



To: Mayor and City Council  
From: Dylan Mulfinger, City Administrator  
Subject: Demolition Work Session  
Date: 5/26/2026

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The city has been requested by more than one resident to continue to pursue the demolition of junk properties in town. The city has a steady track record of demolishing properties.

Since 2014 the city has invested \$1,751,394.64 in the demolition of dilapidated properties. Exhibit 5.45657 shows this amount each year.

The city is now moving forward with a budget of \$50,000 each year due to significant budget cuts now and into the future. Sustaining the current tear down level has been difficult especially when the city invested \$96,000 in the teardown of 27 S Frederick and \$110,709.50 for 33 South Frederick.

For the city to demolish every single property that is tagged or should be demolished, the city would need the following:

Estimated tear down cost: \$922,000

Estimated attorney cost: \$92,200

The funding needed for the project would have to be allocated by the city council. Doing this after a budget was just voted on by the city council would be unprecedented. Below are several ideas that the city council could consider. It is critical that these are merely ideas and should not result in a revolt from the community for the mere idea of the city council considering different options.

1. Raise Property Taxes
  - a. The city council would go out for a general obligation bond for the project and raise taxes to pay for the bond. The last \$1,500,000 bond raised the levy \$2.00. This payment would push the city levy to 22.16215. The bond would require a vote of the community.
2. Dismantle the Capital Improvement Program
  - a. Franchise fee revenue for the capital improvement plan is \$225,000 annually.
  - b. The city would need to put off the capital improvement plan for # of years to pay for the project
    - i. A potential local loan could be acquired and paid off in three years
  - c. This will be a detrimental move to all general fund departments
3. Stop Road Improvements
  - a. The city is working to allocate \$300,000 annually with road user tax, franchise fees, and local option sales tax.
4. Eliminate Community Development- \$295,000
  - a. The City Administrator would only demolish buildings as the city acquires them through city hall having time to acquire buildings.
  - b. We would stop enforcing the lawn ordinance



- c. We would stop the rental inspection program
- d. We would eliminate building codes and leave electrical up to the state of Iowa

Should the city council want demolition of dilapidated homes become a larger priority, the city administrator is ready to work in that direction. The city council should anticipate more work sessions to reach a final solution.

		6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
160-5200-64904	JUNK HOUSE REMOVAL	-	5,245.00	86,786.08	24,524.25	44,097.00	13,146.00
160-5200-64903	DOWNTOWN DEMOLITION	77,626.15	158,478.04	-	-	-	-
160-5200-64901	RESIDENTIAL DEMO GRANT	-	1,721.00	9,239.66	7,635.00	3,750.00	6,475.00
302-5030-64950	DEMO CONTRACTS	-	-	-	-	-	-

		6/30/2020	6/30/2021	6/30/2022	6/30/2023	6/30/2024	6/30/2025	6/30/2026	Totals
160-5200-64904	JUNK HOUSE REMOVAL	25,829.69	27,980.14	40,026.68	44,732.50	31,043.74	1,187.09	19,894.50	364,492.67
160-5200-64903	DOWNTOWN DEMOLITION	-	-	-	-	-	101,301.25	15,035.00	352,440.44
160-5200-64901	RESIDENTIAL DEMO GRANT	21,041.76	35,984.50	12,400.00	-	2,650.00	24,300.00	5,000.00	130,196.92
302-5030-64950	DEMO CONTRACTS	-	451,050.06	28,100.00	142,054.25	133,844.80	105,657.50	43,558.00	904,264.61
									<b>\$ 1,751,394.64</b>