

Minutes - Final

Legislative Hearings

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Tuesday, May 10, 2022	9:00 AM	Room 330 City Hall & Court House and Remote

9:00 a.m. Hearings

Remove/Repair Orders

1RLH RR 21-68Ordering 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.

Sponsors: Thao

Recommendation forthcoming pending electrical bid and plumbing/HVAC bid(s).

Lorie Miller, owner, appeared via phone

Moermond: you said this weekend you were waiting for the electrical bid; do you have that?

Miller: I had 30 electricians in, I'm waiting for one of them to submit a bid. I've been following up. It is wild how pithy everyone is. I don't have that bid. I am doing everything I can short of showing up at their office. I will continue working on it. I have 3 people who looked at it I'm just waiting for something on paper.

Moermond: so electrical and mechanical/HVAC we are waiting on.

Miller: I do have a question about that. It says the one item that requires a permit is for the dryer vent. Can a plumber pull permits for that?

Moermond: I'm not the right person to ask that question to. In the November 4 Code Compliance list I would call the plumbing or heating inspector and ask that. That's Jim Kaufer And Eric Whit. Either should be able to address that.

Miller: I will do that. My plumber has been wonderful and if he is able to pull a permit for that I'd like to just have them do that. The ORSAT test I don't need one for.

Moermond: if it is ok with trades it is ok with me. We just have these 2 puzzle pieces left. I'd like to see something by noon on the 18th. That's as far as I can push it. Any other questions?

Miller: if the plumbing inspector or HVAC say its ok, then I won't require a bid for

HVAC, correct?

Moermond: you need to clean and do an ORSAT test, and then venting. Straightforward items.

Miller: can I put an estimate together for the ORSAT test, the highest is \$800, and show I have the funds, is that acceptable?

Moermond: you writing a bid for the contractor?

Miller: just the estimate since they don't require a specific permit?

Moermond: I don't know that answer. I would look for a bid with a name on it.

Referred to the City Council due back on 5/18/2022

2 RLH RR 21-70 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.

Sponsors: Prince

Continue PH to June 22, 2022. Recommendation forthcoming pending 1) PO submitting affidavit, 2) possible removal pending HUD decision, or 3) full package of materials by purchaser submitted and approved.

Joseph Rossman, attorney, appeared via phone

Moermond: hopefully we're wrapping up with you today. I just have one thing left on my list. Just that affidavit from the bank making the funds available to do the work.

Rossman: I have been in contact with them about that. In full transparency the one holdup is this is a HUD backed loan so everything needs to go through their procedural steps and get their final approval. If they don't get that final approval that changes things. They had 3 potential buyers with cash but they weren't going to be able to get those documents you needed done. So they kind of gave up on selling, so we are back in the rehab situation. If HUD denies their request for the rehab they will have to decide if they want to do it themselves and take a loss on the rehab work unapproved by HUD; then demo may be a more feasible option. They did get bids themselves for demoing and throwing up the white flag. I hope to have that update, I was really pushing, and couldn't get an update on that affidavit. They don't want to do it until they have that approval from HUD to proceed. They did resubmit a claim to HUD who wanted additional information. That is currently being reviewed. I think the timeline is 2 to 3 weeks for answers. If this does go forward with a demo I know one option is the City doing it and sending the bill to my client. Or they can do it themselves. Does the City send an estimate to the client?

Moermond: if the City Council voted for this property to be removed, that would give a window for your client to act. If they did not then the City takes over the process of abating the nuisance. The City uses an open bidding process. The City does have a record of receiving extremely good bids. We are a good customer who always pays our bills. We do have a list of contractors we can send who are licensed. They were ball parking \$20,000 but you don't know about the hazardous materials component. You need to know that to know the true cost. I have this going to Council May 25. That's the 5 month mark on this. The idea of having six weeks to sell? We've been talking

about it for five. Taking into consideration the HUD component I'll ask them to continue the Public Hearing to June 22 to allow you to get the affidavit done and HUD answers or a complete package we can review with the same information from another rehabber.

Rossman: I was thinking the 3rd party was out of the picture, but if we get a buyer, purchase agreement, new bids, etcetera all in place and submit everything?

Moermond: I'm not opposed to it but I don't want to be strung along while it's happening.

Rossman: sure, I would wait until I have everything. We did have 3 cash offers but everyone wanted 30 days to get contractors in, so we shut the door on that.

Moermond: I'm giving you the extension because of HUD. If in the meantime you have another package that's fine.

Referred to the City Council due back on 5/25/2022

3 <u>RLH RR 22-19</u> Ordering the rehabilitation or razing and removal of the structures at 694 SHERBURNE AVENUE within fifteen (15) days after the May 25, 2022, City Council Public Hearing.

Sponsors: Thao

Layover to LH May 24, 2022 at 9 am for update on reestablishing duplex zoning.

Tia Lee, owner, appeared

Tony Johnson, Planning and Economic Development, appeared via phone Mai Vang acted as interpreter

Moermond: last time we left things that Mr. Lee had some plans and aspects of getting things together but the main snag was he preferred to rehab as a duplex but it is no longer zoned as a duplex so he has to reestablish the nonconforming use. Now that we have an interpreter I'm hoping to walk through some of these steps with Mr. Johnson so Mr. Lee can get his questions answered. What is involved Mr. Johnson?

Johnson: You'll need to submit the application for reestablishment of nonconforming use since you have a duplex in a single-family district. Once it is vacant for more than a year you need to reestablish that. once you submit that and the petition, we set up a public hearing and notify your neighbors. They will have the opportunity to come speak.

