



Agenda

City Council Work Session Meeting
Oelwein City Hall, 20 Second Avenue SW, Oelwein, Iowa
5:30 PM

August 26, 2024
Oelwein, Iowa

Mayor: Brett DeVore

Mayor Pro Tem: Matt Weber

Council Members: Karen Seeders, Anthony Ricchio, Lynda Payne, Dave Garrigus, Dave Lenz

Pledge of Allegiance

Discussions

- [1.](#) Discussion on the future of 27 South Frederick Avenue.
- [2.](#) Discussion on the 2024 Home Demolition Project.

Adjournment

In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 319-283-5440



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





- 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.















































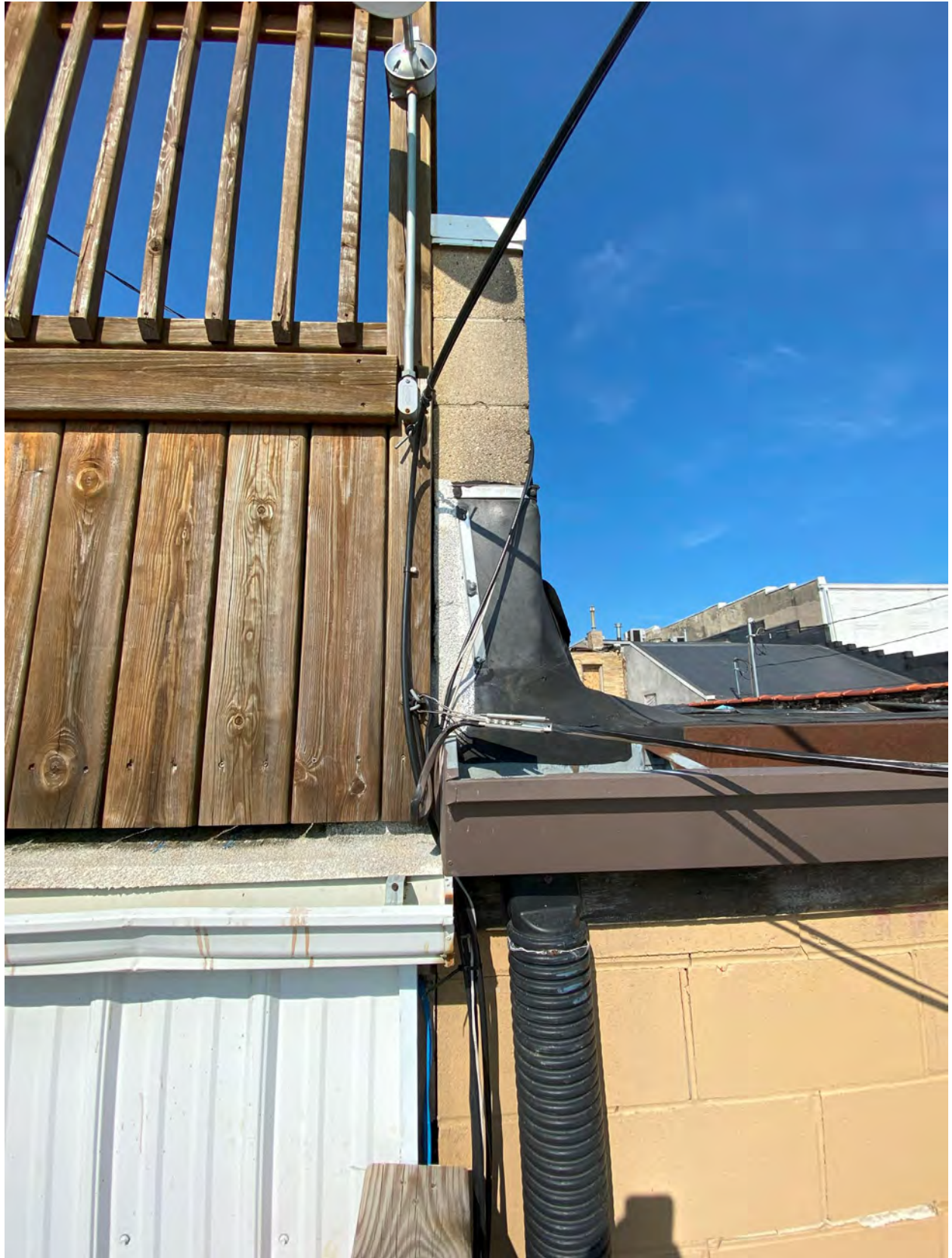


















“Shared” stairwell space

27 S Fred

BPG | BRADY PRESTON GRONLUND PC

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August 7, 2024

SENT VIA EMAIL (dherman@lynchdallas.com)

Mr. Douglas D. Herman
Lynch Dallas PC
526 Second Avenue SE
Cedar Rapids, IA 52401

Re: Leo's Italian Restaurant, Inc. – 27 South Frederick Avenue, Oelwein, Iowa

Dear Doug:

While our previous correspondence has focused on the negligent demolition work performed by Bryan Construction on the building and lot to the south of Leo's Italian Restaurant's ("Leo's") building, this letter concerns the city-owned building to the north of Leo's, located at 27 South Frederick Avenue. We understand from Leo's the north building has been abandoned for some time and is in a serious state of disrepair, which is causing ongoing harm and damage to Leo's building. Leo's is demanding that the City of Oelwein ("the City") reimburse Leo's for the expenses it has incurred and likely will continue to incur to remedy the damage to its building due to water intrusion from the north building and immediately take steps to address the north building's condition to prevent further damage.

The City is in violation of Oelwein Code of Ordinances and needs to immediately remedy this matter. "The exterior of a structure shall be maintained in good repair, structurally sound and sanitary so as not to pose a threat to the public health, safety or welfare." OELWEIN, IOWA, CODE § 25-34(A). According to the Code of Ordinances, it is unsafe for structures to have "[r]oofing or roofing components that have defects that admit rain, roof surfaces with inadequate drainage, or any portion of the roof framing that is not in good repair with signs of deterioration." The Code of Ordinances also mandates:

1. "Exterior walls shall be free from holes, breaks, and loose or rotting materials; and maintained weatherproof and properly surface coated where required to prevent deterioration." OELWEIN, IOWA, CODE § 25-34(G).
2. "The roof and flashing shall be sound, tight and not have defects that admit rain. Roof drainage shall be adequate to prevent dampness or deterioration in the walls or interior portion of the structure . . ." OELWEIN, IOWA, CODE § 25-34(H).
3. "Every window [and] skylight . . . shall be kept in sound good condition, good repair and weather tight." OELWEIN, IOWA, CODE § 25-34(N).

BRADY PRESTON GRONLUND PC

Mr. Douglas D. Herman
August 7, 2024
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The north building complies with none of these provisions. The north building has deteriorated and has become thoroughly exposed to the elements. Holes have developed in the roof and windows are open, allowing water to enter the building when it rains. The state of the building can be seen in the photographs attached to this letter. *See Exhibit 1.*

The intruding water has harmed Leo's. The water runs onto Leo's property and into its basement, events that have been witnessed by several City employees or personnel. Leo's has had to drill holes in the basement of its building in order to allow for water drainage. The intrusion and bore holes can also be seen in the photographs attached to this letter. *See Exhibit 2.* The buildup of water has caused Leo's north stairwell to pull away from its building. The cost to stabilize the stairwell is estimated to be \$10,000 (*see Exhibit 3*) and must be done right away in order to prevent any further damage from occurring. However, this is only an estimate, and further problems may be uncovered upon inspection of the north building, which Leo's and its contractor may need access to in order to conduct said inspection. Leo's anticipates there likely will be other, additional repair work needed now or in the future due to the current and ongoing water damage from the north building.

