



**CITY OF MOLALLA
CITY COUNCIL REGULAR MEETING
AGENDA**

Civic Center | 315 Kennel Avenue
Wednesday, June 11, 2025 | 7:00 PM

NOTICE: City Council will hold this meeting in-person and through video Live-Streaming on the City's Facebook Page and YouTube Channel. Written comments may be delivered to City Hall or emailed to recorder@cityofmolalla.com. Submissions must be received by 12:00 p.m. the day of the meeting.

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1. CALL TO ORDER AND FLAG SALUTE

2. ROLL CALL

3. CONSENT AGENDA

- A. [Work Session Meeting Minutes - July 10, 2024](#)
- B. [Work Session Meeting Minutes - July 24, 2024](#)
- C. [Work Session Meeting Minutes - April 9, 2025](#)
- D. [Work Session Meeting Minutes - May 14, 2025](#)
- E. [Work Session Meeting Minutes - May 28, 2025](#)
- F. [City Council Meeting Minutes - May 28, 2025](#)
- G. [TMDL Report - Molalla Named as Dedicated Agency](#)
- H. [Resolution No. 2025-08: Approving Molalla Sanitary Services, Inc. Rate Adjustment as Change in Franchise Agreement](#)

4. PRESENTATIONS, PROCLAMATIONS, CEREMONIES

5. PUBLIC COMMENT

(Citizens are allowed up to 3 minutes to present information relevant to the City but not listed as an item on the agenda. Prior to speaking, citizens shall complete a comment form and deliver it to the City Recorder. The City Council does not generally engage in dialogue with those making comments but may refer the issue to the City Manager. Complaints shall first be addressed at the department level prior to addressing the City Council.)

6. PUBLIC HEARINGS

- A. Resolution No. 2025-07: Adopting the Budget, Making Appropriations, and Imposing and Categorizing Taxes for the 2025-2026 Fiscal Year

7. ORDINANCES AND RESOLUTIONS

- A. [Resolution No. 2025-07: Adopting the Budget, Making Appropriations, and Imposing and Categorizing Taxes for the 2025-2026 Fiscal Year](#)

8. GENERAL BUSINESS

- A. [Urban Growth Boundary Study: Goal 14 Memo Overview \(Planning Staff & 3J Consulting\)](#)
- B. [PILOT Payment in Lieu of Taxes - 1000 W. Main Street \(Bear Creek Apartments\)](#)

9. STAFF COMMUNICATION

10. COUNCIL COMMUNICATION

11. ADJOURN

Agenda posted at City Hall, Library, and the City Website at <http://www.cityofmolalla.com/meetings>. This meeting location is wheelchair accessible. Disabled individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-829-6855.



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Work Session Meeting Minutes - July 10, 2024

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

The Finance Department is preparing for the City's annual audit. It is the City Recorder's office responsibility to provide Meeting Minutes to the auditor for meetings held during each fiscal year.

To correct a few missing items, Work Session Minutes from July 2024, April 2025, and May 2025 are included in the Consent Agenda. Once approve, all Meeting Minutes will be accounted for.

ATTACHMENTS:

[07-10-24 Work Session Meeting Minutes.draft.pdf](#)



City of Molalla
City Council – Work Session
Minutes – July 10, 2024
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Work Session of July 10, 2024 was called to order by Mayor Scott Keyser at 6:00pm.

COUNCIL ATTENDANCE

Mayor Scott Keyser, Council President Jody Newland, Councilor Leota Childress, Councilor Terry Shankle, Councilor Eric Vermillion, Councilor RaeLynn Botsford, and Councilor Darci Lightner.
Student Council Liaison, Grace Peterson.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Christie Teets, City Recorder; Kyle Murphy, Code Compliance Specialist

DISCUSSION ITEMS

A. Molalla Municipal Code Chapter 10.42 – Overnight parking in City owned lots

Assistant City Manager Corthell opened discussion focused on code enforcement, particularly regarding parking regulations in City-owned lots. Mr. Corthell noted there were minimal issues with overnight parking in City lots, however, establishing clear, enforceable rules within the Code would be the objective. The main challenge was defining "overnight" to ensure consistency and fairness in enforcement. City Council and staff discussed examples of concern such as nearby apartment residents, whom leave cars in City lots long-term to avoid street parking violations. While a permit system was previously discussed, there is still uncertainty regarding enforcement details, such as defining time restrictions for permits.

The current parking enforcement policy states that vehicles parked overnight without a permit are immediately subject to a ticket, and if left for 72 hours, they are eligible for towing. Ticket fines range from \$20 to \$50, with the highest fine applying to parking in front of a fire hydrant. While the City code allows fines up to \$100, the ticket books currently in use cap fines at \$50. The key issue is defining specific hours; establishing hours would help address 'overnight' parking in City lots.

After extensive discussion, the City Council reached a consensus to define "parking time" between the hours of 2:00 AM and 7:00 AM. The consensus provided City Staff with a clear timeframe to begin addressing overnight parking regulations in City-owned lots and explore potential revisions or clarifications to the existing code in the future.

[For the complete video account of the Work Session, please go to YouTube
"Molalla City Council Work Session – July 10, 2024 "](#)

ADJOURN

Mayor Keyser adjourned the Work Session at 6:40pm.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC - City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Work Session Meeting Minutes - July 24, 2024

ATTACHMENTS:

[07-24-24 Work Session Meeting Minutes.pdf](#)



City of Molalla
City Council – Work Session
Minutes – July 24, 2024
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Work Session of July 10, 2024 was called to order by Mayor Scott Keyser at 6:00pm.

COUNCIL ATTENDANCE

Mayor Scott Keyser, Council President Jody Newland, Councilor Leota Childress, Councilor Terry Shankle, Councilor Eric Vermillion, Councilor RaeLynn Botsford, and Councilor Darci Lightner.
Student Council Liaison, Grace Peterson

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Christie Teets, City Recorder.

Guest in Attendance: Johnson Economics Consultant Brenden Buckley

DISCUSSION ITEMS

- A. Economic Opportunities Analysis
 - a. EOA – Presentation
 - b. EOA – Report
 - c. Employment Buildable Lands Inventory

Senior Planner, Dan Zinder introduced the Economic Opportunities Analysis (EOA) project, highlighting the completion of the Buildable Lands Inventory draft and the finalization of the employment profile, which compares Molalla's economy to other Cities and Clackamas County. The next step is presenting the findings to the Council for feedback.

Brenden Buckley, Johnson Economics provided an update on the project's progress since June. The advisory committee had met several times, and draft documents were ready for review. Buckley shared key findings, including Molalla has about 3,800 jobs, with agriculture, forestry, and outdoor-related businesses as the largest sector. Other sectors include retail, leisure and hospitality, healthcare, and social assistance. The data shows that most businesses are small, with fewer than five employees, reflecting national trends.

Commuting data revealed that approximately 500 Molalla residents work in the City, while around 2,000 commute into Molalla, and nearly 4,300 residents travel outside the City for work, mainly to Portland, Oregon City, Canby, and Salem.

Johnson Economics presented two employment growth forecasts: a 1% annual growth rate (861 new jobs over 20 years) based on regional trends and a 2% rate (1,730 new jobs) based on population projections. The higher growth rate aligns more closely with Molalla's past trends. The discussion then turned to Molalla's key industry clusters identified in the 2020 Economic Development Plan. Next steps include refining employment projections to align with local priorities and gathering further feedback. The final draft will be presented after more input, with ongoing updates in the coming months.

[For the complete video account of the Work Session, please go to YouTube
"Molalla City Council Work Session – July 24, 2024 "](#)

ADJOURN

Mayor Keyser adjourned the Work Session at 6:35pm.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC - City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Work Session Meeting Minutes - April 9, 2025

ATTACHMENTS:

[4-9-2025 Work Session Meeting Minutes.draft.pdf](#)

[4-9-2025 Fueling Stations in C-1 Zone presentation.pdf](#)



City of Molalla
City Council – Work Session
Minutes – April 9, 2025
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The City Council Work Session of Wednesday, April 9, 2025 was called to order by Mayor Scott Keyser at 6:00pm.

COUNCIL ATTENDANCE

Present: Mayor Scott Keyser, Council President Eric Vermillion, Councilor Leota Childress, Councilor Terry Shankle, Councilor RaeLynn Botsford, Councilor Doug Gilmer, and Councilor Martin Bartholomew.

STAFF IN ATTENDANCE

Mac Corthell, Assistant City Manager; Dan Zinder, Senior Planner; Christie Teets, City Recorder.

DISCUSSION ITEMS

A. Farmstands & Cottage Kitchens in Molalla

Assistant City Manager Corthell shared a presentation on farmstands to City Council that included Overviews & Goals, current Molalla Municipal Code language for farmstands, current State laws, and farm direct marketer exemptions. A comparison between City and State standards was provided. He also detailed the current regulations on Cottage Foods and Domestic Kitchens, explaining the difference between City and State standards. Discussion continued between Council and staff. Council requested that staff present a draft Ordinance for passage, that would create standards in Molalla for these items. The draft Ordinance will be provided to Council at a future meeting.

This topic became lengthy, which led to an extension of time for the Work Session. When consulted by Mayor Keyser, City Recorder Teets recommended adjournment no later than 7:10pm.

B. City File DCA02-2025 Gas Stations in the C-1 Zone

Senior Planner Zinder provided a presentation to City Council regarding fuel stations in the C-1 Zone, as it is not currently permissible in the C-1 central commercial zone. The City has received several inquiries regarding fuel station development and it has also been topic of discussion during the Economic Opportunities Analysis. General pros and cons were explained, along with traffic facts and figures. Council was also provided with options of moving forward and next steps for staff. *(Presentation included in these Meeting Minutes.)*

Due to poor video and audio quality, a video account of the Work Session, is not fully available.