Lee: I was only able to get two signatures so far.

Moermond: how many signatures are necessary Mr. Johnson?

Johnson: he needs two-thirds from signatures of property owners within 100 or 350 feet, I forget which it is for this application.

Moermond: can you find that out?

Johnson: I connected Mr. Lee with Mr. Paul Dubruiel yesterday. He sends those petitions. I wasn't copied on any emails with that information yet.

Lee: I did fill out the application and sent it to Mr. Johnson, but I haven't talked to Mr.

Dubruiel.

Johnson: he would need to show a hardship if he can't get enough signatures. Also it is property owners. Make sure to wait for Paul's list, because it may not necessarily be the person living there. Sometimes you have to send a letter to the landlord who may live elsewhere.

Moermond: what concerns do you have about reaching out? Are there language barriers? Phone numbers, mailings? What concerns you at this juncture?

Lee: I have two signatures. The rest of them I called with no response yet.

Moermond: did you get a list from Paul Dubruiel yet?

Lee: I took the letter that we sent and used that to go around. I don't have a list.

Moermond: and Mr. Johnson was saying it would be useful to wait for the list because you need the owners. I know that's a high tenant area. That list will be super useful. We may be able to help you find phone numbers for some landlords too. We're going to ask Mr. Dubruiel to also send us that contact list. Ms. Caty Royce has indicated she is willing to help. She may have some ideas about easier ways to get them to respond.

[tried calling Caty Royce at 9:21: unavailable]

Lee: I did talk to someone in her office who was able to assist me. She was able to help me with signatures as well. I don't have the name with me.

Moermond: at this point I would like to keep working with you to get over the hump of getting materials together to work with the zoning issues. We still have the regular issues for the rehab.

Johnson: if he could include a statement with the history with his application it would be helpful. When he bought it, how it was used, those type of things. A lot of these conversions happened post 1920. Zoning code was established in 1922, so it could have been done by right which is the case for a lot of the properties in Frogtown. I'll be looking that information up for my report.

Lee: I'm worried once I get the signatures I'll have troubles meeting up with them and those sorts of things.

Moermond: we'll do our best to help with that. Let's talk again in 2 weeks and see how things are going with getting those signatures and connecting with Frogtown Neighborhood Association.

Laid Over to the Legislative Hearings due back on 5/24/2022

4 <u>RLH RR 20-22</u> Ordering the rehabilitation or razing and removal of the structures at 678 SNELLING AVENUE NORTH within fifteen (15) days after the May 27, 2020 City Council public hearing. (To Refer to October 26, 2021 Legislative Hearings)

<u>Sponsors:</u> Jalali

Layover to LH June 14, 2022 at 9 am further discussion (CPH June 22). PO to submit

written update by close of business Friday, June 10, 2022.

Lisa Kugler, consultant, appeared via phone

Moermond: the copy of the structural engineer report looks like good news.

Kugler: it is good news. No structural issues with the masonry walls and the trusses are fine. The report is quite detailed about why they think that. We're just going to keep pursuing our plan.

Moermond: the most recent progress report is from March 28. Now we have that report is it possible for you to submit another report in a couple of weeks?

Kugler: sure.

Moermond: especially with respect to funding and things with that. This is the oldest file I have right now, so I know you know we need to look at an end game on this.

Kugler: right, but we don't have control over funding. Two to five years is typical. Is there any way to take it off your list?

Moermond: no. The only way to come off is for the nuisance to be abated, either through demo or fixing the building. That's the only path. That's true of every property in this category. The declaration was made prior to the AEDS ownership, but they did buy with full knowledge of what they were acquiring. We need to find that finish line.

Kugler: the end game is up to code not remediation?

Moermond: end game is the Certificate of Occupancy.

Kugler: I know it is taking a long time but the world is even more different now with how things are funded. A billion dollars' worth of damage from the Civil unrest has changed capital priorities.

Moermond: and I know there is a lot of neighbors and good will towards this project working in your favor. I know this is a game of inches but I have to keep measuring and documenting those inches. As long as there is that we are in good shape. It is when things come to a halt when I have trouble justifying stopping that abatement action.

Kugler: we are about to start the next phase of architectural design. I'll write that up with funding. The funding we lost, the 18 million, there were \$175 million worth of proposals. We didn't lose it because it wasn't a good proposal.

Moermond: dollars were too thin.

Kugler: very much so.

Laid Over to the Legislative Hearings due back on 6/14/2022

5 RLH RR 22-22 Ordering the rehabilitation or razing and removal of the structures at 1508 COMO AVENUE within fifteen (15) days after the June 8, 2022, City Council Public Hearing.

<u>Sponsors:</u> Jalali

If \$5,000 PD is posted by COB June 7, 2022 refer back to LH June 28, 2022 at 9 am for an update on demo vs. rehab and potential sale and statement from attorney on timeline of clearing title.

Chris Boylan, owner, appeared Mary Russell, neighbor at 1492 Como, appeared via phone

Staff report by Supervisor Joe Yannarelly: the building is a two-story, wood frame, duplex with a detached two-stall garage on a lot of 6,098 square feet. According to our files, it has been a vacant building since July 29, 2003. The current property owner is Nadyne A. Glaser c/o Christopher J. Boylan per Amanda and Ramsey County Property records. On October 12, 2021, 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 October 18, 2021, with a compliance date of November 17, 2021. 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 \$40,500 on the land and \$230,400 on the building. Real estate taxes are current. The vacant building registration fees were paid by check on August 14, 2021. A Code Compliance Inspection was done on July 9, 2021. As of May 9, 2022, the \$5,000 performance deposit has not been posted. There have been nineteen Summary Abatement notices since 2003. There have been nine work orders issued for Garbage/rubbish, tall grass and weeds, and snow and ice. Code Enforcement Officers estimate the cost to repair this structure exceeds \$50,000. The estimated cost to demolish exceeds \$20.000.

