

Minutes - Final

Legislative Hearings

- Tuesday, January 25, 2022	8:30 AM	Remote
	legislativehearings@ci.stpaul.mn.us 651-266-8585	
	Joanna Zimny, Executive Assistant	
	Mai Vang, Hearing Coordinator	
	Marcia Moermond, Legislative Hearing Officer	

8:30 a.m. Hearings

Remove/Repair Orders

1 <u>RLH RR 21-70</u> Ordering the rehabilitation or razing and removal of the structures at 1722 REANEY AVENUE within fifteen (15) days after the December 22, 2021, City Council Public Hearing. (Public hearing continued to January 5, 2022; to refer back to January 11, 2022 Legislative Hearing)

Sponsors: Prince

Layover to LH February 22, 2021 at 9 am. PO to submit updated construction statement, including work plan/schedule based on CC inspection report and including evidence of financing by noon Monday February 21, 2022.

Joseph Rossman, attorney o/b/o Reverse Mortgage Funding, LLC, appeared via phone Anthony Hernandez, realtor, appeared via phone

Moermond: this should be a quick hearing for 1722 Reaney. I have Steve Magner, Manager of Code Enforcement. We talked about a couple of things last time, third party rehab, construction bid and HUD update. All of this was premised on a Code Compliance Inspection that needs to occur. Mr. Magner will update the record.

Staff update by Manager Steve Magner: a letter was January 14 laying the matter over to today for update on third party rehab, HUD application. Reminder that maintenance of the property is an ongoing condition. We don't have a Code Compliance Inspection completed yet. Our Code Compliance Inspector is out until February 1. I think a number of items are done but haven't been completed. We may need to lay this over. I did see there was a bid submitted for a total of \$22,175 but I think the items are the items in the order to abate and that's not a full comprehensive list. Until we have that Code Compliance Inspection completed I don't think the contractor can put a final dollar amount on it so it can be sent to HUD for final approval.

Moermond: so we have a bid that covers things in the original list of why it is a nuisance building. This distinguishes that list from the one that needs to be repaired to come out of nuisance status. That punch list is the Code Compliance Inspection report. The trades have done their walkthroughs, and we're waiting for the write up. And the man who does the write up is on vacation until February 1. We expect that soon after. So the \$22,175 bid doesn't address what is required to be reoccupied?

Magner: yes.

Moermond: if they aren't going to be getting a complete Code Compliance Inspection list until after February 1 it seems reasonable to give a couple weeks to work on getting a revised bid and have conversations with HUD. I'm willing to lay this over, but we need to talk about intentions of the bank and what they are hoping to accomplish. Mr. Rossman, we talked about a third party rehab and how title couldn't transfer until rehab is complete. Where are you at?

Rossman: my client's position, whether it is them or a third party, is to avoid demo and get the rehabilitation done to the City's standards and get that Code Compliance certificate. I know we are waiting for that final list now, so we'll have to redo the bid for the work. I don't have an update on a third party. It would be best case scenario if they could find a third party, but if they can't they do want to avoid the complete demolition. I don't have a specific update on pending sales or purchase agreements. Since the last hearing they were going to market it with the disclaimers about it being a property under rehab orders from the City.

Moermond: Mr. Hernandez, do you have any questions?

Hernandez: no, I don't have any questions. No one is going to enter into an agreement with the seller until they know what they were having to fix.

Moermond: yes, understandable. My concern is that the title cannot transfer until that Code Compliance certificate is issued. Whether Reverse Mortgage hires a general to do the work, a purchase agreement with a developer indicating that title won't transfer. The City wants to look at those agreements and approve them and make sure funding is available. But agreed, we need that punch list to move forward. I'm going to continue this to February 22 so you can get that list and talk with people about what that means for you. Any other questions?

Both: no.

Laid Over to the Legislative Hearings due back on 2/22/2022

2 <u>RLH RR 21-60</u> 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 March 8, 2022 at 9 am for update on Neighborhood STAR funding.

Mr. Dawit Solomon, President Eritrean Community Center of MN, appeared via phone

Solomon: Essey Asbu may not be available, he had to go out of the country. Ruth and Belainesh are out of the country too. So it is just me.