ADJOURN

Mayor Keyser adjourned the Work Session at 7:12pm.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC - City Recorder

Fueling Stations In The C-1 Central Commercial Zone

City Council Work Session
April 9, 2025



Overview

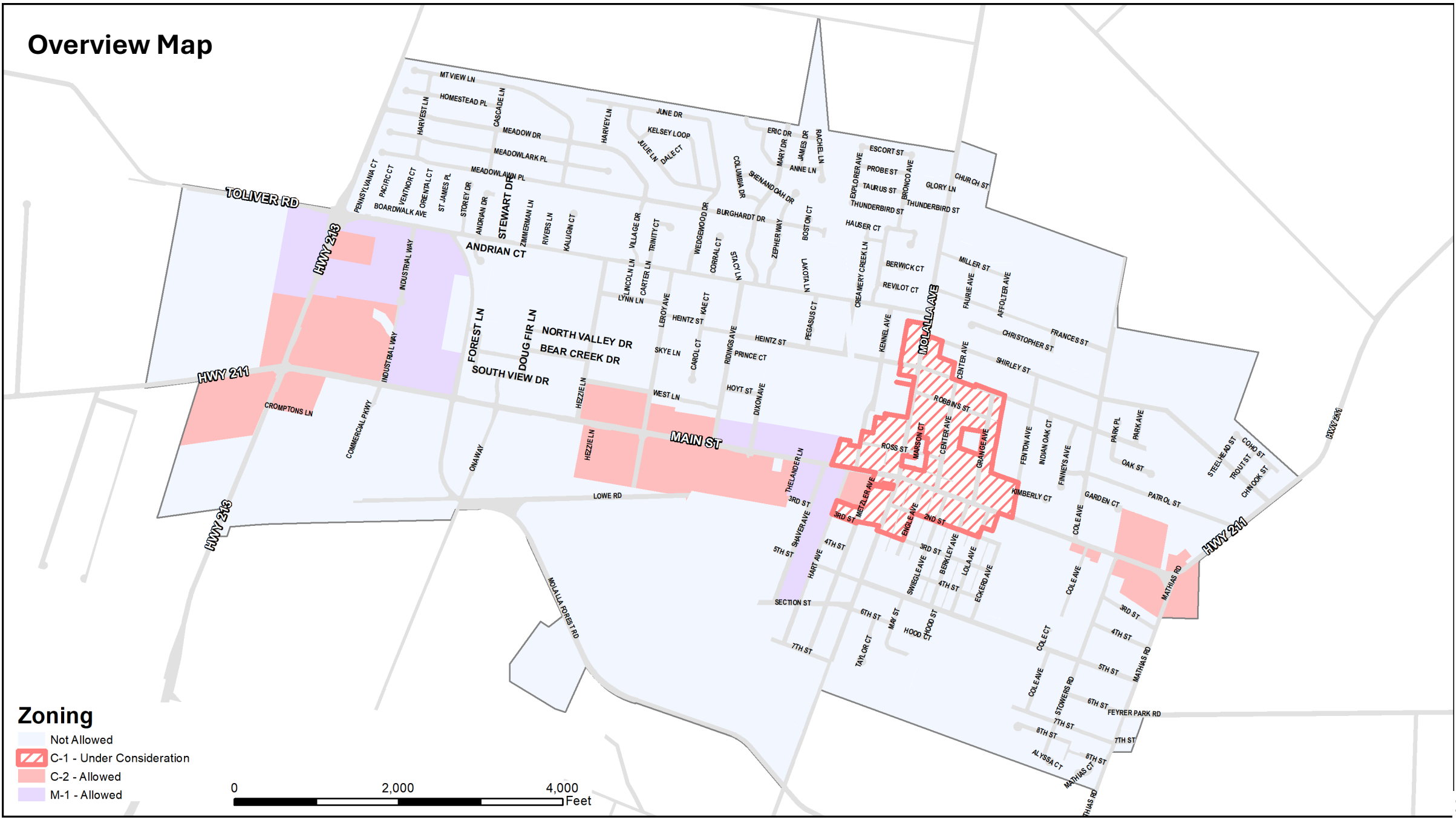
MMC Table 17-2.2.030

The following use is not permissible in the C-1 Central Commercial Zone:

Automotive Repair and Service, includes fueling station, car wash, tire sales and repair or replacement, painting, and other repair for automobiles, motorcycles, aircraft, boats, RVs, trucks, etc. (No junking, salvage operations)

This use is permissible in the M-1 Light Industrial and C-2 General Commercial Zones

Overview Map



Zoning

- Not Allowed
- C-1 - Under Consideration
- C-2 - Allowed
- M-1 - Allowed

0 2,000 4,000 Feet

Why Are We Considering Change?

Interested Developers

The City has received several inquiries regarding fueling station development, including the long abandoned station downtown and in other locations. Planning Commission recently approved an extension of a non-conforming use to re-establish the existing fueling station.

Economic Opportunities Analysis

One of these developers made a case supporting fueling station uses in the C-1 zone during Economic Opportunities Analysis briefings to Planning Commission and Council. The City's staff report included a Development Code Recommendations Memo that advised that we revisit the questions of whether fueling stations should be allowed in this zone.

This follow up was recommended for fueling stations specifically.

General Cons To Allowance:

- Easy to develop, hard to redevelop
- Can dominate a downtown
- Aesthetics
- Can hinder pedestrian safety and mobility
- Pollution and health risks
- Traffic

Ellenville, NY



General Pros To Allowance:

- Fueling trips associated with other regional trips
- Fueling trips associated with other local trips
- Design standards can integrate pedestrian use, aesthetics, and traffic impacts
- Traffic to downtown can be healthy

Ottawa, ON



Traffic Facts and Figures

Fueling Station

Peak hour trips: 13.87 trips/Pump Station

Primary Trip Ends: 4.85/Pump Station

4 Pump Station: 17.4 Primary Trip Ends

Retail Sales and Services

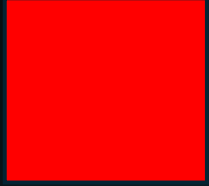
5000 SF Office Building: 7.45 Primary Trip Ends

5000 SF Restaurant: 19.6 Primary Trip Ends

5000 SF Specialty Retail Center: 13.55 Primary Trip Ends

Options For Moving Forward:

- No Changes
- Permit fueling stations outright
- Special Use Standards
- Conditional Use Permit



No Change

Current

USE	C-1 Zone
Automotive Repair and Service, includes fueling station, car wash, tire sales and repair or replacement, painting, and other repair for automobiles, motorcycles, aircraft, boats, RVs, trucks, etc. (No junking, salvage operations)	N



Permitting Outright

Current

USE	C-1 Zone
Automotive Repair and Service, includes fueling station, car wash, tire sales and repair or replacement, painting, and other repair for automobiles, motorcycles, aircraft, boats, RVs, trucks, etc. (No junking, salvage operations)	N

Proposed

USE	C-1 Zone
Automotive Repair and Service, includes fueling station , car wash, tire sales and repair or replacement, painting, and other repair for automobiles, motorcycles, aircraft, boats, RVs, trucks, etc. (No junking, salvage operations)	N
Fueling Stations	P



Special Use Standards

Purpose

Apply a set of standards to a specific use that are not generally implemented by the development code. These standards are evaluated as part of the design review.

These could be applicable for all zones where fueling stations are allowed.

Relevant Examples

Landscape buffering between pedestrian way and vehicle maneuvering area or other vehicle maneuvering/pedestrian separation

Proximity to other fueling stations or core areas of downtown

Access considerations, such as split entry

Hours of operation

Lighting impacts – screening for residential uses

EV Charging Requirement



Conditional Use Permitting

Purpose

Allows the Planning Official to make case by case determinations on design elements beyond what is required for site design review. Separate permitting process and fee is required and maintenance of the permit is required. Conditional use permits are a Type III process requiring a hearing.

Scope

Conditional use permits can set requirements for factors including but not limited to hours of operation, design features, pollution control, height/coverage/location, access locations, dedication and public improvements, landscaping, water quality, improvement to parking areas, sign placement, screening, lighting, fencing, protection of existing features, and utility improvements.

Next Steps

- Direction from Council

If development code changes are directed:

- Craft an ordinance based on feedback
- Additional work session?
- Adoption

Questions

- Do you have any unaddressed concerns regarding gas station impact in the C-1 zone?
- Do you have any unaddressed concerns about any of the available options?
- Are there additional standards you would want Staff to research and consider?
- What is your overall direction for Staff? Which option should we pursue?

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CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Work Session Meeting Minutes - May 14, 2025

ATTACHMENTS:

[05-14-25 WS Meeting Minutes.for packet.pdf](#)



City of Molalla
City Council – Work Session
Minutes – May 14, 2025
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Work Session of May 14, 2025 was called to order by Mayor Scott Keyser at 6:00 pm.

COUNCIL ATTENDANCE

Present: Mayor Scott Keyser, Council President Eric Vermillion, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, and Councilor Martin Bartholomew.

Absent: Councilor RaeLynn Botsford.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Dan Zinder, Senior Planner; and Christie Teets, City Recorder

GENERAL BUSINESS

- A. Repeal and Replace Ordinance No. 2025-05: Efficiency Measures; Changing Accessory Dwelling Unit Approvals from a Type II to a Type I Process Comprehensive Plan Map and Zoning Map Changes

Senior Planner, Dan Zinder, reported that Ordinance No. 2025-05 was passed at the Molalla City Council Meeting on March 26th to change comprehensive zoning map for 44 properties, changed zoning map designation for 34 properties and changed the approval process for accessory dwelling units from a Type II process to a Type I process.

ODOT submitted comments challenging the City's finding of no significant transportation impact, particularly concerning industrial-to-commercial rezoning changes that may affect Highway 213 Roundabout and other ODOT intersections. After conducting Trip Generation Analysis in consultation with ODOT, City staff determined that while residential and central commercial rezonings have no issues, the industrial-to-commercial zones would generate higher trip counts requiring additional analysis. Mr. Zinder shared staff's recommendation to repeal and replace Ordinance 2025-05 to omit the high-trip-generating areas while retaining the residential/commercial rezonings and Accessory Dwelling Unit (ADU) changes.

Mayor Keyser expressed concern that a \$2.5 million investment in a planned roundabout was limiting the City Council's ability to move forward with zoning changes. He critiqued interference from a state agency, suggesting it was preventing locally elected officials from making planning decisions that reflect the will of City voters. Assistant City Manager Corthell acknowledged that parts of that assessment were accurate.

Assistant City Manager Corthell noted that both ODOT and the City appear to have followed proper procedures when the roundabout was built, with ODOT relying on the City's Transportation Systems Plan (TSP) that only looked at full buildout of existing land rather than anticipating Urban Growth Boundary expansion. He acknowledged both agencies did what they were supposed to do based on available information, though questionable whether ODOT should have considered the City's limited remaining developable land (20 acres) when investing \$8-9 million in infrastructure meant to serve the community for 20 years. Staff clarified that ODOT is not rejecting the proposal outright but rather objecting based on lack of sufficient analysis.

City Manager Huff emphasized the challenges facing local governments due to ongoing changes at the state legislative level that are undoing established land use development frameworks, while state agencies are not adapting at the same pace. He noted that by the time the City completes its traffic study, some current requirements may no longer be relevant due to state-level changes. He concluded that it's an exceptionally difficult time for local governments to navigate land use planning requirements.

Assistant City Manager Corthell explained the challenges of working with aging master plans, noting that while the City's 2018 Transportation Plan remains valid, it's now six years into its intended 10-year update cycle and doesn't account for Molalla's expected growth. He argued that ODOT bears some responsibility for not adequately considering long-term infrastructure needs when reviewing major projects, particularly given that the City hasn't expanded its Urban Growth Boundary in 41 years and has only 60 acres of developable land remaining, even though current plans are valid. Mr. Corthell further emphasized Mr. Zinder's proposed plan as the best path forward because it incurs no additional cost to the City while still providing the opportunity to achieve the same outcomes as the original ordinance, should the transportation studies support the rezoning.

