as possible. An extra 60 or 90 days would let us succeed.

Moermond: you have two electrical permits out. One from Collin's and one from Kraft electric pulled February 8.

Schilling: Collin's was to get the power turned on

Moermond: and that's not finaled.

Schilling: the inspector came out to turn it on and authorize it. That was a series of 5 approaches just to get that electric on. There was a walk through by some inspector before It could even be turned on. That was the only reason for that permit.

Moermond: that can be reviewed. The one pulled by Kraft a week and a half ago is who you're using now?

Schilling: I had this issue with them months ago, they assured me they already had one, I kept asking to see it, then this Covid thing took over and things got out of kilter. I haven't been as hands-on as I should have been because of my health. I don't want to lose it at this point. I'm 80 years old, I don't want to go down a failure on it. I lost the property on University Avenue; I am hoping the losses stop. Six months seemed like ample time.

Moermond: what is frustrating from the City's perspective is our conversation started November 2019 and you were given 9 months to pull your plans together which is an extraordinary length of time. It is not just the six months from the grant of time, it was teed up over a very long period of time. When I look at the file and it is as thick and old as it is, it doesn't speak well of the ability to pull it off.

Schilling: I understand.

Moermond: What I have in front of me is the performance deposit. Under City code this can be forfeited for lack of progress in reaching the 50% mark or ask for \$10,000 to posted in its place. I haven't come to a conclusion on that yet. I need to see your bids are still valid and also a realistic schedule for completion, and that you still have the money to do the work. With respect to the performance deposit, you can anticipate the least I would do is require another \$5,000 be posted. That is the bottom floor of what I

would ask for.

Bowen: I think due to the global pandemic you can expect delays, plus laborers and an electrician suffering from Covid. I would think that's an adequate excuse for delays. If we weren't in a pandemic I think more would have been achieved by this time. Because of the pandemic and employees fearful or suffering from the virus, that should be an adequate excuse of delays.

Moermond: I understand. I have seen a lot of properties in this room and whether the length of delay is justified and if they are, what is the right decision the City's part? It seems to me the question is whether the City should pursue removal because of noncompliance. It does happen people can't finish on deadline, but there are implications for that. The new performance deposit creates another big carrot to get the work done. It is more than reasonable to confirm plans and financing are in place considering the length of time it took to pull it together in the first place. I don't see any permits pulled by Ryan Plumbing. I would also add, working in a vacant building is one of the safest places to work for people. Taking that into account, are you prepared to pull together new plans and demonstrate financing is still available to complete the work?

Schilling: can we do that the first part of next week?

Moermond: that works for me. Mr. Magner, anything outstanding?

Magner: standard requirements, second performance deposit, revised subcontractor bids and work plan and affidavit on the financing.

Schilling: I'll work on that today, have it a week from today.

Moermond: this goes to Public Hearing on March 10, so we can look at this March 9. Revised work plan and schedule, contractor bids, indicate if you've paid half down, etcetera, which takes into account how much money still needs to be available. Plus, having the extra \$5,000 performance deposit posted. I'm going to ask that you have that no later than noon Monday March 8 so we can discuss it at Legislative Hearing on Tuesday March 9.

Referred to the City Council due back on 3/10/2021

## 11:00 a.m. Hearings

#### **Summary Abatement Orders**

3RLH SAOAppeal of Eric R Jacobson to a Summary Abatement Order at 235921-13PEARL STREET.

<u>Sponsors:</u> Jalali

Grant to Grant to March 4, 2021 for compliance with removing items from front porch (outdoor chairs, table and shovel/broom may remain). Grant to April 12, 2021 for compliance with orders to remove scrap wood from property.

Eric Jacobson, owner, appeared

Staff report by Supervisor Lisa Martin: this is a summary abatement order issued to

remove lumber and scrap wood on front porch, front and rear yard. Orders were sent February 8, 2021, with a compliance date of February 15, 2021.

Moermond: sounds like you have a project going, what are you looking for today?

Jacobson: I couldn't comply with the orders as written because I didn't get the notice until February 10, that leaves me the four coldest days of the year to comply. I'm not going to go out there and fight with the wood pile when it is below zero.

Moermond: so you're looking for an extension to deal with this. Fair assessment?

Jacobson: yes.

Moermond: I'm looking at the wood pile but also what is going on, you have a fair bit of stuff on your front porch.

