



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

Date: November 8, 2010

To: Council Member Elizabeth Glidden, Chair – Regulatory, Energy, and Environment Committee

Subject: Nuisance Condition Process Review Panel Recommendation regarding appeal of Director's Order to Raze and Remove structure located at 3822 6th Street North.

Recommendation: To adopt findings of the Nuisance Condition Process Review Panel to uphold the Director's Order and demolish the property located at 3822 6th Street North.

Previous Directives: None

Department Information

Prepared by: Ahna Minge (612) 673-3508

Approved by:

Rocco Forté, Director of Regulatory Services & Emergency Preparedness

Henry Reimer, Assistant Director of Regulatory Services

Thomas Deegan, Manager, Problem Properties Unit

Presenters in Committee: Kellie Jones and Ahna Minge

Financial Impact

- Action is within the Business Plan

Community Impact

- Neighborhood Notification of NCPRP
- Consistent with City Goals

Supporting Information

This matter came before the Nuisance Condition Process Review Panel on September 9, 2010.

3822 6th St N was sent an order to demolish on April 16, 2010. The property is owner by Nimmy Esuoso and Ade Esuoso. Nimmy Esuoso filed an appeal of the Director's order to demolish stating that they have had a number of conversations with staff about her intentions to complete a Restoration Agreement on the property but that they were unable to post the required deposit. She also expressed her desire to homestead the property.

The property owner was not present at the hearing.

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

Background

3822 6th St N is a single family dwelling in the Webber - Camden neighborhood. The two story structure was built in 1903. The building is 1,396 square feet and sits on a 6,280 square foot lot.

Property has been determined to be substandard. The property needs a new roof. Rafters must be repaired and replaced. The building is very unlevel. A structural engineer's analysis and design repairs are required for the building footings, columns, beams and joists. The basement floor is below code. The property needs a new boiler, and both water heaters must be repaired or replaced to code.

Since May 2008, the City has issued 24 orders to correct nuisance conditions such as rubbish and long grass.

The estimated cost to rehabilitate the building is \$86,368 to \$111,568 based on the MEANS square footage estimate.

CPED contracted appraiser has determined the after-rehab market value to be \$130,000. The 2010 assessed value of the property is \$69,500.

The estimated cost to demolish the structure is between \$12,500 and \$16,000.

Preservation and Design staff has reviewed the property. They determined that the property does not constitute a historic resource. A wrecking permit has been signed and returned to Minneapolis Development Review.

The Webber-Camden Neighborhood Organization and the owners of properties within 350 feet of 3822 6th Street North were mailed requests for a community impact statement. The department received four in return. All state that the property has had a negative impact on the community and that it should be demolished.

Staff has met with the owners of this property. They did not provide any plans or bids to rehabilitate the structure. They also expressed an inability to provide a bond or letter of credit as required by a restoration agreement.

Staff recommendation is demolition.



3822 6th Street North
Nuisance Condition Process Review Panel Hearing
Thursday, September 9, 2010

Appeal received from Nimmy Esuoso	May 28, 2010
Director's Order to Demolish Sent	April 16, 2010
Building condemned for being boarded and	October 26, 2007
Building added to Vacant Building Registry	August 13, 2007

Owner

Nimmy Esuoso filed an appeal of the Director's order to demolish stating that they have had a number of conversations with staff about her intentions to complete a Restoration Agreement on the property but that they were unable to post the required deposit. She also expressed her desire to homestead the property.

Structure description

3822 6th St N is a single family dwelling in the Webber - Camden neighborhood. The two story structure was built in 1903. The building is 1,396 square feet and sits on a 6,280 square foot lot.

General condition

Property has been determined to be substandard. The property needs a new roof. Rafters must be repaired and replaced. The building is very unlevel. A structural engineer's analysis and design repairs are required for the building footings, columns, beams and joists. The basement floor is below code. The property needs a new boiler, and both water heaters must be repaired or replaced to code.

Since May 2008, the City has issued 24 orders to correct nuisance conditions such as rubbish and long grass.

Market analysis

Vacancy Rate: In 2000 the vacant housing rate in the Webber-Camden neighborhood was around 4.5%. Of the approximately 736 houses on the city's Vacant Building Registration, 31 are in the Webber-Camden neighborhood, which has approximately 2,232 housing units.

Cost to Rehab: The estimated cost to rehabilitate the building is \$86,368 to \$111,568 based on the MEANS square footage estimate.

After Rehab Market Value: CPED contracted appraiser has determined the after-rehab market value to be \$130,000.

Assessed Value: The 2010 assessed value of the property is \$69,500.

Cost to Demolish: The estimated cost to demolish the structure is between \$12,500 and \$16,000.

Architectural and historic value/designation

Preservation and Design staff has reviewed the property. They determined that the property does not constitute a historic resource. A wrecking permit has been signed and returned to Minneapolis Development Review.

Community impact

The Webber-Camden Neighborhood Organization and the owners of properties within 350 feet of 3822 6th Street North were mailed requests for a community impact statement. The department received four in return. All state that the property has had a negative impact on the community and that it should be demolished.

Notification summary

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

1. Ade Esuoso, 6880 Berkshire Ln N, Maple Grove, MN 55311
2. Ben Hanf, California REO Management, 1636 Reaney Ave, St Paul, MN 55106
3. Bank of New York, 101 Barclay St, New York, NY 10286
4. Litton Loan Servicing, 4828 Loop Central Dr, Houston, TX 77081-2226

Recommendation

Demolition.