Through emails with the Dylan Mulfinger, the City Administrator, Leo's understands that the City currently does not have any plans to address the north building, though it has gathered quotes with the intent to bring them to the City Council in either July or August. Given that July has passed, and it does not appear the City Council has taken any steps to address the north building yet, Leo's has serious concerns that this matter will not be adequately addressed this month either. In light of the threat the city-owned north building poses to Leo's—and the public—the City must immediately take steps to redress its concerning condition, either by demolition or extensive repairs to prevent further water intrusion.

The City cannot expect more of its citizens than it is willing to do itself. The state of the north building makes it evident that the City is not complying with its own Code of Ordinances. Please confirm as soon as possible that the City will promptly reimburse Leo's for the damage caused by the water intrusions originating from the north building and specifically identify what timely steps the City intends to take to prevent further damage from occurring, including a description of the work/demolition to be done, the contractor's name, and an approximate date when any demolition work or repair work will be done on the north building

Leo's reserves the right to seek any and all legal remedies available to it to the fullest extent permitted under the law, including, but not limited to, pursuing legal action against the City or any other relevant party to recover Leo's property damages, business losses and other damages arising from this matter.

BRADY PRESTON GRONLUND PC

Mr. Douglas D. Herman
August 7, 2024
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We appreciate your prompt attention and response to this matter. If you have any questions, please contact us.