Moermond: Mr. Magner, has the property been maintained? We can talk about the plans you submitted and the STAR Board action and timing.

Magner: I consulted with staff this morning. Mr. Yannarelly said they are maintaining the property, though the garage continues to be in disrepair. I've reviewed the plans,

and the only issue is whether they put a new slab in or not. Looks like the documents say they could reuse the slab which could save significant money.

Moermond: I had a similar observation. Mr. Solomon, you went to the STAR Board and they heard you, they are going to do a vote this week online, and it will go to the City Council. Staff estimated the resolution would be in the next 2 or 3 weeks. I'm thinking you'll have a firm answer from Council within 4 to 6 weeks. Is that the same calendar you have?

Solomon: yes. I was going to say we are a recipient of the grant program in the past, twice. The feedback we got was good so we are very optimistic.

Moermond: I'd like to continue this to March 8 at which point you'll have the STAR board funding answer. I asked them to let me know ahead of time, and then Mr. Magner and I can work so you can pull permits before it goes to Council. Sounds like you'll be doing a bidding process with Kowsar at Planning and Economic Development and some more background.

Solomon: the bid we have is through the STAR process too. In the past contractors shy away from the program. So the contractor we got the bid from will be with us through the process.

Moermond: so we'll talk March 8 and can hopefully put this to bed then. Any questions?

Solomon: No. I tried to get the City Council date, but as soon as I get that I can forward it.

Moermond: I will probably know that before you do but thank you. Take care and stay warm. We'll talk again in six weeks.

Laid Over to the Legislative Hearings due back on 3/8/2022

10:30 a.m. Hearings

3 RLH RR 21-67 Ordering the rehabilitation or razing and removal of the structures at 1034 BRADLEY STREET within fifteen (15) days after the December 22, 2021, City Council Public Hearing. (to refer to January 25, 2022 Legislative Hearing)

<u>Sponsors:</u> Brendmoen

Remove within 15 days with no option to repair.

Sam Coleman, attorney, appeared via phone

Staff update by Manager Steve Magner: a letter was sent confirming the City Council referred the matter back to Legislative Hearing today. By close of business January 21 a \$5,000 Performance Deposit was to be posted, and submit paperwork showing initiation of judicial foreclosure action. We haven't seen a Performance Deposit and we did just recently issue a snow letter which resulted in the parks crew doing an abatement January 12 to do the sidewalks.

Moermond: and we haven't seen any paperwork in our office. Mr. Coleman?

Coleman: my client has decided to let the property go. I suggested they just release their mortgage and let it go into tax forfeiture. If I could be kept in the loop on the demo process I would appreciate that. The City can use my contact information as a source of notification for Wells Fargo going forward if that is acceptable.

Moermond: Mr. Magner, can your people do that?

Magner: we can keep him on the mailing list.

Coleman: that's fine, thank you.

Moermond: so I'll send this back to Council February 9 and my recommendation will be removal within 15 days with no option to repair.

Coleman: very good.

Referred to the City Council due back on 2/9/2022

4 <u>RLH RR 21-68</u> Ordering the rehabilitation or razing and removal of the structures at 939 CHARLES AVENUE within fifteen (15) days after the December 22, 2021, City Council Public Hearing. (Public hearing continued to February 9, 2022)

Sponsors: Thao

Continue PH to February 9, 2022. \$5,000 PD must be posted by close of business by February 4, 2022 to be referred back to LH on March 8, 2022 at 10 am. If PD is not posted, February 9 recommend removal within 15 days with no option to repair.

Lorrie Miller, owner, appeared via phone

Moermond: did you want Thooft added?

Miller: I'll be talking on my own today.

Voicemail left for Frey at 10:56 am: this is Marcia Moermond at St Paul City Council for 939 Charles. It appears you are unavailable; we'll copy you on the follow up correspondence to the hearing.

Staff update by Manager Steve Magner: November 21 letter continued the matter to today. The following items must be completed: Post a \$5,000 Performance Deposit plus it must be maintained. We don't have a Performance Deposit for this property currently

Moermond: has it been maintained?

Magner: no violations at this moment.