Moermond: Nadyne Glaser is a relative?

Boylan: she sold us the building in 1983, she's been dead for 30 years. She didn't register the Contract for deed with the County. I have an attorney working on getting clean title because I want to sell and not process this. I thought the letter from Reid Soley was threatening and made me not want to deal with it. I was told I couldn't sell which is why I didn't.

Moermond: ironically the time to sell was the previous 20 years. Now you are kind of in a pickle.

Boylan: we lived there for a whole, rented it for a while, the tenant left and it got flagged as a Vacant Building and I was told I couldn't sell it. I thought that meant current code which isn't possible.

Moermond: but we have a Code Compliance Inspection Report now. So you have the list of things that need to be done. We don't have a Performance Deposit posted yet.

Boylan: I got some documents from Joanna about how other people have sold these. The attorney may have to go to court to get title cleared. I don't know how long it will take. My hope would be to clean up the paperwork, sell it, and then they post the Performance Deposit and finish the rest of the items on the Code Compliance Inspection Report. If you insist on it I can write that check, it is just another complication because whoever buys it has to do one.

Moermond: at this point it has gone on for 19 years, so that's a long time to have a Vacant Building and we really need to get this addressed. You've talked to an attorney, has any paperwork been filed?

Boylan: she is still doing paperwork to find the beneficiary because apparently that will make it go quicker. They're looking for the trustee. She has further work to do and I don't know how long that will take. She did say they have to post a notice and allow time, and I just talked to her yesterday for an update but I didn't ask that. She did say if she finds the beneficiary it will smooth things with the court. I didn't ask for a commitment date.

Moermond: let's get that. I know it would be easier to not post that Performance Deposit, but we'll need that posted. I need to see you have some skin in the game. I don't know what you're paying in attorney's fees but that is about it. You've had the list of Code Compliance items since July.

Boylan: in the last year I've spent about \$50,000 on the building. I had to mitigate water damage, and I had the first step of framing taken care of and had it reroofed.

Moermond: so you've sealed the building which is great.

Boylan: yeah, so it is not like I haven't done anything. If you want that Performance Deposit posted it is fine.

Moermond: you may end up rehabbing it yourself if you can't find a buyer. It may be more financially sound to hire a contractor. Keep an open mind and run the numbers. My job is to get this taken care of quickly and efficiently. I'm going to push on this. This is headed to Council on June 8 and what you need me to do is ask the Council for more time on your behalf, otherwise it is you standing there. If we have a concrete plan of action to give them a reason to want them to be helpful. Plan of actions are useful. Let's hear from the neighbor and we can talk more. Ms. Russell?

Russell: I've lived a couple doors down for 30 years, and there hasn't been anyone in it for 25 years. The neighbors have tried to figure out who owns it. We haven't seen any progress. Today the back doors are falling off. The screen doors are off. We've had police calls due to squatters. There's not any progress. I understand there was a roof put on but after 30 years that seems very small. There is a sense of urgency from the neighborhood due to the safety issue. The building and garage look like they could fall down any moment, as well as our safety. The neighborhood is quite frankly running out of patience. If it is sold I'd like to see it close in the next 10 days. I want action towards resolution.

Moermond: it is going to hard to get a sale down without clear title.

Russell: I understand that. Good action and effort would be appreciated.

Moermond: Mr. Yannarelly, do you have in your records any information about boardings and break ins?

Yannarelly: the last notice we had of any problems was a Summary Abatement Order for snow. I don't see any securing by the City.

Russell: there are broken windows now. Last year the cops came running down the alley with guns with a report of people in the garage. That kind of thing is what has been happening.

Moermond: when did you start talking to your attorney?

Boylan: I'm not sure. A month or two ago.

Moermond: I need to see that Performance Deposit posted. I'm also looking for a statement from your attorney about where she is at with the process of cleaning the title up. It strikes me that you should be talking to a general contractor as well because the rehab action could be happening at the same time as the title is being cleared which means you're out from underneath it sooner. That would require more footwork on behalf of your attorney but would get you out from it within six months. Talk to people.

Boylan: how do I get a permit pulled?

Moermond: you get a permit when two things happen, the Performance Deposit, the Code Compliance Inspection and the City Council votes to give you permission to rehab the nuisance building. Those happen and the permits flow. In order to get the Council we need that work plan and financing, and if a third party is involved we need a contract approved by the City. If you are financing the rehab and paying a general contractor, then that's your business, I need the work plan they will use. Explore these options. Talk to a real estate professional and maybe some general contractors about what makes sense in this market and what would work in your circumstances. I can't give that advice, but you need that advice now.

Boylan: talk to me about the June 4 meeting. I won't have a contract with a general contractor or replace the furnace between now and then.

Moermond: right, and you wouldn't be able to replace the furnace anywhere. I'm willing to give grace on figuring out a plan of action but that's based on posting that Performance Deposit. That's your toe in. That could be you have to clear title. It could be you clear title at the same time as doing the rehab. Talk to professionals about that. Between now and then I expect you to start that process.

Boylan: yes, I am doing that. What am I doing June 8?

Moermond: if you have those 2 things done I'll ask the Council to let us continue to work together and refer it to back.

Boylan: I've been a licensed contractor, you said what on June 8?

