



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

**Date:** August 19, 2009

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

**Subject:** 618 25<sup>th</sup> Avenue North

**Recommendation:** Adopt findings of the Nuisance Condition Process Review Panel to uphold the Director's Order and demolish the property located at 618 25<sup>th</sup> Avenue North.

**Previous Directives:** None

### Department Information

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

Approved by:

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

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Henry Reimer, Director of Inspections

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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 July 9, 2009. At the hearing, Jerry Filla, a lawyer for Peterson Fram & Bergman representing US Bank Home Mortgage, stated that the property is currently owned by HUD, and that they wanted to avoid demolition, but that there was not another feasible option.

A neighbor presented evidence at the hearing stating that the property was a detriment to the neighborhood and was preventing him from renting his property.

The Nuisance Condition Process Appeal Panel voted to recommend that Council uphold the Director's Order to demolish the property.

### **Background**

Peterson, Fram, & Bergman, PA filed an appeal on behalf of US Bank Home Mortgage stating that "Owner needs to consult with other parties who have insured the loan (HUD and Minnesota Housing Finance) to determine if any sources of funding are available for remediation and would like some additional time to consult and view the property."

618 25<sup>th</sup> Ave N is a single family dwelling in the Hawthorne neighborhood. The 1.7 story structure was built in 1900. The building is 1900 square feet and sits on a 5,332 square foot lot.

Property has been determined to be substandard. Copper piping has been stripped. Interior walls are severely damaged. Siding is in disrepair. Foundation has deteriorated. Windows need replacement. Property has substantial water damage.

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

In 2008 the City of Minneapolis levied \$1,803 in special assessments against the property.

The estimated cost to rehabilitate the building is \$104,160.00 to \$147,840.00, based on the MEANS square footage estimate.

The 2009 assessed value of the property is \$89,500. The 2008 assessed value was \$119,500.

The estimated cost to demolish the structure is between \$18,000 and \$22,000.

The Hawthorne Neighborhood Council and the owners of properties within 350 feet of 618 25<sup>th</sup> Ave N were mailed requests for a community impact statement. The department received four responses, all of which stated that the property should be demolished based on the long-term neglect.