Moermond: so we started this process a couple of months ago and still no Performance Deposit Ms. Miller. Why?

Miller: I had a closing on another property and I was going to use the funds to post that. Unfortunately that closing was supposed to be on December 27, it's a month later and we're still working on that closing because the buyer got a new job and had to

requalify with the lender. I'm told we are within 3 days of closing. I am getting conflicting information, but between now and February 4.

Moermond: ok. We do have a Code Compliance done in November. Have you got any bids on the doing the work?

Miller: I've had contractors through but haven't physically received emails for those bids yet.

Moermond: I have to say, it has been a long time for a basic \$5,000 Performance Deposit. I don't know how you intend to finance the rehab itself. Are there proceeds to cover the rehab costs? What is your thinking there?

Miller: I have this closing and then another one February 25. Between the two I'll have close to \$300,000.

Moermond: and you have to know I don't have \$5,000 which is the simplest requirement for continuing the case. I'm going to put this in front of Council on February 9 and if I don't have \$5,000 by then I'll recommend it is removed. If you do get that posted by close of business February 4 then I'll keep working with you to get the work plan and financing in place. I have to treat this like others, and we've gone on longer than we would already waiting for that Performance Deposit. That has to be taken care of to continue this conversation.

Miller: ok, thank you.

Referred to the City Council due back on 1/26/2022

5 <u>RLH RR 21-74</u> Ordering the rehabilitation or razing and removal of the structures at 879 SIXTH STREET EAST within fifteen (15) days after the January 12, 2022, City Council Public Hearing.

<u>Sponsors:</u> Prince

Layover to LH February 8, 2022 at 10 am. \$5,000 PD must be posted by close of business February 4, 2022.

Roy Carlson, owner, appeared via phone

Carlson: the guy wants to pay the \$5,000 but he thought it was next Tuesday.

Moermond: who is this gentleman, we can send him the materials?

Carlson: I don't have the information with me, I'm unloading freight in Windom, MN. If I can call back with it that?

Moermond: and you told staff you'd call back with that information Jan 12 and we don't have it yet.

Carlson: right, I didn't get a chance to get him together with me. I tried to get a hold of them, but it has been tough. He had a family death in Kansas and was out of town for a week. I'll get ahold of his information when I get back home.

Moermond: we'll send you a follow up letter but getting that Performance Deposit posted is required to continue this conversation at all.

Carlson: I understand that. He's really interested in the property.

Moermond: I need that done by close of business February 4. If you do that then I'll talk to you more February 8 and we need his contact information.

Laid Over to the Legislative Hearings due back on 2/8/2022

Making Finding on Nuisance Abatements

6 <u>RLH RR 22-1</u> Making finding on the appealed substantial abatement ordered for 318 EDMUND AVENUE in Council File RLH RR 21-11.

Sponsors: Thao

Layover to LH February 8, 2022 at 10 am. By close of business February 4, 2022 PO must submit 1) updated work plan for completing the project and 2) updated proof of financing.

Aychoeun Tea, representing owner, appeared

Moermond: what we are doing today is looking at 318 Edmund, it has been six months since you got time to rehabilitate. This is the hearing to determine whether you are done, and if you aren't, where we go from here.

Staff update by Manager Steve Magner: a letter was sent January 5 scheduling the Legislative Hearing today. It is my understanding that Mr. Bruhn is currently out but we did receive some information from Mike Palm, senior building inspector saying framing was 80% completed, plumbing rough in had passed, and there is no permit for HVAC yet.

Moermond: so you've started and you're barely halfway done.

Tea: yes. I need more time.

Moermond: do you still have the money to finish and pay the contractors?

Tea: yes.

Moermond: and you gave me a work plan six months ago and you haven't kept up on that work plan. I need a new one that shows me you'll get it done in the next six months. Are you still using the same contractors?

Tea: plumbing and electric yes. Heating I may change. He won't show up and keeps telling me to wait. He had a guy to do the duct work and he just disappeared. That's what he's telling me.

Moermond: ok, so what I need from you to continue your Performance Deposit is a new work plan with the actual contractors you will be using. So if you have a new HVAC contractor I need a new bid. And then a new schedule since you're obviously off schedule. Are the rest of the contractors the same?