Sincerely,

BRADY PRESTON GRONLUND PC



ANN C. GRONLUND



JARED T. FAVERO

ACG/JTF:cam

Enclosures

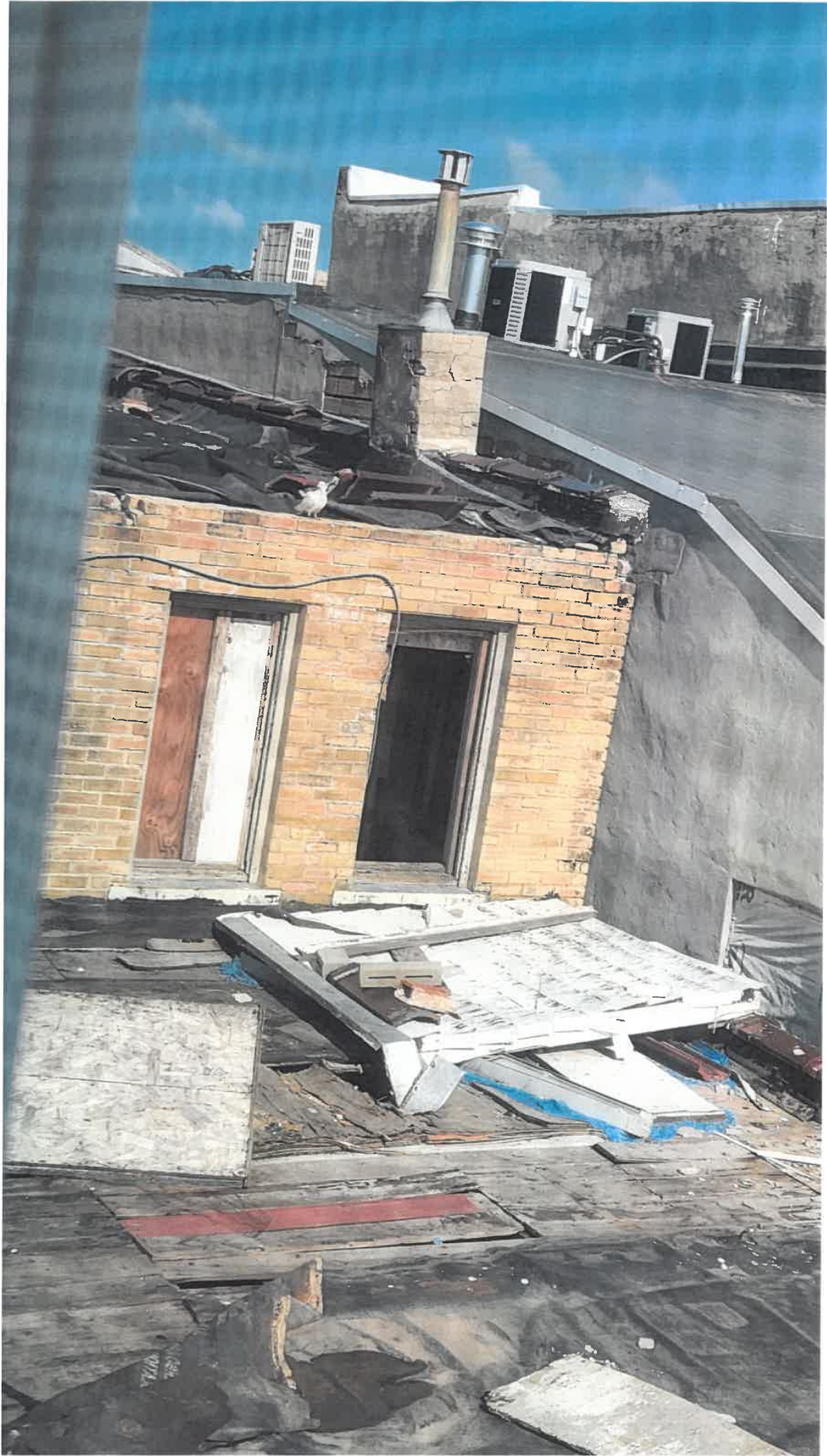