Mr. Zinder indicated the ODOT challenge may be "a blessing in disguise" because it revealed Transportation Systems Plan challenges before applying for the Transportation and Growth Management (TGM) grant.

The City Council consensus posed for staff to repeal ORD2025-05 and replace it with an ordinance that omits areas that could significantly impact ODOT transportation facilities along OR-211 and OR-213 Highways.

ADJOURN

Mayor Keyser adjourned the City Council meeting at 6:37pm.

For the complete video account of the City Council Meeting, please go to [YouTube](#)
["Molalla City Council Meetings – May 14, 2025"](#)

Scott Keyser, Mayor

PREPARED BY:

Crystal Robles, Records Specialist

ATTEST:

Christie Teets, CMC, City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Work Session Meeting Minutes - May 28, 2025

ATTACHMENTS:

[05-28-25 WS Meeting Minutes.pdf](#)



City of Molalla
City Council – Work Session
Minutes – May 28, 2025
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Work Session of May 28, 2025 was called to order by Mayor Scott Keyser at 6:00 pm.

COUNCIL ATTENDANCE

Present: Mayor Scott Keyser, Council President Eric Vermillion, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, Councilor Martin Bartholomew.

Absent: Councilor RaeLynn Botsford.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Sam Miller, Section Engineer; and Christie Teets, City Recorder

GENERAL BUSINESS

A. Street Maintenance Funding

Assistant City Manager Corthell presenting the Staff Report requesting Council consent of a Comprehensive Public Engagement Plan to address street maintenance funding challenges. Following the 2018 Street Maintenance Utility Fee Ordinance that was overturned by voters, staff completed an updated Pavement Condition Index (PCI) analysis and identified critical funding gaps that threaten the City's roads. The updated PCI analysis reveals that current annual street fund revenue of approximately \$1.53 million, minus operational costs of \$1.28 million, leaves only \$250,000-\$300,000 annually for street surfacing. At this funding level, the City's PCI is projected to decline by four points over the next five years. To maintain the current PCI of 63 (ideal PCI is 82-84), the City requires \$500,000 annually plus inflation, which is about \$200,000 more than current capacity. Staff allocated \$1.15 million for fiscal year 2025-26 as a temporary measure, but this level of funding cannot be sustained beyond the coming year without additional revenue sources.

Staff analysis identified two viable, consistent revenue sources for street maintenance: a street utility fee and a local fuel tax. A street utility fee can be implemented by council resolution but remains subject to voter referendum, for example: with the City's 3,500 utility accounts a dollar fee would generate approximately \$42,000 annually.

Given the previous referendum failure and to gain community trust, staff recommended an 8–12-month comprehensive public engagement process before pursuing any funding resources. The proposed strategy includes pre-engagement research, a dedicated project webpage, community surveys, participation in local events, town halls, meetings with community groups, formal presentations to the Planning Commission and City Council. This approach educates the community about infrastructure needs while gathering input on funding options and levels, allowing a future Council decision is informed by community feedback and engagement.

City Manager Huff emphasized that Molalla is among the few cities without a Street Utility, Gas Tax, or Parks Fee, noting that most comparable cities utilize one or a combination of these funding mechanisms with diverse approaches across different municipalities. Mr. Huff reflected on the challenges encountered during the original street utility proposal, including low attendance at multiple town halls despite efforts to accommodate community schedules. He stressed the importance of genuine community engagement with residents who would be affected by the Utility Fee.

Councilor Shankle asked for clarity regarding why the General Fund could not be used for street improvements. Mr. Huff explained the General Fund, consisting primarily of Property Tax Revenue totaling approximately \$4 million annually, is already heavily allocated with the majority going to Public Safety expenses. The remaining funds are distributed among non-revenue generating departments including Parks, Planning, Administrative costs, and Council operations, leaving very limited dedicated funds available. The City is legally limited to using only certain funds for road surfacing, with few flexible revenue sources available.

Work Session discussion clarified that System Development Charges (SDCs) and fund exchange dollars are the only dedicated resources available for Street Capital improvements, with no other dedicated Capital Funding for streets. While General Fund money could theoretically be used for street projects, Assistant City Manager Corthell emphasized

diverting funds from the General Fund would mean cutting services such as important services like public safety or parks maintenance. More specifically, the only dedicated sources for street capital improvements are System Development Charges (SDCs) and fund exchange dollars. Funds must go toward capacity-increasing roadway improvements like new sidewalks or road widening but cannot be used for street overlay, while reimbursement funds can support any capital project, however, must meet capital infrastructure definitions (new construction or complete rebuilds).

Despite various restrictions, the City allocated approximately \$300,000 (nearly 50% of Gas Tax revenue) specifically for street surfacing over the past two years, which is an unusually high percentage compared to other municipalities. Many comparable cities supplement street programs with additional revenue sources such as street fees and local gas taxes to generate substantially more funding for street surfacing programs.

Councilor Childress expressed concerns about the financial burden on vulnerable populations, particularly elderly residents on fixed incomes and lower-income families, noting that recent Police and School Bonds have already strained Molalla. She suggested marketing tax increases as "just a cup of coffee a month" lessens the real impact on people who must pay lump sums annually and renters who face monthly rent increases.

Mayor Keyser highlighted the need for better public education, as many residents do not understand street maintenance and some assuming the City is responsible for State Highways.

The City Council emphasized future success would require ample community engagement and clear communication and looked forward to continued discussion on June 25, 2025. *(For complete account of discussion please refer to minutes 06:45-1:00:45)*

ADJOURN

Mayor Keyser adjourned the City Council meeting at 6:56pm.

For the complete video account of the City Council Meeting, please go to [YouTube](#)

[“Molalla City Council Meetings – May 28, 2025”](#)

Scott Keyser, Mayor

PREPARED BY:

Crystal Robles, Records Specialist

ATTEST:

Christie Teets, CMC, City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: City Council Meeting Minutes - May 28, 2025

ATTACHMENTS:

[05-28-25 CC Meeting Minutes.pdf](#)

[Spring Clean-Up Comparisons.2024-2025.pdf](#)

[Antfarm Youth Services Handout.pdf](#)



City of Molalla
City Council - Regular Meeting
Minutes – May 28, 2025
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Meeting of May 28, 2025 was called to order by Mayor Scott Keyser at 7:04 pm.

COUNCIL ATTENDANCE

Present: Mayor Scott Keyser, Council President Eric Vermillion, Councilor Leota Childress, Councilor Terry Shankle, Councilor Doug Gilmer, and Councilor Martin Bartholomew.
Absent: Councilor RaeLynn Botsford.

STAFF IN ATTENDANCE

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Christie Teets, City Recorder; Associate Planner, Jamie Viveiros; and Seth Kelly, Water Quality Superintendent.

APPROVAL OF AGENDA

Approved as presented.

CONSENT AGENDA

- A. City Council Meeting Minutes - May 14, 2025
- B. Clackamas County Department of Transportation and Development Solid Waste Update

ACTION:

Council President Vermillion moved to approve the Consent Agenda as presented; Councilor Childress seconded.
Motion passed 6-0

AYES: Gilmer, Shankle, Childress, Vermillion, Bartholomew, Keyser
NAYS: None.
ABSENTIONS: None.

PRESENTATIONS, PROCLAMATIONS, CEREMONIES

A. Updates on Oregon Association of Water Utilities (OAWU), Wastewater Treatment Plant, and Water Treatment Plant

Water Quality Superintendent Kelly shared the City was recently recognized by the Oregon Association of Water Utilities (OAWU) with a plaque commemorating 40 years of membership. Additionally, the City hosted a training session with Wes Tech Engineering; staff received hands-on classroom training, earning Continuing Education Units (CEUs) required for certification renewal.

Mr. Kelly reported on facility operations and improvements at the Water Treatment Plant, crews completed biannual filter maintenance and hosted Clackamas Community College's Water Environmental Technologies program students, with plans for future internships. At the Wastewater Treatment Plant, major upgrades continue following the 2022 aeration basin decommissioning, including conversion to clean effluent storage and construction of new UV disinfection bays, drum filters, and dewatering equipment. The Sequencing Batch Reactor foundation work is on schedule with complex concrete pours completed, and the new equalization basin will manage peak flows more efficiently than the previous system. Biosolids removal is scheduled for summer completion, with remaining phases dependent on future funding.

Assistant City Manager Corthell praised Mr. Kelly for building a premier Wastewater Operations Program that has gained statewide recognition. He noted that training programs and schools now choose Molalla over larger cities for hands-on instruction.

B. Antfarm Youth Services

Executive Directors Nunpa and Kim Wheeler shared a comprehensive update on Anfarm's community work in Molalla and transitioning leadership to Mrs. Wheeler. Kim updated regarding youth programming and noted growing outreach with Latino families through English classes, food distribution, etc. Nunpa emphasized the importance of embedded crisis support and a safe and trusted space for youth and families. They reported success in workforce development, including a \$1.5 million fuels reduction project. The directors also provided an update on the Clackamas County grant.

PUBLIC COMMENT

None.

PUBLIC HEARINGS

A. Ordinance No. 2025-04: Amending Molalla Municipal Code, Section 17-3.6.030 Public Use Areas

Mayor Keyser opened the Public Hearing for Ordinance No. 2025-04 at 07:55pm; no present Council Members acknowledged actual or potential conflicts of interest.

Associate Planner Viveiros presented amendments to Municipal Code Section 17-3.6.030 regarding Public Use Areas to align with current Comprehensive Plan and Parks Recreation Trail System Plan policies. Following Department of Land Conservation and Development's (DLCD) 35-day notice period and required Public Notice, staff incorporated DLCD feedback through several revisions. Key changes include maintaining parkland dedication requirements for residential subdivisions and multifamily developments, removing unclear discretionary language, exempting middle housing land divisions, clarifying density calculations, specifying duplexes count as one dwelling unit, and establishing minimum parkland standards including sidewalk installation and access requirements. The Fee-in-Lieu and Calculation sections remain unchanged, and confirmed the amendment implements Comprehensive Plan Policies and serves public interest by correcting inconsistencies with the seven acres per 1000 residents standard and requiring developers to provide parkland or pay fees as mandated by the updated comprehensive plan.

Assistant City Manager Corthell emphasized that the recent code changes were made to bring the City's development ordinance into compliance with state statutes (ORS 92.031); and shared changes were largely driven by about 27 new statutes introduced by DLCD. Without incorporating these updates, the City would be vulnerable to legal challenges, particularly at the Land Use Board of Appeals (LUBA), where noncompliant ordinances would very likely be overturned.

