City Council Memorandum

To: Mayor Fasbender & City Councilmembers
From: Cynthia Kirchoff, City Attorney
Date: February 17, 2026
Item: Approve of Resolution and Order to Demolish and Remove the Hazardous Building at 1701 Vermillion Street

Council Action Requested:

Approve the Resolution and Order to Demolish and Remove the Hazardous Building at 1701 Vermillion Street

Background Information:

City staff is requesting that the City Council initiate a 463 Action to demolish and remove a hazardous building located at 1701 Vermillion Street, Hastings, MN (the "Property"). The Property is a commercial structure owned by 3D, LLC, a Minnesota limited liability company (the "Owner").

On August 25, 2023, the Hastings Building Official revoked the Certificate of Occupancy for the building on the Property because the building was not occupied, the sanitary sewer and water service were disconnected, and various other violations.

Less than three weeks later, a fire occurred on the Property on September 13, 2023. In addition to the Hastings Fire Department, ten other Minnesota and Wisconsin fire departments responded to the fire. Fire crews were on the scene for approximately 20 hours. The fire was reported in the loading dock area of the building and during the fire, there was a smell of ammonia in the air. The fire caused significant damage to the interior of the building on the Property.[1]

Since the fire, neither the structure nor the Property has been cleaned up, leaving the structure in a compromised state filled with debris. Community Development Director John Hinzman and Building Official Lonnell Johnson have attempted to work with the Owner to bring the Property into compliance with the Hastings City Code, state, and federal building codes, without success.

[1]Video posted by WCCO - CBS Minnesota, *Aerial footage shows extensive fire damage to Hastings Creamery*, YouTube (Sept. 14, 2023) https://www.google.com/search?q=hastings+creamery+fire+pictures&rlz=1C1GCEA_enUS1201US1201&oq=hastings+creamery+fire+pictures&gs_lcrp=EgZjaHJvbWUyEggAEEUYORigARiLAxj4BRixBjINCAEQIRigARiLAxixBjINCAIQIRigARiLAxixBjIKCAMQIRigARixBtIBCDQ3MDNqMWo3qAIAsAIA&sourceid=chrome&ie=UTF-8#fpstate=ive&vld=cid:39247ae2,vid:lCbLn7tLzOw,st:0

Specifically, between January 2024 and June 2025, the Community Development Director exchanged multiple emails with the Owner informing them that clean up was required and requested updates on when it could be expected.

Inspections were conducted, compliance letters were issued, but no clean up was initiated.

On November 5, 2025, the City staff inspected the Property again. The Owner and the Owner's attorney were present during the inspection. It was clear that no efforts had been made to clean up the Property. The inspection revealed that portions of the building roof had collapsed, allowing rainwater and the elements to enter the building, and the part of the roof that remains was compromised by the fire. The rainwater that entered the building through the open roof ponded on the floor. The building was littered with debris, creating an unsafe and unsanitary condition. The debris and litter made it difficult for staff to walk around in parts of the building during the inspection.

Additionally, the building is not properly secured. The Owner attempted to secure the building by erecting a makeshift wall on the north loading dock with plywood. However, the building can still be accessed by the electrical panel mounted adjacent to the temporary wall. The overhead door was unsecured so that a trespasser could access the building. Staff determined the building can be accessed without much effort by removing the temporary plywood wall.

Photographs of the Property from the City's inspection and the compliance notice sent to the Owner are attached to this memorandum.

City Process to Authorize and Undertake a 463 Action

The City has authority to require a property owner to demolish and remove a hazardous building under Minnesota Statutes Chapter 463. If the property owner does not take action, then the City Council has the authority to demolish and remove the hazardous building. The City's cost of demolishing or removing the building may be a lien against the real estate, and the lien may be levied and collected as a special assessment against the Property.

The process to pursue an action to demolish or remove a hazardous building is articulated in Minn. Stat. §§ 463.15 to 463.251 as follows:

1. Official Report. City Staff prepares a memorandum on the status of the building to present to the City Council, articulating the facts that make the building or property hazardous. This memorandum is that "Official Report" and includes photographs to support the conclusion.

2. City Council Resolution and Order. Based on the Official Report, the City Council then approves a Resolution and Order (the "Order") requiring the owner to demolish or remove the hazardous building or conditions on the Property. The Order must provide the property owner a reasonable time to do so. In this case, the Order is to demolish and remove the building on the Property on or before June 15, 2026.