Jacobson: that is all almost clear. I do intend to keep four patio chairs and a small table and my snow shovel and broom. Is that ok?

Moermond: that's totally fine. What I'm looking for then is, let's talk about two deadlines. One for the front porch and one for dealing with the wood. It sounds like you've made progress on the porch, when will you have the remaining items removed?

Jacobson: I'd like to say today, since it is nice out, but let's say the end of the week.

Moermond: and the wood pile, it is probably deeply frozen, what are you thinking?

Jacobson: I don't know. I could probably get someone to help. It is frozen solid. I was told if I kept it off the ground and covered it would be ok. But it is not covered anymore.

Moermond: and there's a time limit with construction materials before they are compromised too. Then it isn't construction materials anymore and we don't want that to happen. I'm really comfortable with a porch extension of granting to March 4, 2021 to deal with that. Then the wood being frozen, Ms. Martin, what is your experience. I'm looking at mid-April. Ms. Martin, any thoughts?

Martin: mid-April sounds good.

Jacobson: that should work well.

Moermond: so that needs to be removed and put to use or gotten rid of by April 12, 2021. The inspector will reinspect then. We will email you a letter with the recommendation.

Referred to the City Council due back on 3/17/2021

4 RLH SAO Making finding on the appealed nuisance abatement ordered for 1496
21-15 CHARLES AVENUE in Council File RLH SAO 21-6.

<u>Sponsors:</u> Jalali

The nuisance is abated and matter resolved.

No one appeared

Moermond: staff went out and found it abated?

Supervisor Lisa Martin: yes, that is correct.

Referred to the City Council due back on 3/10/2021

### **Correction Orders**

5 RLH CO 21-1 Appeal of Joseph Schachtner to a Correction Notice at 38 MOUNDS BOULEVARD.

Sponsors: Prince

Grant to March 15, 2021 for compliance.

Joseph Schachtner appeared via phone

Staff report by Supervisor Lisa Martin: looks like January 28, 2021 we issued a correction notice to this property specifically in violation of section 34.08 in which they are storing a cargo container on the property. They had a March 1, 2021 deadline by us.

Moermond: this is 34.08(6). Are there any circumstances where this would be allowed onsite?

Martin: no, there aren't.

Moermond: why are you appealing and what are you looking for?. I did get your information you submitted.

Schachtner: I purchased this shipping container and have it on my parking pad behind my garage as part of temporary overflow for materials and equipment in my shop. I have an upgraded home shop. I was trying to use this year to vet out a couple of products I would like to produce. I wanted a safer working environment, so I put the overflow in there so it wasn't crowded in my shop. My goal Is to find out if its viable and move into a commercial space along with my equipment and do my production there. The shipping equipment would move then. I'm asking for a year variance or lenience to do this. I understand if the sight of the container is an issue, I have plans to make it look like an outbuilding. It would be a red roof and windowed barn type building, not taking away the portability of the shipping container so it can still be moved. It would look like a red shed with simulated windows.

Moermond: I tell you what, we have two problems here. The one I'm not looking at is the home occupation you have underway and dealing with zoning on it. I am dealing with the storage container. The code is clear on intermodal containers, and this is a residential area. I'm afraid I won't be flexible on this. I'm going to ask them to deny your appeal and order it removed by March 15, 2021. You do have the option to provide additional testimony to Council and they could look at it differently and choose to grant more of an extension. You have two problems, the home occupation and the intermodal container. I'm sorry I don't have better news for you, but this is pretty cut and dry by the code. I can only work with you on an extension and I'm not willing to entertain a six to twelve-month extension. There are incubator spaces that might be affordable for your purposes. Schachtner: I understand the City and ordinances. I was under the impression by some neighbors that if it was on our property it was fine.

Moermond: zoning is super clear. It is residential single family. It doesn't make sense to vary from code expectation here. Council could look at it differently, you are welcome to submit it to them. DSI will reinspect after that date.

Schachtner: no worries. Are there resources to find out where they are viable in the City? To see if I can move it? Is there someone I could talk to?

Moermond: I'm not aware of circumstances where that would be allowed. DSI may have some more information.

Martin: I have no idea since we don't allow them in the City. If it is a commercial space, I don't know of anyone who rents out spaces for containers. I apologize, I have no information.

Moermond: we'll let you know if we come across anything. Sorry I don't have better news today. I wish you well, take care.