(For a complete account of the discussion, please refer to the YouTube video recording from minutes: 01:58:10 to 02:06:15)

With no Public Comment received, Mayor Keyser closed the Public Hearing on Ordinance 2025-04 at 8:00 p.m

ORDINANCES AND RESOLUTIONS

A. Ordinance No. 2025-04: Amending Molalla Municipal Code, Section 17-3.6.030 Public Use Areas

Staff had no further comments or information to provide regarding Ordinance No. 2025-04.

ACTION:

Councilor Childress made a motion to conduct the First Reading of Ordinance No. 2025-04, Amending Molalla Municipal Code, Section 17-3.6.030 Public Use Areas; Council President Vermillion seconded. Motion passed 6-0

AYES: Bartholomew, Vermillion, Childress, Shankle, Gilmer, Keyser

NAYS: None.

ABSENTIONS: None.

ACTION:

Council President Vermillion moved to hold the Second Reading and Adoption of Ordinance No. 2025-04, Amending Molalla Municipal Code, Section 17-3.6.030 Public Use Areas; Councilor Shankle seconded. Motion passed 6-0

AYES: Gilmer, Shankle, Childress, Vermillion, Bartholomew, Keyser

NAYS: None.

ABSENTIONS: None.

GENERAL BUSINESS

A. Molalla Sanitary Rate Adjustment

Molalla Sanitary owner, Pam Bloom and CFO, Will Mathias of Molalla Sanitary Service presented a request for a 15% rate increase, primarily due to a significant rise in disposal costs at their Woodburn facility, which makes up 34% of their

overall expenses. The disposal rate is set to increase nearly 30% in two phases—July 1, 2025, and January 1, 2026—resulting in projected annual disposal costs rising from \$67,000 in 2022 to over \$850,000 by 2026. With extensive research into account, despite the increase, the proposed rates will remain among the lowest in the region. The company emphasized efforts to control costs and maintain affordable service while absorbing inflation, labor, and equipment costs. Mayor and Councilor’s expressed sincere appreciation to Molalla Sanitary Service, highlighting the company’s long-standing and valued partnership with the City. Councilor Childress shared the service goes beyond basic collection, it reflects a true collaboration. Specifically praised their support in the City’s Annual Spring Cleanup event, noting its continued growth and record-breaking turnout wouldn’t be possible without Molalla Sanitary.

(For a complete account of the discussion, please refer to the YouTube video recording from minutes 02:08:44 to 2:20:21)

ACTION:

Mayor Keyser made a motion to approve Molalla Sanitary 15% rate increase; Councilor Childress seconded. Motion passed 6-0.

AYES: Gilmer, Shankle, Childress, Vermillion, Bartholomew, Keyser

NAYS: None.

ABSENTIONS: None.

STAFF COMMUNICATION

- **Associate Planner Viveiros:** No Report
- **Water Quality Superintendent Kelly:** Invited anyone to tour the Plant now that it is fully operational.
- **City Recorder Teets:** No Report
- **Assistant City Manager Corthell:** Reported the Wastewater Treatment Plant remains on schedule, and the Water Intake Project is entering its second design phase with pre-design engineering nearly complete. At Bohlander Field, most improvements are finished including ADA parking upgrades and security bollards, with only lighting and landscaping remaining. Clark Park has a new gazebo and fully accessible ADA path, while Chief Yelkus Park is progressing with signage ready for installation and the play structure expected mid-June.
- **City Manager Huff:** Report highlighted recent improvements to Bohlander Field, emphasizing the design work was entirely the initiative of City staff, particularly Mr. Corthell, his team, and Lieutenant Call. He praised the safety-focused design that can be adapted for different events and commended his staff for their abilities. Mr. Huff went on to recognize MCC as a key community partner, recalling the Pickleball Courts originated during a simple meeting. He credited MCC’s involvement as essential to making the new pavilion possible, sharing it would not have been built at this time without them. He expressed gratitude for the dedicated community partners, such as Molalla Sanitary and Molalla Communications (MCC), emphasizing Molalla is fortunate to have partnerships and organizations who genuinely care about improving this City.

COUNCIL COMMUNICATION

- **Councilor Bartholomew:** No Report
- **Councilor Gilmer:** No Report
- **Councilor Shankle:** No Report
- **Councilor Childress:** Vendor registration for Celebrate Molalla has opened; 31 vendors already registered. National Night Out is the next community event on the calendar.
- **Council President Vermillion:** Reported that the last Krispy Kreme fundraiser collected over \$600 for the Parks CPC. He also commended the Antfarm Fundraiser event that was recently held.
- **Mayor Keyser:** Shared back in 2022 or 2023, the State Legislature program called PILOT, which essentially defers taxes on the increase in property value for developments like Bear Creek Apartments. The deferral cost Molalla \$25,000 in tax revenue that should have gone to services—police, fire, and schools. Unfortunately, the Clackamas County Commission directed those funds elsewhere. Mayor indicated Molalla taxpayers are now supporting services in other jurisdictions—like Lake Oswego and West Linn—while Molalla receives just a fraction. The impact lasts 40 years. Mayor will be asking Council to direct staff to consult with the City attorney and explore possible recourse to stop and recover funds. *(For full discussion details and comments from City Manager and Assistant City Manager please refer to recording minutes 02:34:22-02:44:41)*

Mayor Keyser also met with Red Cross, CCVOAD, Colton Fire, and others to discuss forming a certified volunteer emergency response group for rural South Clackamas County. This group would be independent of fire/police and trained in traffic flagging, shelter setup, and livestock evacuation. A board is in place, and the goal is to serve areas from Estacada to Canby.

ADJOURN

Mayor Keyser adjourned the City Council meeting at 8:45pm.

For the complete video account of the City Council Meeting, please go to [YouTube](#)

[“Molalla City Council Meetings – May 28, 2025”](#)

Scott Keyser, Mayor

PREPARED BY:

ATTEST:

Crystal Robles, Records Specialist

Christie Teets, CMC, City Recorder

Meeting Attachments:

- Spring Clean-Up Comparisons
- Antfarm Handout

SPRING CLEAN-UP 2025 COSTS AND STATISTICS

ITEM	VENDOR	PRICE
------	--------	-------

SUPPLIES

No new work supplies were purchased

TOTAL

0

MEALS

Water Bottles	Safeway	13.38
Donuts	Las Delicias Bakery	14.95
Breakfast pastries	Safeway	29.18
Pizza and soda - 2days	Bear Creek Pizza	234.3

TOTAL

291.81

MAIL INSERTS

2215 inserts and printing	Freedom Mailing Services Inc	79.74
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TOTAL

79.74

CLINKSCALES PORTABLE TOILETS

1 PORTAPOTTY - cost not provided

TOTAL

MOLALLA SANITARY SERVICES

Refuse Tonnage - total both days	54
Refuse Yards - total both days	960
Manpower hours not provided	

COUNTRY SIDE CLEAN UP SCRAP

Scrap Metal in pounds	39,760
Auto Tires	50
Non Ferrous Metals in pounds	250
Manpower hours not provided	

DONATIONS RECEIVED FOR PARKS

\$30

VOLUNTEER HOURS

FRIDAY VOLUNTEERS	42
SATURDAY VOLUNTEERS	45

VOLUNTEER HOURS TOTAL

87

PAID STAFF

Public Works	8
Admin	18

PAID STAFF TOTAL HOURS

26

VEHICLES FRIDAY

405

VEHICLES SATURDAY

566

VEHICLE TOTAL

971

SPRING CLEAN-UP 2024

ITEM	VENDOR	PRICE
SUPPLIES		
Work Gloves 12pk - SM	Amazon	16.75
Work Gloves 12pk - MED	Amazon	16.75
Work Gloves 12pk - LG	Amazon	15.95
TOTAL		49.45
MEALS		
Water Bottles	Safeway	18.18
Donuts	Las Delicias Bakery	44.85
Pizza	Bear Creek Pizza	68.3
TOTAL		131.33
MAIL INSERTS		
2263 Flyer Inserts	Freedom Mailing Services Inc	35.79
2270 Flyer Inserts Printin g	Upper Case Printing	74.91
TOTAL		110.7
CLINKSCALES PORTABLE TOILETS		
1 PORTAPOTTY		
TOTAL		

MOLALLA SANITARY SERVICES

Refuse Tonnage	04/19: 13.18 04/20: 33.48	46.66
Refuse Yards	04/19: 220 04/20: 570	790
Molalla Sanitary Manpower hours		104

COUNTRY SIDE CLEAN UP SCRAP

Scrap Metal	22,000-24,000 lbs	
Auto Tires		130

VOLUNTEER HOURS

FRIDAY VOLUNTEERS	28.5
SATURDAY VOLUNTEERS	42.5

VOLUNTEER HOURS TOTAL

71

VEHICLES FRIDAY

209

VEHICLES SATURDAY

421

VEHICLE TOTAL

630

Date: May 28, 2025

AntFarm Molalla Update for City Council

Over the past year, our presence at 209 Kennel Avenue in Molalla has grown steadily through a variety of programs and services that support youth, families, and individuals. We've focused on building trust, increasing access to resources, and strengthening community connection.

Youth & Family Programs

We continue to provide after-school activities that include:

- Tutoring and academic support
- Art classes and guitar lessons
- Mentorship and life skills development
- Regular mental health and wellness check-ins

These programs are designed to offer safe, supportive spaces where youth can learn, express themselves, and gain essential skills.

Workforce Development

Our youth employment programs focus on preparing young people for success in the workforce:

- The Summer Work Program provides job training and stipends upon completion
- Resume-building and interview skill workshops
- Internship and job shadowing opportunities
- Outdoor labor and conservation experience through our BLM contract

Nuevo Futuro

This initiative connects Latinx families and other underserved populations to needed resources:

- Bilingual and culturally responsive services
- Ongoing outreach and one-on-one support

Community Engagement

We remain actively involved in strengthening the broader community:

- Food assistance and resource navigation
- Volunteer opportunities
- Participation in local events, including:
 - 4th of July Parade
 - Apple Fest
 - Pumpkin Patch
 - Christmas Parade

These events help us build visibility and foster relationships with residents, businesses, and partners.

AntFarm remains committed to creating a welcoming and inclusive environment for all, and we are excited to continue expanding our work in Molalla in the coming year.



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: TMDL Report - Molalla Named as Dedicated Agency

FISCAL IMPACT:

Immediate impact in budget, FY 25-26 estimated at \$25,000. Impact beyond that point will be determined by the City's updated Temperature TMDL plan.

RECOMMENDATION/RECOMMENDED MOTION:

No action required. For informational purposes only.

BACKGROUND:

Molalla named Designated Management Agency (DMA) in Willamette Subbasins Water Quality Management Plan completed by Oregon DEQ and accepted by the Environmental Protection Agency.

Molalla was awarded a Temperature allocation in the most recent Willamette Subbasins TMDL. This is a very important award in order to ensure the efficient processing of wastewater as the City's population grows.

However, the new TMDL and WQMP names Molalla as a Designated Management Agency which brings a set of new requirements. The first step is an updated TMDL implementation plan for temperature, it is due by November 9, 2026.

What the plan entails will be determined based on an engineered analysis which will consider the laws, rules, and regulations that apply to the temperature TMDL.

ATTACHMENTS:

[Letter to Council from DEQ - May 28, 2025](#)



Oregon

Tina Kotek, Governor

Department of Environmental Quality
Northwest Region Portland Office/Water Quality
700 NE Multnomah Street, Suite 600
Portland, OR 97232
(503) 229-5696
FAX (503) 229-6124
TTY 711

Certified Mail 9589 0710 5270 2334 4281 68

May 28, 2025

City Council
City of Molalla
117 N. Molalla Ave.
Molalla, OR 97038

Re: Issuance of the Mainstem Amendment to the Willamette Subbasins Temperature Total Maximum Daily Load and Water Quality Management Plan

Dear City Council,

The Oregon Environmental Quality Commission adopted the Mainstem and Major Tributaries rule amendment to the Willamette Subbasins Temperature Total Maximum Daily Load (TMDL) and Water Quality Management Plan (WQMP) as Oregon Administrative Rule 340-042-0090 on May 8, 2025. The TMDL can be found at OAR 340-042-0090(3)(a) and the WQMP at OAR 340-042-0090(3)(b). All documents will be made available on DEQ's webpage <https://www.oregon.gov/deq/about-us/eqc/Pages/202505.aspx>

The Department of Environmental Quality (DEQ) submitted the amended TMDL documents to the U.S. Environmental Protection Agency Region 10 for action (approval or disapproval) on May 14, 2025. DEQ developed the TMDL documentation pursuant to §303(d) of the Clean Water Act (CWA) and, when approved, this TMDL constitutes an update to Oregon's Continuing Planning Process per §303(e) of the CWA.

Purpose of this letter:

You are receiving this letter because the city of Molalla is identified as a Designated Management Agency (DMA) in the WQMP. OAR 340-042-0030(2) defines Designated Management Agency as a federal, state, or local governmental agency that has legal authority over a sector or source contributing pollutants and is identified as such by DEQ in a TMDL.

As a DMA, the city of Molalla is required under OAR 340-42-0080 to prepare a TMDL implementation plan to incorporate strategies to reduce sector nonpoint source pollutant loadings for temperature according to requirements identified in the WQMP. TMDL implementation plans are due on **November 9, 2026**. WQMP requirements and due dates are shown in the table below. Failure to submit a timely TMDL implementation plan required by rule is a violation under OAR 340-012-0053(2).

Requirement	WQMP Section	Due Date
TMDL Implementation Plan	Sec. 5.3	Nov. 9, 2026
Shade Gap Analysis Methodology*	Sec. 5.3.4	Nov. 9, 2026
Streamside Evaluation	Sec. 5.3.2	May 9, 2028
Shade Gap Analysis* and Updated Streamside Evaluation	Sec. 5.3.4	Nov. 9, 2030
120-Foot Streamside Buffer**	Sec. 5.3.3	Nov. 9, 2030
<i>* A shade gap methodology and assessment are only needed if DEQ completed a shade gap assessment for your jurisdiction and the jurisdiction desires to do an independent shade gap assessment.</i> <i>** Establishing a 120-Foot streamside buffer is not required unless the DMA chooses this implementation method.</i>		

For NPDES permittees, TMDL point source wasteload allocations for temperature will be incorporated into permit requirements upon renewal or reissuance, where necessary.

Please contact your primary DEQ staff contact if you have any questions about TMDL implementation responsibilities. Your primary DEQ staff contact for questions about this TMDL is:

Sarah Mattechuck
Clackamas, Sandy, and Molalla Basin Coordinator, DEQ Northwest Region
700 NE Multnomah Street, Suite 600
Portland, OR 97232-4100
503-816-6923
sarah.mattechuck@deq.oregon.gov

Please address the TMDL implementation plan cover letter to me and email documents and the name and contact information of the highest-ranking responsible official in your organization and primary staff contact(s) for your TMDL implementation plan to Sarah Mattechuck and TMDL_DEQ.NWRRegion@DEQ.oregon.gov.

Sincerely,



Theresa Burcsu
Water Quality Manager, DEQ Northwest Region
503-866-3338
theresa.burcsu@deq.oregon.gov

Ec: Sarah Mattechuck, DEQ
Mac Corthell, city of Molalla



CITY OF MOLALLA

Staff Report

Agenda Category: CONSENT AGENDA

Agenda Date: Wednesday, June 11, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Resolution No. 2025-08: Approving Molalla Sanitary Services, Inc. Rate Adjustment as Change in Franchise Agreement

FISCAL IMPACT: There will be a 15% increase to Molalla Sanitary customers.

RECOMMENDATION/RECOMMENDED MOTION:

Approve with Consent Agenda.

BACKGROUND:

The Franchise Agreement between the City of Molalla and Molalla Sanitary Services, Inc. specifies that the City Council shall be apprised of any rate adjustment for services.

Molalla Sanitary made a presentation to City Council on May 28, 2025. This Resolution formally authorizes the rate adjustment.

ATTACHMENTS:

[Resolution No. 2025- Approving Molalla Sanitary Rate Adjustment.pdf](#)

[Exhibit A Molalla Sanitary Adjustment.pdf](#)



RESOLUTION NO. 2025-08

**A RESOLUTION OF THE CITY OF MOLALLA, OREGON
APPROVING MOLALLA SANITARY SERVICES, INC. RATE ADJUSTMENT
AS CHANGE IN FRANCHISE AGREEMENT**

WHEREAS, The Franchise Agreement between Molalla Sanitary Services, Inc. specifies that the City Council shall be apprised of any rate adjustment for services; and

WHEREAS, Molalla Sanitary Services, Inc. has submitted a rate adjustment to the City of Molalla raising rates fifteen percent (15%) overall; and

WHEREAS, The proposed fee for service is hereby listed as “Exhibit A” to this Resolution.

Now, Therefore, the City of Molalla Resolves as follows:

Section 1. Based upon the above information, the Molalla City Council resolves that the fees listed for the City of Molalla are hereby established.

Section 2. Effective Date. Upon passage of the Molalla City Council.

Signed this 11th day of June 2025.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder

Proposed 15% Adjustment

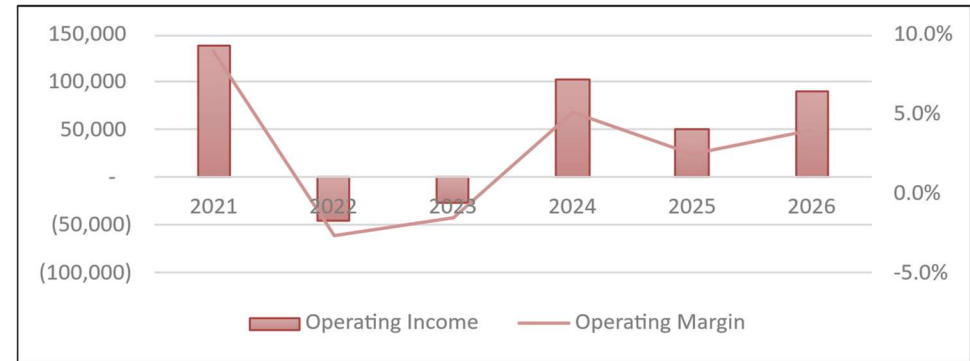
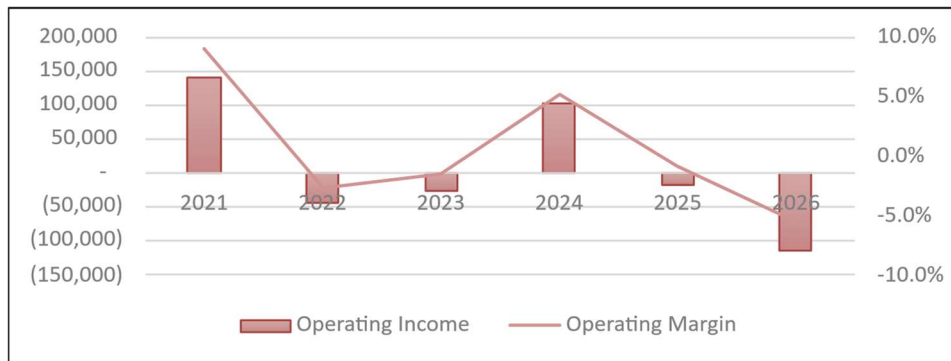
- Residential user cost implications +\$4.16 monthly for a 35-gallon cart size (46% will see this increase or less)
- Commercial user cost implications +\$37.52 monthly for a 2-yard container size (61% will see this increase or less)

City Comps → Last Increase →	Molalla Current	Molalla Proposed	Clackamas Co. (DR) 07/01/25	Marion Co. (R) 01/01/25	Silverton 09/01/24	Canby 07/01/25
20 Gallon	21.01	24.16	35.90	31.80	31.68	29.30
35 Gallon	27.76	31.92	41.80	32.70	39.37	34.89
65 Gallon	38.55	44.33	54.90	40.85	48.83	55.85
95 Gallon	44.77	51.49	63.55	49.75	52.24	61.92

Primary Reasons for Rate Adjustment Request

- There will be a 26.5% increase in disposal costs, effective July 1st. Disposal accounts for 34.4% of our cost structure.
- A new Collective Bargaining Agreement has been established for our drivers, the first one since COVID.
- Truck prices have increased by 41%.

Molalla Financial Outlook (Without and With Rate Adjustment)





CITY OF MOLALLA

Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, June 11, 2025

Submitted by: Cindy Chauran, Finance Director

Approved by: Dan Huff, City Manager

SUBJECT: Resolution No. 2025-07: Adopting the Budget, Making Appropriations, and Imposing and Categorizing Taxes for the 2025-2026 Fiscal Year

FISCAL IMPACT:

\$75,509,873

RECOMMENDATION/RECOMMENDED MOTION:

I move to approve Resolution No. 2025-07: Adopting the Budget, Making Appropriations, and Imposing and Categorizing Taxes for the 2025-2026 Fiscal Year.

BACKGROUND:

The Molalla Budget Committee reviewed and acted on the proposed City Budget on May 21, 2025, and has approved and recommended a balanced budget to the City Council for adoption.

The recommended budget is \$75,709,873 of which \$6,837,431 is reserved.

ATTACHMENTS:

[Res 2025-07 Resolution Adopting City 25-26 Budget.DRAFT.pdf](#)



RESOLUTION NO. 2025-07

A RESOLUTION OF THE CITY OF MOLALLA, ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND CATEGORIZING TAXES FOR THE 2025-2026 FISCAL YEAR

WHEREAS, the Molalla Budget Committee approved and recommended a balanced budget for fiscal year 2025-2026 to the City Council on May 21, 2025; and

WHEREAS, a public hearing for the 2025-2026 City Budget as approved by the Budget Committee was duly advertised and held on June 11, 2025; and

NOW, THEREFORE, THE CITY OF MOLALLA RESOLVES and hereby adopts the budget for fiscal year 2025-2026 in the total amount of \$75,709,873. This budget is now on file at 117 N. Molalla Avenue, Molalla, Oregon.

THE CITY OF MOLALLA FURTHER RESOLVES as follows:

Section 1. THAT the amounts for the purpose of operating the City of Molalla for the fiscal year 2025-2026 budget be appropriated as follows, beginning July 1, 2025.

GENERAL FUND

Administration	\$ 1,728,800
Police	4,948,389
Municipal Court	354,635
City Council	67,796
Parks	1,279,458
Planning	546,450
Not Allocated:	
Contingency	1,541,390
TOTAL APPROPRIATIONS	\$ 10,466,918
Reserve	800,000
TOTAL	\$ 11,266,918

LIBRARY FUND

Library	\$ 4,515,640
Contingency	300,000
TOTAL APPROPRIATIONS	\$ 4,815,640
Reserve	211,927
TOTAL	\$ 5,027,567

STREET FUND

Streets	\$ 3,475,495
Transfers	33,725
Debt Service	201,786
Contingency	1,285,724
TOTAL APPROPRIATIONS	\$ 4,996,730
Reserve	400,000
TOTAL	\$ 5,396,730

PD RESTRICTED REVENUE FUND

PD Restricted	\$ 22,157
Transfers	50,000
TOTAL APPROPRIATIONS	\$ 72,157

SEWER FUND

Sewer	\$ 4,773,539
Transfers	277,932
Contingency	3,332,921
TOTAL APPROPRIATIONS	\$ 8,384,392

WATER FUND

Water	\$ 4,236,934
Transfers	41,725
Contingency	1,269,857
TOTAL APPROPRIATIONS	\$ 5,548,516
Reserve	500,000
TOTAL	\$ 6,048,516

STORM WATER FUND

Storm Water	\$	675,769
Transfers		35,000
Contingency		82,537
TOTAL APPROPRIATIONS	\$	793,306
Reserve		50,000
TOTAL	\$	843,306

GO BOND DEBT FUND

Debt Service	\$	783,550
TOTAL APPROPRIATIONS	\$	783,550

SEWER DEBT RETIREMENT FUND

Debt Service	\$	148,335
TOTAL APPROPRIATIONS	\$	148,335
Reserve		217,109
TOTAL	\$	365,444

STREET SDC FUND

Transfers	\$	750,000
TOTAL APPROPRIATIONS	\$	750,000
Reserve		1,155,494
TOTAL	\$	1,905,494

PARK SDC FUND

Transfers	\$	750,000
TOTAL APPROPRIATIONS	\$	750,000
Reserve		1,222,854
TOTAL	\$	1,972,854

SEWER SDC FUND

Sewer	\$	500,000
TOTAL APPROPRIATIONS	\$	500,000
Reserve		1,114,223
TOTAL	\$	1,614,223

WATER SDC FUND

Transfers	\$ 165,000
TOTAL APPROPRIATIONS	\$ 165,000
Reserve	133,065
TOTAL	\$ 298,065

STORM WATER SDC FUND

Transfers	\$ 150,000
TOTAL APPROPRIATIONS	\$ 150,000
Reserve	312,759
TOTAL	\$ 462,759

WWTP UPGRADE PROJECT FUND

Capital Projects	\$ 25,028,000
TOTAL APPROPRIATIONS	\$ 25,028,000
Reserve	720,000
TOTAL	\$ 25,748,000

POLICE STATION CAPITAL PROJECT FUND

Capital Projects	\$ 5,015,274
TOTAL APPROPRIATIONS	\$ 5,015,274

FLEET REPLACEMENT FUND

Fleet Replacement	\$ 504,624
TOTAL APPROPRIATIONS	\$ 504,624

TOTAL APPROPRIATIONS, ALL FUNDS	\$ 68,872,442
TOTAL RESERVE, ALL FUNDS	6,837,431
TOTAL FY 2023-2024 ADOPTED BUDGET	\$ 75,709,873

Section 2. THAT the following ad valorem property taxes are hereby imposed upon the assessed value of all taxable property within the district for the tax year 2025-2026:

- (1) At the rate of \$5.3058 per \$1,000 of assessed value for the permanent tax rate
- (2) In the amount of \$805,812 for debt service on general obligation bonds

Section 3. THAT the taxes imposed are hereby categorized for purposes of Article XI section 11b as:

Subject to General Government Limitation

Permanent Rate \$5.3058 / \$1,000.00

Excluded from Limitation

General Obligation Bond Debt Service....\$805,812

Section 4. This resolution is adopted immediately upon passage by the Council and signature by the Mayor and becomes effective July 1, 2025.

Signed this 11th day of June 2025.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, June 11, 2025

Submitted by: Dan Zinder, Senior Planner

Approved by: Dan Huff, City Manager

SUBJECT: Urban Growth Boundary Study: Goal 14 Memo Overview (Planning Staff & 3J Consulting)

RECOMMENDATION/RECOMMENDED MOTION:

Council to submit feedback on Goal 14 Memo.

BACKGROUND:

When cities have a demonstrated land need, as determined through their housing, employment lands, and public facilities studies, Statewide Planning Goal 14 outlines criteria for urban growth boundary expansion. Once the land need has been quantified, a study area determined, and subareas have been created within that study area in accordance with State prioritization for UGB expansion, four factors are applied to the subareas to determine suitability for expansion;

- Efficient accommodation of identified land needs;
- Orderly and economic provision of public facilities and services;
- Comparative environmental, energy, economic and social consequences; and
- Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.

Subareas within the exception lands are to be considered first and, as our exception lands are large enough to accommodate the needed residential lands, these seven subareas are the focus of this analysis. From there, consideration is given to the remaining subareas to accommodate the larger parcels needed for larger employment developments that are unavailable in the exception lands.

ATTACHMENTS:

[Molalla CC Briefing #3 Presentation v1.pdf](#)

[Public Comment - UGB Feedback_City Council & Planning Commission.pdf](#)

Housing Production Strategy & Urban Growth Boundary Expansion Project

City Council Briefing #2
June 11th 2025, 7pm – 8:30pm



Agenda

Project Overview

UGB Expansion Process

- Schedule & Legal Framework for Boundary Expansion
- Summary of Community Engagement
- Review of Parcel Prioritization
- Statewide Planning Goal 14 Location Factors by Subarea

Next Steps

Next Steps

- Establish land need for housing (HNA) and employment (EOA) – *Complete*
- Enact “efficiency measures” to reduce land need – *Complete*
- Create preliminary and final study area– *Complete*
- Establish parcel prioritization– *Complete*
- Evaluate subareas according to Goal 14 location factors– *May 2025*
- **Present analysis to PC & CC– *June 2025***
- UGB Amendment Adoption by City (by March 2026)
- UGB Amendment Adoption by County
- Approval/Denial by DLCD with potential for legislative override (e.g. Roseburg)

UGB Expansion

Molalla UGB Expansion Process

- Establish land need for housing (HNA) and employment (EOA) – *Complete*
- Enact “efficiency measures” to reduce land need – *Complete*
- Create preliminary and final study area– *Complete*
- Establish parcel prioritization– *Complete*
- Evaluate subareas according to Goal 14 location factors– *May 2025*
- Present analysis to PC & CC– *June 2025*
- UGB Amendment Adoption by City & by County
- Approval/Denial by DLCDD with potential for legislative override (e.g. Roseburg)

EOA & HNA Land Need

- Population forecasted to be 5,432 new people with a housing need of 1,996 new units between 2023 and 2042
- After efficiency measures, remaining housing need = **928** units across 182.29 residential acres (R1,R2) (**227.79** acres once 25% adjustment for infrastructure such as street and utilities easements and parks)
- Employment land goal is to accommodate:
 - 2 sites >20 acres
 - 4 sites 10-20 acres
 - 4 sites 5-10 acres

Parcel Prioritization

Priorities for UGB Inclusion

1st Priority

- Urban reserves (none), exception lands (approximately 580 southern acres)

2nd Priority

- Marginal lands (none)