3. Service of the Order. Once the City Council approves the Order, the Order is served on the property owner, any tenants, and all lienholders in the same manner as a civil court action. Within 20 days, the owner or a lienholder can serve an Answer specifying any facts in dispute. If the Owner cannot

be found, the order shall be served by posting the order at the Property, and by publication in the official newspaper for a continuous four-week period.

4. Default Judgment. If the Owner does not file an Answer and comply with the deadline in the Order (June 15, 2026), then the City immediately files the Order with the district court and schedules a default judgment hearing. The court hears the presentation of evidence, affirms or modifies the Order, and enters judgment.

5. Enforcement of Judgment. If the judgment is not complied with in the time prescribed by the Judge's order, the City may perform the work to demolish, and remove the hazardous building and assess the costs as a special assessment against the Property.

6. Contested Case. If the Owner files and serves an Answer, then the action follows the Rules of Civil Procedure, which requires discovery, trial, and a judgment. If the Order is upheld following the trial, the court enters a judgment and sets a deadline to comply before the hazardous structure must be demolished or removed.

Based on the hazardous condition of the Property, the exposed interior of the building, and the severe risk to public health, we recommend that the Council approve the attached resolution and issue the Order requiring the Owner to demolish and remove the building on the Property.

Financial Impact:

Cost of demolition.

Attachments:

Resolution and Order to Demolish and Remove the Hazardous Building at 1701 Vermillion Street
- Legal Description of the Property
- Supporting Documentation for Resolution (Building Official memorandum, photos, compliance letters)

CITY OF HASTINGS
COUNTY OF DAKOTA
STATE OF MINNESOTA

RESOLUTION 2026 -____

RESOLUTION AND ORDER TO DEMOLISH AND REMOVE THE HAZARDOUS BUILDING AT 1701 VERMILLION STREET, HASTINGS, MINNESOTA

WHEREAS the following Findings of Fact support the Order to Demolish and Remove the hazardous structure located at 1701 Vermillion Street, Hastings, MN:

1. The Property located at 1701 Vermillion Street, Hastings, Dakota County, Minnesota, legally described as described in Exhibit "A," attached hereto and incorporated herein (the "Property").

2. The Property is owned by 3D, LLC, a Minnesota limited liability company (the "Owner").

3. On September 13, 2023, a fire occurred at the Hastings Creamery Building located on the Property. The building sustained extensive damage in the fire and the site has not been cleaned up to date. The conditions to the interior of the building continue to deteriorate as they are exposed to the elements without proper roofing protection.

4. The Certificate of Occupancy for the building had been revoked prior to the fire, on August 25, 2023, due to other City and Metropolitan Council violations at the Property related to site conditions and sanitary sewer discharge. The building has not been occupied since on or around August 25, 2023.

5. City staff has been in constant communication with the Owner regarding the cleanup of the Property since the fire. Following are examples of communication:

    - On January 8, 2024, City staff sent the Owner's attorney an email asking when cleanup will occur.

    - On January 16, 2024, the Owner's attorney responded that the property had been released to the insurance company for cleanup.

    - On February 7, 2024, City staff sent the Owner's attorney an email requesting a cleanup plan.

    - On February 13, 2024, an inspection was conducted by the City that revealed violations of the Hastings City Code. A compliance letter was sent on February 16, 2024.

- April 3, 2024, City staff sent the Owner and Owner's attorney an email documenting the failure to comply with the February 16, 2024, compliance letter.

- April 9, 2024, the Owner sent an email to City staff stating privacy fence to be erected in next couple weeks.

- In August 2024, the City received multiple complaints from residents about the condition of the Property, including the weeds and storage of inoperable and trailers.

- On November 15, 2024, City staff sent an email to the Owner's attorney regarding Hasting Police Department's report of children regularly accessing roof of building and request for better protection to prevent roof access and including pictures of weeds and trailers.

- April 28, 2025, City staff sent email to the Owner's attorney that large puddle on northwest corner of Property appears to have been caused by blocked storm sewer.

6. On November 5, 2025, an interior and exterior inspection of the site was conducted by the City of Hastings Building Official Lonnell Johnson, Community Development Director John Hinzman, Fire Marshal Al Storlie, Police Chief David Wilske, and Deputy Police Chief Bryan Schowalter. The Owner and Owner's Attorney were also in attendance.

