



## 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:** 3121 Columbus Avenue South

**Recommendation:** Uphold the recommendation of the Nuisance Condition Process Review Panel and authorize staff to demolish the structure located at 3121 Columbus.

**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 NCRP
- Consistent with City Goals

### Supporting Information

This matter came before the Nuisance Condition Process Review Panel on June 11, 2009. At the hearing, Mr. Barry Tanner, the Real Estate Agent representing Wells Fargo, requested an opportunity to sell the property to a new owner who would rehab the property. The appellant did not provide staff or the Panel with a rehab plan, estimate of work, timeframe or financing plan. The potential buyer of the property was not present.

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, creating a financially difficult situation for him.

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

### **Background**

An order to demolish the structure was sent on March 18, 2009. Barry Tanner filed an appeal on behalf of Wells Fargo Bank stating that "Code compliance was ordered and completed. Property is under contract with buyer who is ready and willing to rehabilitate property."

3121 Columbus Ave S is a single family home in the Central neighborhood. The 1.5 story structure was built in 1901. The building is 1,544 square feet and sits on a 4,941 square foot lot.

The property has been vacant and condemned since May of 2006 and has been determined to be substandard due to damaged roof, chimney and masonry, buckling and crumbling foundation, deteriorating roof overhang, damaged and deteriorating framing and ceilings, damaged floor joists, and basement in disrepair. There are 33 open housing orders, including orders to repair driveway surfaces, repair interior walls, floors, counters, repair/replace all windows, storms, screens, framing, and repair/replace bathroom floor.

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

In 2008 the City of Minneapolis levied \$307.25 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 \$87,000. The 2008 assessed value was \$79,900.

The estimated cost to demolish the structure is between \$15,000 and \$18,000.

The Central Area Neighborhood Development Organization and the owners of properties within 350 feet of 3121 Columbus Ave S were mailed requests for a community impact statement. The department received 1 response, which stated the property has had a negative effect and "cannot stay as is."



*City of Lakes*

**3121 Columbus Avenue South**  
**Nuisance Condition Process Review Panel Hearing**  
**Thursday, June 11, 2009**

Appeal received from Barry Tanner	March 30, 2009
Director's Order to Demolish Sent	March 17, 2009
Added to Vacant Building Registry	July 11, 2006
Building condemned for being boarded	May 10, 2006

**Owner**

Barry Tanner filed an appeal on behalf of Wells Fargo Bank stating that "Code compliance was ordered and completed. Property is under contract with buyer who is ready and willing to rehabilitate property."

**Structure description**

3121 Columbus Ave S is a single family home in the Central neighborhood. The 1.5 story structure was built in 1901. The building is 1,544 square feet and sits on a 4,941 square foot lot.

**General condition**

The property has been vacant for more than one year and has been determined to be substandard due to damaged roof, chimney and masonry, buckling and crumbling foundation, deteriorating roof overhang, damaged and deteriorating framing and ceilings, damaged floor joists, and basement in disrepair. There are 33 open housing orders, including orders to repair driveway surfaces, repair interior walls, floors, counters, repair/replace all windows, storms, screens, framing, and repair/replace bathroom floor.

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

In 2008 the City of Minneapolis levied \$307.25 in special assessments against the property.

1.

## 2. Market analysis

3. **Vacancy Rate:** In 2000 the vacant housing rate in the Central neighborhood was around 7.5%. Of the approximately 838 houses on the city's Vacant Building Registration, 59 are in the Central neighborhood, which has approximately 2,522 housing units.

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

5. **Assessed Value:** The 2009 assessed value of the property is \$87,000. The 2008 assessed value was \$79,900.

6. **Cost to Demolish:** The estimated cost to demolish the structure is between \$15,000 and \$18,000.

## Community impact

The Central Area Neighborhood Development Organization and the owners of properties within 350 feet of 3121 Columbus Ave S were mailed requests for a community impact statement. The department received 1 response, which stated the property has had a negative effect and "cannot stay as is."

## Notification summary

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

1. Reiter & Schiller, Attorneys at Law, The Academy Professional Building, 25 North Dale Street, St. Paul, MN 55102
2. MERS, Inc., PO Box 2026, Flint, MI 48501
3. Wells Fargo Bank, N.A., Atten: Foreclosure Department MAC X7801-013, 3476 Stateview Boulevard, Fort Mill, SC 29715
4. Sean Lofton, 3326 Sheridan Avenue N, Minneapolis, MN 55412-2244
5. Barry Tanner, Edina Realty, 6800 France Avenue South #230, Edina, MN 55435
6. Christine Sickmann, 5700 Smetana Drive, Suite 400, Minnetonka, MN 55343

## Recommendation

Demolition.