Moermond: the Performance Deposit and you have a Code Compliance Inspection Report from July 2021 which is current. Those two things are enough to ask the Council to refer the matter back to continue the conversation and work these things out.

Boylan: so then what happens? You're there June 8?

Moermond: yes, they have a record of doing exactly this. This is step one. You have a lot to do in the next six to eight weeks.

Boylan: and Reid Soley thought I was doing nothing which is why it went from a Category 2 to a Category 3. I don't want the same lack of communication to cause issues.

Moermond: it probably wasn't lack of communication that had you end up here. I'm seeing a lot of these where they've been open 20 years. they're cleaning out this old

stock of buildings the neighborhood is just over. That's more likely.

Boylan: I don't dispute this, but I called him and asked why when I had a Code Compliance Inspection and he said it was because I didn't have any permits pulled. I had to change roofers because they wouldn't pull a permit.

Moermond: I'll ask Council on June 8 to refer back to June 28. That gives you six weeks to get your attorney moving. I want to see concrete steps getting us toward the building being fixed. That motion. You'll get a letter, I want a status report on what you are doing with the title and any rehab plans, are you doing it yourself or are you working with a third party and you'll have a contract for us to review. Picking a path and ticking off the scope of work, bids. If you're doing the furnaces yourself, have you had a contractor out and have a bid? If you're doing it yourself I need to see you have the financing to tackle it. It should go without saying but the property needs to be maintained, it doesn't look like there's been a huge problem. One a year is relatively low. You've been taking care of business there. If it were worse I likely would have seen this a lot earlier.

Referred to the City Council due back on 6/8/2022

6 RLH RR 22-23 Ordering the rehabilitation or razing and removal of the structures at 587 COOK AVENUE EAST within fifteen (15) days after the June 8, 2022, City Council Public Hearing.

Sponsors: Yang

If \$5,000 PD is posted by COB June 7, 2022, allow a building permit to be pulled for front window repair and refer back to LH June 28, 2022 at 9 am for an update on demo vs. rehab.

Gerald Krippner, owner, appeared

Staff report by Supervisor Joe Yannarelly: the building is a two-story, wood frame, duplex with a detached one-stall garage on a lot of 4,792 square feet. According to our files, it has been a vacant building since October 14, 2005. The current property owner is Gerald Krippner, KSG Properties LLC, per Amanda and Ramsey County Property records. On January 13, 2022, 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 February 7, 2022, with a compliance date of March 9, 2021. 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 \$20,000 on the land and \$90,000 on the building. Real estate taxes are current. The vacant building registration fees were paid by assessment on November 1, 2021. A Code Compliance Inspection was done on July 30, 2021. As of May 9, 2022, the \$5,000 performance deposit has not been posted. There have been five Summary Abatement notices since 2005. There have been fourteen work orders issued for garbage/rubbish, boarding/securing, tall grass and weed, snow and ice, and vehicles. Code Enforcement Officers estimate the cost to repair this structure exceeds \$75,000. The estimated cost to demolish exceeds \$25,000.

Moermond: did you acquire this along the way as a Vacant Building? I am guessing you haven't owned it the whole time?

Krippner: yes.

Moermond: it's a senior citizen in the Vacant Building program. So we need to get it back on its feet. Do you want to demolish or fix the building?

Krippner: I don't know I have the ability to do either. I lost my career in the recession. I work in the printing industry, because of technology the industry is downsizing. I had a real estate license with interest in moving into investment property. Everything thinks real estate agents are rich. I was a supervisor with a printing press. I was able to list my own property. I acquired this property not knowing what I was getting. I guess I learned as I owned it. I got it, cleaned it up, painting it. About the time we were ready to do work I learned what a Category 2 Vacant Building was and it struck a lot of fear. I wasn't in a position to deal with that. I had to sit with the building until I had a financial victory. I purchased in 2008. I maintained the property and up until a few years ago it was cleaner than most anything on that block. The neighborhood has improved and things have cleaned up. From what I understood of a Vacant Building cat 2 I couldn't work on it and I respected that. Then I got the letter. That struck a major amount of fear. I sought out some advice from people I knew. I could fight it or work with you. I always want to work with you. I don't have that kind of money. I want to work together. I did my best for this process. When I got the letter this year, I was shocked again. Initially I went through the Code Compliance done, I talked to Reid Soley. He gave me the rundown and asked what I wanted to do. I have no experience with rehabbing. I want to sell. He says I have until August 16 to do it. He told me to call when its listed. I got it done, called him August 12. He said ok, now remember you can't do any work to it. I said what? He said you can't do anything expect painting. I asked if I could pull the plywood off the front and fix the broken windows for listing photos. He said no. People always get caught. So I respected that, I did some painting. Plywood still on the window. That's all I've done. I almost had it sold last fall. The buyer was back and forth. Reid had to talk to the buyer. The buyer was bucking it the whole time. He went away, came back, and made a different offer and wanted representation. It was late in the year and I didn't have a good feeling. I know in February people come alive and was anticipating getting to that season and was excited for it. It just took that season where people can work on things. It picked up end of January. Beginning of February I had a lowball offer and that's when I got the new letter, which shocked me. I was excited to sell, and then went to this. The realtor for the buyer with the offer, I hadn't responded, he asked if I was going to counter. He encouraged me to counter, then I got that letter in the same time frame. I think I talked to Joe. You told me to call Steve who could work with me if I found a buyer. I made that counteroffer and went \$10,000 to \$20,000 less than what I thought It was worth to meet the City's goals. He would have accepted it, he called Reid. A million dollars backing him, a strong buyer. The realtor called me after and Reid had told him they were going to tear it down. He said the City isn't doing you any favors and told me what Reid said. I have to lay my case out here; I'm not trying to get anyone in trouble. I asked Joe what triggered this. He said no work was done, and I was told there couldn't be any work on it. Joe said there must have been a misunderstanding. My intentions are well and good here. It's a targeted property since it has been on the Vacant Building list. I want it in stronger hands. I've said every step along the way my goal is to work with the City. Joe said this is a motivation and scare letter. I said it seems like you're moving it to a Category 3. I said well, it is unsaleable now. It isn't what a Vacant Building 2 is. It is greatly diminished. The buyer I had I told him what I knew about the title not transferring. And he said he wouldn't do that. I lost my buyer. That's where things are at. I guess questions I would have is, I'm sure you hear it all the time, do I have any property rights. Did I sign my rights away? Something doesn't feel right. I have almost been treated like a criminal. I am not that guy; I don't want to be. I know you talk to a lot of people. I want this in stronger hands. It isn't a tear down building. That's subjective,

