

Adelstein may buy long-vacant Penney building

■ Businessman also envisions downtown parking garage.

By Dan Daly
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Stanford Adelstein said the pieces are beginning to fall into place to restore and revive the Main Street building that has been vacant since 1978, when JCPenney moved to the Rushmore Mall.

Adelstein, a Rapid City businessman, has acquired an option to buy the building. He is currently looking for investors and tenants to help him turn the empty building into a collection of shops and stores.

"I'd like to put together a group of Rapid City investors, visionary investors," Adelstein said Wednesday. "I don't want to do it myself. I want it to be a community effort."

Adelstein is also looking at tackling downtown Rapid City's parking shortage, possibly building a for-lease parking garage downtown.

"The thing I don't have a firm handle on is parking," Adelstein said. He said a logical solution might be a parking garage at Sixth and Main streets, next to the former Baer's furniture store building, itself being remodeled into shops and offices.

Adelstein and other business people also have looked at plans that might turn the North Western Warehouse Co. building at 413 Sixth St. into a parking facility. It

is sturdy enough to park cars on the roof, according to plans drawn up a few years ago.

On the Penney building project, Adelstein said he has six serious investors lined up but would like as many as 20 people to be involved. The deal would include the Haines Block around the corner on Sixth Street.

Adelstein declined to say when the option to buy the property expires, but he said he would like to know by early March whether the project is feasible.

The building would need major remodeling work, including costly asbestos removal, he said, and the financial returns would be marginal. But restoration costs would be offset somewhat by tax incentives for historic preservation.

This is the second time Adelstein has had an option to buy the property. He gave up an option more than a decade ago because it was not financially feasible. But recently the building's owner, a Colorado investment company, contacted him about buying the building.

The owner had seen work done on the Republican Block, formerly Woolworth's, which Adelstein bought and turned into four separate businesses.

Adelstein is excited about downtown Rapid City's prospects. He cited the Prairie Edge building, the Baer building, the Republican Block, strong ownership of the Alex Johnson Hotel and plans for a museum near downtown Rapid City.