



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

Date: December 12, 2007

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

Referral to: No referral

Subject: To demolish the building at 3021 Park Avenue South.

Recommendation:

That the Director of Inspections' Order to Demolish the building located at 3021 Park Avenue South, Minneapolis, MN.

Previous Directives:

None.

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

Approved by: Rocco Forte

Rocco Forte, Assistant City Coordinator

HENRY REIMER (by Thomas Deegan)

Henry Reimer, Director of Inspections

Presenters in Committee

Lee Wolf, Attorney

Thomas 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

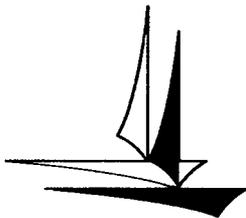
Neighborhood- Remove blight/nuisance.

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

Comprehensive Plan – No impact.

Zoning Code – No impact.

Other



Minneapolis

City of Lakes

3021 Park Ave

Appeals Panel Hearing

July 12, 2007

Owner

U.S. Bank National Association, trustee/David C. Myers Sr.

c/o Peterson Fram & Bergman, 55 E. 5th St., Suite 800, St. Paul MN 55101

651-290-6911

Ben I. Rust from Peterson, Fram & Bergman, stated in his letter of appeal, "There is a potential buyer for the property who is currently negotiating with my client regarding the purchase of the property. The buyer intends to bring the property into compliance with the city Code."

Structure description

3021 Park Avenue is a 2.2-story, stucco and brick, wood-frame, single-family house. It was built in 1900. The house has four bedrooms and two bathrooms. It sits on lot measuring approximately 40 ft. x 119 ft. The parcel also has a one-stall garage.

General condition

Mr. Myers purchased the property in January 1991. The property has been on the Vacant Building Registration since February 2005. There are 8 open housing violations, most dating back to 2005. They include repairing or replacing the roof, gutters, exterior walls, and the garage and painting trim on both the house and garage.

The water has been turned off at this property since 1998. KIVA records show that a lot of unpermitted work has occurred at this property. The house was gutted, the boiler and radiator were removed, and electrical work was done.

There are four pending special assessments for 2007, totaling \$3105. Special assessments from 2000 to 2006 total \$8166.45.

Market analysis

Vacancy Rate: In 2000, the Central neighborhood had 2,325 housing units; there was a 7.5% vacant rate. This is an improvement from the 1990 vacancy rate, which was 15%.

Of the approximately 513 houses on the city's Vacant Building Registration, 22 are in the Central neighborhood, a neighborhood of approximately 2,325 housing units.

Cost to Rehab: The estimated cost to rehabilitate the building is \$196,000 to \$226,200, based on the MEANS square footage estimate.

After-Rehab Market Value: CPED Staff appraiser has estimated the market value after rehab to be \$241,300.

Assessed Value: Taxes for 2006 in the amount of \$3567.49 are delinquent. Taxes for the first half of 2007 in the amount of \$4095.30 are delinquent; taxes for the second half of 2007 of \$3792.03 are due on October 15 and not paid.

The estimated market value of the property is \$237,000.

Cost to Demolish: The estimated cost to demolish the structure is between \$28,600 to \$34,600.

Community impact

The Central Area Community Council and the owners of properties within 350 feet of 3021 Park Avenue were mailed a request for a community impact statement. The department received one in return. It recommended demolition and commented that the property has had a negative impact on the neighborhood. "It is an eyesore, causes debris in the alley, and has seen no progress in the 5 yrs. I've been here. It should be demolished if it can't be put under new ownership and repaired."

Architectural and historic value/designation

HPC staff reviewed the property and believes it "exhibits some historical integrity." HPC staff encourages rehabilitation but is okay with demolition.

Notification summary

The Director's Order to Raze and Remove the Building was sent by certified and regular mail to four recipients:

1. David C Myers Sr, 3021 Park Ave South, Minneapolis, MN 55407-Owner Record - KIVA, Property taxpayer.
2. Mortgage Electronic Registration Systems Inc, P. O. Box 2026, Flint, MI 48501-2026
3. Accredited Home Lenders, Inc. Attn: Post Closing Dept. 16550 West Bernardo Dr. Bldg 1, San Diego, CA 92127-1870. Loan# 0512029673
4. Accredited Home Lenders, Inc. A California Corporation, 15090 Avenue of Science, San Diego, CA 92128. Loan# 0512029673

The mail to Mr. Myers was returned. Certified mail cards were returned from the other three addresses.

Recommendation

Demolition.