



## 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:** 2646 16<sup>th</sup> Avenue South

**Recommendation:** Uphold the recommendation of the Nuisance Condition Process Review Panel and approve a rehabilitation agreement with property owner for 2646 16<sup>th</sup> Avenue South

**Previous Directives:** None

### Department Information

Prepared by: Kellie Rose Jones. 612-673-3506

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 NCPRP
- Consistent with City Goals

### Supporting Information

This matter came before the Nuisance Condition Process Review Panel on April 9, 2009 and June 11, 2009. At the June hearing, Mr. Tom Nguyen presented a plan to rehabilitate the property. The plan was reviewed by staff and deemed consistent with the Code Compliance orders and MEANS estimate performed by staff.

Several neighbors were present at the meeting and expressed support for rehabilitation as long as it would be done in a reasonable amount of time, and to a similar quality to the neighborhood.

The Nuisance Condition Process Appeal Panel voted to recommend that Council allow owner to rehabilitate.

### **Background**

An order to demolish the structure was sent on February 2, 2009. Hong Phan and Tom Nguyen filed an appeal stating that "Based on the Truth in Housing inspection report provided from City of Minneapolis website and from listing agent, did not show that property was condemned."

2646 16th Ave S is a duplex in the East Phillips neighborhood. The 2.5 story structure was built in 1900. The building is 2384 square feet and sits on a 4940 square foot lot.

The property has been determined to be substandard due to rotten framing members, damp and moldy basement, water damage, failing roof, missing copper, illegal and unsafe wiring, illegal and substandard plumbing, failing exterior porch.

The City Assessor's office rates the overall building condition as "fair."

In 2008 the City of Minneapolis levied \$4801.00 in special assessments against the property.

The estimated cost to rehabilitate the building is \$116,672.00 to \$150,368.00, based on the MEANS square footage estimate.

The 2009 assessed value of the property is \$113,000. The 2008 assessed value was \$159,300.

The owner provided a plan and estimate of repairs of approximately \$90,000.

The estimated cost to demolish the structure is between \$22,600 and \$27,400.

The East Phillips Improvement Coalition and the owners of properties within 350 feet of 2646 16th Ave S were mailed requests for a community impact statement. The department received 3 in return. All state that the building has a negative impact on the community and should be demolished.



*City of Lakes*

**2646 16<sup>th</sup> Avenue South**  
**Nuisance Condition Process Review Panel Hearing**  
**Thursday, April 9, 2009**

Appeal received from Hong Phan and Tom Nguyen	February 11, 2009
Director's Order to Demolish Sent	February 2, 2009
Building condemned for being boarded	September 7, 2007
Added to Vacant Building Registry	December 11, 2006

**Owner**

Hong Phan and Tom Nguyen filed an appeal stating that “Based on the Truth in Housing inspection report provided from City of Minneapolis website and from listing agent, did not show that property was condemned.”

**Structure description**

2646 16<sup>th</sup> Ave S is a duplex in the East Phillips neighborhood. The 2.5 story structure was built in 1900. The building is 2384 square feet and sits on a 4940 square foot lot.

**General condition**

The property has been determined to be substandard due to rotten framing members, damp and moldy basement, water damage, failing roof, missing copper, illegal and unsafe wiring, illegal and substandard plumbing, failing exterior porch.

The City Assessor's office rates the overall building condition as “fair.”

In 2008 the City of Minneapolis levied \$4,801.00 in special assessments against the property.

## **Market analysis**

**Vacancy Rate:** In 2000 the vacant housing rate in the East Phillips neighborhood was around 6%. Of the approximately 839 houses on the city's Vacant Building Registration, 17 are in the East Phillips neighborhood, a neighborhood of approximately 1162 housing units.

**Cost to Rehab:** The estimated cost to rehabilitate the building is \$126,990 to \$175,002, based on the MEANS square footage estimate.

**After Rehab Market Value:** CPED contracted appraiser has determined the after-rehab market value to be \$200,000.

**Assessed Value:** The 2009 assessed value of the property is \$113,700.

**Cost to Demolish:** The estimated cost to demolish the structure is between \$22,600 to \$27,400.

## **Community impact**

The East Phillips Improvement Coalition and the owners of properties within 350 feet of 2646 16<sup>th</sup> Ave S were mailed requests for a community impact statement. The department received 3 in return. All state that the building has a negative impact on the community and should be demolished.

