

**CITY OF MINNEAPOLIS  
NUISANCE CONDITION PROCESS REVIEW PANEL**

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**In the matter of the Appeal of  
Director's Order To  
Demolish the Property  
Located at 3021 Park Avenue  
Minneapolis, Minnesota.**

**FINDINGS OF FACT,  
CONCLUSIONS, AND  
RECOMMENDATION**

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This matter came on for hearing before the Nuisance Condition Process Review Panel at Rental Dwelling License Board of Appeals on July 12, 2007, August 9, 2007, September 13, 2007 and October 4, 2007 in City Council Chambers located in Minneapolis City Hall. Board Chair Burt Osborne presided over the July 12, 2007 hearing. Other board members present included Patrick Todd and Brad Schmoll. Patrick Todd presided over the August 9, 2007 hearing. Other board members present included Dave Dewall, Elfric Porte and Grant Wilson. Board Chair Burt Osborne presided over the September 13, 2007 hearing. Other board members present included Patrick Todd, Dave Dewall and Elfric Porte. For the October 4, 2007 hearing Patrick Todd presided over the hearing and other board members present included Dave Dewall and Geri Meyer. Assistant City Attorney Lee C. Wolf was present as *ex officio* counsel to the board. Wayne Murphy represented the Inspections Division. At the July 12,, 2007 hearing Ben Rust form the law firm of Peterson, Fram & Bergman appeared on behalf of the owner U.S. Bank National Association. Mr. Rust also appeared at the August 9, 2007 and September 13, 2007 hearing. No appearance was made by any representative of the owner at the October 4, 2007 hearing. Based upon the Board's consideration of the entire record, the Board makes the following:

## FINDINGS OF FACT

1. U.S. Bank National Association is the owner of the property located at 3021 Park Avenue S., Minneapolis, Minnesota. 3021 Park Avenue S. is a 2.2 story, stucco and brick, wood-framed single family house located in the Central Neighborhood. The 2.2 story single family home was build in 1900. The house has four bedrooms and two bathrooms. It sits on a lot measuring approximately 40 ft. x 119 ft. The property has a single car garage.

2. The property located at 3021 Park Avenue S. has been on the Vacant Building Registration since February 2005. There are 8 open housing violations, most dating back to 2005. They include repairing or replacing the roof, gutters, exterior walls, and the garage and painting trim on both the house and the garage. The water has been turned off at the property since 1998. Records show that a lot of unpermitted work has been done at the property including removal of the boiler and radiator and electric work having been completed. The house has been gutted.

3. The Inspections Division of the City of Minneapolis determined that the property at 3021 Park Avenue S. meets the definition of a Nuisance under Minneapolis Code of Ordinances (hereinafter "M.C.O.") § 249.30. The applicable sections of M.C.O. § 249.30. provide that (a) *A building within the city shall be deemed a nuisance condition if:*

(1) *It is vacant and unoccupied for the purpose for which it was erected and for which purpose a certificate of occupancy may have been issued, and the building has remained substantially in such condition for a period of at least six (6) months; or*

(2) *The building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards set out in the Minneapolis*

*housing maintenance code, or the doors, windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty (60) days.*

*(4) Evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.*

4. Pursuant to M.C.O. § 249.40(1) the building was examined by the Department of Inspections to ascertain whether the nuisance condition should be ordered for rehabilitation or demolition. Considering the criteria listed in M.C.O. § 249.40(1) the Inspections Department found:

a. The estimated cost to rehabilitate the building is \$196,000 to \$226,300 based on the MEANS square footage estimate. The estimated market value after rehab according to the appraisal obtained from Minneapolis Community Planning and Economic Development staff is \$241,300. The Assessor rates the condition of the building as fair. The property was reviewed and exhibited some historical integrity. The Heritage Preservation Commission staff encouraged rehabilitation but was o.k. with demolition.

b. There are four pending special assessments for 2007 totaling \$3,105 and there are special assessments on the property from 2000 to 2006 in the amount of \$8,166.45. Taxes for 2006 in the amount of \$3,567.49 are delinquent. Taxes for the first half of 2007 in the amount of \$4,095.20 are delinquent.

c. The Central Area Community Council and the owners of properties within 350 feet of 3031 Park Avenue S. were mailed a request for a community impact statement. The Department of Inspections received one in return. It recommended demolition and commented that the property has had a negative impact on the neighborhood. "It is an eyesore, causes debris in the alley, and has seen no progress in the five years I've been here. It should be if it can't be put under new ownership and repaired.

d. Of the approximately 513 houses on the City's Vacant Building Registration, 22 are in the Central Neighborhood, a neighborhood of approximately 2,325 housing units.