Referred to the City Council due back on 3/10/2021

## 11:30 a.m. Hearings

#### **Orders To Vacate, Condemnations and Revocations**

6 RLH VO 21-7 Appeal of Najia Walker, Arcade Trust, to a Fire Inspection Correction Notice (which includes condemnation) at 928 ARCADE STREET.

<u>Sponsors:</u> Yang

Grant to April 9, 2021 for compliance with orders . Item number 26 of orders is withdrawn by DSI.

No one appeared

Voicemail left on alternate number at 11:34 am: we didn't have success calling 423-7737, we're going to look for another number and will try this one back in a couple minutes. Tried again 11:37 a.m.

Voicemail left on another number provided by Fire staff at 11:36 am: we are trying to reach Najia Walker and will try the other numbers again.

Moermond: we were unable to reach them via the numbers on file. They requested an extension for the roof. A reasonable extension would be six weeks, so let's give them an extension to April 9, 2021 to complete the work. The department has withdrawn item number 26 from its orders, though the window does need to be repaired. The unit won't be condemned based on that deficiency.

Referred to the City Council due back on 3/10/2021

## 1:30 p.m. Hearings

#### Fire Certificates of Occupancy

7 RLH FCO Appeal of Christina Harding, Manager for Green Jacket LLC, to a
21-18 Reinspection Fire Certificate of Occupancy With Deficiencies at 354 HOPE STREET.

<u>Sponsors:</u> Prince

Grant to March 23, 2021 for compliance.

Christina Harding, o/b/o Green Jacket, LLC, appeared via phone

Staff report by Supervisor AJ Neis: this is a Fire C of O correction notice by Thomas. Inspected January 26, 202 with reinspection scheduled for February 12 at noon. Items identified were to remove storage within 36 inches of fuel burning equipment and clearance around mechanical equipment. Appellant says there is a washing machine next to the water heater. It is a gas appliance. It is about 9 inches from the washing machine. The water heater itself is noncombustible, but one of the concerns is the washing machine becomes off balance and starts to creep over and get too close. Inspector Thomas apparently advised Ms. Harding to request a variance. Notably, if you look at the pictures my main concern is not so much with the washing machine as the mop. There is a mop that appears to be right next to the igniter, within inches. That is combustible. I have photos from a previous fire caused by that situation with a broom. That needs to be addressed immediately.

Moermond: when I'm looking at this, mechanical and MN State Fire code are in play here.

Harding: are the pictures your looking at the ones I submitted with the appeal? James Thomas only took one photo. I moved it as far as a I could when he was there. It is about 12 inches now. What's is the requirement? 24 inches?

Neis: it is listed on the water heater.

Moermond: orders indicate 36 inches.

Harding: I don't know who placed them there. They were there before she moved in 5 years ago. It has been inspected many times. It was all done before she moved in. I think last year's inspection she maybe didn't have a washer and dryer; I don't recall them being there.

Neis: the code section 3.15.3.3 of the code says "shall be 36 inches or as required by the manufacturer, whichever is greater." I'm not disputing the order, just stating what it says exactly.

Harding: what is the recommendation to do?

Moermond: it is not a recommendation; it is code requirement. The code says a separation between water heater and anything else of 36".

Neis: could the washing machine be placed on the other side of the dryer?

Harding: no, not with the dryer duct where it is.

Neis: that looks like a new install, see if it was done under permit.

Harding: it was there before she moved in 5 years ago.

Moermond: no plumbing permits are in the record.

Harding: I would have to contact the owner. I have no idea who did that. Is that something a permit is required for?

Neis: absolutely. That's major plumbing. A drain plus running water lines. Looking at the white box you took a picture of, where the pirate is, that looks newer and if it was added, yeah, how the drains were connected etc. Does it have a trap for the drain water?

Harding: sounds like they opened a can of worms here.

Moermond: this isn't even a near miss, this is a significant miss with that measurement. It is one-third or one-fourth the distance it should be. Not just a couple of inches. Because it is such a significant difference than code I would say you need to comply with the code. How you accomplish that is up to you, whether that's removal or moving of the washing machines, the hot water heater moving, there needs to be that clearance. How long do you have is the question. This looks like it is your second inspection. It was October of 2020.

Harding: the tenants have had Covid 3 times, it has really prolonged this.

