

Fixing the Feick

by Andy Ouriel, Sandusky Register 2-16-2021



By the numbers: Feick Building

- 8: number of floors; bottom/street-level floor for retail, top seven for residential

- 45: number of apartments

- 400 to 650: range of square feet for each one-bedroom apartment

- \$800 to \$1,200: price of monthly rent, depending on unit

- \$7.5 million to \$10 million: estimated total investment

Source: Marous Development Group

SANDUSKY - One of the tallest buildings in downtown Sandusky finds itself on a shortlist for structures poised to undergo a major transformation.



After completing interior demolishing work and gutting the Feick Building throughout 2020, crews affiliated with Marous Development Group now want to shift into a second phase: construction. Blueprints reveal creating 45 one-bedroom apartments, ranging between 400 and 650 square feet, on floors two through eight. The first floor should play host to an unknown business, potentially a store or maybe even a restaurant. Work should end by this summer, allowing prospective tenants to move in by then.

The original plan, however, involved something completely different. "At one time, we were going to do offices, and then the pandemic hit," said Chip Marous, the managing member of Marous Development Group. Changing habits in how and where people work forced Marous' team to call an audible. "We had to rethink what we were doing and thought apartments would be the best thing," Marous said. "We made that decision three months ago."

The Feick Building closed in 2015 after repairs became too costly for its former owner to fund. Previously, it served as the home for various local businesses. Starting in the 2000s, however, those entrepreneurs and companies began leaving the outdated building, which left it largely empty.

More apartments?



Builders feel confident in their ability to deliver a good product at the Feick. For starters, this landmark building, which debuted in 1909, is in relatively good shape, Marous said. "It has really good bones and is structurally sound," Marous said.

Marous also familiarized himself and his company with downtown Sandusky over the past few years. The company built apartment complexes in two nearby spaces in recent years: above City Hall on Columbus Avenue along with Bowling Green State University's resort and attraction management program, known as Falcon Point Lofts,

wrapping around Hancock and East Market streets.

Even with these projects completed, and tenants residing there now, demand for apartment living remains high downtown, Marous said. Before these two projects, "There hadn't really been a lot of new apartments built in downtown Sandusky," he said. "Our apartments are leased. There is a waiting list for them." Those familiar with the City Hall and BGSU apartments can expect a similar style, Marous said. "All of our apartments are always high quality," Marous said.

The Feick, with its apartments priced between \$800 and \$1,200 a month, "will have all of the benefits of new-apartment living," Marous said.

Marous - whose company also recently overtook leasing rights at Battery Park with plans to rebuild and resurrect the underused waterfront property - explained his continued investment in Sandusky. "We've always liked Sandusky, as it has a lot of potential," Marous said. "With all of these buildings getting filled, you are bringing people downtown and to the city. People will spend money, and that will create more tax revenues. That helps downtown and the city survive. There will be more restaurants and retail, and everything around here will be more successful."

Making sense of the dollars and cents

In April 2020, city commissioners approved a pair of financial packages related to repurposing the Feick Building.

The project, on Marous' end, could cost anywhere between \$7.5 million and \$10 million.

A year ago, officials provided both a \$1.3 million grant and a property tax break to ensure this project went forward. "Without grants and tax abatements, these deals (for redevelopment) won't work," Marous said.

Here's how it breaks down:

- The grant: Grant money, on Sandusky's end, derives from something called tax increment financing, contributed by Chesapeake Lofts residents. Dollars get generated through real estate taxes from owners of units at Chesapeake Lofts pay. Money accruing in this account can only pay for redevelopment, infrastructure and other subsidized private development projects, which the Feick Building qualifies for. It can't pay for general operations or salaries of employees in hopes of balancing a budget.

- The tax break: The project also obtained a tax abatement. The abatement equates to city officials forgiving 75% of all taxes produced strictly from new development once construction ends over a decade-long period. The remaining 25% will fund public infrastructure projects downtown.

Beyond extending their partnership with Marous, Sandusky officials expressed determination with reviving a historic yet long-dormant structure in the city's central business district.

In the early 20th century, "The Feick Building's construction was a symbol of Sandusky's emergency as a great city, and its vacancy was a symbol of its decline," city manager Eric Wobser said. "The renovation of Feick is also symbolic of Sandusky's rebirth as a city that is building on its historic assets to cement its place as American's Best Coastal Small Town," Wobser said.



