



3549 40th Avenue South
Appeals Panel Hearing
Thursday, July 10, 2008

Code compliance inspection completed	July 7, 2008
Mr. Rea cancels code compliance inspection, tells Julie Bieseimeier he planned on demolishing the building	June 24, 2008
Appeal Received from Richard Rea, owner	June 13, 2008
Director's Order to Demolish Sent	June 2, 2008
Added to VBR	October 30, 2007
Condemned (ConB)	October 30, 2007
Fire at the property	August 23, 2007

Owner

Richard Rea, 8400 Excelsior Blvd., Hopkins, MN 55343

David R. Johnson, 476 Cleveland Ave. S. #9, St. Paul, MN 55105

David R. Johnson, 14926 Paul Ave. North, Marine on St. Croix, MN 55047

Mr. Rea purchased the property from Mr. Johnson on contract for deed in December of 1995 for \$65,000.

Mr. Rea has filed an appeal of the Director's Order to Demolish, saying "Plan to rehab. I have not started work because David Johnson has not released insurance proceeds."

Structure description

3549 40th Avenue South is a duplex (listed as a triplex in county records) in the Howe neighborhood. The two-story building was built in 1912. The building is 1920 square feet and sits on a 7,680 square-foot corner lot.

General condition

The house sustained a fire on August 23, 2007, that severely damaged the building; it was then condemned for being a boarded building on October 30, 2007.

In his appeal, Mr. Rea stated that the fire damage is isolated to the bedroom and bathroom only, with smoke damage to the other apartments.

Market analysis

Vacancy Rate: The vacant housing rate in the Howe neighborhood is around 1%. Of the approximately 924 houses on the city's Vacant Building Registration, five are in the Howe neighborhood alone, a neighborhood of approximately 3,091 housing units.

Cost to Rehab: The estimated cost to rehabilitate the building is \$144,000-\$182,500, based on the MEANS square footage estimate.

Assessed Value: The assessed value of the property is \$100,600 (2008). In 2007, the value was \$209,700. The \$109,100 decrease in value is a result of the damage from the fire.

Cost to Demolish: The estimated cost to demolish the structure is between \$18,300 to \$22,000.

Community impact

The Longfellow Community Council and the owners of properties within 350 feet of 3549 40th Avenue South were mailed a request for a community impact statement. The department received 27 in return. 26 statements said the property has a negative impact on the neighborhood, does not fit the housing needs of the neighborhood and should be demolished. One statement spoke highly of the property owner's responsiveness and indicated that he deserved a chance to fix the property if he is able.

Architectural and historic value/designation

The Preservation and Design Team staff has conducted an historic demolition review of the property. The property does not have historic integrity and the demolition will have little or no adverse impact on historical neighborhood context. 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 and regular mail to Mr. Johnson at two addresses and Mr. Rea at one address:

Johnson

1. 476 Cleveland Ave. S. #9, St. Paul, MN 55105
2. 14926 Paul Ave N, Marine on St. Croix, MN 55047

Rea

1. 3553 40th Avenue S, Minneapolis, MN 55406

Certified mail return cards were marked "unclaimed" for the mail sent to 3553 40th Avenue S and 476 Cleveland Ave S. Certified mail sent to 14926 Paul Ave N was accepted and signed for.

Recommendation

Demolition.