



Esteemed City Council Members,

As the Building Official and Director of Community Development, I am presenting the Fiscal Year 2027 budget request. This budget reflects the vital work our department does every day to protect the health, safety, and well-being of our community. Although our population is modest, the presence of blight and under-maintained properties presents significant challenges. Proactive code enforcement, strong property maintenance programs, and thorough building and rental inspections remain critical tools in preventing decline, strengthening neighborhoods, and providing safe housing options for our residents.

Reviewing my budget proposal below, the department's biggest expenses continue to be: salary, legal fees, and contracts.

Account	Title	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 ACTUAL	FY 2026 Budget	FY 2027 Dept Request
<u>INSPECTION DEPARTMENT</u>						
001-1700-60100	SALARY (E)	156427.96	159709.42	153490.84	179000	145000
001-1700-61990	EMPLOYEE PERSONNEL EXPENSE (E)	3029.32	815.09	1769.2	2500	2500
001-1700-63310	VEHICLE (E)	11132.32	1050.65	1286.06	1250	1250
001-1700-63730	COMMUNICATIONS (E)	1130.17	3069.31	1857.16	500	500
001-1700-63750	CELLULAR/PAGING (E)	3458.59	3282.21	2504.13	2800	2800
001-1700-63810	UTILITIES (E)	0	0	0	1000	1000
001-1700-64080	INSURANCE CLAIMS (E)	0	0	0	1000	1000
001-1700-64090	JANITORIAL (E)	0	0	0	250	250
001-1700-64110	LEGAL EXPENSE (E)	0	30.5	0	10000	10000
001-1700-64915	REFUNDS (E)	509.02	192	473	1000	1000
001-1700-64950	CONTRACTS (E)	5137.5	739.69	7100	7500	7500
001-1700-65041	EQUIPMENT (E)	779.5	124.9	654.78	1000	1000
001-1700-65060	OFFICE SUPPLIES (E)	4493.38	5355.57	3664.09	3500	3500
001-1700-65070	SUPPLIES (E)	156.56	0	0	2000	2000
001-1700-67990	CAPITAL OUTLAY (E)	0	0	0	4000	4000
<u>ABATEMENT</u>						
001-2510-60101	SALARY-WEED MOWING (E)	0	0	0	200	200
001-2510-60105	SALARY-SNOW REMOVAL (E)	0	0	0	1500	1500
001-2510-60107	SALARY-ABATEMENTS (E)	480.37	172.89	0	2500	2500
001-2510-64110	LEGAL EXPENSE (E)	28615.86	9200.15	15867.84	15000	15000
001-2510-64950	CONTRACTS (E)	10050.43	6498.75	5460	15000	15000
001-2510-64992	DISPOSAL EXPENSE (E)	396.6	298	500	5000	5000
001-2510-65060	OFFICE SUPPLIES (E)	84.1	71.05	169.07	200	200

Account	Title	FY 2023 ACTUAL	FY 2024 ACTUAL	FY 2025 Actual	FY 2026 Budget	Dept Request
<u>Nuisance - Abatement</u>						
160-1710-60100	SALARY (E)	47688.83	52915.2	54674.65	55700	58000
160-1710-61810	UNIFORMS (E)	400	0	0	800	800
160-1710-61990	EMPLOYEE PERSONNEL EXPENSE (E)	159.12	112.25	373.21	400	400
160-1710-63100	BUILDING (E)	90.28	155.54	590.33	100	100
160-1710-63310	VEHICLE (E)	1365.6	1567.99	1239.15	1500	1500
160-1710-63730	COMMUNICATIONS (E)	477.6	417.6	537.6	500	500
160-1710-63750	CELLULAR/PAGING (E)	1557.82	1399.49	787.93	1500	1500
160-1710-63810	UTILITIES (E)	0	0	0	500	500
160-1710-64080	INSURANCE-LIABILITY (E)	259.93	1039.82	1025.14	500	1000
160-1710-64090	JANITORIAL (E)	0	0	0	250	250
160-1710-64110	LEGAL EXPENSE (E)	0	0	0	5000	5000
160-1710-64950	CONTRACTS (E)	5137.5	189.69	6400	7500	7500
160-1710-65041	EQUIPMENT (E)	234.62	372.62	0	1000	1000
160-1710-65060	OFFICE SUPPLIES (E)	546.11	1342.71	933.65	2000	2000
160-1710-65070	SUPPLIES (E)	0	0	0	500	500
160-1710-67250	CAPITAL OUTLAY (E)	0	1244	0	1000	1000