7. No efforts to clean up the Property have been made. A portion of the roof has collapsed. The part of the roof that remains was compromised in the fire. In other parts of the building, there are holes in the roof so it is open to the elements and accessible to trespassers. Because it has been open to the elements for over two years, in some areas of the building, rainwater is ponding on the building floor and causing damage to the floor, the building contents and walls. The building was littered with debris, creating an unsafe and unsanitary condition.

8. The building is not properly secured. The Owner attempted to secure the building by erecting a makeshift wall on the north loading dock with plywood. However, the building can still be accessed by the electrical panel mounted adjacent to the temporary wall. The overhead door was unsecured so that a trespasser could access the building. Staff determined the building can be accessed without much effort by removing the temporary plywood wall.

9. The building is severely damaged and is unoccupiable and the cost of repairing the building exceeds its value. The building is deemed hazardous and unsecured.

WHEREAS, on February 17, 2026, at the regular meeting of the Hastings City Council, the City Council considered the evidence presented, including the memorandum from the Building Official, prepared on February 10, 2026, a copy of which is attached as Exhibit “B.”

NOW, THEREFORE, BE IT RESOLVED, that based on the hearing and the information and evidence presented, the Hastings City Council adopts the aforementioned Findings of Fact and finds that due to the significant damage and deterioration of the remaining portion of the building, they create a hazardous condition that constitutes a hazard to the public safety, health and welfare, as defined in Minnesota Statutes, Chapter 463, and therefore, the building must be demolished, razed, and removed.

NOW, THEREFORE, BE IT ORDERED by the Hastings City Council as follows:

1. The Owner of the Property at 1701 Vermillion Street, Hastings, Minnesota, shall demolish and remove the remaining portions of the building, as well as any remaining debris by June 15, 2026.

2. Unless corrective action is taken or an Answer is filed within twenty (20) days of service, as provided in Minnesota Statutes, Section 463.18, a motion for summary enforcement of this Order will be made to the District Court of Dakota County. If there is no compliance, the City will be authorized to enter the Property and immediately demolish and remove the building, including the foundation, located on the Property. All costs associated with this action and of demolishing and removing the building may be a lien against the real estate, which may be levied and collected as a special assessment, as provided by Minnesota Statutes, Chapter 463.

Approved and passed this 17th day of February 2026.

_____
Mary Fasbender, Mayor

Attest:

_____
Kelly Murtaugh, City Clerk

EXHIBIT "A"
Legal Description

The North 150 feet of the West 330 feet of Lot 5, Auditor's Subdivision No. 9, Dakota County, Minnesota.

And

That part of Lot 5, Auditor's Subdivision No. 9 described as follows:

Commencing at the southwest corner of said Lot 5 and running thence East on the north line of 18th Street 200.00 feet; thence North 150.00 feet; thence East 130 feet; thence North 100.00 feet; thence West 330 feet to the east line of Vermillion Street; and thence South on Vermillion Street to the place of beginning, according to the recorded plat thereof.

Except that part conveyed to the State of Minnesota per Document No. 959524 described as follows:

That part of the South 250 feet of the West 330 feet of Lot 5, Auditor's Subdivision No. 9, according to the plat thereof on file and of record in the office of the County Recorder in and for Dakota County, Minnesota which lies southerly of Line 1 described below:

Line 1:

Beginning at the point of termination of Line 2 described below; thence run northerly at right angles to said line 2 for 33 feet; thence run westerly parallel with said line 2 for 253 feet (measured along said Line 2); thence run northwesterly to a point distant 40 feet northeasterly (measured at right angles) of a point on said Line 2, distant 235.17 feet easterly of its point of beginning; thence run northwesterly to the point of intersection of the west line of said Lot 5 with a line run easterly at right angles to Line 3 described below from a point thereon, distant 44.79 feet northerly of its point of beginning and there terminating.

Line 2:

Beginning at a point on the west line of Section 34, Township 115 North, Range 17 West, distant 1329.53 feet southerly of the northwest corner thereof; thence run easterly at an angle of 85 degrees 07 minutes 17 seconds from said west section line (measured from south to east) for 175.17 feet; thence deflect to the right at an angle of 08 degrees 03 minutes 59 seconds for 123.72 feet; thence deflect to the left on a tangential curve having a radius of 954.93 feet and a delta angle of 12 degrees 56 minutes 53 seconds for 215.8 feet; thence on tangent to said curve for 10.48 feet and there terminating.

