

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

**In the matter of the Appeal of
Director's Order To
Demolish the Property
Located at 1714 Hillside Ave. N.
Minneapolis, Minnesota.**

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

This matter came on for hearing before the Nuisance Condition Process Review Panel on November 13, 2008 and February 12, 2009, in City Council Chambers located in Minneapolis City Hall. Burt Osborne, chair, presided at the November 13, 2008 hearing and other board members present included Patrick Todd, Bryan Tyner and Elfric Porte. At the February 12, 2009 hearing Panel Chair Burt Osborne again presided and other board members present included Jim Dahl, Patrick Todd and Geri Meyer. Assistant City Attorney Lee C. Wolf was present as *ex officio* counsel to the board. Brian Young and Wayne Murphy represented the Inspections Division at the November 13, 2008 hearing and Tom Deegan represented the Inspections Division at the February 12, 2009 hearing. Jason Sklar, the owner of the property appeared at both hearing dates. Based upon the Board's consideration of the entire record, the Board makes the following:

FINDINGS OF FACT

1. 1714 Hillside Avenue N. is a single family home in the Jordan neighborhood. The 1.5 story structure was built in 1900. The building is 1,040 square feet, with 744 being the first floor and 266 being the second floor and 774 being the basement. The building sits on a 3,870-square-foot lot.

2. The property located at 1714 Hillside Avenue N. is in disrepair. Code violations at the property include but are not limited to the following: cracking, buckling, tuckpointing and/or settling in the foundation; severe moisture problems in the basement; damaged/deteriorated ceilings, walls, doors and floors throughout; sagging floors, damage to load-bearing support beams. The detached garage experienced a fire.

3. The Assessor rates the overall building condition as average-minus and lists the building as uninhabitable.

4. The Inspections Division of the City of Minneapolis determined that the property at 1714 Hillside Avenue N. met 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.

(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.

(3) *Evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building; or*

(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.*

5. 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 \$46,750 to \$66,580 based on the MEANS square footage estimate. The assessed value of the property in 2006 was \$126,000, in 2007 it was \$101,000; the 2008 assessed value is \$50,400, a drop of \$51,000. The after rehab market value, as determined by the CPED staff appraiser, is \$65,000.
- b. The Preservation and Design Team staff conducted a historic review of the property finding that the property has no historic integrity and the demolition will have little or no adverse impact on historical neighborhood context. The Team has signed off on the wrecking permits.
- c. There is \$1,730.66 in special assessments levied on the property.
- d. The Jordan Area Community Council and property owners within 350 feet of 1714 Hillside Avenue N. were mailed a request for a community impact statement. The Department of Inspections received one in return. The impact

statement stated that the house has had a negative impact on the neighborhood, does not fit the housing needs of the neighborhood and should be demolished.

d. The vacant housing rate in the Jordan Neighborhood is around 7%, based on the 2000 census. Of the approximately 931 houses on the city's Vacant Building Registration, 115 are in the Jordan Neighborhood, a neighborhood of approximately 2,666 housing units.

6. On November 24, 2003 Amy Sklar purchased the property located at 1714

Hillside Avenue N.

7. On February 19, 2008, the property was condemned for being a boarded building and added to the City's Vacant Building Registration on February 20, 2008. The property has remained vacant and boarded since that time.

8. Taking into account the criteria listed in § 249.40(1) a notice of the Director's Order to Raze and Remove was mailed on July 25, 2008, to Amy Sklar; HAC Capital L.L.C.; Excel Bank; MERS, Inc. and Virtual Bank. On August 14, 2008, Amy and Jason Sklar filed an appeal indicating

1. **Current plan in place to request Code Compliance Report and rehab the building.**
2. **Current plan to partner with the neighbor across the street to form a partnership for the betterment of the neighborhood.**
3. **Property is completely safe and secure and not hindering the surrounding community.**
4. **Reason for property being condemned was administrative verses due to overall lack of proper conditions.**

9. The matter was then set for hearing on November 13, 2008.

10. At the November 13, 2008 hearing Jason Sklar appeared and requested a continuance until a later date to allow his financial situation to improve and to allow for a Code Compliance Inspection to be conducted.

11. The matter was continued to February 12, 2009.

12. At the February 12, 2009 hearing Mr. Sklar again appeared and indicated that a code compliance inspection had not been completed and that he was working with his bank for the bank to receive the property back through a “deed in lieu of foreclosure.”

13. A representative from the bank appeared and indicated that the bank was working with Mr. Sklar to receive the property back but that at the current time the bank had no plans to rehabilitate the property.

CONCLUSIONS

1. The building located at 1714 Hillside Avenue N. 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 1714 Hillside Avenue N. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(2) as 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.

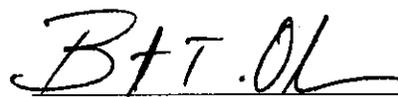
3. The building located at 1714 Hillside Avenue N. meets the definition of a nuisance condition as set forth in M.C.O. § 249.30(a)(3) as evidence, including but not limited to neighborhood impact statements, clearly demonstrates that the values of neighborhood properties have diminished as a result of deterioration of the subject building;

4. The building located at 1714 Hillside Avenue N. meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(4) as evidence clearly demonstrates that the cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.

5. Pursuant to M.C.O. § 249.40 *Abatement of nuisance condition*, the Director of Inspection's recommendation to raze the building located at 1714 Hillside Avenue N. 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 razing the building is appropriate. The building has been vacant and boarded for approximately one year. This property has been neglected to the point that it has had a negative impact on the community and will continue to have a negative impact if it is not razed as attested to by the community impact statement submitted by a neighbor requesting that the building be torn down. The building has no historic value and the building is not needed for neighborhood housing at this time. The cost of rehabilitating the property is not justified when comparing it to the after market value especially considering the condition of the foundation of the building which is in a state of great disrepair.

RECOMMENDATION

That the Director of Inspections' Order to Raze the building located at 1714 Hillside Avenue N. Minneapolis, Minnesota, be upheld.

Burt Osborne

Chair,

Nuisance Condition Process Review Panel