



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

Date: February 25, 2009

To: Public Safety and Regulatory Services Committee, the
Honorable Don Samuels, Chairperson

Referral to: No referral

Subject: Demolition of 2321 Fremont Avenue North, as per
recommendation from the Nuisance Condition Process Review
Panel (249 Appeals Panel).

Recommendation:

To adopt findings of the Nuisance Condition Process Review
Panel to uphold the Director's Order and demolish the property
located at 2321 Fremont Avenue North, Minneapolis, MN.

Previous Directives:

None.

Prepared or Submitted by Tom Deegan, Manager of the Problem Properties Unit,
673-3310.

Approved by: _____

Rocco Forte, Assistant City Coordinator

Henry Reimer, Director of Inspections

Presenters in Committee

Lee Wolf, Attorney

Tom Deegan, Manager Problem Properties Unit

Financial Impact (Check those that apply)

No financial impact (If checked, go directly to Background/Supporting Information).

Action requires an appropriation increase to the ___ Capital Budget or ___ Operating Budget

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Action is within the Business Plan

Action requires a change to the Business Plan

Other financial impact

Request provided to the Finance Department when provided to the Committee Coordinator

Community Impact

Neighborhood- No impact.

City Goals – Maintain the physical infrastructure to ensure a safe, healthy and livable city.

Comprehensive Plan – No impact.

Zoning Code – No impact.

Other

Background and Supporting Information

The Director's Order to Demolish was mailed on July 25, 2008. Mr. Bashir Moghul filed an appeal of the Director's Order to Demolish, saying "New owners and old owners were not aware bldg was condemned. Old owner had bldg. permit to work on bldg. When he was stop working on bldg. New owner will pay all due assessment and taxes, water bill. New owner was in process of obtaining code compliance inspection and start work on the bldg."

The property located at 2321-27 Fremont Avenue N is a nine-unit building. The structure is in disrepair. There are 23 open housing orders on the property. Although new windows have been installed a review of the interior shows mold on apartment walls and in the basement, the walls destroyed and the plumbing and heating pipes have been stolen. The property has repeatedly been found open to trespass and boarded by the city – twice in 2008 and three times in 2007. The Assessor rates the overall building condition as poor.

The building has been vacant and unoccupied for over one year and has lost its non-conforming rights.

The estimated cost to rehabilitate the building is \$391,372 to \$552,838.

The Nuisance Condition Process Review Panel heard the appeal of the director's order to demolish on September 25, 2008 and again on January 8, 2009. The panel recommended that the order to demolish be upheld.

Notification summary

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

1. Mahmood Khan and Sirtai Khan, 2972 Old Highway 8, Roseville, MN 55113
2. Khalida Yasmeen, 2972 Old Highway 8, Roseville, MN 55113
3. Bashir A. Moghul and Lucille J. Moghul, 648 Iona Lane, Roseville, MN 55113
4. The Riverbank MN, 11151 Lake Boulevard, PO Box G, Chisago City, MN 55013

Recommendation

Staff recommendation: Demolition

Nuisance Condition Process Review Panel recommendation: Demolition

Findings of Fact under separate cover



2321-27 Fremont Avenue North

Appeals Panel Hearing
Thursday, September 25, 2008

Code Compliance Inspection	September 11, 2008
Appeal Received from Bashir Moghul	July 8, 2008
Director's Order to Demolish Sent	July 25, 2008
Stop Work Order Issued. Unpermitted Work Discovered	July 13, 2007
Condemned for Boards	July 25, 2006
Added to VBR	September 18, 2006

Owner

Bashir Moghul and Mohammad Safder Moghul, 648 Iona Lane, Roseville MN 55113, 612-701-6972

Mr. Bashir Moghul filed an appeal of the Director's Order to Demolish, saying "New owners and old owners were not aware bldg was condemned. Old owner had bldg. permit to work on bldg. When he was stop working on bldg. New owner will pay all due assessment and taxes, water bill. New owner was in process of obtaining code compliance inspection and start work on the bldg."

Structure description

2321-27 Fremont Ave. N. is a nine-unit apartment building in the Jordan neighborhood. The two-story structure was built in 1987. The building is 6742 square feet, with 3371 being the first floor and 3371 being the second floor. The building sits on a 14,758-square-foot lot.

General condition

There are 23 open housing violations. Photos show new windows have been installed but the interior of the building is trashed. There is mold on apartment walls and in the basement. Plumbing and heating pipes have been stolen. Walls are destroyed.

In 2008 so far there have been four special assessments totaling \$2410.33, including two instances of the building being open to trespass and the city reboarding it. In 2007 special assessments totaled \$2324, including three instances of the building being open to trespass and the city reboarding it. Taxes for 2008, totaling \$7557.75 are unpaid. The unpaid water bill is \$1131.35.

Market analysis

Vacancy Rate: The vacant housing rate in the Jordan neighborhood is around 5%, according to the 2000 census. Of the approximately 945 houses on the city's Vacant Building Registration, 118 are in the Jordan neighborhood alone, a neighborhood of approximately 2666 housing units. The foreclosure crisis has probably negatively affected these statistics.

Cost to Rehab: The estimated cost to rehabilitate the building is \$391,372 to \$552,838, based on the MEANS catalog square footage estimate.

After Rehab Market Value: We have not received an after-rehab estimate from the CPED staff appraiser.

Assessed Value: The 2008 assessed value of the property is \$172,000. Of that, the assessor estimates \$156,100 of the value is for the land and only \$15,900 for the building. In 2007, the value was \$172,000, with the land valued at \$92,800 and the building valued at \$79,200. In 2005 the building was valued at \$367,100.

Cost to Demolish: The estimated cost to demolish the structure is between \$50,500 and \$64,000.

Community impact

The Jordan Area Community Council and the owners of properties within 350 feet of 2321-27 Fremont Avenue North were mailed a request for a community impact statement. The department received two in return. Both said the house has a negative impact on the neighborhood, does not fit the housing needs of the neighborhood and should be demolished. One suggested that the building be replaced with a single family home.

Architectural and historic value/designation

The Preservation and Design Team staff has conducted an historic demolition review of the property. The property's historical integrity are impaired due to past work or current conditions, but the property still exhibits features and design that make the structure worth of rehabilitation. Demolition is okay. The wrecking permits have been signed and returned to Minneapolis Development Review.

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Recommendation

Demolition.

Note: The building has an alias address of 1203 24th Avenue North.