



CITY OF SWEET HOME CITY COUNCIL WORK SESSION MINUTES

May 27, 2025, 5:30 PM
Sweet Home City Hall, 3225 Main Street
Sweet Home, OR 97386

Mission Statement

The City of Sweet Home will work to build an economically strong community with an efficient and effective local government that will provide infrastructure and essential services to the citizens we serve. As efficient stewards of the valuable assets available, we will be responsive to the community while planning and preparing for the future.

Call to Order & Pledge of Allegiance

The meeting was called to order at 5:30 PM.

Roll Call

PRESENT

Mayor Susan Coleman
President Pro Tem Josh Thorstad
Councilor Chelsea Augsburger
Councilor Ken Bronson
Councilor Aaron Hegge
Councilor Dylan Richards
Councilor Angelita Sanchez

STAFF

Jason Ogden, City Manager / Police Chief
Cecily Hope Pretty, Deputy City Manager
Angela Clegg, Planning & Building Manager
Megan Dazey, Library Services Director
Blair Larsen, City Attorney
Adam Leisinger, Special Projects Manager
Greg Springman, Public Works Director

Work Session – Vacant Building Discussion

City Manager Ogden stated that the discussion would center on two current Council goals: future plans for the former City Hall and downtown vacancy reduction. He noted that the Fire District had previously expressed interest in purchasing the City Hall building but declined due to an estimated \$1.2 million to update the building to code. He stated that as of 2023, there were 23 vacant buildings identified on Main Street and Long Street. He noted that downtown vacancy reduction was a previous City Council goal but no direction was provided in a prior Work Session on the topic.

Mayor Susan Coleman stated that she identified future plans for the former City Hall as one of her primary goals and asked of the reason for the high costs to renovate the building. City Manager Ogden stated that the main issue was the non-functional elevator and associated upgrades that were required for the elevator upgrades.

Councilor Bronson asked of fines related to the elevator. Deputy City Manager Pretty replied that the State's elevator inspector indicated there would be no fines but there were potential fines included in State documents so there was some conflicting information. Councilor Bronson asked of the most serious concern. Deputy City Manager Pretty replied that the lack of ADA compliance was the most serious

concern. Councilor Bronson asked of the estimated cost for demolition. City Manager Ogden replied that the quote the City received was \$162,052 on the conservative end.

Councilor Sanchez asked of the current value of the building. City Manager Ogden replied that staff did not currently know.

Councilor Richards asked of the property taxes paid on the building. Deputy City Manager Pretty replied that taxes would be assessed for the duration of the prior lease. Councilor Richards stated he was not interested in retaining the building.

President Pro Tem Thorstad expressed support for demolition or disposition of the site to be put to better public use.

Mayor Coleman asked City Council to identify what they would like to see done with the site so staff had a clear direction. She noted that she did not believe the City should invest in repairing the building.

Deputy City Manager Pretty reported that the latest insurance appraisal on the building was \$918,900.

Councilor Sanchez expressed support for listing the building for sale. Committee Member Richards expressed support for same.

President Pro Tem Thorstad asked if the appraisal included the issue with the elevator and asked to assess the current commercial value and buyer interest.

Councilor Augsburgers expressed support for the City no longer having responsibility for the building.

Deputy City Manager Pretty stated that there were no notes in the appraisal regarding the elevator so it may not be a component of the appraisal. She added that the potential cost to bring the elevator to Code exceeded the value giving by the City's insurer.

Councilor Hegge stated that a sale price exceeding the cost of demolition would be positive for the City.

Deputy City Manager Pretty stated that the appraisal was for insurance purposes only and did not necessarily reflect market value.

Councilor Augsburgers asked if anyone approached the City interested in purchasing the building. City Manager Ogden stated that no one had. Deputy City Manager Pretty added that the City had been approached by potential lessees but the Code issues were prohibitive.

There was consensus to pursue a commercial appraisal to determine the sale potential of the building.

City Manager Ogden requested Council feedback on what staff could investigate in terms of options to reduce downtown vacancies.

Councilor Hegge asked of the current status of the City-owned former feed store. City Manager Ogden stated that an interested party was working with a contractor to develop estimates for renovation.

Councilor Richards stated that he was not in favor of government intervention in private property matters.

Councilor Sanchez asked staff to contact Commissioner Loveall in Springfield to discuss their success in downtown revitalization.

President Pro Tem Thorstad stated that the business owners should be responsible for bringing their buildings up to code and that standards should be enforced by the City.

Mayor Coleman highlighted downtown vacancy reduction as a priority among residents who answered a recent community survey. She noted that she had heard concern with business owners being unwilling to work with potential purchasers or renters. She stated that she did not want to harm property owners but noted that creative solutions would be required to improve vacancy rates.

Councilor Sanchez stated that she was in support of incentives rather than penalties.

Councilor Augsburgers stated she was not in support of additional restrictions on property owners or imposing fines.

Councilor Sanchez asked of the structure of a potential new ordinance and compliance requirements. Deputy City Manager Pretty replied that staff was seeking input from Council as to whether they would

like staff to investigate what other communities are doing in terms of penalties. She added that any proposals would need to include flexibility to work with property owners without immediate penalties.

President Pro Tem Thorstad stated that the successful downtowns he knew of had more regulations than Sweet Home but he also highlighted their incentive programs.

Councilor Hegge asked of grant opportunities. City Manager Ogden stated that there was limited funding for the Commercial Exterior Improvement Program (CEIP) but that he would be redirecting rent from the City's flex building to the fund. Deputy City Manager Pretty added that many cities who have been successful in securing external grants for downtown redevelopment had additional revenue streams, such as taxes, to support required grant match funds, which Sweet Home does not have. Councilor Hegge asked if sale proceeds from old City Hall could be directed to the City's Economic Development Fund. Deputy City Manager Pretty replied that the City Council could direct where those proceeds should go.

Councilor Richards asked if staff knew the value of the old Santiam Feed store. City Manager Ogden stated that the building had not been appraised but the purchase price was around \$260,000. Councilor Richards asked if proceeds from selling the building could be used to restore CEIP funding. City Manager Ogden replied that City Council could decide.

President Pro Tem Thorstad expressed support for the City expanding its revenue-generating opportunities to avoid increasing taxes and fees.

Councilor Richards expressed support for disposition of any City properties that were not revenue-generating.

Councilor Augsburger stated she was not in support of the City operating as a landlord.

President Pro Tem Thorstad stated that it was common for other municipalities to own properties for revenue generation and development opportunities.

Councilor Sanchez suggested working with Springfield to explore how they offer interest-generating loans to businesses.

Mayor Coleman suggested taking inventory of City-owned properties.

City Manager Ogden stated a priority for staff was developing relationships to improve the issues of vacancies and noted potential progress in connecting owners with renters.

There was consensus to conduct an inventory of City-owned properties and an updated vacant building inventory.

Mayor Coleman expressed gratitude to those downtown property owners who invest in their buildings.

Councilor Sanchez asked that staff reach out to owners of vacant buildings to determine what they would like to see from the City.

Adjournment

There being no further discussion, the meeting was adjourned at 6:15 PM.

Mayor

ATTEST:

City Manager – Ex Officio City Recorder