



Request for City Council Committee Action from the Department of Regulatory Services

Date: June 17, 2009

To: Council Member Don Samuels, Chair – Public Safety & Regulatory Services Committee

Subject: 1800 31st Street East

Recommendation: Adopt findings of the Nuisance Condition Process Review Panel to uphold the Director’s Order and demolish the property located at 1800 31st Street East

Previous Directives: None

Department Information

Prepared by: Kellie Jones, 673-3506

Approved by: 

 Rocco Forte, Assistant City Coordinator for Emergency Preparedness & Regulatory Services

Henry Reimer, Director of Inspections

Tom Deegan, Manager – Problem Properties

Presenters in Committee: Tom Deegan, Manager Problem Properties Unit

Reviews

- Permanent Review Committee (PRC): Approval ___ Date _____
- Civil Rights Approval Approval ___ Date _____
- Policy Review Group (PRG): Approval ___ Date _____

Financial Impact

- No financial impact
- Action is within the Business Plan
- Other financial impact – grant funded demolition

Community Impact

- Neighborhood Notification
- City Goals

- Comprehensive Plan
- Zoning Code
- Other

Supporting Information

The building is currently owned by David Basselke who purchased the property from Mr. François Ngonu. According to Mr. Bassekle, Mr. Ngonu originally purchased the property on his behalf then transferred legal ownership to Mr. Bassekle on or around January 9, 2009. According to the title, Mr. Ngonu purchased the property from the Federal Home Mortgage Corporation on June 29, 2007.

1800 31st St E is a single family dwelling in the in the Powderhorn Park neighborhood. This 2-story dwelling was built in 1900. The building is 1025 square feet. The building sits on a 1,924 square foot lot.

The property has been determined to be substandard. This building was condemned on October 24, 2006 and a Code Compliance Inspection was conducted January 2, 2007. The original report listed numerous violations and stated that the columns, footings and foundation must be evaluated by structural engineer.

Since June of 2007 the property had to be vacated on two occasions because the owner had illegally occupied the property and then allowed a tenant to move back in after being told that the house had to remain vacant. The most recent time the property was vacated was in October of 2008. The property has remained vacant and no work has been done since that time.

A director's order to demolish the property was sent November 7, 2008 and was appealed by Mr. Ngonu, who was then the legal owner of the property. Mr. Ngonu's appeal stated that he had hired an engineer to do an evaluation and he believed that the house was in good condition. He stated that he intended the property to be a home for Mr. Basselke. The engineers report as required by the code compliance was provided as an attachment to the appeal, but was the first time anyone at the City had seen it. In the Appeal Documents, Mr. Ngonu acknowledged that he was aware of the code compliance orders.

The matter first came before the Nuisance Condition Process Review Panel on January 8, 2009 at which time, the Panel was informed that the Code Compliance report completed in 2007 had expired and was no longer valid. The Panel postponed the matter until April in order for the appellant to complete a current code compliance inspection.

At the hearing on April 9, 2009, staff testified that prior inspections, conducted in the fall of 2008 and the second code compliance inspection, revealed that a significant amount of work had been done to the property without permits. Work included: painting, plumbing, tuckpointing, concrete work and installation of a gas line to the furnace. Mr. Ngonu was asked to provide CCS staff with a second engineers report. Additional orders were identified at the second code compliance inspection.

While Mr. Ngonu did provide staff with a subsequent engineers report, it did not address the correct issues and was therefore not deemed acceptable. In addition, neither Mr. Basselke or Mr. Ngonu provided a rehab plan that would cover the remaining code compliance violations, nor did they provide

documentation indicating that either had the financial resources required to complete all the repairs identified.

The estimated cost to rehabilitate the building is \$43,285.00 - \$127,915.25 based on the MEANS catalog square footage estimate.

CPED staff appraiser has determined that the after-rehab value of the home would be \$125,000.

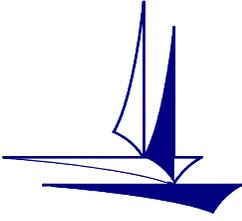
Taxes levied in 2008 total \$1645.96. The first half, due May 15, 2009 are not yet paid.

Cost to Demolish: The estimated cost to demolish the structure is between \$9,800 and \$11,800.

We sent impact statements to the Powderhorn Park Neighborhood Association and property owners within 350 feet of 1800 31st St E. We received 16 in return. 15 of which were received by fax from Francois Construction. 15 state that the property has had a positive impact on the community, while another states that the property has had no impact. All state that the property should be rehabbed.