CIP ITEM REQUEST: New Community Development Vehicle

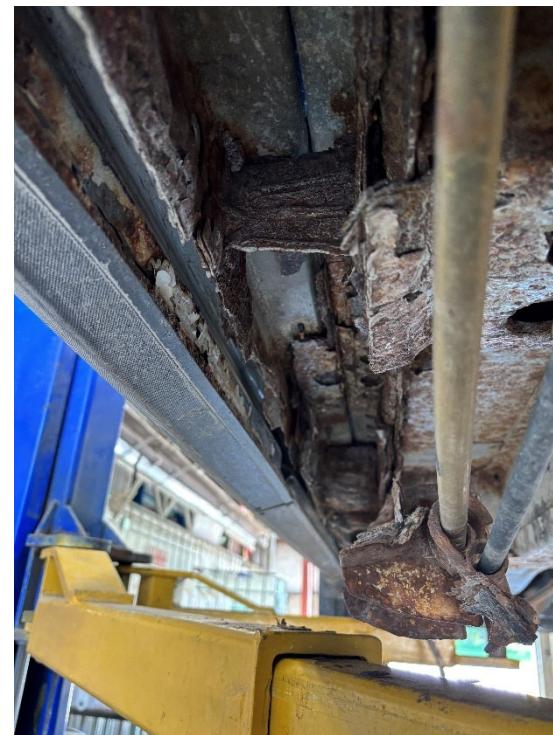
The existing Community Development vehicle, a 2012 Chevy Equinox currently used by the Building Inspector, is in a significantly deteriorated condition. The vehicle has extreme rust damage to the body, to the extent that automotive service providers have expressed safety concerns about lifting it during routine oil changes. Due to its condition, the vehicle is no longer reliable for travel outside of town and requires frequent maintenance.

The vehicle currently has over 165,000 miles, along with substantial idle time, which has further contributed to wear and mechanical issues. Replacement is recommended before a major failure occurs.

It is proposed that the vehicle be replaced with a 2026 Chevy Trailblazer AWD. This option provides a more cost-effective and fuel-efficient alternative to a truck, while still offering adequate size, functionality, and storage capacity to meet departmental needs.

We are requesting \$28,000 toward the replacement vehicle.

NEW VEHCILE REQUESTED



**UNDERSIDE
VIEW OF
EXISTIING
VEHICLE**

2024 Permit Fee Increase Review – Follow-Up

In 2024 we increased the building permit fees. Comparing previous years permit statistics to this year, the numbers are as follows:

--Five years ago: 2020 January 1st -December 31st Permit fee revenue: **\$44,165.15**

2020 Total permits issued: 640

--Four years ago: 2021 January 1st -December 31st Permit fee revenue: **\$69,684.09** -- This year included \$25,448.32 of permit fees toward Oelwein school remodels (High School and Wings Park Remodels)

2021 Total permits issued: 711

--Three years ago: 2022 July 1st – December 31st Permit fee Revenue: **\$22, 993.97** -- 2022 Total year permit fee revenue: **\$41,252.54**

2022 total permits issued: 555

--Two years ago: 2023 July 1st – December 31st Permit Fee Revenue: **\$19,654.21** -- 2023 Total year permit fee revenue: **\$32,272.79**

2023 Total permits issued: 354

--Last year with new permit fee structure: 2024 July 1st – 2025 June 30th Permit Fee Revenue: **\$51,450.17**

2024 Total Permits Issued: 398

--Current Year 2025 July 1st – 2026 January 1st Permit Fee Revenue: **\$30,250.25**

YTD Permits Issued: 226

This permit fee revenue change, along with salary omitted for the deleted position of the Administrative Assistant (approximately \$41K in salary expense per year), have put the department in a good position to make up the necessary \$25,000 in budget cuts or revenue development, as required by the City Administrator, across the next 2 years.

Major Upcoming Projects to Consider:

- 120 South Frederick rehabilitation
- Continued Residential Demolitions
- Potential Residential Development (Matt Construction Project)

Placarded Properties Expected to be Demolished:

214 4th ave NW 115 9th ave SW 221 2nd ave se 121 6th st SW 134 3rd ave NW – City Owned(2026 Demo Project)
310 3rd ave NW – City Owned(2026 Demo Project) 201 2nd st NW – City Owned 1120 W Charles 125 6th st SW
26 5th ave NE 107 9th ave SE 502 5th st SW 800 S Frederick 218 7th ave SW (garage)

These are 14 buildings that I don't expect repairs to be made on. Some of these were owner occupied, some of them are owned by rental companies, some are commercial properties. More WILL be added over the next year pending code enforcement cases, fires, abandonments, 657A, and other scenarios. Assuming residential demolitions average \$14,000 in cost, there is, at least, \$196,000 in potential residential demolitions that could currently be pursued.