but that's why it has been vacant so long. If I find a buyer even under a Category 2 Vacant Building if I have to direct them to the City to make sure they can rehab and buy it. My question is, why wasn't that done for me? I wouldn't be here today. The only thing that matters is what is right. If it was a qualification back then, I wouldn't have qualified financially I had just lost my job, and I wouldn't have bought it knowing it was a Category 2. It is more expensive when you have to hire contractors, that's just a fact. I kept asking everyone at the time if it was an appeal meeting. There's a lot of legalese with that. Reid was very helpful, I trusted him. I don't think he did anything on purpose

Yannarelly: there was a misunderstanding for sure. They didn't move it to a Category 3 last April to give you time to fix it up and sell it. I can only think he said you can't work without pulling permits.

Krippner: that was maybe assumed, it wasn't said. I wanted to make it more sellable as it was listed. You're saying personally I could have pulled permits? Or a general contractor?

Yannarelly: depends on the project. A homeowner can do minor electric.

Krippner: so if I wanted to pull the plywood off and fix the windows I could have?

Yannarelly: while it was a Category 2.

Moermond: we're here now, we want you to a place where you can pull some equity out of it. Sounds like its by means of selling to someone who can do the rehab. Governed by a contract and that title transfer. There are people who do that. It sounds like it was a forced sale.

Krippner: I bought it with a friend of mine, he had a baby, so I just asked if I could buy him out.

Moermond: in 2008 you got it at the bottom of the market. You've been holding it. Your story is unique with Reid and that communication. Sometimes people have different communication styles and things don't click, without judgment on either part.

Krippner: why would he tell a buyer they were going to tear it down?

Moermond: I don't know what he told them. This order says there are two ways to fix it, demolish or fix it. What he said and how it was heard I don't know. We're figuring out a path forward. I hear you don't have the capital to do the fix on your own?

Krippner: yes.

Moermond: so you are looking for a buyer who does and executing a contract. That isn't the same as listing it on the MLS. You're going to need to reach out to realtors and ask if they k now someone who works with Category 3 properties. Those people do exist. We can't tell you if we did know names, that would be unethical.

Krippner: how was I able to acquire it without being checked?

Moermond: my guess is this law came into effect in 2008/2009 after you purchased. What I think is happening with this is that people were being duped in the market at an incredible rate. I saw Category 3 Vacant Buildings sold to people with no English being moved in and not being told there were remove or repair orders on it. That happened more than once. 2008 was the wild west of real estate transactions. That's how this aspect of the code came out. Consumer protection.

Krippner: were there people like me?

Moermond: I guess I don't know.

Krippner: Reid said a lot were immigrants.

Moermond: there was a target audience. People.

Krippner: is there any way the City can still let me be a Category 2?

Moermond: no, we don't go backwards from here. We got forwards from here. It is chapter 33, 43 and 45 of the code. We're in the same position as the previous case. I need that \$5,000 Performance Deposit as a placeholder. That's buying you time.

Krippner: how much time?

Moermond: it depends on you showing progress. Sometimes it is inches, sometimes it is quicker. This goes to Council June 8. Lets talk again June 28 and you would have had the opportunity to talk to realtors and General contractors. It could be there are contractors who would do the work to get the title at the end. You need to get creative and figure out how you get as much equity as possible. This has been a losing game for you for quite a while.

Krippner: hugely.

Moermond: so this is loss mitigation now. How do you get out and get this in a place where you have something in your pocket? That involves a partner. Someone you trust and searching your networks. That's your next task after you post the \$5,000. That Performance Deposit is returnable. If this goes nowhere, its returnable. End of the rehab, its returnable. If someone purchases and posts one, you can take your \$5,000 back. The City likes the one doing the work to have that financial carrot. It is a low risk deposit in terms of your long term situation. You have a zoning problem like the first property today. This is a duplex that hasn't been used as one for more than 17 years. That means the legal nonconforming status it had is gone. That goes away after the year. It is on too small of a lot to be a duplex. We'll get you contact information for that. My goal is to help you reach your goal within the confines of the legislative code. We don't endorse anyone but you can look through our records to see who has done this work. What is going on with that window?

Krippner: it is broken and when they put the plywood in cracked a couple frames.

Moermond: I'm thinking if the \$5,000 Performance Deposit is posted we could do a small building permit for this issue. Knowing we'll need a large one later.

Referred to the City Council due back on 6/8/2022

7 RLH RR 22-24 Ordering the rehabilitation or razing and removal of the structures at 1457 THIRD STREET EAST within fifteen (15) days after the June 8, 2022, City Council Public Hearing.

