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Is any home good enough for the homeless?

Landlord Dave Busch gets the homeless into housing, often at a fraction of the cost of other organizations. His tenants, some of whom don't even pay rent, call him a hero. He says he could do even more if he didn't have to worry about building codes.

By Bob Shaw
bshaw@pioneerpress.com

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Dave Busch is photographed outside a home he's set up on Sherburne Avenue in St. Paul for the formerly homeless. With his own money he has bought about 40 abandoned properties to help homeless people have safe housing. (Pioneer Press: Ben Garvin)

Dave Busch stomped up the wooden stairs in one of his rescued homes.

At the top, three people greeted him with reverence. To them, Busch is a hero who gave them a place to live when no one else would.

One was Dane Robinson, an ex-convict who recently found full-time work in a slaughterhouse.

"Without Dave," he said, "I would be out on the street."

Last year, roughly 100 other people could have said the same thing. Busch owns about 50 housing units, which he rents to homeless and nearly homeless people — making his one-man operation comparable to large charities and government programs.

And he does it for a fraction of the cost. For example, Habitat for Humanity builds homes for about \$180,000 per unit — more than three times Busch's average cost of \$55,000 per housing unit.

But not everyone loves him.

Busch has been cited for violating building codes in his units.

"He wants to put what he calls substandard people into substandard housing," snapped Dick Lippert, the top enforcer of St. Paul's building codes. "To him, all that matters is making money."

Minimum living standards, said Lippert, are a matter of human dignity.

"That makes me so mad to hear that," fumed Busch, flanked by his grateful tenants. "They close down a house and kick these people right out into the

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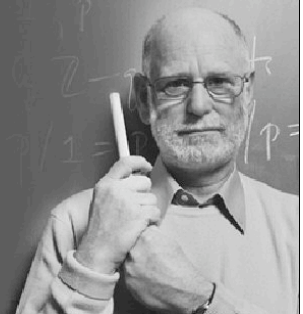


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street. Is that preserving human dignity?"

Busch says it is regulation, as much as poverty, that keeps homeless people on the street.

"If I could get more houses, I could take 1,000 people off the public dole," Busch said. "I could do that if the city of St. Paul got the hell out of my way."

Which raises the question: Is Busch a housing-code outlaw? Or St. Paul's housing angel, with a plan to save the city's homeless?

"I see (Busch) as bringing a legitimate point of view to a very necessary conversation," said Chip Halbach, director of the Minnesota Housing Partnership.

Government is failing to house the homeless, Halbach said.

"He has an alternative," Halbach said. "If we can't come up with another alternative and different standards, then we have to accommodate his approach."

'MY MISSION IN LIFE'

Busch, 56, of St. Paul made his money as a lawyer and by buying real estate. About 25 years ago, he started buying property, first in Apple Valley, then in the inner city of St. Paul.

A chance encounter changed his life. In 2008, a mentally ill homeless man was found sleeping in the doorway of one of Busch's homes. On a whim, Busch invited him to live there — free.

The house wasn't ready for occupancy, and the city

cited Busch for allowing someone to live in a building registered as vacant. But that didn't slow him down.

"I found my mission in life," he said.

He bought a series of homes in the Frogtown area, catering to the lowest part of the rental market: the homeless, the unemployed and ex-convicts.

His timing was perfect. Foreclosed homes began to flood the market. There are now about 1,600 vacant homes in St. Paul.

Busch says he buys properties for \$10,000 to \$60,000 each, then spends up to \$50,000 to improve them to comply with city rules.

He said half of his 200 "renters," in fact, do not pay any rent at all. He makes money, he said, but not much.

He doesn't do background checks.

"I would say nine out of 10 of my people wouldn't pass one," Busch said. "I don't want to know. I don't want to bias myself against them. They need a clean start."

The tenants are grateful for his forgiving approach. Many end up working for him. He said he had 200 employees last year — mostly in short-term property maintenance jobs until they found full-time jobs.

Many homeless people, he said, are severely depressed and barely functioning.

