

**MEMORANDUM**

TO: Mayor and City Council

FROM: Eric Mongan, City Planner

SUBJECT: PUBLIC HEARING DECLARING SURPLUS REAL  
PROPERTY MAP/TL: 20-03-32-43-01400

DATE: May 8, 2024

Background

The City of Cottage Grove is the owner of real property located at the southeast corner of the intersection of Sweet Lane and South R Street. This unaddressed lot, known as Map/TL: 20-03-32-43-01400, is Lot 14 of the First Addition to the Cottage Grove Industrial Park Subdivision. This property and the other Lots of the Subdivision were purchased in 2019 by the City with the intent of extending the South R Street right-of-way and to create lots for sale for industrial use. At this time the City has received an offer in writing from Ernest Olson Jr. to purchase Lot 14 (TL: 1400) from the City for the purposes of industrial development. Mr. Olson's offer of \$632, 164.50 (\$2.25/sf) is attached to this memo.

At the time the offer was received from Mr. Olson the property was not "listed" or advertised for sale by an agent. Mr. Olson inquired in-person regarding the property before making his written offer.

While the subject property was always intended to be sold for industrial development it is appropriate for the Council to solicit input from the public via a Public Hearing prior to declaring the property surplus, hence this Public Hearing. Upon completion of the Public Hearing the Council will consider a Resolution declaring the property as surplus and authorizing the City Manager to sign the necessary documents to complete the sale of the property to Ernest Olson, Jr.

Notice of the Public Hearing was advertised in the Cottage Grove Sentinel on May 1, 2024.

Recommendation

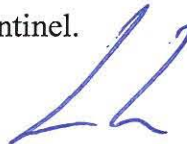
That the City Council hold the Public Hearing.

Cost

The cost of advertising in the Cottage Grove Sentinel.



Mike Sauerwein, City Manager



Eric Mongan, City Planner

Ernest E. Olson Jr  
33823 River Drive  
Creswell, Oregon 97424

City of Cottage Grove  
400 E Main  
Cottage Grove, Oregon 97424

I Ernest E. Olson Jr offering approx. \$632K (2<sup>25</sup> sq ft)  
on Lot 14 First addition in the Cottage Grove Industrial  
Park

I'm offering trading my equity in property First addition  
Sunset Park (20 lots subdivision currently under  
development off Olson's place & Yoss Pl.

I will receive approx. \$41K per lot when I release my  
first on lots when they pay me.

They have a balloon in a little over a year or I  
receive my property back.

The lots will be approx. \$100K when infrastructure is done  
I will receive all most double if they come through.

My agreement is 20 lot @ \$41K = \$820K - approx \$1632K  
for lot 14. Anything more would go to City

I'm planning to <sup>put</sup> portable storage units on property,  
Thank you.

Ernest E. Olson Jr  
ERNEST E. OLSON JR

3-20-24