5. U.S. Bank National Association acquired the property located at 3021 Park Avenue S. on March 19, 2007.

6. Taking into account the criteria listed in § 249.40(1) a notice of the Director's Order to Demolish was mailed on May 18, 2007 to David C. Myers Sr.; Mortgage Electronic Registration Systems Inc. and Accredited Home Lenders, Inc.

10. On June 8, 2007 Ben Rust from the Law Firm of Peterson, Fram & Bergman filed an appeal of the Director's Order to Demolish on behalf of U.S. Bank National Association. Mr. Rust indicated that there was a potential buyer for the property who was negotiating for the purchase of the property. A hearing was scheduled for July 12, 2007.

11. On July 12, 2007 Ben Rust appeared for the appeals hearing and indicated that U.S. Bank National Association had found out about the possible demolition and had received estimates within the last 48 hours. Mr. Rust indicated that U.S. Bank National Association

wished to have a Code Compliance Inspection completed to get a clearer view of the repairs needed for the property. The hearing was then postponed until August 9, 2007.

12. On August 9, 2007 Mr. Rust again appeared on behalf of U.S. Bank National Association. Mr. Rust indicated that the Code Compliance Inspection had just occurred on August 6, 2007. Mr. Rust requested a 30 day continuance so that the Bank could review the Code Compliance Orders and enter into a rehabilitation agreement with the City. The hearing was continued until September 13, 2007.

13. On September 13, 2007 Mr. Rust again appeared on behalf of U.S. Bank National Association. Mr. Rust again requested a 30 day continuance of the hearing so that the Bank could make a determination as to whether they wanted to rehabilitate the property or allow it to be demolished. The hearing was continued until October 4, 2007.

14. On October 4, 2007 Mr. Rust did not appear for the hearing nor did any other representative of U.S. Bank National Association.

## **CONCLUSIONS**

1. The building located at 3021 Park Avenue S. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(1) as the building is vacant and unoccupied for the purpose for which it was erected and the building has remained in such a condition for a period of at least six months.

2. The building located at 3021 Park Avenue S. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(2) as The building is unfit for occupancy as it fails to meet the minimum standards set out by city ordinances before a certificate of code compliance could be granted, or is unfit for human habitation because it fails to meet the minimum standards

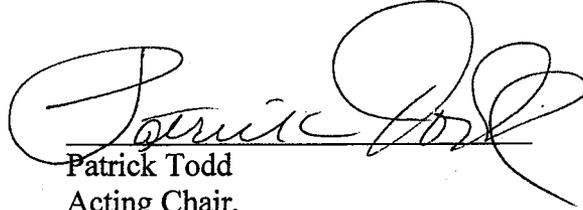
set out in the Minneapolis housing maintenance code, and the doors , windows and other openings into the building are boarded up or otherwise secured by a means other than the conventional methods used in the original construction and design of the building, and the building has remained substantially in such condition for a period of at least sixty days.

3. The building located at 3021 Park Avenue S. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(4) as evidence, including but not limited to rehab assessments completed by CPED, clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.

4. Pursuant to M.C.O. § 249.40 *Abatement of nuisance condition*, The Director of Inspection's order to demolish the building located at 3021 Park Avenue S. is appropriate. The building meets the definition of a nuisance condition as defined by M.C.O. § 249.30 and a preponderance of the evidence, based upon the criteria listed in M.C.O. § 249.40, demonstrates that demolition of the building is appropriate. The building has been on the Vacant Building Registration since February of 2005 and the water has been turned off since 1998. There are 8 open housing orders that have been open for over 2 years. The hearing on this matter has been continued for three months so the owners could come up with a plan to deal with the problems at this property. The owners have not put forth a plan to rehabilitate the property and did not appear at the last appeals hearing. The property continues and will continue to have a negative impact on the neighborhood in its current condition.

**RECOMMENDATION**

That the Director of Inspections' Order to Raze the building located at 3021 Park Avenue S., Minneapolis, Minnesota be upheld.

A handwritten signature in black ink, appearing to read "Patrick Todd", written over a horizontal line.

Patrick Todd  
Acting Chair,  
Nuisance Condition Process Review Panel