"They really can't do anything," he said. "To call and

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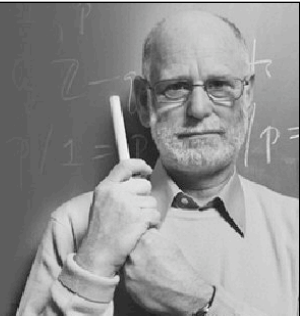


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check on the status of an application is beyond them."

Others are mentally ill or have destructive attitudes.

"It is amazing how many people think they are victims," Busch said.

But he insists they try to find jobs.

"We remove all the excuses for not working," Busch said.

In 2009, he says, he amassed a fleet of 30 cars, mostly junkers, to loan to tenants so they could seek and keep employment.

"My insurance agent loves me," Busch said. He says he paid \$2,000 in parking tickets last year, from tenants using his cars. He has since cut back to nine cars.

Busch evicts people for smoking or using alcohol or drugs.

In February, he evicted a woman for letting two drug-using men into her apartment.

"I told her, 'You will have to go into the wilderness for letting those bums in,' " Busch said.

When asked about building codes versus affordable housing, most people who work directly with homelessness gasp in disbelief. The unanimous response: housing first, standards second.

"What if you put (officials) on the street, then you said they could stay in a place that is not the Taj Mahal or they could stay in a bus stop all night to

keep warm?" said Pat Ware, who works for Busch. "Which would they pick?"

Ware knows one house where officials cited the landlord because his tenants were letting homeless people sleep in a basement. It had no egress window for escape during a fire.

"Of course, it should have an egress window," said Ware, her voice rising in anger. "But this is not the nanny state. Aren't they safer there than in their car or in someone's back yard?"

"This is," said Busch, "the bitter paternalism of the state."

'CODES ARE LIKE A COMMUNITY CONSCIENCE'

Nonsense, city regulator Lippert said.

Relaxing standards would be an enormous mistake, he said.

"It's like selling Toyotas without brakes because some people can't afford a car with brakes," Lippert said.

Any kind of selective enforcement — such as a temporary easing of rules for certain landlords — would be unconstitutional, he said.

Lippert said he doesn't want to put anyone on the street.

"What we want to happen is for landlords to fix their buildings and house as many people as they can," he said.

He said that in 2009, 1,377 homes were rehabbed

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in St. Paul — by landlords following the rules.

"Sure, a vacant house might be better than living under a bridge," Lippert said. "But we can point to 1,377 places that are occupied today instead of being some pile of crap."

When slumlords are unchecked, he said, the wreckage can be seen in places like Detroit. The inner city is rotting because owners aren't required to make improvements — they are just waiting for the recession to end and prices to rise.

"We made the decision early on not to let that happen here," Lippert said. In St. Paul, no one can sell a vacant home without bringing it up to code.

"In the future, we won't have blocks and blocks of problems," he said. "We will have blocks and blocks of rehabbed buildings that have been sold."

To him, Busch is in a category of landlords that includes slumlords.

"These guys are a dime a dozen," Lippert said. "They say we are in their way. Well, we are proud to be in their way. They come in and try to wreck the community."

Lippert said that, like a police officer, he enforces laws.

"If (Busch) wants to make a change, he needs to go to the people who write the laws," Lippert said. "He can plead his case, and see how far he gets."

Other government officials — even those in the business of homeless housing — support the law enforcers.

"I totally understand what (Busch) is doing, as a person who wants to do good," said Laura Kadwell, director for ending long-term homelessness for Minnesota Housing, a state agency that provides low-income housing.

But suppose, she said, that someone died in a fire in a building in which officials knowingly let violations slide. The lawsuit could cost the government millions.

"At the end of the day, I side with the inspector. It is our job to keep people safe," Kadwell said. "We live in a litigious society."

Officials have an obligation to neighbors who have a right to know if groups of homeless people or ex-convicts are living nearby, Lippert said.

"Do you want these guys living next to you? You think neighbors who have invested in their homes want these guys living next door?" he said. "Who thinks this is a good plan?"