After reviewing all the evidence presented, the Panel voted to recommend to the City Council that the director's order to demolish be upheld.

Staff has met with the owners on multiple occasions to try and explain the process and expectations, but have not presented a plan that encompassed the full extent of the remaining code compliance violations.



Minneapolis

City of Lakes

1800 31st St E
Appeals Panel Hearing
Thursday, January 8, 2009

Appeal received from Francois Ngono, Owner	November 26, 2008
Director's Order to Demolish sent	November 7, 2008
Police Department authorized boarding due to illegal occupancy	October 24, 2008
Unpermitted work discovered by inspector	October 23, 2008
Francois Ngono acquires property from Federal Home Loan Mortgage Corporation	June 29, 2007
Building placed on Vacant Building Registry	November 29, 2006
Building condemned for being boarded (CONB)	October 24, 2006

Owner

Francois Ngono

Mr. Ngono filed an appeal of the Director's Order to Demolish. The appeal stated that Mr. Ngono purchased the property bought the property with the intention of rehabilitation. He hired a structural engineer to complete a report immediately after purchase. He outlines his belief that the house is a good house and numerous attempts to pull permits, which were prevented due to a hold placed on the property. He states that because he was unaware of City plans to demolish the structure prior to his purchase the burden has been unfairly place on him. Additionally, he states that this could be the home for David Basselke, the man on whose behalf Mr. Ngono claims to have purchased the home.

Structure description

1800 31st St E is a single family dwelling in the in the Powderhorn Park neighborhood. This 2-story dwelling was built in 1900. The building is 1025 square feet.. The building sits on a 1,924 square foot lot.

General condition

This building was condemned on October 24, 2006. A Code Compliance Inspection was conducted in 2007. No permits were acquired at that time.

Owner Francois Ngonu admitted in a meeting with Thomas Deegan, manager of the Minneapolis Problem Properties Unit, that unpermitted work was done at the property, including painting, plumbing, tuckpointing, concrete work, and installing the gas line to the furnace.

Property has been determined to be substandard. An engineer's report was necessary before permits can be acquired and any work to begin. Outstanding orders include, but are not limited to, the following: Install water heater, replace toilet, properly pipe bathtub and basin, repair all damaged or disconnected ductwork, verify safety of furnace, repair/replace exterior wall, repair/replace deteriorating roof overhang, paint trim, install/repair window locks, repair/replace deteriorating windows, install storm windows and screens, repair/replace cabinets and counters, repair/replace flooring, repair/refinish ceilings, remove all cracked or peeling paint or wallpaper, provide handrails, provide egress windows in all areas as required by code, columns must be evaluated by structural engineer, building footings and foundations must be evaluated by structural engineer.

Taxes for 2007 in the amount of \$741.03 plus penalty and interest are delinquent. Taxes for 2008 in the amount of \$990.26 are not paid, plus penalty.

Property had to be vacated on two occasions because owner illegally rented the property and then allowed the tenant to move back in after being told that the house had to remain vacant.

Market analysis

Vacancy Rate: The vacant housing rate in the Powderhorn Park neighborhood is around 4.5%. Of the 859 houses on the city's Vacant Building Registration, 22 are in the Powderhorn Park neighborhood, a neighborhood of approximately 3512 housing units.

Cost to Rehab: The estimated cost to rehabilitate the building is \$43,285.00 - 127, 915.25 based on the MEANS catalog square footage estimate.

After Rehab Market Value: CPED staff appraiser has determined that the after-rehab value of the home would be \$125,000.

Assessed Value: The 2008 assessed value of the property is \$95,400. In 2007, the value was \$75,000.

Cost to Demolish: The estimated cost to demolish the structure is between \$9,800 and \$11,800.

Community impact

We sent impact statements to the Powderhorn Park Neighborhood Association and property owners within 350 feet of 1800 31st St E. We received 16 in return. 15 of which were received by fax from Francois Construction. 15 state that the property has had a positive impact on the community, while another states that the property has had no impact. All state that the property should be rehabbed.

Architectural and historic value/designation

The Preservation and Design Team staff has conducted an historic demolition review of the property. Demolition is okay.

Notification summary

The Order to Raze and Remove the Building was sent by certified mail to:

1. Francois X. Ngono, 5128 44th Ave. S., Minneapolis, MN 55417

Recommendation

Demolition.