This being considered: the 27 South Frederick Demolition project was completed and cost \$97,000 in demolition, not to mention the legal costs and staff time across 5 years put into the project. The City is spending \$75,000 toward the repair of 1. South Frederick, this construction is set to begin winter of 2026. We own 120 South Frederick, the cost of rehab for this building, just to make it potentially usable, is likely beyond \$250,000. The residential demolition project budget has been reduced from \$60,000 to \$50,000. This leaves enough budget to demolish 3 homes per year. I have 27 homes on a list of potential nuisance tax sale claims for next year. Addresses listed above that are not city owned have been pending code cases extending 6 months or more; pursuing these types of cases at a quicker rate comes at a higher associated cost to city, typically in legal fees and demolition fees and/or owners wanting to deed the property over to the city.

Funding options for these major demolition and rehab projects will need to be explored in the near future.

Code Enforcement Review:

1205 Code Enforcement Cases Created between July 1, 2025 through June 30, 2025.

- 105 Vehicle cases
- 24 Unsafe structures
- 38 Suspected Unregistered Vacant
- 52 Suspected Unregistered Rentals
- 5 Stop Work Orders
- 46 Tree, Brush, Foliage
- 361 Junk/Garbage
- 266 Grass
- 23 Dilapidated Buildings
- 6 Animal Related
- 36 Snow and Ice
- 127 Online Complaint Submissions

Code enforcement plays a vital role in protecting the health, safety, and welfare of our city's residents. By ensuring compliance with the International Property Maintenance Code (IPMC) and the City's related standards, we address unsafe conditions, abandoned properties, reduce hazards, and promote responsible property ownership. This effort directly combats blight by holding landlords and property owners accountable for maintaining their properties, preserving property values, creates safer neighborhoods, attracts investment, fosters pride in our community, and promotes a cleaner, more livable city for all residents. Supporting code enforcement is an investment in the city's future stability and growth.

Long Term Code Enforcement Residential Case Timeline Examples:

122 7th st SE – First notice sent August 2020. Follow up notices sent in July and September of 2021. Next notice sent November 2022. Follow up sent September 2023. Follow up sent September 2024. Entry request April 2025. 9 follow up inspections along with multiple phone calls and in person meetings with owner and future owners through December 2025. Result in City Demolition Assistance of \$5000 and new owners, no court costs.



721 2nd ave SE – First notice sent 2020. Citation served July 2021. 6 continuances granted by the court. First hearing April 2022. Extensions granted with a final judgement being granted on September 28, 2022. A promissory note was given by the new owner stating they would fix up the home within 1 year. The home was extensively damaged by fire, water, mold, and general neglect. In January of 2023 we discovered an undetectable burst water pipe that had wasted thousands of gallons of water. No action was taken by new ownership after that year as stated in the promissory note. After multiple inspections and numerous hours of staff time, we convinced the new owner to demolish the building in October of 2023 at their own expense.



2025 Rental Registration and Inspection Review:

- 442 Active Licenses and a total of 654 rental units.
- 241 Rental Inspections Performed in FY 2025

The Rental Unit Registration and Inspection Program is essential for ensuring that rental properties in our city meet basic health, safety, and habitability standards. By requiring landlords to register and undergo routine inspections, the program protects tenants from substandard living conditions while holding property owners accountable for maintaining their buildings. This proactive approach helps prevent issues like unsafe wiring, inadequate heating, structural deficiencies, and pest infestations before they become larger problems. This is entering year 5 of the program and it has created better living conditions for residents as evidenced by rental inspection repair requirements becoming less intensive on average than in the previous cycle, although there are still inspections uncovering a need for major repair or maintenance.

In addition to safeguarding tenants, the program supports neighborhood stability by reducing blight, improving property values, and encouraging responsible property management. It also levels the playing field for landlords by promoting compliance with housing standards across the board. Sustaining this program is a vital step toward ensuring safe, quality housing for all residents while fostering a more vibrant and livable community. Here's a few before and after examples:

