

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

---

**In the matter of the Appeal of  
Director's Order To  
Demolish the Property  
Located at 2016 21<sup>st</sup> Ave. N.  
in Minneapolis, Minnesota.**

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

---

This matter came on for hearing before the Nuisance Condition Process Review Panel at Rental Dwelling License Board of Appeals at 1:30 p.m. on May 10, 2007 in City Council Chambers located in Minneapolis City Hall. Board Chair Burt Osborne presided. Other board members present included Patrick Todd, Dave Dewall and Elfric Porte. Assistant City Attorney Lee C. Wolf was present as *ex officio* counsel to the board. Tom Deegan, Manager Minneapolis Problem Properties Unit and Wayne Murphy represented the Inspections Division. Kristine Spiegelberg of the Law Firm Shapiro, Nordmeyer & Zielke L.L.P. was present and represented the owner of 2016 21<sup>st</sup> Ave. N., Deutsche Bank National Trust Company. Based upon the Board's consideration of the entire record, the Board makes the following:

**FINDINGS OF FACT**

1. The property located at 2016 21<sup>st</sup> Ave. N., Minneapolis, Minnesota is a single family dwelling in the Willard-Hay neighborhood. The 1.7 story, 3 bedroom 2 bathroom house was built in 1902. The building is 1,347 square feet and sits on a 5,630 square foot lot with a 1 stall garage. The building was the subject to a substantial fire on July 30, 2006 and was condemned for being boarded on March 20, 2007.

2. The Inspections Division of the City of Minneapolis determined that the property at 2223 16<sup>th</sup> Ave. S. 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*

(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.*

3. 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 \$148,000 to \$161,600, based on the MEANS square footage estimate. The estimated value after rehab according to the appraisal obtained from Minneapolis Community Planning and Economic Development staff is \$101,025. The assessed value of the property is

\$115,500 (2007), \$104,700 (2006). The Assessor rates the condition of the building as average minus. The property has no architectural or historic value/designation.

b. The property has special assessments pending for 2007 in the amount of \$3,365. Property taxes are due for 2006 and the first half of 2007 in the amount of \$1,727.64.

c. The vacant housing rate in the Willard-Hay neighborhood is around 5.5%. Of the approximately 487 houses on the city's Vacant Building Registration, 30 are in the Willard-Hey neighborhood, a neighborhood with approximately 3,030 housing units.

d. The Willard-Hay Area Community Council and the owners of properties within 350 feet of 2016 21<sup>st</sup> Ave. N. were mailed a request for a community impact statement. The Inspections Department received two responses both of which recommended demolition and both commented that the property has had a negative impact on the neighborhood.

4. Taking into account the criteria listed in § 249.40(1) a notice of the Director's Order to Demolish was mailed to all interested parties on March 21, 2007.

5. On April 12, 2007 Ms. Spiegelberg filed an appeal, on behalf of Deutsche Bank National Trust Company, of the Director's order to raze pursuant to M.C.O. § 249.45(c) and this proceeding was commenced on May 10, 2007.

6. On May 12, 2006, Deutsche Bank National Trust Company initiated foreclosure proceedings against Ronald A. Gross and Cynthia A. Gross, the mortgagee of the property located at 2016 21<sup>st</sup> Ave. N. A Sheriff's sale of the property occurred on June 27, 2006 with

appellant placing the top bid at \$127,743.68. On December 27, 2006, the redemption period expired and the appellant became the legal owner of the property.

7. Ms. Spiegelberg stated that appellant has been actively marketing the property to third parties who would purchase the property and work with the city to rehabilitate the property. Ms. Spiegelberg stated that appellant has been unable to find a buyer in the four and one half months since they became the legal owner of the property.

8. Ms. Spiegelberg stated appellant had no plans to hire a contractor to rehabilitate the property but requested additional time for appellant to continue to market the property so a buyer could be located who will work with the city to rehabilitate the property.

### **CONCLUSIONS**

1. The building located at 2016 21<sup>st</sup> Ave. 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 2016 21<sup>st</sup> Ave. 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 2016 21<sup>st</sup> Ave. N. meets the definition of a nuisance condition as set forth in M.C.O. § 249.30(a)(4) as the evidence clearly demonstrates that the cost

of rehabilitation is not justified when compared to the after rehabilitation resale value of the building.

4. Pursuant to M.C.O. § 249.40 *Abatement of nuisance condition*, The Director of Inspection's order to demolish the building located at 2016 21<sup>st</sup> Ave. 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 demolition of the building is appropriate. The building has been vacant and boarded for just under 1 year and the owner has no plans to rehabilitate the property. The owner plans to keep the house as is until a buyer can be found who would be willing to rehabilitate the property, thus leaving the building as a vacant boarded building that would continue to have a negative impact on the community.

#### **RECOMMENDATION**

That the Director of Inspections' Order to Demolish the building located at 2016 21<sup>st</sup> Ave. N., Minneapolis, Minnesota be upheld.

---

Burt Osborne  
Chair,  
Nuisance Condition Process Review Panel