Moermond: I was just seeing if this was new or covered in previous orders. It does appear it is in the October orders, so you've had time to ponder potential solutions. It isn't new information.

Harding: my understanding was the tenant was going to remove the washer and that never happened. So, when we got there and it was still there I was shocked. I think that's going to be the only solution. She won't be able to have the washer there. We'll have to shut the pipe down so she can't put it back in.

Moermond: I leave that to you, and I would check to make sure if whatever you are doing needs a permit. Let's put a timeline on this, we are looking at a 30-day reinspection cycle. Let's say you have until March 23 to do it. After March 23, you will have a new inspection appointment and you should be in compliance then.

Harding: ok, I will contact the owner and see what he wants to do. I didn't actually measure if it was 12 inches, but it doesn't sound like it really matters. We have to figure out who did it in the first place.

Moermond: and we have an inspector measurement of 9 inches, which is the one I would look at.

Referred to the City Council due back on 3/10/2021

8 <u>RLH FCO 21-24</u> Appeal of Alan Kaufman, Interstate Parking Company, to a Fire Certificate of Occupancy Approval With Corrections at 349 WABASHA STREET NORTH.

Sponsors: Noecker

Layover to LH March 23, 2021 at 1:30 pm. PO to submit proposed timeline and schedule for completing the repairs by noon on Monday, March 22, 2021.

Alan Kaufman, o/b/o Interstate Parking, appeared via phone

Moermond: I did inquire with staff to get some reporting since you had a structural engineer look at it.

Staff report by Supervisor AJ Neis: was a Fire C of O approval with corrections. To be clear, it currently has a valid C of O, as the appeal states they were concerned with the demand to repair the ramp and withhold the 2021 C of O. There is a valid certificate currently. What was asked of the appellant was to provide a structural review of the ramp, which was provided by their contracted engineer. There were deficiencies noted in that report that need to be corrected. However, based on the situation it appears the ramp meets current load requirements but does need repairs. We'd ask for a reasonable time and work plan to correct and implement the repairs.

Moermond: that is something we often do in hearing. Mr. Kaufman, where are you at in the context of the pandemic and fewer people parking downtown.

Kaufman: everything said is correct. We had a structural engineer review the property; I just got the report today. We have been hugely impacted by Covid. Our property filled up daily and now we have few customers. We service a condominium so residents still park there. 50% of the ramp is empty at least. We did get the report, our engineer said the overall structural systems seem to be capable as required by MN building code. We are working with the engineer to come up with a plan, we're just hoping it is something we can do in 2022, when some of our revenue bounces back.

Moermond: happy to look at your plan and what I would ask is you send that in and I will run it by Brian Karpen. I would like to have him double check there is nothing identified that is more critical that would need to be done before 2022. If there isn't, then I'm happy to work with you on that longer calendar. I know these are significant capital issues and I'm not hearing this is a crisis situation.

Kaufman: that sounds great. Our engineer has spoken with Mr. Karpen in January. We can send him the updated report.

Moermond: If you could put together a plan on how you want to approach the improvements in that engineer's report, that's the next step. Have that to my office and we can distribute it and attach it to the record. It sounds like you've started but don't have a plan in place yet. I will ask if you could have a plan to my office on how you want to proceed by March 23, 2021. That gives us time for staff to review and then figure out a recommendation and path forward.

Kaufman: can I email the plan in?

Moermond: you will get a follow up letter from Joanna Zimny, and she will have copied all of these people. Nothing will happen for the next month while you create that plan.

Laid Over to the Legislative Hearings due back on 3/23/2021

# 2:30 p.m. Hearings

## Vacant Building Registrations

9RLH VBRAppeal of Sai S. Lee to a Vacant Building Registration Notice at 139321-11BEECH STREET.

Sponsors: Prince

Grant the appeal and close the vacant building file.

No one appeared

Moermond: Fire inspections is withdrawing the referral it made from Fire C of O to the Vacant Building program because neither a revocation or condemnation and order to vacate was given to owner. Therefore the Vacant Building file should also be closed. The appellant should reach out to Inspector Thomas to schedule the Fire C of O inspection. We have a history of Mr. Thomas not scheduling in a smooth way when it has been referred to the Vacant Building program. Mr. Neis, we'd like him to do that.

Supervisor AJ Neis: understood.

Moermond: staff here will reach out to the appellant to let him know we won't be calling.

Referred to the City Council due back on 3/10/2021