Line 3:

Beginning at a point on Line 2 described above, distant 175.17 feet east of its point of beginning; thence run northerly at an angle of 85 degrees 06 minutes 06 seconds from said Line 2 (measured from west to north) for 72.79 feet and there terminating.

Dakota County, Minnesota.

Abstract Property.

City Council Memorandum

To: Mayor Fasbender and City Council
From: Lonnell Johnson, Building Official
John Hinzman, Community Development Director
Date: February 10, 2026
Item: Hazardous Building Action: 1701 Vermillion Street – Former Hastings Creamery

Summary:

The following documents the hazardous building conditions of the former Hastings Creamery Building located at 1701 Vermillion Street.

Background and Timeline:

On September 13, 2023, a fire occurred at the Hastings Creamery Building located at 1701 Vermillion Street. The building sustained extensive damage in the fire. *See* Attachment 1 for photographs from news story about fire. The site has not been cleaned up to date.

The conditions to the interior of the building continue to deteriorate as they are exposed to the elements without proper roofing protection. It should be noted that the Certificate of Occupancy for the building had been revoked prior to the fire, on August 25, 2023, due to other City and Metropolitan Council violations at the property related to site conditions and sanitary sewer discharge. The building has not been occupied since on or around August 25, 2023.

City staff has been in constant communication with the property owner regarding the cleanup of the property since the fire.

- On January 8, 2024, City staff sent the property owner's attorney an email asking when cleanup will occur.
- On January 16, 2024, the property owner's attorney responded that the property had been released to the insurance company for cleanup.
- On February 7, 2024, City staff sent property owner's attorney an email requesting a cleanup plan.
- On February 13, 2024, an inspection was conducted by the City that revealed violations of the Hastings City Code. A compliance letter was sent on February 16, 2024 (See attached).
- April 3, 2024, City staff sent property owner and property owner's attorney an email documenting the failure to comply with the February 16, 2024 compliance letter.

- April 9, 2024, the property owner sent email to City staff stating privacy fence to be erected in next couple weeks.

- In August 2024, the City received multiple complaints from residents about the condition of the property, including the weeds and storage of inoperable and trailers.

- On November 15, 2024, City staff sent an email to property owner's attorney regarding Hasting Police Department's report of children regularly accessing roof of building and request for better protection to prevent roof access and including pictures of weeds and trailers.

- April 28, 2025, City staff sent email to property owner's attorney that large puddle on northwest corner of property appears to have been caused by blocked storm sewer.

- In June 2025, the City received complaints from residents about junk and property conditions.

On November 5, 2025, an interior and exterior inspection of the site was conducted by the City of Hastings Building Official Lonnell Johnson, Community Development Director John Hinzman, Fire Marshal Al Storlie, Police Chief David Wilske, and Deputy Police Chief Bryan Schowalter. Building Owner Peter Mursu and Hastings Creamery Attorney Jim Lodoen were also in attendance. City staff took pictures of the interior and exterior of the building. *See Figures 1-7.*