3rd Priority

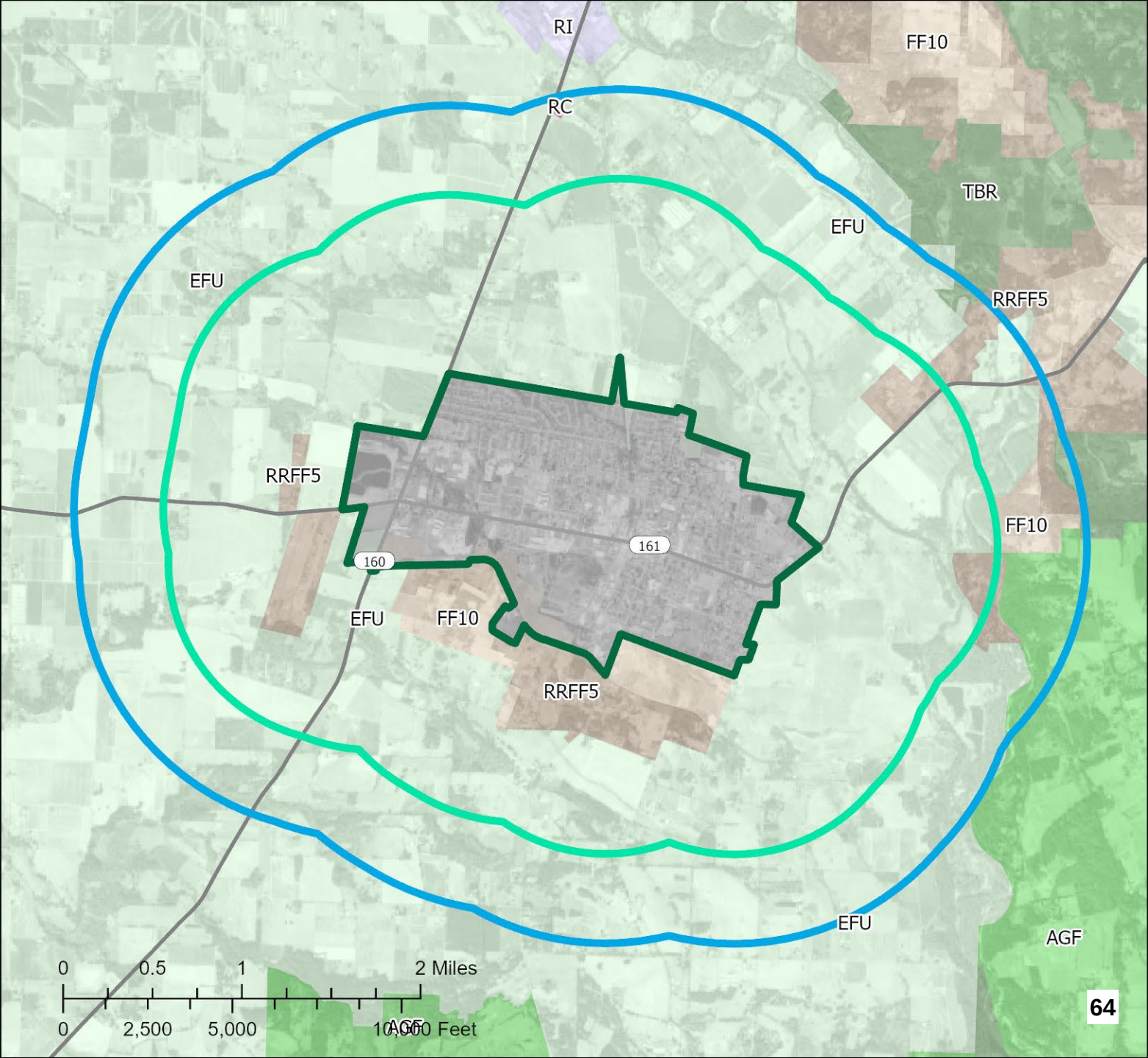
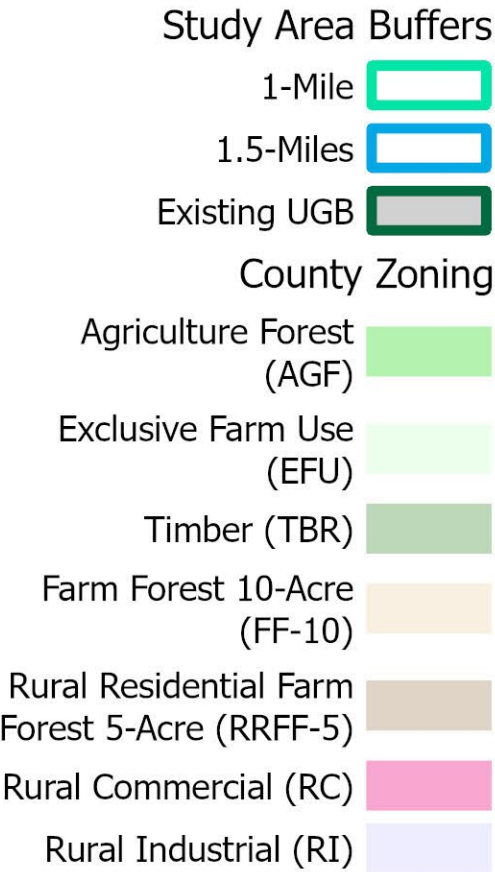
- Resource lands that are not high value farmland

4th Priority

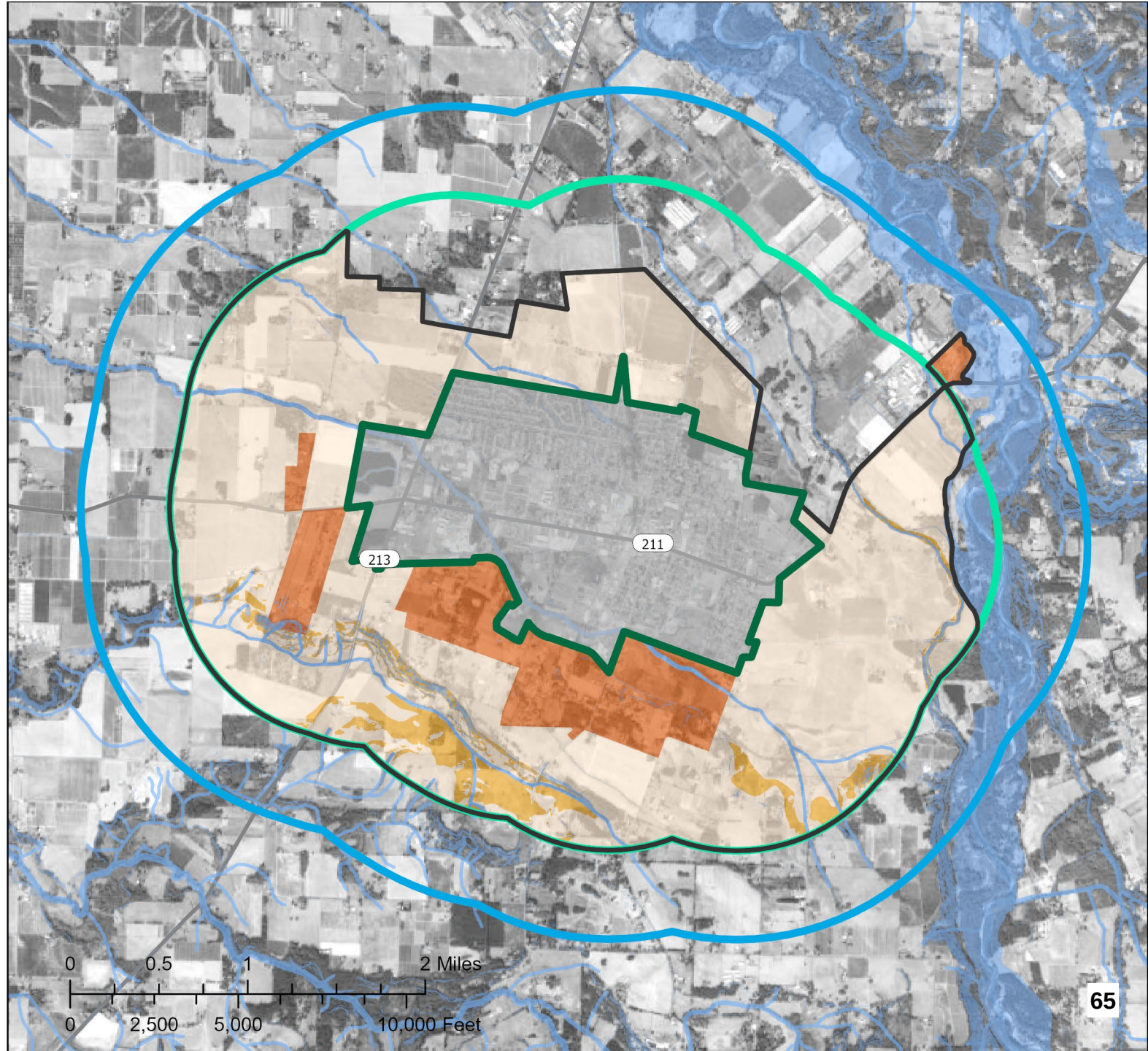
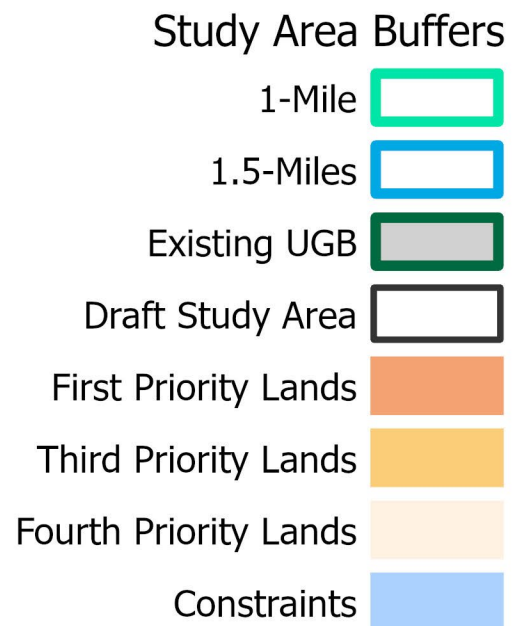
- Resource lands that are high value farmland, including prime and unique soils

Parcel Prioritization

County Zoning



Final UGB Study Area



Public Meeting on UGB

- Handouts included FAQ and Comment Form with maps
- Large map with clear streets delineation in the back of the room
- Approximately 100 in attendance
- Q&A on the annexation process, the impact on infrastructure (mostly water supply and traffic), and some reluctance to accommodate growth, particularly by those to the south who expressed a right to “quiet enjoyment of the land”.
- Online survey was open for two weeks with 41 responses were mixed between support and opposition to expansion

Location Factors by Study Areas

Goal 14 Location Factors

1. Efficient Accommodation of Need

- Proximity, Parcel size, and Buildable land

2. Orderly & Economic Provision of Public Facilities & Services

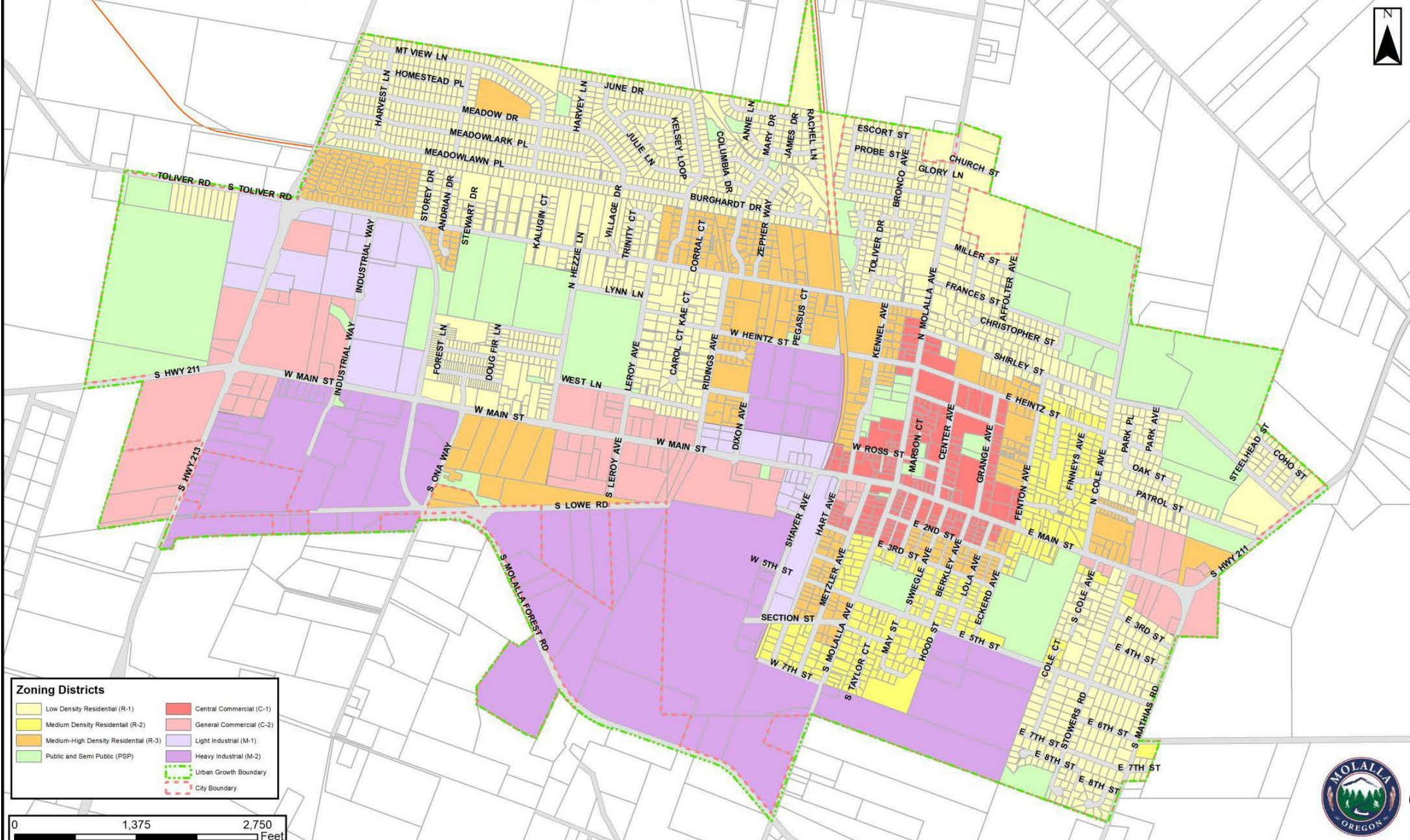
- Water, Sewer, Transportation, and Stormwater