Tea: yes.

Moermond: can you have these materials to me in 2 weeks? I'll look at this February 8 and you have those materials to me--

Tea: can I have 3 weeks?

Moermond: why?

Tea: if I use a new person for HVAC I need to find someone.

Moermond: why don't you have that done already if you knew it was a problem?

Tea: I took his word but he just delays, delays, delays. Now it is cold and he cannot do anything.

Moermond: it sounds like Mike Palm said you need the heat on to finish plumbing and other work. So it is important to get that done. I want to talk to you February 8. You get a contractor in there and we'll talk February 8. You give it a try.

Tea: I'm asking for six months.

Moermond: I know you are, and I'm saying there is conditions for another six months. You showed me money, bids, a schedule and promised six months. Now you want an additional six months because you aren't done. I need to have a new promise from you. You know I lack some faith because you didn't come through the first time. Let's get it right this time and clean up those plans. Get a new bid or work with your current contractor to get it revised. I need that paperwork by February 4. Any questions?

Tea: no.

Laid Over to the Legislative Hearings due back on 2/8/2022

7 <u>RLH RR 22-2</u> Second Making finding on the appealed substantial abatement ordered for 1033 GALTIER STREET in Council File RLH RR 21-61.

<u>Sponsors:</u> Brendmoen

Layover to LH February 8, 2022 at 10 am for update on finaled permits and CC Certificate status. (CPH February 16, 2022)

Barry Rohweder appeared via phone Phillip Schloss appeared via phone

Moermond: we're doing a second follow up hearing to make a finding about it being rehabbed. I know the last time we spoke you were about 60% done in September.

Staff update by Manager Steve Magner: a letter was sent January 10, 2022 setting this Legislative Hearing date. A Code Compliance certificate hasn't been issued. We see January 10 a plumbing permit was attempted to be done online.

Rohweder: I was unaware of the Plumbing permit but I thought all mechanical permits were signed off. I discovered Bruhn was out of town out of week. I met up with Clint on Thursday this past week. I called this morning to meet him again about those 4 or 5 inspections. Now Clint is out of town. Now I called Mike Bass and he said it will have to wait until Nathan is back.

Moermond: the plumbing permit looked like B and B plumbing January 10 for a water heater. Does that sound familiar?

Rohweder: no, it has been in there for 2 months. Unless he had to get a permit closed and didn't pull it originally. Clint wouldn't come out if it wasn't signed off. So now they're both out. Mike said he can't do it this week and Nathan is back in town Monday.

Moermond: I'm going to double check this plumbing permit situation. We have on finaled permit for plumbing for 2 water heater lines and ice maker and kitchen sink. So maybe they didn't pull all the ones they needed too? Or there is something more going on. It appears to be the same company.

Rohweder: how would they get their rough in without permits pulled?

Moermond: they had *a* permit pulled but it didn't cover all the work, it appears. So they're trying to work it out. Do you want to reach out to them and tell them they need to go in person to get permits for a Category 3 Vacant Building?

Rohweder: yes. I can follow up with those. I did send some pictures to Mai. It turned out really nice.

Moermond: so you are darn close to being done. We can reach resolution on this in a couple of weeks?

Rohweder: yeah, I hope to have it done as soon as Nathan is back in town. But now I have to wrestle with this plumbing issue I wasn't aware of.

Moermond: I am going to follow up with you February 8 and put it on City Council calendar the following week and hopefully this will be closed.

Laid Over to the Legislative Hearings due back on 2/8/2022

11:00 a.m. Hearings

Summary & Vehicle Abatement Orders

8 RLH SAO 22-4 Appeal of Robert R. Savela to a Vehicle Abatement Order at 1387 THOMAS AVENUE.

Sponsors: Jalali

Grant to February 11, 2022 for compliance.

John Savela, son of owner, appeared via phone Robert Savela was in background, but did not speak

[Moermond gives background of appeals process]

Staff report by Supervisor Lisa Martin: January 10, 2022 we issued a Vehicle Abatement Order to the occupant and owner at this address. A commercial vehicle parked in a residential neighborhood. It does have expired tabs from 2021. Compliance date of removal was January 17.

Moermond: sounds like you're looking for more time?

Savela: we got ahold of the Veteran's Administration and they are going to tow it away. They need the VIN and some photographs. I don't know how long it will take for them to pick it up.

Moermond: you're taking care of that information for them today?

Savela: yes, I'll give that to them today. I have a reference number too, 0IE76207 Veteran Car Donations.

Moermond: you're getting started on that today. Do that. I'll recommend the Council gives you to February 11 to get it off your property. So they have a couple weeks to come get it. I'll put this on the Council agenda February 9. We'll send a letter confirming that. If something happens with the VA give my office a call so we can deal with that. Hopefully this is buttoned up by the 11th.

Referred to the City Council due back on 2/9/2022

1:00 p.m. Hearings

Vacant Building Registrations

9 <u>SR 22-11</u> Review Request for Appeal of Shekita Moore to a Vacant Building Registration Notice at 201 GENESEE STREET.

<u>Sponsors:</u> Brendmoen

CPH Feb 9, 2022. Items 1, 4, 6, 8, 9, 10, 11, and 13 to be reinspected by February 8, 2022. Grant to June 1, 2022 for balance of the September 21, 2021 orders (items 2, 3, 5 & 7).

Kristina Serrano, property manager, appeared via phone

Moore: I just spoke with Shekita and she is at work and is unable to attend.

Voicemail for Moore: this is Marcia Moermond calling you about the order to vacate and I understand you aren't available. We'll proceed and copy you on the follow up information.

Moermond: I'd like to invite some feedback on your work plan. I'm glad you got something together to respond to.

Staff update by Supervisor AJ Neis: in reviewing the work plan for 201 Genesee, on the correction notice there were about 14 violations, not including the revocation. Not all were addressed on the work plan. Some can't be addressed, like maintaining the grass. Some interior items such as the water damage in the living room ceiling were not mentioned, in addition to a light fixture. Seeking an additional one week to complete the items. Some of the things aren't likely to be completed like the fence, but the mattresses can be removed from the garage. There is flashing on the back door at the top it needs to be secured; my concern is on the bottom is the metal has bent and sheared so if someone didn't have shoes on it is a cut hazard. I would like to see that taken care of.

Moermond: so a couple of interior items that aren't on the list, and exterior items that

could get extensions due to weather. I thought the garage roof and fencing were good candidates for further extensions since they would be hard to do now. Would you be willing to take one more swing at a work plan and add in the other items and propose some deadlines?

Serrano: it addresses the bathroom and ceiling below where it is labeled "water damage."

Moermond: it says bathroom caulking and ceiling patch. You meant to the living room when you said that?

Serrano: yes, right below there was a small square removed by the plumber to make sure it wasn't a plumbing issue. It needs to be recaulked in the bathroom, and also a small patch.

Moermond: a loose sink is also mentioned in the bathroom.

Serrano: I can caulk that.

Moermond: so the living room is dealt with, that's what you mean by patch. The light fixture mentioned? Have you had that checked?

Serrano: it does work. I was unable to actually take off the globe. The screw holding it on turns but doesn't come off. It does work. There hasn't been any more water that has come through. Once they closed the shower curtain it was fine. I'm trying to take the cover off to look, but it does work. It was a couple inches away from the square cut in the ceiling.

Moermond: you have this work plan for this week. How is it going? Will you be done this week?

Serrano: I believe so. I'm actually on my way to the hardware store now. That's why I just spoke with Shekita to let her know I was on my way.

Moermond: and you'll get a dumpster to get rid of a lot of mattresses and tires? I assume that is still there?

Serrano: yes, and the owner is working on clearing that out.

Moermond: I am willing to give you an extension to complete this work plan. You gave yourself a January 31 deadline. I can't put this in front of Council until February 9, so I'll give you an extension until then. Actually, Mr. Neis can an inspector go out before February 9?

Neis: let me look.

Moermond: for the exterior items I'll give you to June 1, 2022 for garage, sidewalk. If you are able to do this I'll recommend your Certificate of Occupancy be reinstated and you are out of the Vacant Building program. That's the biggest carrot I can put out there.

