

Reviewed By:			
Legal Finance Engineer City Administrator Human Resources Community Development Police Public Works			
Parks and Recreation			

Agenda Item Number

Public Works Committee #1 Supplemental Information

Tracking Number

PW 2018-71

# Agenda Item Summary Memo

Title: Old Jail Demo	olition and Site Restora	tion RFP results	
Meeting and Date:	City Council – Octob	er 9, 2018	
Synopsis: See attach	ed.		
Council Action Prev	iously Taken:		
Date of Action:	Action	Taken:	
Item Number:			
Type of Vote Required: Majority			
Council Action Requested: Approval			
Submitted by:		Administration	
	Name	Department	
Agenda Item Notes:			



# Memorandum

To: City Council

From: Bart Olson, City Administrator

CC:

Date: October 8, 2018

Subject: Citizen's Group – Jail Proposal

## **Summary**

A supplemental memo with analysis of the jail proposal from the local citizens group.

### **Background**

This is a supplemental memo to the October 3<sup>rd</sup> old jail memo. Since the October 3<sup>rd</sup> memo was released, the citizens group has submitted a packet of information related to the old jail. This proposal is included under the presentation section of the City Council packet.

In general, the proposal from the group is to lease the jail to the group for three years at a cost of \$1 per year and have the City commit to:

- 1) Removing the lead and asbestos in the building (estimated cost of ~\$35,000)
- 2) Maintain insurance on the building during the lease (estimated annual cost yet to be determined)
- 3) Remove the debris from the garage area (can be done in-house)
- 4) Caulk the boarded up windows (can be done in-house)
- 5) Selling the building to the group at 80% of its current fair market value at the end of the lease term

In exchange, the group proposes to:

- 6) Re-roof the entire building within 60 days from go-ahead from City (estimated cost of \$20,000, to be paid from group funds)
- 7) Repair and replace the gutters and downspouts within 60 days from go-ahead from City (donation from roofing company)
- 8) Complete all masonry work and tuck-pointing by an undetermined deadline in 2019 (estimated cost of \$60,000, funding source to be determined)
- 9) Renovation of garage for use as theater/stage venue by an undetermined deadline (estimated cost not known, funding source to be determined)
- 10) Repair mechanical systems by an undetermined deadline (estimated cost not known, funding source to be determined)
- 11) Repair and replacing exterior, windows, doors, and porches by an undetermined deadline (estimated cost not known, funding source to be determined)
- 12) Renovation of first floor for an undetermined use and tenant by an undetermined deadline (estimated cost not known, funding source to be determined)
- 13) Create a fundraising campaign and submit for grants by an undetermined deadline (revenue estimates not known)
- 14) Apply for the jail to be on the National Register for Historic Places

Mayor Golinski and I met with Lisa Wolancevich and Robyn Sutcliff on Friday, October 5<sup>th</sup>. We had a few questions related to sources of funding, business plan information and timelines for items 8 through 14 on the list above. The group has verbally mentioned they have a few thousand dollars from current fundraising efforts, and have pledges for tens of thousands of dollars beyond their current funds. The pledges itemized in the attached list, which were passed out to the City Council in July are a source of uncorroborated information since the departure of Thomas Milschewski from the citizens group. We have heard from sources within the group that anonymous pledges are still committed, and we have heard from sources outside of the group that the anonymous pledges have withdrawn. The anonymous nature of the pledges means that we cannot confirm with the parties directly.

The group has committed to funding the roof work (#6) from existing funds and pledges within 60 days, and the roofing company has agreed to donate time and materials to #7 on the list. The tuck pointing and masonry work in Spring 2019 is somewhat unconfirmed, in that the cost of the work is estimated at just under \$60,000 and the group has one confirmed grant for \$10,000 to put towards this line-item, one potential grant which they have received verbal assurances of future receipt in the amount of \$5,000, and the remaining \$45,000 in costs to be offset by other undetermined grants and pledges. All other costs for the renovation of the building are to be fundraised by the group, utilizing undetermined grant programs and historical tax credits.

The group will dive into the various building issues once it has permission from the City to do so, and they assume that the garage area can be turned into a theater which will host plays, live music, and other performances. The group has not identified any musical acts or theater groups at this time, nor have they estimated the potential revenue from those performances.