"Our codes are like a community conscience. We do not want people to live in substandard conditions. Where is the social benefit of that?"

'THE COST BECOMES HIGH'

Yet Busch says that the community conscience is not easy to obey — or even understand.

The St. Paul building code lists thousands of do's and don'ts in breathtaking detail — stipulating, for example, that every basement window must have a screen of "not more than sixteen (16) mesh per inch" and that outdoor lighting be equal to "one (1) footcandle at the pavement."

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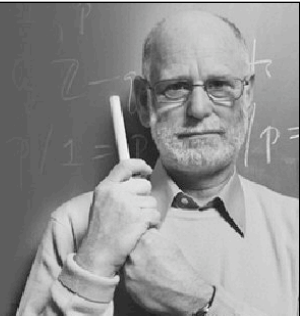


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The code specifies window sizes, water temperature, fence height and the square footage of parking areas.

Many of the rules can save lives, Lippert said. An egress window must be big enough to allow a panicked resident to escape.

"Without it, someone's gonna die," he said.

"These are good things," agreed Minnesota Housing Partnership's Halbach. "But you add up all these incremental things on the margin, and the cost becomes high."

And do there have to be so many rules?

Halbach said, for example, that rules calling for ceiling sprinklers or hard-wired smoke detectors were wasteful.

Busch has his own examples.

"This week, I am working on a house where pillars in the basement have stood for 100 years," he said. "But I have to put a concrete block under each one — for \$3,000."

Last week, he was installing automatic gas shut-offs in four houses, for \$500 apiece.

"A few things like that, and you are talking another \$200 a month in rent," he said. "For my renters, that is the difference between living in a house and living in a shelter."

Halbach said the community conscience must include housing the homeless.

In late February, he tried — and failed — to persuade state legislators to boost funding for housing the homeless.

That forces officials to consider landlords not as enemies, but as partners — because they can provide housing so cheaply.

"Often, it is the small guy doing one house at a time that is the most efficient provider," Halbach said.

Busch's units cost him less than one-third the cost of rehabbed units provided by Minnesota Housing, which has created 2,800 units since it began in 2004.

His units cost one-third of a typical \$180,000 Habitat for Humanity home, built with volunteer labor. The community-building group does many other worthwhile things, Halbach said, "but in terms of producing housing, it's a bad deal."

Explained Busch: "I'd rather do 10 adequate houses than two perfect ones."

'PROFITABLE? ARE YOU KIDDING?'

In late February, Busch dropped by one of his homes, at 453 Sherburne Ave.

He sat down in a small but spotless living room. Next to him, tucked into a planter, was a sign: "So this isn't home sweet home — adjust."

Busch greeted the tenants by name. In six months, the house has been home to 17 men, many just released from jail, as they find jobs and permanent housing.

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It operates as a do-it-yourself halfway house, with Les Norton acting as property manager in exchange for rent reduction.

"We are all here on our own accord," said Norton, a concrete worker. "We do this because it is God's work."

Two of the tenants don't pay rent. They can't afford it, but Busch lets them stay anyway.

He was asked if this approach is profitable.

He paused. "Um, I dunno."

After a few seconds, his friend Ware burst out laughing.

"You? Profitable? Are you kidding? I don't know what you tell your wife," she said.

"It is hard to be a slumlord when you aren't collecting rent," said Busch, almost sheepishly.

Even the way he evicts someone shows how he feels about homeless people and bureaucracy.

"When I evict them, I deliberately spell their names wrong" on official documents, Busch said. "That's so it's not on their record. I give them a break. I do not need to cause other problems in their lives."

Bob Shaw can be reached at 651-228-5433.

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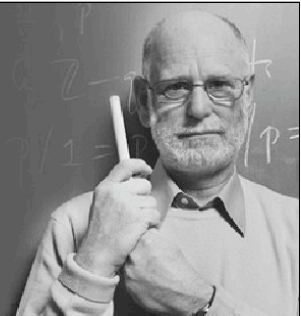


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