



City of Saint Paul

15 West Kellogg Blvd.
Saint Paul, MN 55102

Minutes - Final

Legislative Hearings

Marcia Moermond, Legislative Hearing Officer
Mai Vang, Hearing Coordinator
Joanna Zimny, Executive Assistant
legislativehearings@ci.stpaul.mn.us
651-266-8585

Tuesday, September 28, 2021

9:00 AM

Remotely

9:00 a.m. Hearings

Remove/Repair Orders

- 1 [RLH RR 21-60](#) Ordering the rehabilitation or razing and removal of the structures at 1941 UNIVERSITY AVENUE WEST (STORAGE/GARAGE) within fifteen (15) days after the September 22, 2021, City Council Public Hearing. (To be referred back to September 28, 2021 Legislative Hearing)

Sponsors: Jalali

Layover to LH January 11, 2022 at 9 am to review plan development. Property Reps to submit a scope of work or architectural plans of proposed use for the space and preliminary contractor bids by close of business January 7, 2022.

*Mr. Dawit Solomon, President Eritrean Community Center of MN, unable to be reached
Mr. Essey Asbu, Secretary Eritrean Community Center of MN, appeared via phone
Ms. Ruth Ogbaselassie, treasurer Eritrean Community Center of MN, appeared via phone
Ms. Belainesh Tekle, PR Eritrean Community Center of MN, appeared via phone*

Voicemail for Solomon at 9:45 am: this is Marcia Moermond calling you for our follow-up hearing. We'll try back in a few minutes.

Voicemail for Solomon at 9:50 am: this is the second time we've tried to call. We'll proceed with the hearing, we have Mr. Asbu, Ms. Ogbaselassie and Ms. Tekle on the line and we'll follow up with a letter as well.

Moermond: so we have the three of you on the line as well as Mr. Steve Magner. I did have a chance to talk with Kowsar Mohamed with Planning and Economic Development, so I have some idea of conversations there. I want to hear from you about where you are at with this. It was sent back into hearings to have this conversation about where we go from here.

Ogbaselassie: I talked to Kowsar Mohamed. As soon as you gave me the number I called her many times, then she called me and I told her what the problem was, along with posting the \$5,000 Performance Deposit. I didn't even have that much money in the bank. She said she was going to send the application in for finding funds. She also gave me another idea. I'm working with her, that's what I have so far. A low interest

loan, we are just waiting for money. Money is our problem. I sent how much it will cost her and what we are going to do with it. The main thing is it isn't a garage, we want to fix it because we have between 50 and 60 students in language school in our community. That's what we are planning to do with this space. They gave you 1941, we are going to use it for something useful. We used to use it for storage, but now we are happy to do this.

Moermond: I'm glad you are working on things. The question I asked Mr. Magner before our hearing was whether he had any concerns about the hole in the building and whether it needs to be stabilized

Magner: no, at this time unless we get different information, in the short term we wouldn't request anything. That's always subject to change. If they could expedite their plans and bring them back to us in the near future with funding sources we could issue permits and have them get going

Moermond: reach out to an architect or general contractor who can draw out what the space will look like for what you will use it for, then get some bids on how much it will cost to execute that redesign. The first thing is the scope of work with the drawings. Kowsar said she had some contacts you could call, so I suggest you reach out to her and start talking to her about what plans would look like. That person you identify should be able to help you cost out the different options you are considering. I think that since we don't need to stabilize the structure and seal up the building, it is stable enough, we can go out about 90 days for you to develop those plans. With the holidays, let's talk again on January 11 and see if you can have some plans together by then. Any concerns about that?

Ogbaselassie: no. It sounds good. The community development person, who do we contact?

Moermond: we worked with Rich Thomasgard in the past ,but also connect with Ms. Mohammed. The next step is figuring out what you want to do and the changes that will cost money, of course, and sorting that all out. Let's have some plans on paper to talk about in January.

Laid Over to the Legislative Hearings due back on 1/11/2022

10:00 a.m. Hearings

Making Finding on Nuisance Abatements

- 2 [RLH RR 21-61](#) Making finding on the appealed substantial abatement ordered for 1033 GALTIER STREET in Council File RLH RR 20-31.

Sponsors: Brendmoen

Grant an additional 90 days (to January 1, 2022) for rehabilitation. Continue the performance deposit.

New MF Resolution scheduled for 1/11/22 LH

No one appeared

Voicemail left at 10:04 am: this is Marcia Moermond calling from St Paul City Council.

We've reviewed your plans and find them acceptable. I'd like to ask the Council to give you through January 1, 2022 to finish. I'm concerned with any snags so giving you some time before we revisit. Hopefully you'll have your Code Compliance Certificate by end of October per your plan. We will send a letter the end of the week.