Exhibit 1
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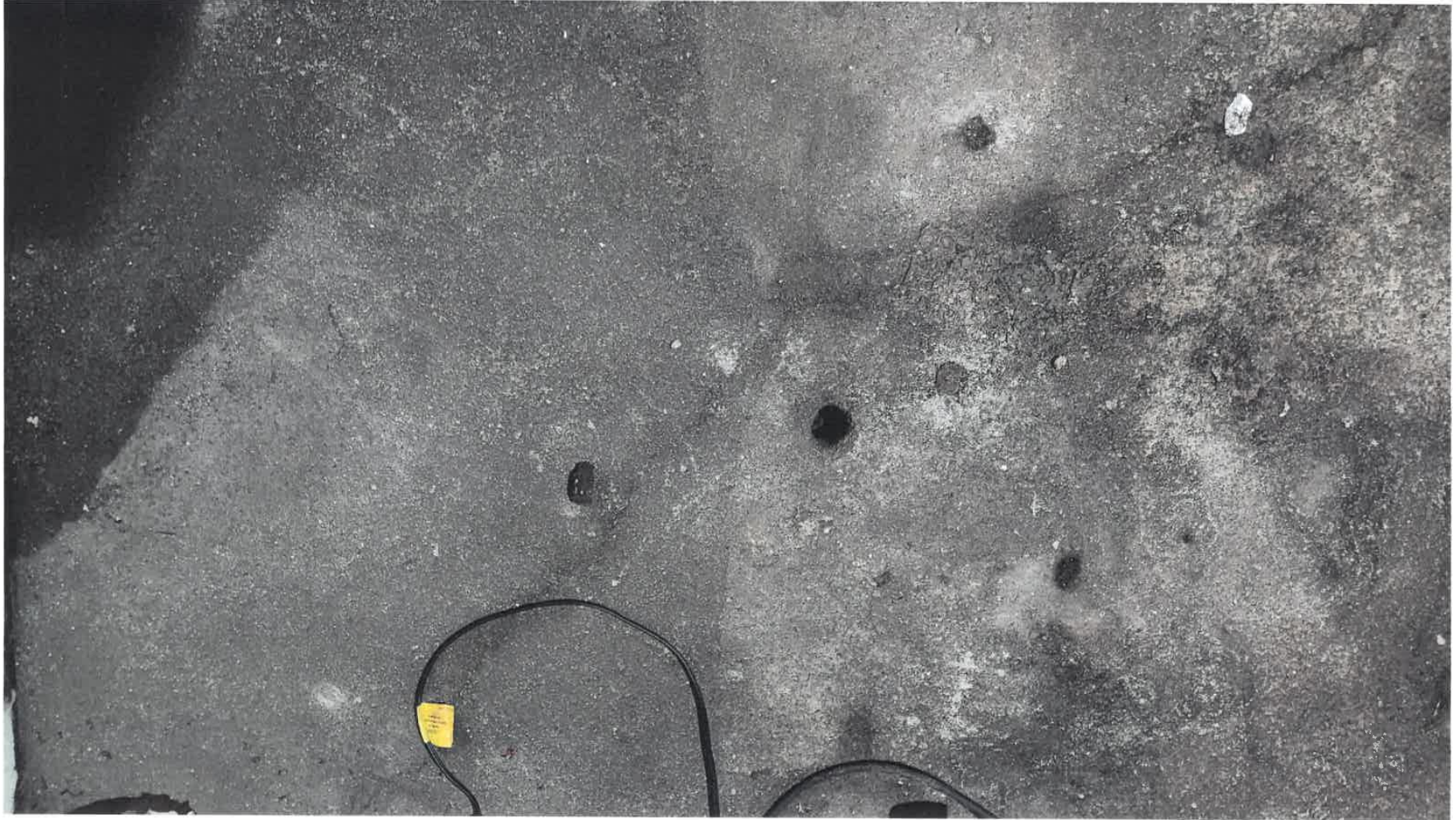