The lease agreement arrangement posed by the group contains a right-of-first refusal type arrangement. At the end of the agreement, the group requests that the building be sold to the group for 80% of current market value (i.e. pre-renovation). The City has not completed an appraisal of the building recently, but the City purchased the property in 2010 from Kendall County for \$160,000. While that purchase included the land where the parking lot currently sits and the group does not wish to buy the land that the parking lot sits on, we think that \$160,000 is a good ballpark figure of current market value. 80% of this value is \$128,000; should the City Council move forward with a sale or lease agreement with any group, staff would propose to do an updated valuation at that time. The proposal also comes with a repayment clause, applicable to all renovation costs the group puts into the building but to be triggered only if the City chooses to sell the building in the future to a different group. The citizens' group confirmed that if the City chooses to keep the building under City ownership in the future, the renovation costs would not need to be repaid to the citizens' group.

The City also had a structural engineer walk through the building a week ago, and their walkthrough report was submitted to the City late last week. The structural engineer observed many of the same issues from the EMG report and the Berglund Construction report. Some additional new pieces of information they provided were:

- A. Some of the subfloor and floor joists on the first floor of the old part of the building have rotted and would need to be replaced (cost unknown)
- B. He is concerned that some of the second floor joists in the old part of the building may be impacted by the roof leaks. He could not confirm through his surface visual inspection.
- C. The first floor support structure in the basement is undersized and includes temporary jack-post columns in an odd configuration. This could be evidence that the first floor in the old part of the building previously had issues. These undersized beams and temporary columns would have to

- be replaced with W8 steel beams, 3" pip columns, and individual spread footings (cost unknown).
- D. He noted that the original jail building was built as residential construction with the exception of the actual jail cell area. Any change in the use of the building would require a much higher floor capacity. Residences are typically designed for a 40 PSF live load. If the use were to be changed and opened to the public, a live load capacity of 100 PSF would be needed because of the change in use. This would require a substantial reinforcing/rebuilding of the floor structures.

Steve Raasch provided the above summarized bulletpoints, and added the following narrative: "The total costs for the work above could run into upper tens of thousands, to over \$100,000 in repairs or replacements. Some of this work would also require structural engineered studies and drawings before the work could be sent to a formal RFP. I have requested a cost and list of additional items that would be included, if the City chose to obtain a more in depth structural study of the buildings."

#### Recommendation

Staff requests feedback on the citizens' group proposal and whether the City should entertain direct negotiations with the group, open the sale or lease of the building to other parties, to proceed with demolition, or to let the building sit, as is.



Phone: 630-513-6711 htedesign.com

October 4, 2018

Mr. Steve Raasch Facilities Manager United City of Yorkville 800 Game Farm Road Yorkville, IL 60560

Re: 111 W. Madison St., Yorkville, IL

Hutter Trankina # 18496

Dear Steve:

Per your request, I visited the above referenced site. The purpose of the visit was to perform a general, visual observation of the structure. The project is composed of 2 structures: the original historic jail/sheriff's house and a 1980's garage/office addition. Both structures are built of conventional timber framing with the exception of the jail area. The inmate housing is built of concrete and steel. The majority of the structure was covered by finishes with the exception of the basement and a few drywall holes in the attic framing.

From the exterior, the roof appeared in poor condition. At the drywall openings to the attic, the roof framing appeared to have substantial water damage/rot. The amount of re-building of the roof could not be determined, but it is likely to be extensive. The roof section between the original jail and the addition should be re-built with a better layout to shed water. This section of roof had numerous leaks on the interior. These leaks have damaged the floor area directly below. I was unable to enter some of these areas due to the extent of the damage. It is likely that the floor joist will have to be rebuilt in this area (hallway between the old jail and office addition).

Another area of deteriorating structure is at the front (south) end of the first floor. The joists are rotted near the front foundation wall. New joist will have to be added in this area.

Within the basement, there are numerous temporary columns added, along with undersized beams (see picture #1). A more sizable and permanent structure is required. W8 steel beams, 3" pipe columns and individual spread footings would have to replace all the temporary structures.

The exterior masonry is in poor condition. It can be salvaged, but is in need of substantial tuck-pointing. One of the chimneys appears to be leaning; further investigation is required for that issue.

The exterior wood framing has extensive water damage/rot and is in need of replacement (picture #2). Most of this exterior framing is decorative in nature. This framing includes windows, roof overhangs, and porches to name a few.

It should be noted that the original jail house is built as residential construction with the exception of the actual jail area. Any change in use would require a much higher floor capacity. Residences are typically designed for a 40 psf live load. If the use were changed and opened to the public, a live load capacity of 100 psf would be needed because of the change in use. This load is 2 ½ times greater than the original and would therefore require a substantial reinforcing/rebuilding of the floor structures.

This report is solely based on a visual observation and should not be considered a thorough or exhaustive investigation of the structure. Should you desire a more indepth investigation, please make arrangements with our office.

Sincerely,

John L. Trankina

President

Attachment



