

August 26, 2024



Mayor and City Council Members,

I am here today to present two potential paths forward for the downtown building, 27 South Frederick Ave, that has fallen into severe disrepair. This building, which has become a concern for the community, requires decisive action to either restore its potential or safely remove the hazard it currently poses. After careful consideration, I will outline two options for your review.

Partial Restoration and Stabilization Option

1. Roof Repair:

- The first and most critical step would be to repair the roof to prevent further water damage and structural deterioration. A sound roof will protect the remaining structure and prevent additional water and rodent entry.
- Initial estimates are \$50K+ just for this piece of the project

2. Demolition of the Back Section (Garage Area):

- The back section of the building, particularly the garage area, is beyond feasible repair. We propose demolishing this portion of the structure. This will remove the most hazardous part of the building while allowing us to focus resources on the salvageable sections.
 1. This section is a slab, no basement
 2. It will look unfinished for a long period of time
- We would still need to engage a demolition project engineer to ensure that any unforeseen issues are professionally addressed, reducing our liability for potential complications

3. Finished East Wall and Stairwell Build-Out:

- Following the demolition of the garage, we would construct a finished wall where the garage area once stood. This would stabilize the remaining building and create a clean boundary. Additionally, we would build out a new stairwell enclosure to ensure access to the basement. This would also need to be designed.

4. Window Repairs:

- All windows would be repaired to secure the building and improve its appearance. This step is essential to prevent further damage from the elements and to maintain the building's aesthetic appeal.

5. Sale of the Building:

- Once the essential repairs are completed, the building would be listed for sale. We anticipate that the building's improved condition will attract buyers who are interested in completing the renovation and repurposing the space. The city can potentially recoup



20 2nd Ave. S.W.
Oelwein, Iowa 50662



buildingadmin@CityofOelwein.org
www.CityofOelwein.org



Phone: (319) 283-5862
Fax: (319) 283-4032



- some of the repair costs through the sale, and the building will once again contribute to the downtown area.

6. Further repairs

- Tuck pointing, new electrical service, new doors, new paint, furnace/air
 1. If the city continues to invest in the building it will be more attractive to a future owner.

Advantages of this option:

- **Preservation of Downtown Character:** By saving the building, we maintain the architectural continuity of our downtown area.
- **Investment Attraction:** A partially restored building could attract investors who see potential in a historical renovation project.

Disadvantages of this options:

- **Incomplete Resolution of Structural Issues:** Although repairing the roof is crucial, it does not address the existing mold, animal, and water damage inside the building. These issues would still require significant remediation, potentially costing hundreds of thousands of dollars in additional repairs.
- **Uncertain Investment Recovery:** The high cost of remaining repairs may deter potential buyers, leading to prolonged vacancy and ongoing maintenance costs for the city.
- **Risk of Further Deterioration:** Without a full renovation, the building may continue to deteriorate, resulting in further damage and increased repair costs over time.

Full Demolition and Sale of the Lot Option

1. Engineered Designed Demolition:

- The entire building would be demolished, following an engineered plan to ensure the safety of the adjacent structures, particularly the building to the south, which shares a stairwell with this property.
 1. Costs likely ranging in \$125k to \$175k, very rough estimate, especially considering the stairs.





2. **Design to Preserve or Replace the Existing Stairwell:**

- We would either preserve the existing stairwell utilized by the neighboring building to the south or create a new one, ensuring that the adjacent property remains fully functional and safe.

3. **Sale of the Lot:**

- After demolition, the vacant lot would be sold to the neighboring property owner to the north. This neighbor has already presented a plan for utilizing the space, which could enhance the downtown area by adding a new, purpose-built structure that aligns with current community needs.

Advantages of this option:

- **Safety and Liability:** Full demolition removes the risk of structural failure and the associated liabilities for the city.
- **Immediate Return:** Selling the lot quickly to a neighboring business with a development plan provides an immediate return and revitalization opportunity for the downtown area.
- **Flexibility for Future Development:** The lot could be developed in a way that aligns with the city's current strategic goals, potentially leading to a more modern and cohesive downtown space.

Disadvantages of Option 2:

- **Loss of a Downtown Building:** Demolishing the building results in the permanent loss of a piece of the downtown area's brick buildings
- **Potential Negotiation Hurdles:** There could be challenges in negotiating the preservation or replacement of the stairwell used by the neighboring building, which could delay the project and increase costs.

Conclusion: Both options present viable paths forward, each with its own set of benefits and considerations. Option 1 offers a chance to preserve and partially restore the building, potentially attracting new investment, but it comes with significant unresolved issues and financial risks. Option 2 focuses on safety, immediate returns, and flexibility for future development but involves the loss of a structure and potential negotiation complexities. I recommend that we weigh these options carefully, considering both the long-term vision for our downtown and the immediate needs of our community.

