



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

Date: July 22, 2009

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

Subject: 3405 Chicago Ave S

Recommendation: Consider the recommendation of the Nuisance Condition Process Review Panel to approve demolition of 3405 Chicago Avenue South

Previous Directives: None

Department Information

Prepared by: Kellie Rose Jones

Approved by:

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

Henry Reimer, Director of Inspections

Thomas Deegan, Manager Problem Properties Unit

Presenters in Committee: Thomas Deegan and Lee Wolf

Financial Impact

- Action is within the Business Plan

Community Impact

- Neighborhood Notification of NCRP
- Consistent with City Goals

Supporting Information

This matter came before the Nuisance Condition Process Review Panel on April 9, 2009 and May 14, 2009. At the May 14, 2009 hearing, Mr. Chris Tjornhom, the property owner, requested additional time to rehabilitate the property and acknowledged that he did not have a financing plan in place. Staff noted that Mr. Tjornhom had worked for the past several months to arrive at a plan and financing package consistent with code compliance requirements but had been unable to achieve this goal.

The Nuisance Condition Process Appeal Panel voted to recommend that the Director's Order to demolish be upheld but encouraged the owner to continue to work with staff and develop a more complete restoration proposal for consideration by the Council.

After the May 14, 2009 panel hearing, staff was approached by the owner and asked to review plans proposed by a potential buyer. Staff agreed to evaluate the new comprehensive rehab plan, timeline and financing capacity. Staff finds this plan consistent with the Code Compliance orders and MEANS estimate performed by staff.

Background

An order to demolish the structure was sent on February 2, 2009. Mr. Tjornhom has filed an appeal of the Director's Order to Demolish, saying "The buildings' condition can be abated consistent with the requirements of MCO Section 249.40; the buildings are not a nuisance within the meaning of MCO Section 249.30."

3405-09 Chicago Avenue is a commercial building in the Powderhorn Park neighborhood. The two-story structure was built in 1906. The building is 7,823 square feet, with 2,741 square feet on each floor. The building sits on a 6,350-square-foot lot.

The conditions that led to the Nuisance determination and the subsequent order to raze the buildings are as follows:

The building violates Section 110 of the Minnesota State Fire Code, Unsafe Buildings.

110.1.1. Unsafe conditions. Structures or existing equipment that are or hereafter become unsafe or deficient because of inadequate means of egress or which constitute a fire hazard, or are otherwise dangerous to human life or the public welfare, or which involve illegal or improper occupancy or inadequate maintenance, shall be deemed an unsafe condition. A vacant structure which is not secured against unauthorized entry as required by Section 311 shall be deemed unsafe.

110.3 Summary abatement. Where conditions exist that are deemed hazardous to life and property, the fire code official or fire department official in charge of the incident is authorized to abate summarily such hazardous conditions that are in violation of this code.

110.4 Abatement. The owner, operator, or occupant of a building or premises deemed unsafe by the fire code official shall abate or cause to be abated or correct such unsafe conditions either by repair, rehabilitation, demolition or other approved corrective action.

In 2002 the buildings were boarded when a vehicle hit them and damaged them.

The estimated cost to rehabilitate the building is \$171,145.00 to \$331,775.00, based on the MEANS square footage estimate.

CPED-contracted appraiser has determined that the after-rehab value of 3405 Chicago would be \$240,000. The 2008 assessed value of the property is \$285,000.

The Preservation and Design Team staff has conducted an historic demolition review of the property. Demolition is okay. The wrecking permits have been signed and returned to Minneapolis Development Review.

The Powderhorn Park Neighborhood Association and the owners of properties within 350 feet of 3405-09 Chicago were mailed a request for a community impact statement. The department received 16 in return. All said the house has a negative impact on the neighborhood and should be demolished.



City of Lakes

**3405-09 Chicago Avenue
Appeals Panel Hearing
Thursday, May 14, 2009**

Appeal Received from Chris Tjornhom, owner	August 21, 2008
Director's Order to Demolish Sent	August 1, 2008
Condemned for Boards	August 20, 2008
Added to Vacant Building Registration	September 10, 2007

Owner

Christopher Tjornhom, 5120 Edina Industrial Blvd., Edina, MN 55439

Mr. Tjornhom has filed an appeal of the Director's Order to Demolish, saying "The buildings' condition can be abated consistent with the requirements of MCO Section 249.40; the buildings are not a nuisance within the meaning of MCO Section 249.30."

Structure description

3405-09 Chicago Avenue is a commercial building in the Powderhorn Park neighborhood. The two-story structure was built in 1906. The building is 7,823 square feet, with 2,741 square feet on each floor. The building sits on a 6,350-square-foot lot.

General condition

The conditions that led to the Nuisance determination and the subsequent order to raze the buildings are as follows:

The building violates Section 110 of the Minnesota State Fire Code, Unsafe Buildings.

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Market analysis

Cost to Rehab: The estimated cost to rehabilitate 3405 Chicago is \$171,145 to \$331,775, based on the MEANS square footage estimate.

After Rehab Market Value: CPED-contracted appraiser has determined that the after-rehab value of 3405 Chicago would be \$240,000.

Assessed Value: The 2008 assessed value of 3405 Chicago is \$285,000.

Community impact

The Powderhorn Park Neighborhood Association and the owners of properties within 350 feet of 3405-09 Chicago were mailed a request for a community impact statement. The department received 16 in return. All said the house has a negative impact on the neighborhood and should be demolished.

Architectural and historic value/designation

The Preservation and Design Team staff has conducted an historic demolition review of the property. Demolition is okay. The wrecking permits have been signed and returned to Minneapolis Development Review.

Notification summary

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

1. Chris Tjornhom, 5120 Edina Industrial Blvd., Edina, MN 55439
2. Christopher and Bethany Tjornhom, 13736 Spring Lake Rd., Minnetonka, MN 55345
3. Park Midway Bank, 2265 Como Avenue, St. Paul, MN 55108
4. James D. Render, c/o Realty House, 5120 Edina Industrial Blvd., Edina, MN 55439

Recommendation

Demolition.