



MEMORANDUM

TO: Clackamas County Board of County Commissioners (BCC)
FROM: Nancy Bush, County Operating Officer
RE: Main Street Courthouse Committee Recommendation
DATE: November 26, 2024

REQUEST: Staff request that the Board accept the Main Street Courthouse Committee's recommendation and provide direction on implementation.

BACKGROUND: At the direction of the Board of County Commissioners, an advisory committee was formed in September 2024 to offer a recommendation to the Board on the disposition of the current County Courthouse once the Replacement County Courthouse is completed in May 2025. The enclosed report outlines the approach of the committee and its recommendations.

The Main Street Courthouse Committee recommends that the Board sell or transfer the courthouse to an entity that would fully contribute to the economic vitality of the downtown Oregon City area. The committee also offers a number of considerations they believe the Board should take into account as part of the disposition process.

RECOMMENDATION: Staff respectfully recommends the Board accept the Main Street Courthouse Committee's recommendation and direct staff to begin developing a process for disposition in alignment with the recommendation.

Respectfully Submitted,

A handwritten signature in black ink that reads "Nancy Bush".

Nancy Bush
County Operating Officer

Attachments:

Oregon City Main Street Courthouse Committee Recommendations and Considerations



Recommendations and Considerations

Oregon City Main Street Courthouse Committee

November 4, 2024

Background

Committee Charge

The Board of County Commissioners established the Oregon City Main Street Courthouse Committee in September 2024 to evaluate the current condition of the Main Street Courthouse and make a recommendation to the Board on the disposition of the current courthouse following the May 2025 completion of the Replacement County Courthouse under construction on the Red Soils Campus.

Committee Composition

To ensure that the committee's recommendations reflected the views of the downtown Oregon City area, the Oregon City Main Street Courthouse Committee included members from the Oregon City Chamber of Commerce, the Downtown Oregon City Association, the Oregon City Business Alliance, the City of Oregon City, the Board of County Commissioners, and city and county Economic Development staff.

We would like to thank the members for their participation:

Clackamas County Chair Tootie Smith
Clackamas County Commissioner Martha Schrader
Oregon City Mayor Denyse McGriff
Juliana Allen, Downtown Oregon City Alliance
Victoria Meinig, Oregon City Chamber of Commerce
Jeff Shaffer, Oregon City Business Alliance
James Graham, City of Oregon City
Laura Edmonds, Clackamas County

We would also like to recognize the County staff that supported the committee, including:

County Operating Officer Nancy Bush
Senior Policy Advisor Emily Klepper
Policy Advisor Tony Mayernik
Facilities Operations Manager Daniel Robertson
Civil Division Captain Kevin Thies, Clackamas County Sheriff's Office

Special thanks to Shelly Parini, who served as facilitator for the committee's meetings and helped formulate the committee's final recommendations and considerations outlined in this document.

Executive Summary

The Oregon City Main Street Courthouse Committee met three times over the course of two months and toured the courthouse to view its current condition and utilization. During the three meetings, the committee reviewed current facility documents, explored potential uses of the building and disposition options, and discussed related topics that members felt should be considered as part of the disposition process.

Meeting 1 – October 15, 2014

Committee members began with a visioning exercise, responding to the following question:

“When you look ten years down the road what could or should be happening in the current courthouse building, or on that site, that could more fully contribute to the economic well-being of the downtown core and beyond?”

Individuals shared their unique ideas which included mixed-used development, community spaces, a boutique hotel, retail and commercial space, and an artistic center. One member noted an interest in ensuring that any future use includes a childcare facility.

Currently the courthouse has an estimated 700-800 visitors daily, including County and state staff. Committee members expressed concerns that this visitor traffic to the downtown core would be lost with the relocation of the courthouse and would need to be replaced by any future use. The downtown Oregon City area has many venues that depend on visitor traffic. In general, members felt that **the highest and best use of the building should be an active facility that adds to the vitality of the downtown core in ways that build on the city's rich history, business diversity and cultural connections.**

Dan Robertson, Facilities Operations Manager, provided the committee with a comprehensive review of the 2022 appraisal completed by CBRE Inc, a deferred maintenance summary, and economic impact of the current courthouse operations.