## **Notification summary**

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

1. Hong Phan, 2021 Harriet Ave S, Minneapolis, MN 55405
2. National Asset Management Group, Inc. – Rick Andron, 3395 South Jones Blvd, Las Vegas, NV 89146

## **Recommendation**

Demolition.

	new bathtub handles for faucets		
	Run 3/4" lines to 2nd floor		
	Separate water supply		
	(bring both units up to code)		
<b>Heating</b>		Centraire	\$ 17,741.00
	Remove old gravity furnace per EPA standards		
	Intall two Goodman high efficiency furnaces model GKS904503 BBX		
	Including duct work, system gas piping and thermostat.		
	Install two separate gas meters		
	Includes bath exhaust fans and dryer vent.		
<b>Electric</b>		Westway Electric	\$ 1,600.00
	Install GFI w/proof outlet on front and rear of house		
	Furnish and install outside light fixture at rear entry		
	Furnish and install smoke and Carbon monoxide detectors to code		
	Replace all worn and defaced devices and cover plates		
	Install 2 additional outlets in upper unit		
	Install 2 additional outlets in lower unit		
<b>Painting</b>		by owner	\$ 5,000.00
	inside and outside the house garage		\$ 7,000.00
<b>Garage</b>		International	\$ 18,695.00
	replace roof, repair floor, painting, asphalt driveway	network ass	
<b>Door</b>		International	
	repaire/replace all windows, fire doors up to code	network ass	
<b>Windows</b>			
	All misenellissous		
<b>Total</b>			<b>\$ 89,385.00</b>

# **INTERNATIONAL NETWORK ASSOCIATION INC.**

**A DIVISION OF CONSULTANT CONTRACT RESEARCH & DEVELOPMENT**

2144 E. LARPENTEUR AVENUE - SAINT PAUL, MN 55109  
Contact Personnel: Jimmy Nguyen - TEL: 612-986-7260

Email:

May 10, 2009

TOM NGUYEN  
HONG PHAN  
2021 HARRIET AVENUE SOUTH  
MINNEAPOLIS, MN 55405

**INRE: 2646 16<sup>TH</sup> AVE SOUTH - MINNEAPOLIS. PROSOSAL FOR  
RECOMMENDATION, RENOVATION & PROJECTED COST EVALUATION**

**LOCATION:** 2646 16<sup>TH</sup> Ave So.  
Minneapolis, MN

**ZONE:** Duplex

**PROPOSE:** Building  
HVAC - Heating and Air-conditioning  
Gas  
Plumbing  
  
Structural Engineering Evaluation

The following are correction and proposal for recommendation, renovation & projected cost evaluation required:

A. Work Order Dated March 24, 2009 RFS. No. 09-0680447

City of Minneapolis Inspections Division  
Housing Inspection Services  
300 Public Service Center  
250 South 4<sup>th</sup> Street  
Minneapolis, MN 55415

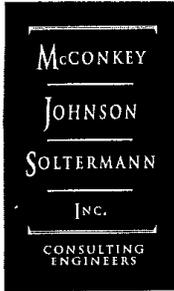
The proposed estimate based on time labors and materials in regard to above mentioned reference No. 09-0680447 (Enclosed is copies of Order for correction, repair, and replace items)(Exhibit: A) in the amount of \$18,695.00

B. Work Order Dated April, 21, 2009 Notice of Violations Required Code Compliance

City of Minneapolis Inspections Division  
Section Issuing Orders: Building  
Inspector: Broberg

The proposed estimate based on time labors and materials in regard to above mentioned Notice of violations Required Code Compliance (Enclosed is copies of Notice of Violation Required Code Compliance)(Exhibit: B) in the amount of \$15,325.00

Notice: Item No 5. Notice of violations Required Code Compliance Other exterior items Structure, steps, and porch excluded pending structural engineers evaluation scheduled for May 19, 2009. Pending result of the evaluation, such work to be completed as recommended by structural engineer would be separate.



241 CLEVELAND  
AVE. S., SUITE 82  
ST. PAUL, MN  
55105-1260

Tom Nguyen  
2110 Nicollet Ave. S.  
Minneapolis, MN 55404

May 21, 2009

Re: Front Porch Review  
2646 16<sup>th</sup> Ave. S., Minneapolis, MN

Dear Tom.