Neis: yes, we can have someone out before February 9. It would be Supervisor Shaff. You will need to contact her directly. [gives Shaff's number] Serrano: can you list the items I have to do now so I don't miss anything?

Moermond: yes.

Serrano: and the yard work, I went out several times to do it. I'm not sure why it continues to be on there. There is a vacant lot next door, maybe there is confusion there?

Moermond: these orders are from September, so it is impossible to know.

Serrano: I cut the trees and branches myself. Just wanted to state that.

Received and Filed

10 RLH VBR 22-7 Appeal of Sandra Sattler to a Vacant Building Registration Notice at 469 MACALESTER STREET.

Sponsors: Tolbert

Grant the appeal and release the property from the VB program.

Sandra Sattler, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Matt Dornfeld: opened as a Category 1 Vacant Building December 22, 2021 by inspector Hoffman who received a referral from Code Enforcement Officer Kedrowski. December 1, 2021 Kedrowski issued a Vehicle Abatement Order for an inoperable vehicle with expired tabs. He found not in compliance on December 17 and proceeded to issue a tow order and referred the file to the Vacant Building program. He cited the dwelling appeared vacant and secured for some time. Tall grass and weeds issues in the fall and no response to the vehicle order. There were also similar violations in 2017 with a vehicle and tall grass and weeds. There are also some abandoned and a few open permits from back in 2016.

Moermond: basically the inspectors are showing up due to yard conditions and the vehicle and based on that it looked abandoned and vacant. Why are you appealing Ms. Sattler?

Sattler: this was the first I'm hearing about the tall grass and weeds. I've never heard that before. I did get a notice on the vehicle, which is gone now. It wasn't running. It was in the garage but the neighbor's tree had fallen on the garage, so I had to get the garage torn down. That has been taken care of.

Moermond: do you live here?

Sattler: I do.

Moermond: and the overgrown part was definitely an observation I had when I saw photos of the vehicle. It was very overgrown. I don't think the inspector issued an order on that in December.

Dornfeld: correct.

Moermond: how long have you lived here?

Sattler: 23 years.

Moermond: so the vehicle is gone. You are living there. The exterior conditions flagged this for the City. I'm inclined to grant your appeal and get you out of the Vacant Building program and hopefully you won't keep bumping into this problem every couple of years. Based on what I'm hearing and a verbal commitment you keep an eye on the yard. I'll recommend the appeal is granted and you are out of the Vacant Building program.

Referred to the City Council due back on 2/9/2022

11 RLH VBR 22-5 Appeal of Jay Mitchell to a Vacant Building Registration Fee Warning Letter at 716 SIMS AVENUE.

Sponsors: Yang

Waive the VB fee for 90 days (to April 5, 2022). Permits must be filed and Fire C of O reinstated before being released from the VB program.

Jay Mitchell, property representative, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Matt Dornfeld: back in June of 2020 this was opened as a Category 2 Vacant Building. It came in front of you and you requested it be monitored as prelim Vacant Building. We did that and then come January 5, 2021 still vacant. Open permits. So the inspector upgraded it to a Category 1 from a prelim. I assume we are here to discuss the Vacant Building fee. Looking at the permits on file, I have a hard time following what is going on. There are open permits, abandoned and expired permits, withdrawn permits, active permits with no activity. A lot of stuff on the computer and I couldn't quite make out what was going on.

Mitchell: we abandoned those permits, we switched plumbing contractors. There was a break in with squatters we had to get out. They stole some plumbing, so we had to get another permit. We had electrical work and then some insulating and Sheetrocking. We're Sheetrocking now. We expect to be done in the next six days, then we'll just need the finals to close out the open permits.

Moermond: I'm fine giving you a 90 day waiver. The anniversary date takes you through April 5, 2022. If you have your Certificate of Occupancy reinstated and permits closed you have no fee for this year.

Referred to the City Council due back on 2/9/2022

1:30 p.m. Hearings

Orders To Vacate - Fire Certificate of Occupancy (NONE)

2:00 p.m. Hearings

Fire Certificates of Occupancy (NONE)