

# Request for City Council Committee Action from the Department of Regulatory Services, Problem Properties Unit

Date: December 6, 2006  
To: Burt Osborne  
Referral to: PS&RS

**Subject: Restoration agreement, 2623 Dupont Ave N**

**Recommendation: Demolition**

## Previous Directives:

*April 5 Action Taken: Postponed to April 19th Meeting; Staff directed to facilitate meeting between property owner and Northside Housing Services to review the cost for rehabilitation of the property.*

*April 19 Action Taken: PS & RS Authorize demolishing of property.*

Prepared by: Linda Higgins Approved by: Presenters in Committee: Tom Deegan and Wayne Murphy
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## Reviews

- Permanent Review Committee (PRC): Approval \_\_\_ Date \_\_\_\_\_
- Policy Review Group (PRG): Approval \_\_\_ Date \_\_\_\_\_

## Financial Impact

- No financial impact
- Action requires an appropriation increase to the \_\_\_ Capital Budget or \_\_\_ Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Action is within the Business Plan
- Action requires a change to the Business Plan
- Other financial impact
- Request provided to the Finance Department when provided to the Committee Coordinator

## Community Impact

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other

## Supporting Information

**Background:**

The property is a 116 year old, 1748 square foot, 2 story duplex located on a 42.6 x 127 foot lot with a 1 stall garage. The building was condemned for being a boarded building in May 1993.

The property lost its zoning rights to be used as a duplex in November 1996 and now would have to be rehabilitated as a single family home.

The current owner purchased the property in 1996 for \$3,000.00 and applied for a code compliance in June 1996. Some work was done at this time but no permits were ever signed off and the code compliance was never satisfied.

The property was heard by the PS&RS committee on October 17, 2001 and the recommendation at that time was to rehab the property. Some permits were issued but a code compliance was never completed.

In June 2005 Hennepin County had attempted to seize the property for tax forfeiture but the owner was able to repurchase the property by satisfying the taxes.

**Status:**

The taxes are current at this time and Hennepin County shows the property to be non homesteaded.

Estimated market value before rehab is \$75,000.00.

Since the year 2000 there have been 42 violation orders issued for repairs to the property, including orders to cut the grass, remove the trash and to secure and board the property. An example of one order would be that in December 2005 the supports that held the front porch roof were stolen and the roof had collapsed and the inspections department had to issued orders to remove the collapsed roof after the owner did not respond, the inspection department had to authorize a contractor to do the work and then assessed the fees.

Since the year 2000 there has been \$999.00 assessed to the property.

Recommended cost to rehab: \$209,700.00 to \$218,500.00

Recommended cost to demolish: \$17,000.00 to \$21,000.00 plus asbestos removal

**UPDATE:**

A Restoration Agreement with AMB Construction/Al Hixon was signed. Under the terms of the Restoration Agreement, the work was to be done by November 17, 2006. An agreement was made to use the code compliance inspections of 2005 as the basis of work.

A remodeling permit was issued July 18, 2006, and a plumbing permit was issued November 2, 2006. No other permits have been issued since the restoration agreement was signed.

An inspection and photos taken November 1, 2006 show the framework for a new porch, some mechanical and electrical work done, new windows, and not much else. At the time the inspection was done the inspector had to remind the contractor that no work was to be done without first obtaining permits and that is what prompted the plumbing contractor to pull there permit. The owner and contractor have made inadequate work progress to satisfy the restoration agreement.

The Problem Properties Unit now recommends demolition.