Matt Construction, Inc.

203 Y Avenue
Sumner, IA 50674

Phone: 563-578-8418
Fax: 563-578-5791
email: mattco@iowatelecom.net

Estimate

Date	Estimate #
4/15/2024	2024023

Customer
Leo's Italian Restaurant 29 South Frederick Ave Oelwein, IA 50662

Project Description and Specifications	Amount
Remove front awning and reinstall on the front. Repair crown moulding Value of	5,000.00
North side stair repair stabilization. Some brick repair Value of	10,000.00
Total	\$15,000.00

The above price, specifications and conditions are satisfactory. You are authorized to do the work.

Signature

Date

City of Oelwein
2024
Home Demolition Project
Specs

Addresses include:

111 5th ave SW

132 6th ave SE

205 2nd st NW

204 8th ave SW



Existing sidewalk to be maintained

Walkup sidewalk to be removed

Primary structure and foundation to be removed, all concrete completely removed

Detached garage and foundation to be removed, all concrete completely removed

Driveway to be removed

NORTH



111 5th ave SW





Contractors Final Checklist:

- Inspection performed by City Inspector for capping of sewer and water service
- Driveway removed
- Primary structure and detached garage removed
- Foundations and all concrete removed completely
- Walk up sidewalk removed
- Final grading and seeding
- Existing city sidewalk and existing curb properly maintained



Existing sidewalk to be maintained

Walkup sidewalk to be removed

Primary structure and foundation to be removed

Garage and foundation to be removed

NORTH



132 6th ave SE





Contractors Final Checklist:

- Inspection performed by City Inspector for capping of sewer and water service
- Driveway removed
- Primary structure and detached garage removed
- Foundations and all concrete removed completely
- Walk up sidewalk removed
- Final grading and seeding
- Existing city sidewalk and existing curb properly maintained



Existing sidewalk to be maintained

Walkup sidewalk to be removed

Primary structure and foundation to be removed

All Trees on parcel removed

Detached garages and foundations to be removed, small accessory shed to be removed