<u>Sponsors:</u> Prince

Remove within 15 minutes with no option to repair.

No one appeared

Staff report by Joe Yannarelly: the building is a one-story, wood frame, single-family dwelling with an attached, tuck-under, one-stall garage on a lot of 7,405 square feet. According to our files, it has been a vacant building since October 1, 2014. The current property owner is Wilmington Savings Fund Society FSB Trust c/o Pretium Mortgage Credit Management per Amanda and Ramsey County Property records. On November 3, 2021, 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 November 16, 2021, with a compliance date of December 16, 2021. 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 \$28,500 on the land and \$220,200 on the building. Real estate taxes for 2019, 2020, and 2021 are delinquent in the amount of \$26,696.92. The property is scheduled for tax forfeiture in 2023. The vacant building registration fees were paid by assessment on November 1, 2021. A Code Compliance Inspection was done on November 16, 2019 and has since expired. As of May 9, 2022, the \$5,000 performance deposit has not been posted. There have been forty Summary Abatement notices since 2014. There have been sixteen work orders issued for Garbage/rubbish, tall grass/weeds, and Snow/ice. Code Enforcement Officers estimate the cost to repair this structure exceeds \$50,000. The estimated cost to demolish exceeds \$20,000.

Moermond: it looks like that starting at about the same time as the nonpayment of taxes started significant property abandonment happened and Summary Abatement Orders jumped up 2018 and 2019.

Yannarelly: someone's been using the driveway too. I just issued a work order on a couch there the other day.

Moermond: so the City has been actively managing it since the taxes stopped being paid. An earmark of abandonment. We haven't heard from Wilmington Savings; they are in Minneapolis. You tried to do personal service and the service says affiant not found. It's a Minneapolis office, not sure what that means. We'll recommend removal in 15 days with no option to repair.

Referred to the City Council due back on 6/8/2022

10:00 a.m. Hearings

Making Finding on Nuisance Abatements

8 RLH RR 22-27 Third Making finding on the appealed substantial abatement ordered for 854 EDMUND AVENUE in Council File RLH RR 21-36.

Sponsors: Thao

The nuisance is abated and the matter resolved.

No one appeared

Yannarelly: in compliance, folder is closed.

Referred to the City Council due back on 5/25/2022

9 RLH RR 22-21 Making finding on the appealed substantial abatement ordered for 830 IGLEHART AVENUE in Council File RLH RR 21-59.

Sponsors: Thao

The nuisance is abated and the matter resolved.

No one appeared

Yannarelly: in compliance, folder is closed.

Referred to the City Council due back on 5/25/2022

10 <u>RLH RR 22-25</u> Third Making finding on the appealed substantial abatement ordered for 864 MARION STREET in Council File RLH RR 21-41.

Sponsors: Thao

Layover to LH May 24, 2022 at 10 am.

No one appeared

Moermond: this is being laid over to May 24 since the letter was late and they didn't have proper notice.

Laid Over to the Legislative Hearings due back on 5/24/2022

11:00 a.m. Hearings

Summary & Vehicle Abatement Orders

11RLH SAOAppeal of Fredimar Calderon to a Vehicle Abatement Order at 60722-14TOPPING STREET.

Sponsors: Thao

Grant to June 10, 2022 for the semi-truck to have current license tabs, and to August 1, 2022 for compliance with removal of the vehicle.

Fredimar Calderon Santa Maria, owner, appeared via phone

Moermond: calling you back about the semi-trailer. There were a couple of questions I had because your property is zoned industrially and whether that means you get to have this semi there or not. I pulled the Code on it and it indicates that this large vehicle parking cannot happen in an area zoned residentially or used residentially. So even though it is industrially zoned it is used for residential purposes so the large vehicle code applies and you can't have it there. I heard last time the gentleman who owns it is returning in a couple of months?

Santa Maria: yes. I am the owner of the company. The driver had a medical problem, he says he's coming back. That's why its there. I have to work to support my family. The only reason it is there is because I don't have any place to park. I don't mind

paying but no one will let me. If the guy comes to keep it working you won't see it there anymore. It makes money to pay my bills. It is part of survival. I have three kids. I have a mortgage to pay. I will follow your orders and park where you tell me.

Moermond: I'm not in the business of finding parking so I have to pass on that. The extension I'll recommend is a long one. I'll give the Council give you until August 1, 2022 to get the semi removed. I understand it is your business and you'll have to relocate it. I cannot permanently live there though. I'd like to see the tabs taken care of sooner as an act of good faith. Can you get those updated by June 10th?

Santa Maria: absolutely.

Moermond: so June 10 the on the tabs and August 1 on the vehicle being gone.

Santa Maria: ok.

Referred to the City Council due back on 5/25/2022

12RLH SAOAppeal of Gene Szondy to a Summary Abatement Order at 68922-18TUSCARORA AVENUE.

Sponsors: Noecker

Grant to July 1, 2022 for compliance with the orders to remove or properly store the scrap wood & lumber at the property, grant to June 1, 2022 to remove the freezer/fridge and complete balance of orders.

Gene Szondy, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Richard Kedrowski: April 25 I was doing inspections in the area and happened to see the items. There were numerous things written, scrap wood, outside storage, fridge, file cabinets, miscellaneous debris. There was a large accumulation of outside storage. Was scheduled to be reinspected May 9 and the appeal was filed.

Moermond: what are you looking for today?

