



PS & RS Presentation, Problem Properties Unit

249 Ordinance

Date: 1 March 2006

Address: 1626 Lake Street East

Owner: Dawood Properties, LLC

Tax Payer: TNT Properties LTD

Background:

This property is a 2 story 21,357 square foot brick commercial building built in 1924 and is divided into 5 commercial spaces. The building sustained a significant fire in January 2004 destroying the upper floor and roof, the lower floor sustained heavy smoke and water damage. This building was required to be stabilized and has sat exposed to the elements since the fire. The building was condemned in December of 2004 for being boarded.

Status:

The Buildings first floor doors are boarded but the interior can be observed thru the windows showing trash, animals and fire debris thru out, the second floor walls are held in place by a steel cable strung between the east and west walls as was required for the stabilization. There have been 34 violations written for the removal of trash, resecuring the property and the removal of graffiti since 2003 resulting in assessments of \$2,737.41 with an additional \$662.50 pending.

Taxes are delinquent for 2004 and 2005 totaling \$33,763.45

Estimated market value is \$386,000.00

We first presented to the PS&RS committee on August 24, 2005 recommending demolition. The last presentations were September 28, 2005. The action imposed by PS&RS committee at that time was "Demolition to be stayed for 30 days pending"; Performance bond to be secured (Amount to be agreed upon by Manager of Problem Property Unit and property owner, evidence to be submitted to make determination was a written, licensed, and bonded engineering report indicating the work necessary and cost associated with the work with timelines for completion). No bond or engineering reports have been presented and the owner has not been in contact with staff.

Estimated cost to rehab \$2,836,260.00 to \$3,646,620.00

Estimated cost to demolish \$72,600.00 to \$87,700.00 plus asbestos removal

Recommendation:

Inspection Department and CPED both recommend the property to be demolished, notwithstanding Minneapolis ordinance 599.