At the request of the City of Minneapolis (code compliance inspection, April 21, 2009), a site visit was made on 5/21/09 to perform a limited visual structural observation of the existing one story front porch at the referenced residence. The one story porch consists of a flat roof supported on an exterior beam and column system. It appears that the porch floor is a concrete slab on grade with lime stone foundation walls. The flat roof is surrounded by a parapet along three sides and the main two story house along the western side. We understand that the 2 story wood framed residence was built in the early 1900 and that you have owned the place for a little more than one year.

Due to the entire structure clad with stucco, we were unable to determine the type, extent and condition of the existing framing. Based on visual observations, the porch structure shows signs of deterioration. Signs of deterioration are deflection of the exterior support beam, decayed finishes, water marks etc. The flashing and roofing within the confines of the parapet is torn and has holes. We believe that this deterioration is long term related having not received the proper upkeep necessary for a house of this age. Water infiltration over time might have contributed to the deterioration of the framing system.

Based on our review we recommend the following measures be taken to render the porch system structurally sound:

1. Provide temporary shoring for the existing roof support beam to prevent further possible movement and/or collapse.
2. Remove all the finishing material and expose the entire structure.
3. Provide an additional site visit to determine the extent of remodel necessary.
4. As an alternative you might want to explore the possibility in remove and replace the existing porch with a new structure. We can recommend contractors and architects if you choose to pursue that idea.
5. Tuck point the foundation wall.
6. Replace the spalled and cracked entry concrete stair.

Please contact our office if you require additional information or have questions regarding this report.

Respectfully Submitted,

Christian Soltermann, P.E., Principal  
Minnesota Registration #25085

651.698.5626  
FAX:651.698.5628

SOLID ROCK CONSTRUCTION L.L.C.

852 CHARLOTTE DR N.W.  
ANOKA, MN 55303  
LICENSE # 20586246

# Estimate

Date 4/4/2009  
Estimate # 10918

**Name / Address**  
Tom Nguyen  
2646 16th Ave. S.  
Mpls., MN 612-702-8652  
tnguyen@adeptfc.com

Description	Total
COVERED PORCH: Scope of work to be performed at above address on front of house; DEMOLITION: Remove 22'6" X7' porch structure on front of house, remove cement landing, steps and side walk in front of house( no footings, stairs from street included). RECONSTRUCTION; Install frost footing for landing, stairs and roof and upper levels support posts, Install 6' x 8' landing, 3 steps and 48 sq. ft. sidewalk. Romove/replace damaged sheathing and rim joist lumber. Install peaked roof over landing area and support for cantilever bump out on second level. Install post to support load on 3rd. level on left side of front. Install exterior light under landing roof. Stucco area where previous roof was removed. (any land scape, painting and interior work/damage not included) ALL PERMITS, INSPECTIONS, DEBRIS CLEAN UP AND REMOVAL INCLUDED	17,800.00
CHIMNEYS: Scope of work to be performed at above address; Remove 2- brick chimneys below roof line, cap chimneys with mortar, install wood frame support and sheathing over openings , patch in shingles in areas. (OPTIONAL: Remove/replace 3 layers of shingles and underlayment, replace up to 100 sq. ft. of damaged roof boards, additional roof board replacement at a rate of \$2.95/sq.ft., install new flashing, plumbing jacks, ice and water, 15lb. felt underlayment and 25 yr. shingles at an additional cost of \$9,800.00) ALL PERMITS, INSPECTIONS, DEBRIS CLEAN UP AND REMOVAL INCLUDED	1,950.00

ACCEPTANCE OF TERMS OF INVOICE  
SIGN / DATE \_\_\_\_\_

Signature/Date \_\_\_\_\_

Total \$19,750.00

**SOLID ROCK CONSTRUCTION L.L.C.**  
HARLANLJR@msn.com  
solidrockcompanies.com

763-458-7075  
763-455-2010

*Front porch & Roof*

# WESTWAY ELECTRIC

2205 CALIFORNIA STREET N.E.  
MINNEAPOLIS, MN. 55418  
612-788-3800

TOM NGUYEN  
2110 NICOLLET AVENUE  
MINNEAPOLIS MN. 55404

April 8, 2009

RE: 2646 – 16<sup>TH</sup>. AVENUE SOUTH

## PROPOSAL

INSTALL GFI W/PROOF OUTLET ON FRONT AND REAR OF HOUSE

FURNISH & INSTALL OUTSIDE LIGHT FIXTURE AT REAR ENTRY:

FURNISH AND INSTALL SMOKE & CARBON MONOXIDE DETECTORS TO CODE::

REPLACE ALL WORN AND DEFACED DEVICES AND COVER PLATES:

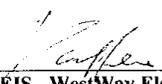
INSTALL 2 ADDITIONAL OUTLETS IN UPPER UNIT:

INSTALL 2 ADDITIONAL OUTLETS IN LOWER UNIT:

**NOTE:** COST OF ELECTRICAL PERMIT **IS NOT** INCLUDED IN THIS PROPOSAL AND WILL BE BILLED AT COST:

**WestWay Electric WILL FURNISH ALL MATERIAL AND LABOR FOR THE ABOVE ELECTRICAL WORK FOR THE SUM OF ONE THOUSAND SIX HUNDRED DOLLARS (\$1,600.00).**

RESPECTFULLY SUBMITTED,

  
\_\_\_\_\_  
PAUL REIS - WestWay Electric

*Electric*

**JULIO 612-702-0349**

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Bonded—Insured**

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7402 WASHINGTON AVENUE, EDEN PRAIRIE, MN 55344  
952-941-1044 • 952-941-1967 FAX

PROPOSAL SUBMITTED TO Tom Nguyen Properties LLC	PHONE 612-724-1346 /612-702-8652	DATE April 2, 2009
STREET 2110 Nicollet Ave S	NAME Attn: Tom	
CITY, STATE AND ZIP Minneapolis, MN 55404	JOB LOCATION 2646 -16 <sup>th</sup> Ave. S.	
<p>We will remove old gravity furnace per EPA standards.</p> <p>We propose to install two (2) Goodman high efficiency furnaces model GKS904503 BBX including duct work system, gas piping and thermostat.</p> <ul style="list-style-type: none"> <li>• One system first floor closet or basement with duct work to first floor – supply trunk line at ceiling elevation with side wall diffuser.</li> <li>• 2<sup>nd</sup> floor system in closet by kitchen with duct work run at ceiling elevation with side wall diffuser.</li> <li>• Two (2) separate gas meters.</li> <li>• Electrical wiring by owner.</li> <li>• Includes bath exhaust fans</li> <li>• Includes dryer vent</li> </ul> <p style="text-align: right;">\$17,741.00</p> <p><u>Plumbing:</u></p> <p>1<sup>st</sup> Floor – Re-pipe water lines in basement.</p> <ul style="list-style-type: none"> <li>• Fix sewer main.</li> <li>• Laundry faucet.</li> <li>• Two (2) <u>new hot water heaters.</u> ✓</li> <li>• Re kitchen</li> <li>• New bathtub <u>handles for faucets.</u> ✓</li> <li>• Gas line to range.</li> <li>• Two (2) silcocks.</li> <li>• New stack</li> </ul> <p>Unit 2:</p> <ul style="list-style-type: none"> <li>• Re-do kitchen drain.</li> <li>• Gas piping for range.</li> <li>• New bathtub handles for tub faucets.</li> <li>• Run ¾" lines to 2<sup>nd</sup> floor.</li> <li>• Separate water supply (¾" supply)</li> </ul> <p>Bring both units up to code. This includes all permits and one (1) year parts and labor warranty.</p> <p style="text-align: center;">\$9,799.00</p>		
WE PROPOSE TO FURNISH MATERIAL AND LABOR FOR THE SUM OF:		
PLEASE SEE ABOVE		DOLLARS \$ _____
PAYMENT TO BE MADE AS FOLLOWS		
Upon receipt of invoice		

*Plumbing & Heating.*

YOU THE BUYER, MAY CANCEL THIS PURCHASE AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS PURCHASE, SEE NOTICE OF CANCELLATION ON REVERSE SIDE OF THIS PROPOSAL.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by workmen's compensation insurance.

Authorized Signature *Lee Seurer* Lee Seurer

NOTE: This proposal may be withdrawn if not accepted within 15 days.

**ACCEPTANCE OF PROPOSAL:** The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

WE ARE NOT RESPONSIBLE FOR DELAYS DUE TO LABOR DISPUTES OR MECHANICAL FAILURES BEYOND OUR CONTROL. YOU, THE BUYER, MAY ASK FOR A LIEN WAIVER UPON JOB COMPLETION. SEE REVERSE SIDE OF THIS PROPOSAL FOR DETAILS.

Date of Acceptance: \_\_\_\_\_

Signature: \_\_\_\_\_