



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

Date: April 29, 2009

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

Referral to: Council Member Paul Ostrow, Chair – Ways & Means/Budget Committee

Subject: Demolition of 1105 28th Street East, as per recommendation from the Nuisance Condition Process Review Panel (249 Appeals Panel).

Recommendation: To adopt findings of the Nuisance Condition Process Review Panel to uphold the Director's Order and demolish the property located at 1105 28th Street East, Minneapolis, MN.

Previous Directives: None

Department Information

Prepared by: Kellie Jones, Operations Analyst – Problem Properties Unit x3506

Approved by:

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

Henry Reimer, Director of Inspections

Tom Deegan, Manager – Problem Properties Unit

Presenters in Committee: Wayne Murphy

Reviews

- Permanent Review Committee (PRC): Approval ___ Date _____
- Civil Rights Approval Approval ___ Date _____
- Policy Review Group (PRG): Approval ___ Date _____

Financial Impact

- No financial impact

- Action is within the Business Plan
- Other financial impact – grant funded demolition

Community Impact

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

Supporting Information

On March 12, 2009, the Nuisance Condition Process Review Panel reviewed evidence regarding the demolition of the property at 1105 East 28th Street. The property, owned by Irina Vorotinov, is located in the Ninth Ward in the Midtown Phillips neighborhood. According to the title documents, Ms. Irina purchased the property in May of 2006 for \$252,000. It has been condemned since October 29, 2007 and been boarded since July Of 2007. Prior to that, the property was condemned for lack of utilities in January of 2006.

The property is a 2.5 story duplex built in 1900. It is a 1,754 square foot building on a 4,728 square foot lot. The inspectors have been inside the property and determined that it requires a significant amount of work to bring into compliance. Inspectors noted that the copper was gone, there are obvious electrical and plumbing code violations and repairs required to chimney and roof. However a full Code Compliance inspection has not been done, so the full extent of repairs is not known. Given that the home has been vacant for over 2 years, in our experience, this will cause a house to deteriorate fairly rapidly (no heat, water, etc.)

The owner stated in her appeal that she had planned to “come up with cash to rehab this property and make it rentable by middle of summer.” At the March 12, hearing, the owner indicated that she has attempted to fix up the property in the past but it was broken into and ruined each time. Ms. Vorotinov also indicated to the panel that she does not visit the property regularly and was unaware that the property was condemned until a year after the condemnation. Ms. Vorotinov does not have the resources to fix up the property at this time, she has not ordered a Code Compliance Inspection and has no rehabilitation plan. Shirley Gould, a neighbor of 1105 28th Street E., stated that the property is broken into often and that the owner is not responsive when she has attempted to contact her regarding the property.

The cost of rehab, according to our MEANS analysis is \$93,165 to \$119,836. The after market rehab value of the Property is \$185,000 – according to CPED contracted appraiser. The cost to demolish is between \$16,700 and \$20,200.

Preservation staff have reviewed and determined that removal of the property would have no impact on historic resources.

Staff has not had any contact with the owner since the March 12, 2009 Appeal Hearing, other than to notify her of today’s hearing.

After hearing testimony, the Nuisance Condition Process Review Panel voted to recommend to the City Council that the Director of Inspections’ Order to Raze the building located at 1105 28th Street E. Minneapolis, Minnesota, be upheld.



Minneapolis

City of Lakes

1105 28th Street East

**Appeals Panel Hearing
Thursday, March 12, 2009**

Appeal received from Irina Vorotinov	February 16, 2009
Director's Order to Demolish Sent	February 2, 2009
Condemned for boards and added to VBR	October 29, 2007

Owner

Irina Vorotinov has filed an appeal of the Director's Order to Demolish, saying "I am trying to come up with cash to rehab this property and make it rentable by middle of summer."

Structure description

1105 28th Street East is a duplex in the Midtown Phillips neighborhood. The 2.5 story structure was built in 1900. The building is 1,754 square feet, with 877 being the first floor and 877 being the second floor. The building sits on a 4,278 square-foot lot.

General condition

The city assessor rates the overall building condition as "average minus." Five special assessments, totaling \$2,743.00, were levied against the taxes in 2008.

Market analysis

Vacancy Rate: In 2000 the vacant housing rate in the Midtown Phillips neighborhood was around 6.5%. Of the approximately 818 houses on the city's Vacant Building Registration, 30 are in the Midtown Phillips neighborhood, a neighborhood of approximately 1163 housing units.

Cost to Rehab: The estimated cost to rehabilitate the building is \$93,165 to \$119,836, based on the MEANS square footage estimate.

After Rehab Market Value: CPED contracted appraiser determined the after-rehab market value to be \$185,000.

Assessed Value: The 2009 assessed value of the property is \$99,200.

Cost to Demolish: The estimated cost to demolish the structure is between \$16,700 and \$20,200.

Community impact

The Midtown Phillips Neighborhood Association and the owners of properties within 350 feet of 1105 28th Street East were mailed requests for a community impact statement. The department received 0 in return

Architectural and historic value/designation

Preservation and Design staff is in the process of reviewing the property. No determination has yet been made.

Notification summary

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

1. Irina Vorotinov and Igor Vorotinov, 13941 71st Ave N, Maple Grove, MN 55311
2. Vision Financial and Home Mortgage Inc, 5700 Green Circle Drive, Minnetonka, MN 55343

Staff Recommendation

Demolition.