Szondy: my girlfriend had to move out of her house because it was being sold. We were moving her in and we both have far more materials than will fit. There isn't enough room for everything. All those filing cabinets, all three, they were already gone by the time the letter arrived. The scrap metal was too. I'm in the process of remodeling. I'd like more time to finish what I'm doing. The boxes are gone. Everything in the driveway is gone. The fridge is actually a freezer going into my basement. We were making sure it was working. Hoping it will fit down the stairs. I need more time to get it done. I do have a question about the lumber. I'm working on my house, which includes redoing the steps into the basement and the front. Redoing windows and trim. Shelving in the basement. New garage siding. A lot of the lumber is for that. I'd like to keep it there while I'm working with it. How do I do that?

Moermond: there is lumber and scrap wood listed.

Szondy: it is all usable and a lot of it is used already. It is all treated lumber for decking and window. Basements are wet around here. The shelving was rotted metal,

I'm replacing with treated lumber. A lot of the stuff you listed is gone. I'm continuing to work on it. A lot of stuff is in the trailer to go to the dump. I have five or six tubs left to move. I have some lumber and ladders. The freezer is outside my back door. I was scared someone would steal it. I need more time; it is basically just me doing it.

Moermond: with construction materials if you are actively working on a project they can be stored in the general vicinity of the exterior work. Very temporary outside storage for interior work. They look for it to be stored inside a shed, a garage, inside where the work is happening. A time limited situation. I'm concerned about the freezer getting in. I can see you have a belt around to keep it closed.

Szondy: it is also locked. It isn't in the alley anymore either.

Moermond: tell me what you are thinking in terms of the wood outside and when you'll have that gone?

Szondy: when you say "cleaned out"?

Moermond: used and not being stored in the yard.

Szondy: where can I store it?

Moermond: I'm asking about timing. I don't know where you can store it. Using it for its ultimate purpose.

Szondy: immediate ones would be the steps and basement windows in the next few weeks. A month?

Moermond: sure. Today is May 10th and I'm happy to recommend the Council give to July 1 to deal with the wood. I need a tighter timeline on the freezer. Whether that's the basement or somewhere else.

Szondy: I intend to get it in today. The house is 100 years old. I want to widen those steps to 28". The freezer with the doors on it is 28, I think I can get it down with the door off. If it doesn't work I'm getting rid of the thing.

Moermond: so June 1 on the freezer.

Szondy: sure, that's plenty. I have rented a storage facility for her stuff. If I put a shed in the yard can I put the lumber in that?

Moermond: sure.

Referred to the City Council due back on 5/25/2022

2:00 p.m. Hearings

Fire Certificates of Occupancy

 13
 RLH FCO
 Appeal of Kathy Bauer, dba Capital View Cafe, to a Fire Certificate of

 22-34
 Occupancy Approval With Corrections at 635 and 637 SMITH AVENUE

 SOUTH .
 Occupancy Approval With Corrections at 635 and 637 SMITH AVENUE

Sponsors: Noecker

Grant to July 1, 2023 for compliance.

Kathy Bauer, owner, appeared via phone

Moermond: following up from our hearing a couple of weeks ago. My homework was to follow up with Public Works and yours was to follow up with Karen Reid. I've learned that the side the roof is draining onto is the Baker Street side and I learned there is no storm sewer on Baker street, so there is no way to connect into a sewer in any straightforward fashion. The closest line is on the east side of Smith. So connecting to that would involve ripping up Smith and sounds like an expensive nightmare. Kicking it around a bit, the gentleman I was talking to had an idea of what he thought may work, which is to create a trench in the sidewalk with a grate over the top so there is a canal for the water to go through. So it doesn't create that trip hazard, and it would flow right into the street.

Bauer: ah, much easier.

Moermond: he pointed out that there is this same situation downtown for the Treasure Island Tria building. The old Dayton's. They have a pipe that empties the roof water with a trench with a grate and a curb cut. The width of your sidewalk is a lot narrower. I'm not sure what the cost would be but it would be cheaper than connecting to a sewer line. Not sure where Karen Reid is at and I forgot to ask if Public Works has any assistance for paying over time. I'm also not feeling like this is on fire in terms of having a tight deadline. It has been this way a while. A concrete contractor could say something is simpler still but I have no idea.

Bauer: I have a contractor who is in Arizona and he will be back the 17th. He's been in contact with the City and they haven't given a clear picture of what they want to do.

Moermond: I have a picture we can send you.

Bauer: can you write where he can get a permit?

Moermond: we can include that. Not sure if it is in person or online.

Bauer: six months would be nice. With inflation our buffer is down from \$70,000 in January to \$8,000 now.

Moermond: I was thinking June 1, 2023. I would want a handshake you'd be keeping an eye on any ice accumulation and salting and sanding.

Bauer: we were even considering using a rain bucket. There isn't ice buildup there, we've been here 4 years. It is draining, I don't know where to, but it isn't accumulating on the sidewalk.

Moermond: did Karen Reid talk to you?

Bauer: right now all she has is a 50/50 situation with a loan. I would have to have \$1,000 cash; they'd give me \$1,000 grant and the rest of the balance is in a loan. It's a bit of both.

Moermond: so assistance but it wouldn't cover everything. It is better than nothing.

Bauer: and the interest rate is low.

Moermond: you don't have to wait a year to do it, but you have a year to do it in case something comes up. Done more quickly? Fantastic. I wanted you to have some flexibility since it has been an ongoing situation. It does need to be dealt with but if it was a sewer connection it would also be longer-term.

Bauer: how wide does the grate have to be?

Moermond: I can't tell looking at it. I'm guessing for this it is 18 to 24 inches. But it drains that whole building. A lot more square footage than your building. I think your contractor would do that calculation.