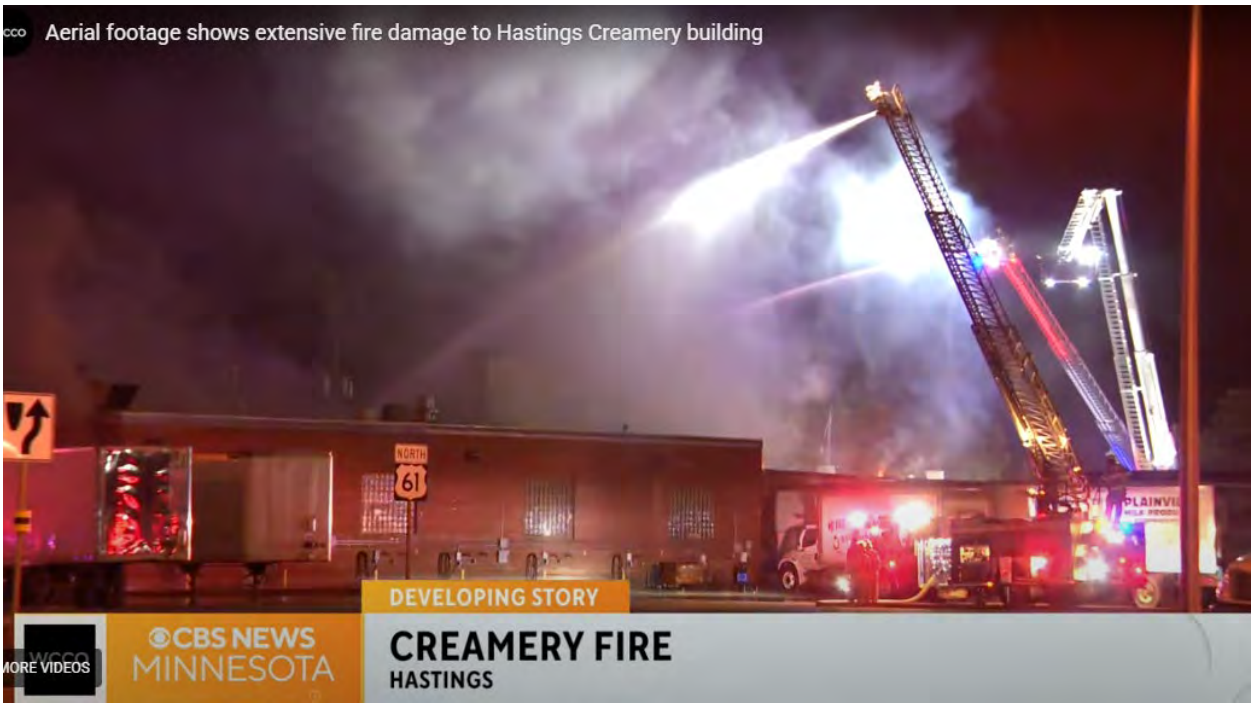
No efforts to clean up the property had been made. A portion of the roof has collapsed. *See Figure 5.* The part of the roof that remains was compromised in the fire. *See Figures 1-5*. In other parts of the building, there are holes in the roof so the inspectors could see sunlight, and it was open to the elements and accessible to trespassers. *See Figures 1-5*. Because it has been open to the elements for over two years, in some areas of the building, rainwater is ponding on the building floor and causing damage to the floor, the building contents and walls. *See Figure 1*. The building was littered with debris, creating an unsafe and unsanitary condition. The debris and litter made it difficult for staff to walk around in parts of the building during the inspection. *See Figures 1, 3, and 5.* Some debris was floating in the rainwater.

Additionally, staff noted that the building is not properly secured. The property owner attempted to secure the building by erecting a makeshift wall on the north loading dock with plywood. *See Figure 6*. However, the building can still be accessed by the electrical panel mounted adjacent to the temporary wall. *See Figure 7.* The overhead door was unsecured so that a trespasser could access the building. Staff determined the building can be accessed without much effort by removing the plywood temporary wall.

The building is severely damaged and is unoccupiable and the cost of repairing the building exceeds its value. The building is deemed hazardous and unsecured.

Attachments:
1. Screen shots from video posted by WCCO – CBS Minnesota, *Aerial footage shows extensive fire damage to Hastings Creamery*, YouTube (Sept. 14, 2023).
2. Photographs of November 5, 2025, City Inspection
3. Revocation of Certificate of Occupancy
4. February 16, 2024, compliance letter

ATTACHMENT 1:
SCREEN SHOTS FROM VIDEO POSTED BY WCCO – CBS MINNESOTA, *AERIAL FOOTAGE SHOWS EXTENSIVE FIRE DAMAGE TO HASTINGS CREAMERY*, YOUTUBE (SEPT. 14, 2023).






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ATTACHMENT 2:
PICTURES OF NOVEMBER 5, 2025, INSPECTION



Figure 1 – Roof Damagee (sunlight), Debris and Water Ponding



Figure 2 - Roof Damage (sunlight)



Figure 3 - Roof Damage (sunlight) and Debris



Figure 4 - Roof Damage and Partial Collapse (sunlight)



Figure 5 -Roof Collapse (sunlight) and Debris



Figure 6 - Plywood Temporary Wall/Loading Dock – Building Not Secured



Figure 7 – Plywood Temporary Wall/Loading Dock – Building Not Secured

Compliancy Order

Revocation of Certificate of Occupancy
1701 Vermillion Street
Hastings, Minnesota
August 25, 2023

MN Rules 1300.0030
PURPOSE AND APPLICATION

Subpart 1.Purpose.
The purpose of this code is to establish minimum requirements to safeguard the public health, safety, and general welfare through structural strength, means of egress facilities, stability, sanitation, adequate light and ventilation, energy conservation, and safety to life and property from fire and other hazards attributed to the built environment and to provide safety to fire fighters and emergency responders during emergency operations.