Driveway to be removed

NORTH



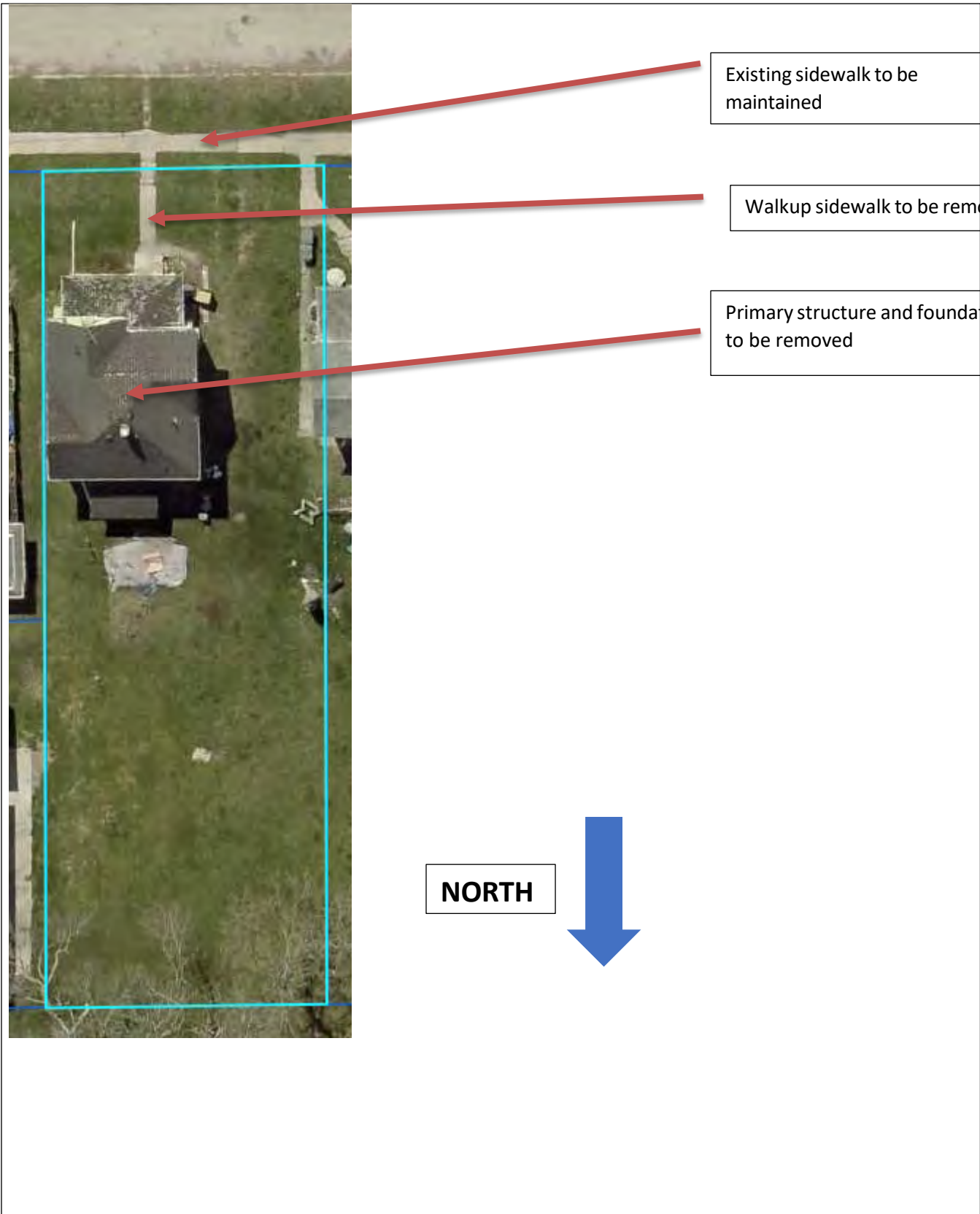
204 8th ave SW





Contractors Final Checklist:

- Inspection performed by City Inspector for capping of sewer and water service
- Driveway removed
- Primary structure and detached garages and shed removed
- All trees on parcel removed
- Foundations and all concrete removed completely
- Walk up sidewalk removed
- Final grading and seeding
- Existing city sidewalk and existing curb properly maintained







Contractors Final Checklist:

- Inspection performed by City Inspector for capping of sewer and water service
- Primary structure removed
- Foundations and all concrete removed completely
- Walk up sidewalk removed
- Final grading and seeding
- Existing city sidewalk and existing curb properly maintained