Referred to the City Council due back on 10/6/2021

- 3 [RLH RR 21-41](#) Making finding on the appealed substantial abatement ordered for 864 MARION STREET in Council File RLH RR 21-2.

Sponsors: Thao

Layover to LH October 12, 2021 at 10 am. By COB Friday, Oct 8 PO to submit: 1. New/updated evidence of financing sufficient to complete the rehabilitation; 2. new affidavit indicating the finances will be dedicated to completing the project and not diverted until a code compliance certificate is issued; 3. updated work plan, sworn construction statement, or scope of work. This should include signed subcontractor bids and a schedule for completion of the project; and 4. the property must be maintained.

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

Moermond: we are calling you about 864 Marion. We'll have Mr. Magner update the record.

Staff report by Manager Steve Magner: a letter was sent referring the matter Tuesday, September 28 for further discussion. Please contact Inspector Bruhn to have him come out for an updated percentage.

Moermond: we did talk specifically about you having Bruhn out and you said there was no change in the last six months so it wasn't worthwhile. Since you haven't called him, there's no change. Is that the size of it?

Schilling: yes.

Moermond: so six months ago you were about 20 percent. You posted additional money to get another six months. I don't see light at the end of this particular tunnel. I'm going to say I'm recommending the Council orders this building removed, and also ask you to ask for your \$10,000 back. So you get that money back and the City will proceed with demolition. The cost will be assessed separately than the Performance Deposit.

Schilling: is Mr. Bowen on the line today?

[Mr. Bowen is called in]

Moermond: this is Moermond calling from Council, we're talking about 864 Marion.

[Magner gives staff report again]

Moermond: given where we have been with no movement for such a long period of time, my thinking right now is Mr. Schilling will get his Performance Deposit returned and the City will pursue demolition of the property. I will definitely hear you out if there are realistic plans of anything happening, which I haven't seen.

Bowen: recent times make it difficult to do a lot in. My understanding is Mr. Schilling has had 3 surgeries recently, 2 heart and one bladder for his bladder cancer. He was just recently was able to get the financing. He can have all the repairs done within 90 days. He just needed time for recuperation from his surgeries and monies that came in. He has things lined up. He says all he needs is 90 days. The reason it hasn't been done is mainly because of the surgeries and also the lack of funds not available until a couple of months ago.

Moermond: and when you say lack of funds it is concerning to me because you made a representation there were sufficient funds twice to get time from Council to do the rehab. Now I'm hearing today there are. How is today different than the previous two times? Are you operating in good faith at this juncture?

Bowen: this is what he told me today. I didn't know about a holdup with the funds. I did talk to Mr. Shelton 2 weeks ago to make sure everything was on the up and up, and he assured me it was. Mr. Schilling says there was some kind of holdup and he didn't get it until a couple of months ago.

Moermond: from whom did he receive the funds?

Schilling: a title company in New Brighton that handled it for Shelton's firm. I think it ended up he advanced \$50,000. It cost me \$20,00 just to get it to happen. If I used all the \$50,000 I would have to pay back \$70,000, payable one year from signing of the paperwork. Time is ticking away on that also. He promised he was going to issue a check for \$20,000 to get started, and it turns out \$10,000 came payable to Wolfe Enterprises, the general contractor who I don't owe any money. I'm out \$25,000 already, and part of that went to Wolfe to pay him. I ask myself if someone will take care of an 80 year old declining citizen, but six months and nothing got done. Regardless of who is at fault it doesn't seem like a fair situation. I end up losing 2 duplexes. I have tenants who stop paying rent due to Covid. I pay \$1,600 a month out of my pocket. I live on social security income so I have to work and go fix washing machines so I have to make up that \$1,600 a month in rent to make my mortgage. It just doesn't seem like the way it should be. All I ask is for 90 more days.

Moermond: I need to see this money, period. You had David Shelton financing this with documentation last March. Evidently that wasn't the way it worked. Is the money in your name this time? Same contractor?

*Schilling: the only money that has come out so far went to Ryan Wolff. He has that money to pay the plumbers if I needed it. We are working on some type of concrete agreement. I don't have any way of giving you Ryan Wolfe's number. He said he can answer the phone and verify the check was payable to him sometime late July. There is \$10,000 available yet and \$40,000 as needed. Like I said, it took until July before any money got released. We need to get the d*mn plumbing done before we can proceed. Wolff's plumber came through with a bid of \$12,000. Then we got 10k. Now he said its 18 with the Covid price. Things didn't get one because I wanted to find a fair price. Then he came down to 14. That's what is happening with the plumbing. But I'll have a permit before the week is over.*

Moermond: until we resolve this you aren't getting any permits. You are in deep. We've been having this conversation since the end of 2019. You've already received two grants of time from Council based on work plans and financing that hasn't worked out. There has been no activity in the last six months. I really want to see something

buttoned up air-tight that you can show me you can do this project. I don't have that right now.

Schilling: if I get Mr. Shelton to release the other 40 k and Mr. Wolff to show the other \$10,000.

Moermond: is it the same contractor?

Schilling: the general contractor is the same, yes.

Moermond: I want to see everything fresh. The updated bid from the contractor should reflect that large payment, but I need all of it. I get you're giving me a verbal update. But because you're looking at two failures I'm looking at forfeiting part or all of your Performance Deposit. This is a bad situation. I want to help but you need to step up and provide this information. I can't ask the Council to give you more time based on nothing but your word. I need documentation, documentation, documentation. I'm still considering the matter of the Performance Deposit and the fact there was no performance and there are going to be consequences in that area.

Schilling: oh boy. The proceeds of this, if it goes through, I will pay off a bunch of bills. If it is torn down there's a bunch of bills that won't get paid.

Moermond: it sounds like you should be able to pull together the plan I'm talking about and put it on paper. Mr. Bowen, did you want to add anything?

Bowen: no, we'll get it done on paper. I know Mr. Shelton is waiting for my call. He knows we're having this call today. I'll be calling him after this.

Moermond: you have 2 weeks. October 11 I need to see updated bids, financing, and schedule. I may be recommending the Council forfeit \$5,000 and replace with another \$5,000. I'm considering that, I haven't reached a conclusion yet. Let's see what you can come up with in the next 2 weeks, and we'll send it to Council after that.

Schilling: I would appreciate the \$5,000 not forfeiting and the opportunity to proceed.

Moermond: if that is my recommendation you can also testify at Council about that. We are a long way into this. We started this in 2019 and similarly situated properties have lost some or part of the Performance Deposit.

Bowen: please take into consideration his 3 surgeries.

Moermond: and that's why it is not getting knocked down. Without that it would be slated for demo with this many bites at the apple. You want more based on that, I get it. We are talking which is to your benefit. Let's get some plans in and talk about it October 11. Have them to my office by October 7 at the latest for time to review.

Laid Over to the Legislative Hearings due back on 10/12/2021

4 [RLH RR 21-57](#)

Making finding on the appealed substantial abatement ordered for 901 YORK AVENUE in Council File RLH RR 20-32. (Amend to remove the building within 15 days with no option for repair)

Sponsors: Yang

Remove within 15 days with no option to repair.

No one appeared

Voicemail at 10:32 am: trying to reach Scott Redinger about 901 York. I understand you talked to Joanna Zimny and you are ok with the City proceeding to demolish the property. We'll send a follow up letter and you'll have the opportunity to testify if that isn't the case. Reach out to Ms. Zimny with any questions.

Referred to the City Council due back on 10/6/2021

1:00 p.m. Hearings

Vacant Building Registrations

- 5 [RLH VBR 21-57](#) Appeal of Phos Nov to a Letter requiring a Code Compliance Inspection plus a Summary Abatement Order at 112 GERANIUM AVENUE EAST.

Sponsors: Brendmoen

Deny the appeal.

Rich Tran, Interpreter, appeared in person

Tried calling November at 1:46 pm : unable to leave message/voicemail box was full.

Moermond: we have Lisa Martin, Code Enforcement, Matt Dornfeld from Vacant Building and Joanna Sanyi from Ramsey County House Calls. As of a week ago I talked with Xiong Vang about emergency loans for repairs. Ms. Sanyi, you had reached out and there was a problem with 2 names being on the title?

Sanyi: Liang Nit, and he was the ex-cultural husband of Phos and he had left her several years ago. From what I was able to gather was he is missing in action and no one knows where he is. I explained this to the family that this was an issue, given his name is on the title and the mortgage and doing new paperwork that would be a barrier for the emergency deferred loan. They'd have to get him to sign it or hire a lawyer to get him off the paperwork. I furnished them with possible SMRLS and volunteer lawyers' network and copies of the loan information application. There was so much that happened in those couple of days that eventually everyone threw their hands up in the air and said we don't want to have anything to do with it.

Moermond: that was the home loan situation. Right away when we talked with them last time, it was clear the gas had been illegally turned back on and the repairs to the lines within the home were done without a permit. Unsafe repairs. She has no gas utility in the house right now. Is that the case still as far as you know?

Sanyi: yes, as far as I know. I know that it took a lot of convincing to get her and her brother to the hotel. They did eventually get her to go. The brother is a drug addict and there are homeless people squatting there that use drugs. One of those people was at the hearing last time to gather information about what was to be determined.

Moermond: was that the Caucasian man there?