Subpart 1.General.
The building official is authorized and directed to enforce the provisions of this code. The building official has the authority to render interpretations of the code and adopt policies and procedures in order to clarify the application of the provisions. The interpretations, policies, and procedures shall comply with the intent and purpose of the code. The policies and procedures shall not have the effect of waiving requirements specifically provided for in the code.

Per Minnesota Rules 1300.0030 it is the Building Official Interpretation to explain the intent and purpose of this code and to enforce the following:

1. Unsafe Building and Revocation of Certificate of Occupancy of 1701 Vermillion St Hastings, MN

    a. Subp 7 of Minnesota Rules 1300.022 States:

Subp. 7.Revocation.
The building official may issue a written suspension or revocation of a certificate of occupancy issued under the code if the certificate is issued in error or on the basis of incorrect information supplied, or if the building or use of the building, structure, or portion of the building or structure is in violation of any ordinance or regulation or a provision of the code.

2. The following conditions within the building constitute violations of the Building Code and grounds for the revocation of the Certificate of Occupancy:

    a. Building is no longer occupied.
    b. Sanitary sewer service has been disconnected from the building due to past violations of Fats, Oils, and Grease (FOG) discharge into the City of Hastings' municipal sanitary sewer system

and the Hastings Sanitary Sewer Plant operated by Metropolitan Council Environmental Services.

c. Municipal water service has been disconnected.
d. Hastings Creamery is in violation of Minnesota Plumbing Code 1009, Minnesota Plumbing Code 4714.0100 - Subp. B,E,F,J,M,N,W
e. Storage of chemicals per Minnesota Rules 1300.0030.
f. Unresolved Building Code issues from a Notice of Violation issued to the Hastings Creamery dated March 10, 2023.

Please contact the Building Official with any questions and to establish parameters for securing future occupancy of the building.

CITY OF HASTINGS

Jerry Backlund
Building Official
Jbacklund@hastingsmn.gov
651.480.2374

February 16, 2024

3D LLC
1701 Vermillion Street
Hastings, MN 55033

Sent by [check all that apply]:
☐ **Certified Mail**
☐ **Regular Mail**
☐ **Personal Service**
☒ **Posting on the Property**
☒ **Via Email to Peter.Mursu@gmail.com and jlodoen@spencerfane.com**

Dear 3D LLC,

According to Dakota County property records, you are the property owner of:

1701 Vermillion Street
Hastings, MN 55033

The property was the subject of a fire which occurred on September 13, 2023. On February 13, 2024 an inspection was conducted at the above-mentioned property that revealed the following violations of the Hastings City Code:

1. § 95.20, Subd. B.19 – Debris from the fire remains creating an unhealthy and dangerous condition.
2. § 95.25 – Semi Trailers on the site are inoperable and\or abandoned must be removed.
3. § 158.04, Subd. C.1 – Unsheltered storage not allowed
4. § 158.04, Subd. H – Buildings and other structures have been poorly maintained so that their physical condition and appearance detracts from the neighborhood.

In order to correct the afore-mentioned violations, you are required to do the following:

1. All miscellaneous debris must be removed from this site. This includes, but is not limited to the following:
    a. Debris from fire located within the fenced area on the north side of the building.
    b. Wood pallets located along the east side of the building.
    c. Chemical drums located along the east side of the building
    d. Debris within the parking lot along the west side of the building.
2. Removal of all semi-truck trailers from the site.
3. Provide a detailed timeline for repair or demolition of the building.

The above items must be completed by March 4, 2024. If you fail to correct these violations or contact me prior to the compliance date, the City may make the corrections for you at your expense. Failure to pay for the City's invoice for abatement will result in all fees and costs being assessed against your property.

You may appeal the requirements of this compliance letter by filing written notice with the City Clerk within 10 days and paying a $100 non-refundable filing fee.

Please contact me via email or phone if you have any questions or concerns.

Sincerely,

CITY OF HASTINGS

John Hinzman
Community Development Director

Encl – Site Pictures

1701 Vermillion Street – Hastings Creamery – February 14th and 16th 2024











