

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

Date February 14, 2007

To Public Safety and Regulatory Services Committee, The Honorable Don Samuels, Chairperson.

Referral to No Referral

Subject Consideration and Action on Recommendation of Nuisance Condition Process Review Panel; pertaining to Title 12 Chapter 249.45 relating to Housing; Vacant Dwelling or Building, Nuisance Condition.

Recommendation

Approve the recommendation of the Nuisance Condition Process Review Panel contained in the Findings of Fact (cited below) to uphold staff recommendation to demolish the structure located at: 2200 Golden Valley Road.

Previous Directives

None

Prepared or Submitted by Thomas M. Deegan, Manager of the Problem Properties Unit, 673-3310

Approved by: _____

Rocco Forte, Assistant City Coordinator

Henry Reimer, Director of Inspections

Presenters in Committee

Lee Wolf, Attorney
Tom Deegan, Manager Problem Properties Unit

Financial Impact (Check those that apply)

No financial impact (If checked, go directly to Background/Supporting

Information).

___ 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.

___ Business Plan: ___ Action is within the plan. ___ Action requires a change to plan.

Other financial impact (Explain): The cost of the demolition will be collected as a special assessment against the property.

___ Request provided to department's finance contact when provided to the Committee Coordinator.

Community Impact (use any categories that apply)

Neighborhood Notification - No

City Goals – Maintain the physical infrastructure to ensure a safe, healthy and livable city.

Comprehensive Plan – No Impact

Zoning Code – No Impact

Other

Background/Supporting Information Attached:

Findings of Fact of the Nuisance Condition Process Review Panel

This matter came on for hearing before the Nuisance Condition Process Review Panel at 1:30 p.m. on December 14, 2006 in City Council Chambers located in Minneapolis City Hall. Board Chair Burt Osborne presided. Other board members present included Patrick Todd from Minneapolis City Assessor office, Geri Meyer from CPED and Fire Marshal Dave Dewall. Assistant City Attorney Lee C. Wolf was present as *ex officio* counsel to the board. Tom Deegan, Manager Minneapolis Problem Properties Unit, represented the Inspections Division. The owner of 2200 Golden Valley Road, Sam F. Reuben was present. Based upon the Board's consideration of the entire record, the Board makes the following:

FINDINGS OF FACT

1. Sam F. Reuben owns the property located at 2200 Golden Valley Road, Minneapolis, Minnesota. The structure, of the property at 2200 Golden Valley Road, is a one-story service garage built in 1955. The building sits on a 9810 square foot lot at the corner of Penn Avenue and Golden Valley Road in the Willard-Hay neighborhood. The building was condemned on July 24, 1997 and the windows and doors have been boarded since 1997.

2. The Inspections Division of the City of Minneapolis determined that the property at 2200 Golden Valley Road meet 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; or*

(3) *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.*

3. Pursuant to M.C.O. § 249.40(1) the building was examined by the Department of Inspection to ascertain whether the nuisance condition should be ordered for rehabilitation or

demolition. Taking into account the criteria listed in § 249.40(1) a notice of the Director's Order to Demolish was mailed to Mr. Reuben on October 10, 2006.

4. On October 26, 2006 Mr. Rueben filed an appeal of the Director's order to demolish pursuant to M.C.O. § 249.45(c) and this proceeding was commenced.

5. The estimated cost to rehabilitate the building is \$135,500 to \$154,000, based on the MEANS square footage estimate. The estimated market value of the building is \$45,000, payable 2006, and \$95,000, payable 2007. The assessed value of the property is \$45,000 (2005), \$45,000 (2006) and \$44,200 (2007). The estimated value after rehab according to the appraisal obtained from Minneapolis Community Planning and Economic Development staff is \$60,000. The Assessor rates the condition of the building as poor. The property has no architectural or historic value/designation and as a result of the property being vacant for more than one year the building lost its nonconforming use rights.

6. The Northside Residents Redevelopment Council and the owners of properties within 350 feet of 2200 Golden Valley Road were mailed a request for a community impact statement. The Inspections Division received five impact statements in return. One impact statement recommended rehabilitation, the other four recommended demolition. All five of the community impact statements commented that the property has had a negative impact on the neighborhood.

7. Mr. Reuben requested a one year extension to rehabilitate and sell the property. Mr. Reuben did not have a rehabilitation plan for the property but believes that if given a year he could turn the building into something positive for the neighborhood.

CONCLUSIONS

1. The building located at 2200 Golden Valley Road 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 2200 Golden Valley Road 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 2200 Golden Valley Road meets the definition of nuisance condition as set forth in M.C.O. § 249.30(a)(4) as the evidence clearly demonstrates that cost of rehabilitation is not justified when compared to the after rehabilitation resale value of the property.

4. Pursuant to M.C.O. § 249.40 *Abatement of nuisance condition*, The Director of Inspection's order to demolish the building located at 2200 Golden Valley Road should be upheld. 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 vacant and boarded for approximately 10 years, the assessor rates construction quality of the building as poor and the building has lost it's nonconforming use rights. In addition the community feels that the property has had a negative impact on the neighborhood, the building has no historic value and the cost of rehabilitation is much greater than the resale value of the property.

RECOMMENDATION

That the Director of Inspections' Order to Demolish the building located at 2200 Golden Valley Road, Minneapolis, Minnesota be upheld.

Burt Osborne
Chair,
Nuisance Condition Process Review Panel