



## Legislation Text

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**File #:** 21-0698R, **Version:** 1

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RESOLUTION AUTHORIZING THE BUILDING OFFICIAL TO ABATE NUISANCES BY REMOVAL OF STRUCTURALLY UNSOUND BUILDINGS AT 118 - 120 EAST 1<sup>ST</sup> STREET IN THE CITY OF DULUTH IN AN AMOUNT NOT TO EXCEED \$112,335.88.

### CITY PROPOSAL:

RESOLVED, that the council finds as follows:

(a) The building official for the city of Duluth duly issued condemnation orders, dated December 4, 2020, for the commercial structure located 118-20 E 1<sup>st</sup> Street, Tax Parcel Number 010-0930-00640, located within the city of Duluth after determining that the criteria of Section 10-3 of the city of Duluth Legislative Code was met in each case:

(b) The owner of the property, according to St. Louis County records, is Kevin L. Ruhnke of Hermantown, MN.

(c) A fire occurred on November 21, 2020 which severely and irreparably damaged the structure.

(d) The property owner was notified of the condemnation for demolition via certified mail, posting on the premises, and publication in the Duluth News Tribune twice in separate weeks.

(e) The appeal period for the condemnation order has expired.

(f) The property owner did not comply with the order to demolish the structure within 30 days of notification.

(g) The City holds in escrow \$112,335.88, which equals twenty five percent (25%) of the insurance settlement payment from the fire damage. The escrowed funds will be used to fund the cost of demolition.

(h) The damaged structure poses a risk to the health, safety, and welfare of the community, and is an attractive nuisance consistent with the criteria of Section 10-3.d.2. of the city of Duluth Legislative Code.

BE IT FURTHER RESOLVED, that pursuant to Section 10-3(b) of the city of Duluth Legislative Code, if any owner has not complied with the demolition order within 30 days of notification, the building official is authorized:

(a) To proceed with the work ordered or to contract to have the work done; and

(b) Should the sale of the salvage from such work exceed the cost of the demolition, the balance in excess of the cost shall be paid to the owner of said building or to such other persons as may by law be entitled thereto; and

(c) To submit to the city council a statement of the cost of such work for its further determination of the manner by which such costs shall be recouped as provided by Section 10-3.b of the city of Duluth Legislative Code.

**STATEMENT OF PURPOSE:** This resolution identifies a severely damaged building that has been condemned for demolition and authorizes the building official to take appropriate action for removal. The

privately owned structure at 118-120 East First Street was severely damaged by fire in November 2020. The council finds that the structure constitutes blight conditions in the community.

Buildings damaged or deteriorated in excess of 60% of their market value are subject to an order to the owner to demolish the building within 30 days. Owners are notified via certified mail, posting of the notice on the premises, and posting in the Duluth News Tribune on two dates. Owners are informed of their right to appeal to the Building Appeal Board within 15 days of receipt of the order, pursuant to DLC 10-3. Such notices were provided to the building's owner, Kevin L. Ruhnke. The appeal period has lapsed for the orders described herein. Demolition orders are final when the appeal period has lapsed without the filing of an appeal. Additional verbal communications with the owner have not yielded specific information about when the building will be demolished.

If the owner has not appealed the order within 15 days or complied with the demolition order within 30 days of notice, the city council may direct the building official to proceed with the work ordered or to contract to have the work done. The estimated total cost for demolition of this structures will not exceed \$112,355.88. Demolition costs will be funded by escrowed funds generated in the insurance settlement after the fire.

The next step for staff will involve obtaining a warrant to enter onto the property to conduct a review in support of a request for quotes for building demolition.