



# REQUEST FOR COUNCIL ACTION

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**Title:** Request for Council Action – City Hall Lease Negotiation Authority

**Preferred Agenda:** June 25, 2024

**Submitted By:** Cecily Hope Pretty, Administrative Services Director

**Reviewed By:** Kelcey Young, City Manager

**Type of Action:** Resolution  Motion  Roll Call  Other

**Relevant Code/Policy:** N/A

**Towards Council Goal:** Be an Effective and Efficient Government, Rejuvenate Essential Services, Economic Strength, Image Building

**Attachments:** N/A

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**Purpose of this RCA:**

To seek City Council approval to authorize the City Manager or their designee to negotiate and approve lease agreement(s) for the vacant portion of City Hall, located at 3225 Main Street.

**Background/Context:**

Half of the current City Hall building has been largely vacant since staff relocated in 2019. The City has been approached by multiple interested parties desiring to lease the available space.

**The Challenge/Problem:**

The vacant portion of the City Hall building presents an opportunity for businesses seeking space, and leasing it to a tenant will provide revenue to the City of Sweet Home.

**Stakeholders:**

1. **Citizens:** Citizens will benefit from new business and new revenue streams for the City.
2. **City Council:** City Council will be successful in attracting business and services while strengthening the financial position of the City.

**Issues and Financial Impacts:**

Minor renovations may be required, but will be offset by the revenue generated from a lease.

**Elements of a Stable Solution:**

A decision that allows for utilization of existing space and a better financial arrangement for the City.

**Options:**

1. **Do Nothing:** The vacant portion of the City Hall building will remain without a paying tenant.
2. **Authorize the City Manager to Negotiate:** Move to approve the authorization of the City Manager to negotiate and approve lease agreement(s) for the building.

**Recommendation:**

Staff recommends Option 2: Move to approve the authorization of the City Manager to negotiate and approve lease agreement(s) for the building.