



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

**Date:** August 23, 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 3201 4<sup>th</sup> Street North.

**Recommendation:** Adopt findings of the Nuisance Condition Process Review Panel to uphold the Director's Order and demolish the property located at 3201 4<sup>th</sup> Street North.

**Previous Directives:** None

### Department Information

Prepared by: Ahna Minge (673-3508)

Approved by:

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Rocco Forté, Director of Regulatory Services & Emergency Preparedness

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Henry Reimer, Director of Inspections

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Tom Deegan, Manager, Problem Properties Unit

Presenters in Committee: Tom Deegan

### 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 July 8, 2010.

Adrienne Lance-Lucas, the property owner, filed an appeal stating that the property could be rehabbed. The order was also appealed by BAC Home Loan Servicing, LP the first mortgage holder on the property on the grounds that the property should be considered for rehabilitation.

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**

The property is a duplex in the McKinley neighborhood. The two story structure was built in 1900. The building is 2,046 square feet and sits on a 3,404 square foot lot.

This building was condemned for being boarded on January 9, 2009 and now requires a Certificate of Code Compliance.

Property has been determined to be substandard. A recent inspection revealed significant water intrusion and moisture damage through out the house. In addition the copper plumbing and wiring is missing. All exterior windows and doors need to be replaced

The foundation is in desperate need of repair or replacement. It is a partial foundation; most of it is a crawl space. The perimeter of the house rests on an old limestone foundation of inadequate depth. The center of the basement consists of a small hallway leading to a small room. It has dirt floors and the walls are bowing, cracking, and crumbling. There is soil eroding under one of the walls and washing into the basement.

The estimated cost to rehabilitate the building is between \$86,172.00 and \$128,854.00, based on the MEANS square footage estimate.

CPED contracted appraiser has determined the after-rehab market value to be \$115,000.

The 2010 assessed value of the property is \$31,000. The 2009 assessed value was \$46,500.

The estimated cost to demolish the structure is between \$19,000 and \$23,000.

The McKinley Community and the owners of properties within 350 feet of 3201 4<sup>th</sup> St N were mailed requests for a community impact statement. The department has received none in return.

Staff recommendation is demolition.



**3201 4<sup>th</sup> Street North**  
**Nuisance Condition Process Review Panel Hearing**  
**Thursday, July 8, 2010**

Appeal received from owner	May 7, 2010
Appeal received from lender	April 23, 2010
Director's Order to Demolish Sent	March 12, 2010
Building condemned for being boarded	January 9, 2009

**Owner**

The property is owned by Adrienne Lance-Lucas. Ms. Lance-Lucas filed an appeal stating that the property could be rehabbed. The order was also appealed by BAC Home Loan Servicing, LP the first mortgage holder on the property on the grounds that the property should be considered for rehabilitation.

**Structure description**

3201 4<sup>th</sup> St N is a duplex in the McKinley neighborhood. The two story structure was built in 1900. The building is 2,046 square feet and sits on a 3,404 square foot lot.

**General condition**

This building was condemned for being boarded on January 9, 2009 and now requires a Certificate of Code Compliance.

Property has been determined to be substandard. A recent inspection revealed significant water intrusion and moisture damage through out the house. In addition the copper plumbing and wiring is missing. All exterior windows and doors need to be replaced

The foundation is in desperate need of repair or replacement. It is a partial foundation; most of it is a crawl space. The perimeter of the house rests on an old limestone foundation of inadequate depth. The center of the basement consists of a small hallway leading to a small room. It has dirt floors and the walls are bowing, cracking, and crumbling. There is soil eroding under one of the walls and washing into the basement.

## **Market analysis**

**Vacancy Rate:** In 2000 the vacant housing rate in the McKinley neighborhood was around 9%. Of the 742 approximately houses on the city's Vacant Building Registration, 27 are in the McKinley neighborhood, which has approximately 1,167 housing units.

**Cost to Rehab:** The estimated cost to rehabilitate the building is between \$86,172.00 and \$128,854.00, based on the MEANS square footage estimate.

**After Rehab Market Value:** CPED contracted appraiser has determined the after-rehab market value to be \$115,000.

**Assessed Value:** The 2010 assessed value of the property is \$31,000. The 2009 assessed value was \$46,500.

**Cost to Demolish:** The estimated cost to demolish the structure is between \$19,000 and \$23,000.

## **Community impact**

The McKinley Community and the owners of properties within 350 feet of 3201 4<sup>th</sup> St N were mailed requests for a community impact statement. The department has received none in return.

## **Notification summary**

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

1. Adrience Lance-Lucas, 3201 - 4th St N, Minneapolis, MN 55412
2. Adrience Lance-Lucas, 6622 St Abernathy Dr SE, Mableton, GA 30126
3. MERS, 1818 Library St, Suite 300, Reston, VA 20190
4. America's Wholesale Lender, PO Box 660694, Dallas, TX 75266-0694
5. America's Wholesale Lender, 1907 E Wayzata Blvd, Suite #200, Wayzata, MN 55391

## **Recommendation**

Demolition.