Meeting 2 – October 23, 2024

The committee explored the disposition options available to the current County building:

1. Demolition of the current facility and construction of a new building
2. Renovation or conversion to another use
3. "As Is" re-use of the existing building

Demolition would require the removal of the existing building and preparation for construction of a new facility, allowing the widest range of options for future use. Renovation or Conversion would involve any level of work from minor refreshing of fixtures and finishes to major interior alterations, along with potential work to address deferred maintenance issues and address systems upgrades. "As Is" re-use of the existing building would entail a "turnkey" approach, putting the building to work with only minor refreshing of fixtures and finishes and no efforts to address deferred maintenance or systems upgrades.

Committee members engaged in an activity that examined the opportunities, barriers and bridges (solutions) for each disposition option. While demolition of a building to allow for new construction is a valid option that would maximize flexibility, the committee was ultimately concerned about the costs, potential public response, and loss of the historical significance of an existing building.

The committee spent much of the discussion exploring options 2 and 3 and determined that disposition with a renovation or conversion would provide the most flexibility for a future user. It would also allow an opportunity to address the deferred maintenance concerns and essential systems upgrades. Given the current configuration of the building as a courthouse, with multiple auditorium-like spaces and supporting offices, the committee established that an "as is" disposition would likely be used as phase one of a renovation or conversion.

Potential reuse opportunities for the building are summarized in the categories below:

- ✓ mixed-use development
- ✓ multi-family housing,
- ✓ an entertainment venue,
- ✓ retail and commercial spaces,
- ✓ childcare facilities,
- ✓ a hotel and
- ✓ event space.

Many committee members noted that the development of any of these proposals would require significant financial investment to address the deferred maintenance and safety issues, with unknown activities to preserve the historical significance of the building.

Meeting 3 – October 31, 2024

The committee reviewed the previous sessions. Nancy Bush, County Operating Officer, shared an analysis from County Counsel of the state guidelines that address the historical significance of any publicly owned building in any disposition process, and the next steps in the County's process. As the building is over 50 years old, it falls into the category of "historically significant" by the Oregon State Historic Preservation Office (SHPO) and is eligible for listing on the National Register of Historic Places. The County should connect with SHPO and coordinate its disposition process with the state agency. Acknowledging the historical significance of the courthouse does not generally eliminate any options in the disposition process.

Ultimately, the committee returned to their core charge, that is to make a recommendation to the Board of County Commissioners on whether to keep, sell, or transfer the courthouse. **Committee members were universally aligned with the option to sell or transfer the building**, with little interest in exploring the option to keep the building for the County's purposes. The committee notes that "transfer" lacks clarity in terms of what that process would look like but provides flexibility to the BCC. If the County chooses to dispose of the building, the committee would like to ensure that the future use of the building or property adds to the vitality of the downtown core.

Additionally, the committee outlined several considerations that they thought were important to the disposition process, including the continued involvement of community stakeholders and the public, creating a process that considers the desire to preserve and enhance the economic vitality of the downtown Oregon City area, and continued public engagement to keep the community informed.

Recommendation

The Oregon City Main Street Courthouse Committee recommends that the Board of County Commissioners sell or transfer the courthouse to an entity that would fully contribute to the economic vitality of the downtown Oregon City area.

Considerations

The Oregon City Main Street Courthouse Committee respectfully adds the following further considerations to its recommendation to the Board of County Commissioners. As possible:

- Evaluate opportunities for continued public engagement and communication with stakeholders.
- Consider including criteria in the selection process that reflects the committee's desire to preserve and enhance the long-term economic vitality of the downtown Oregon City area.
- Encourage, where economically feasible, preservation or reuse of the facility's unique architectural features and assets.