Sanyi: I don't know, I would ascertain that it was probably him. He was an advocate for the other people staying at the house saying they can be there 8 a.m. to 8 p.m. as

long as they are cleaning. The family explained no one can be here, you need to leave. They eventually left that next night but were back there at 8 the next morning, if they actually even left. Phos spent one night in the hotel and returned the next day. Putheary told me that she kept saying it was her house and she can stay there if she wants. There's a lot of misunderstanding.

Moermond: willful or actual misunderstanding?

Sanyi: hard to say because I've never actually talked to her. Same situation when I tried calling her. Can't leave a message, voicemail box full. I got verbal authorization for our paperwork over the phone. Her family forced her to sign the paperwork, basically yelling at her. Telling her you need to say yes, you need to say yes. Putheary then called and said we are all done, we don't have anything to do with this anymore.

Moermond: so a property being illegally occupied. I'm going to ask Matt and Lisa to chime in. This doesn't sound like cleaning and repairing, sounds like illegal occupancy to me.

Martin: October 28 was when I was out there in 2020. That's why we called for police backup then. That's one of the individuals doing drugs at the property per the neighbors. They are maybe taking advantage of this owner, but I haven't been back since then.

Dornfeld: they certainly don't come to the door. There are blankets over the windows. I've issued a bunch of Excessive Consumption fines and Summary Abatement Orders to vacate and secure. What started the appeal process is when I spoke to a Cambodian gentleman in the front yard one day and tried to explain what was going on. It didn't seem like an act. It didn't seem like he could understand what I was saying, but a week after the appeal came through. I have no proof that these people are squatting or doing drugs but absolutely wouldn't surprise me.

Moermond: so the family told the house calls social worker she moved back in. We know that she left the hotel the County was paying for while she was getting her affairs in order. So we have every reason to believe she is staying there. I'm going to recommend Council deny her appeal and you can continue with enforcement to make sure it is vacated. How you do that is up to you.

Dornfeld: could you put something in writing that speaks to them no longer being there from 8 a.m. to p.m. otherwise we'd have to go after 8 p.m. to do any enforcement. Where do these people go is the issue next? When we force them from the property?

Moermond: right now we have a property with no gas. The first thing that needs to happen is the gas continues to be shut off. Someone had the ability to turn it on illegally before, even though it was unsafe. We can't have them blowing the house up.

Dornfeld: AJ was responsible for that last time with the fire department, right?

Moermond: we could ask AJ to confirm, I think he went out with the Fire Department and Xcel. That's my first concern, that there is no gas usage there.

[AJ Neis was called in]

Moermond: we'd like someone to verify that the gas is still shut off.

Neis: there is no way Xcel even turned them on.

Moermond: if they had turned it on again somehow themselves. That's what they did before.

Neis: right. Xcel put their pin on it. Unless they cut it. They would have to break it off, otherwise they need a permit.

Moermond: what would an inspector look for if a pin was cut? Is that obvious?

Neis: absolutely.

Dornfeld: yes, they have a red clip on the gas meter. Anyone could see that.

Moermond: could one of you check to see if that's still there?

Dornfeld: I'm going to be out of town Wednesday through Friday, but I can try and get out there.

Martin: yes, I can go check if Matt isn't available.

Moermond: if the clip has been cut it needs to be closed down, boarding the structure, based on that alone.

Martin: I agree.

Moermond: that's the measure of it for the moment. The rest is that the Council denies the appeal and we'll put in front of Council next week.

Neis: they did say when I was out there with the Police they had Ryan plumbing and heating do the work and had a receipt.

Moermond: who said that?

Neis: there was a guy that was kind of a translator there.

Martin: no permits for any work.

Moermond: and that would absolutely require a permit.

Dornfeld: it is a vacant building; we'll get someone out there. Lisa doesn't have to do it.

Moermond: so that's the measure of whether it needs to be immediately vacated. In the meantime we'll recommend denial of the appeal and effective after the Council vote next Wednesday. I would consider any emergency action for turning the gas on without waiting for the Council.

Dornfeld: I will have an answer by later this evening about the clip.

Moermond: and then you guys enforce accordingly. Any questions?

[all: none]

Dornfeld: just to be clear, if the clip is in place, we're waiting until Council before moving forward with enforcement?

Moermond: correct.

Dornfeld: that's next Wednesday?

Moermond: yes. Do you think you need anything translated into Cambodian? Never mind, too complicated. We have an interpreter here now expecting a regular hearing with them present. We'll send a follow up letter and have it interpreted.

Dornfeld: the way this is going, the interpreter would be helpful in trying to find secondary housing. It is a helpless feeling when you tell everyone out and then everyone has nowhere to go, especially with elderly or young children. It can be a disaster, especially if they can't speak English. If we can somehow get ahead of that.

Moermond: I have to leave that to you and Mr. Magner to sort out. My concern is the house blowing up. The rest is administrative enforcement if the gas is off.

Referred to the City Council due back on 10/6/2021