Bauer: do you want a follow up call once the contractor is back?

Moermond: I don't need details, just compliance. We'll include that contact information in Public Works. Fire inspections will check after the deadline next year to see if it is done and if any permit required was finaled. I don't see any reason to involve myself in your relationships with your contractor. We'll get you the right contact information and leave it at that.

Referred to the City Council due back on 5/25/2022

3:00 p.m. Hearings

Water Bill Appeals

14 <u>RLH WB 22-1</u> Appeal of Bettie Lewis to a Water Service Bill at 543 CENTRAL AVENUE WEST.

Layover to LH June 14, 2022 at 3:00 to see if there is conclusion with CAPRW dollars. (Water Commission July 12, 2022)

Bettie Lewis, owner appeared via phone Derek Olson, CSR at St. Paul Regional Water Services, appeared via phone

[Moermond gives background of appeals process]

Staff report by Derek Olson: this is a quarterly billed single family home. We billed in January and everything looked normal. April 11 we went out to do a meter usage and it was at 202 units, which is a drastic increase. We noticed a continuous leak. Our meter audit program tried to get in touch with her. We couldn't reach her at first, so we sent someone out to knock on her door. They went out and found a hose running in the back yard. Nothing was leaking thankfully, but they shut the water off to that outside spigot. A bill was \$794.99. Ms. Lewis called and asked if we could credit that amount and we couldn't arrive at an agreement so I offered this hearing.

Moermond: so we have a normal account, the bill history is pretty steady, and then we have a dramatic blip in the billing you found when you read the meter beginning of April and you reached out as soon as you could. It was because of a hose?

Olson: yes, an outside spigot with a hose attached and it was still running.

Moermond: that makes sense. Ms. Lewis, what is going on?

Lewis: I'm not disputing what he said with eh exception of, I had to call the water department back. I've never heard of them calling. We've lived here 35 years. Once he came out he said because the water wasn't being used from the inside. We didn't go out in January, but the water didn't go on the inside. The man said you shouldn't have to pay because you didn't use it and we didn't turn it on. We are in an open town home. It is just myself and my daughter living here. No one turned it on from the inside. This is a blip; it isn't our fault. I'd like a normal bill. This spike they saw because the system saw the spike and we call and try and save them some money. He told me it wasn't during the April bill because the paperwork takes a couple weeks. I don't want to have to pay. That's more than I pay in a year. I know the water in the front was turned off, we never even use it in the back. I don't think because it is a blip we should have to pay for that. I don't have that kind of money. That is more than we use in a year. If they are checking for excessive use they should have started January 22, that's a long time for it to run. I never heard it running, I don't even know how it happened. I would like it to be seen as an accident unknown to the user. The first person you talked to discouraged me from going through that. He told me I could get energy assistance. I don't think we should have to; we shouldn't be billed for water we didn't use. I'm doing this anyways. Why couldn't they tell me sooner?

Moermond: to clarify, I didn't hear the same thing. I heard they did a reading in January that was normal and the April reading wasn't normal. There were no readings in between. Mr. Olson, is that correct?

Olson: you are both correct in the fact that January 12 we read the meter and it was normal. The spike did happen around January 22, but that was in-between readings. We don't read between January 12 and April 11 when we came out. We missed it by about a week because that's when we're normally there.

Moermond: how do you identify that specific date?

Olson: it stores 95 days back from the day we are at the property, they do a data log back that far. When we were there on the 12th, it started happening around the 15th or 16th from the data log and then it continued. We don't have the ability to know it is happening between the readings or we would have been out there immediately.

Lewis: he told me the exact date and it was the 22nd. I know they don't do a reading. He noticed a spike. My question to him was how you notice that spike? He said he reads through the data. He said because the water is running outside your house and aren't using you probably wont be charged. Then he called back and explained the usage doesn't matter you are still charged. This was a fluke accident we shouldn't be charged for. We would never use that amount of water. If we knew we wouldn't have done it. Anyone could have walked over and turned it on. We didn't hear it running.

Moermond: they were able to diagnose the date after the fact but they couldn't give you the information right away. Here's what I'm balancing Ms. Lewis, I have two considerations I need to play out. One is does the responsibility for the extra use fall on the private property owner versus does it fall on the payers of water service at large? Where do we attribute the mistake? The other thing I'm considering is we are in a rare window where there are funds available to cover the bill and you wouldn't have a bill and the rate payers wouldn't be stuck with the extra money either. That is by applying for the American Rescue Plan dollars. Is that something you would be willing to do? That makes the whole thing go away, not just the extra amount. Would you be willing to do that? Lewis: of course if we don't have to pay it.

Moermond: that's what that means. It would mean the other people who pay water aren't picking up that difference either. It would be a relief to everyone. We have a phone number for them, we can also mail you this information.

Lewis: I think I already have the information.

Moermond: it's the Community Action Partnership for Ramsey and Washington Counties.

Lewis: it is just too easy of a fix. Someone's going to pay for it regardless.

Moermond: is it a Covid thing? If you're stuck inside because of Covid, it is connected.

Lewis: the chance of us going outside to this back area is rare. I have a 2021 2022 Minnesota Energy program application.

Moermond: yes that's the right one. I'd like you to fill out that paperwork and call us if there's any documentation you don't have that you need from us for that. I want you to be able to get it done as easy as possible. You'll get another letter from my office. You have Mai Vang's information; you can always call her. I'd like to follow up with you in a month to see if you heard back and they will cover it. I'm going to withhold making my decision for now. I appreciate your time.

Laid Over to the Legislative Hearings due back on 6/14/2022