3. Environmental, Economic, Social & Energy Consequences

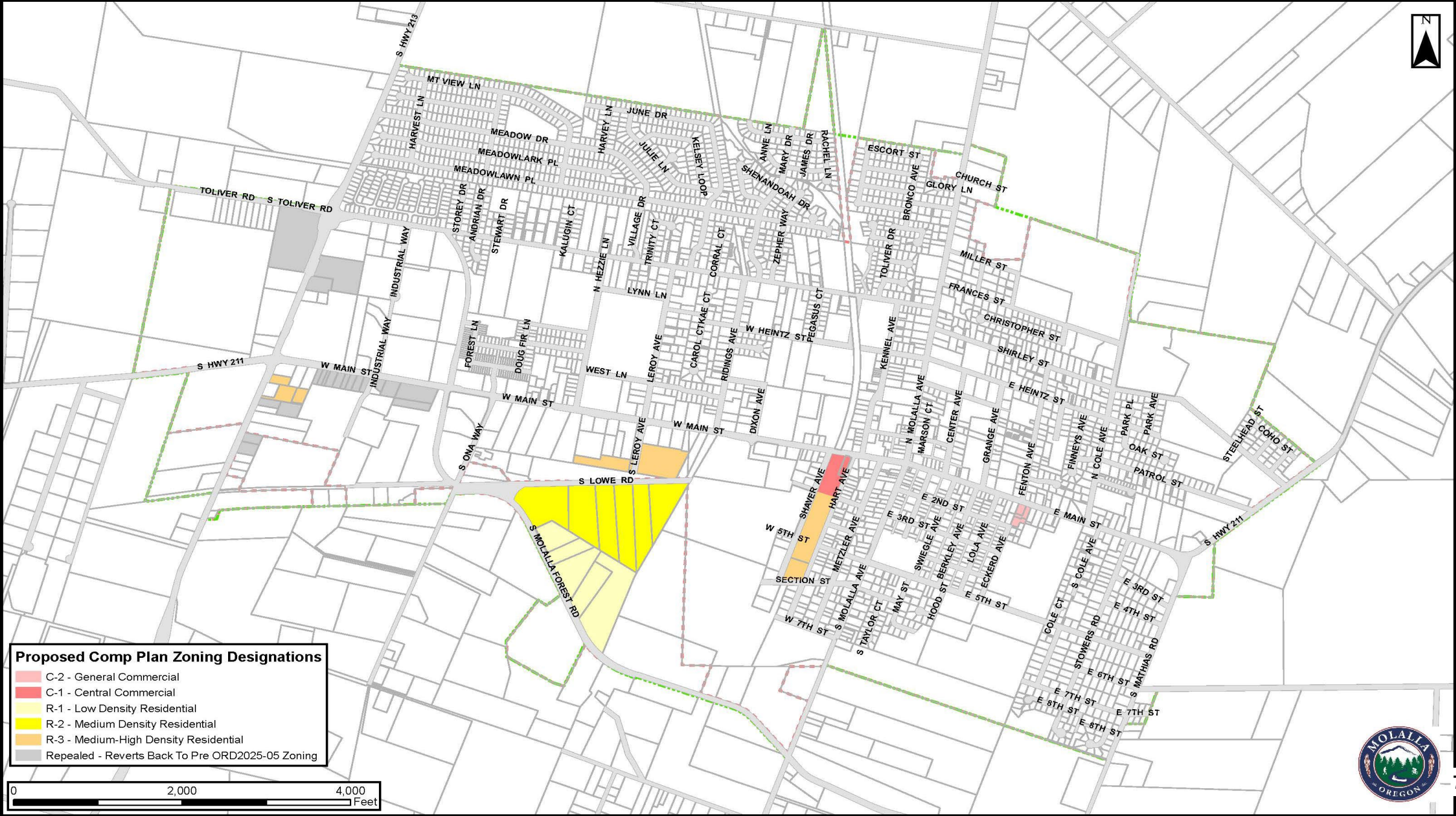
- **Economic:** Cost of land/transportation facilities/utilities/services, Parcel size, and Development potential
- **Social:** Ease of access to services and amenities, such as schools, parks, library, commercial services, and Compatible nearby uses
- **Environmental:** Hazard Risk (slope, floodplain) and Goal 5 resources present
- **Energy:** Amount of travel required to and from daily services and amenities, Infrastructure improvements needed to serve development, such as road construction/improvements, pipe upsizing, and water or wastewater pumps

4. Agricultural & Forest Compatibility

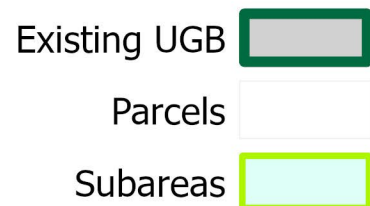
- Increased traffic, Conflicts with water availability and delivery, Flooding, Introduction of weeds or pests, Damage to crops or livestock, Trespassing, litter (including harmful pet waste), and vandalism



ORD2025-07 Comprehensive Plan Map Zone Changes



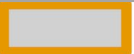
Subarea Analysis: Residential Need

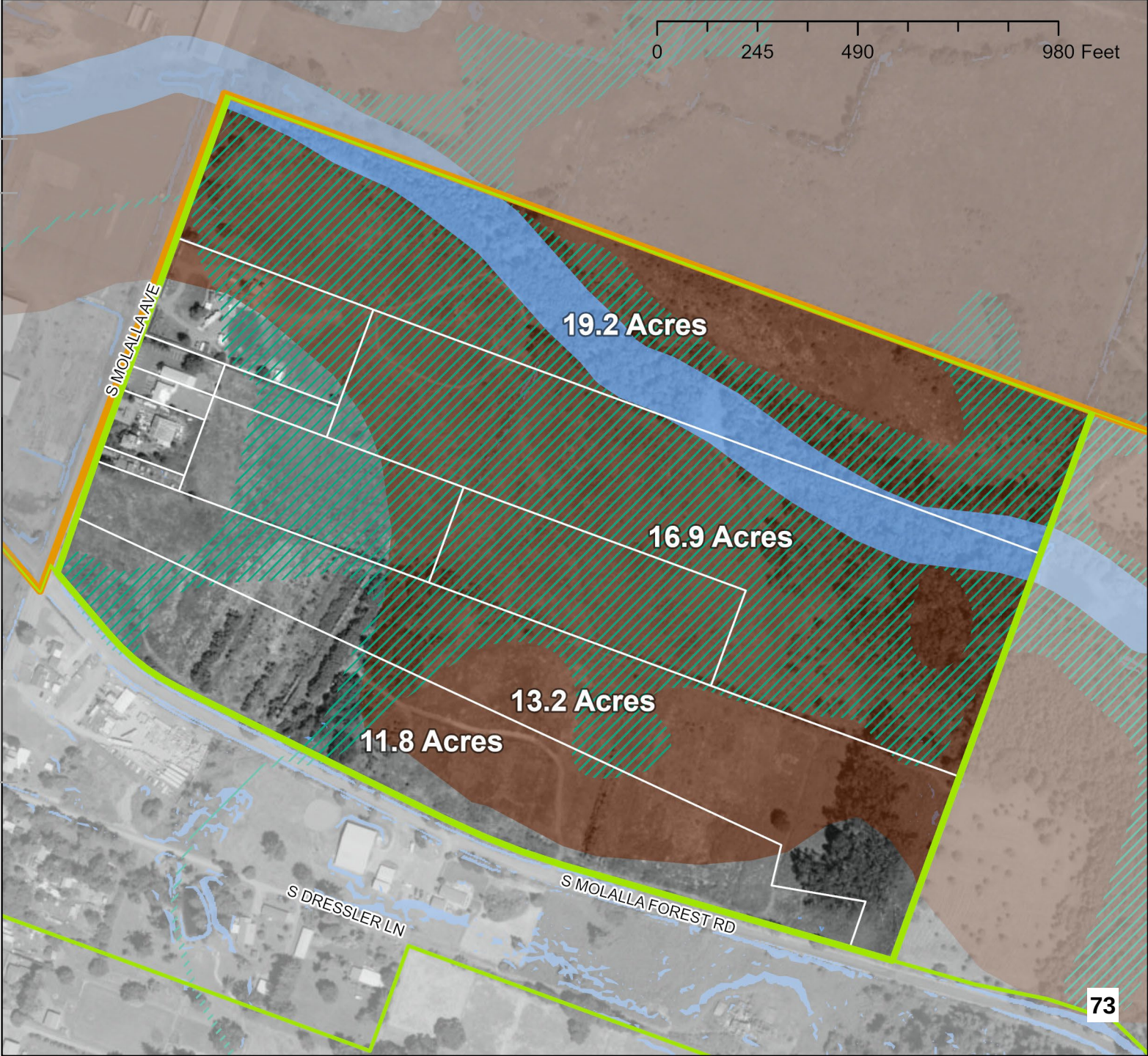




Subarea 2

Gross Acres	74 acres
Buildable Acres	67.7 acres
Housing Capacity	240
Industrial Lots	4 on 54 buildable acres 2 with access on S Molalla Forest Rd (MFR)
Proximity	Contiguous
Infrastructure	Sewer along Molalla Ave cannot accommodate additional flow; would require lift station over Bear Creek
Compatible Uses	Abuts city park and industrial
Goal 5 Implications	Hydric soils could be locally significant wetlands that would limit development potential

- Existing UGB 
- Subareas 
- Constraints 
- Wetlands 
- Hydric Soils 





Subarea 3

Gross Acres	90.7 acres
Buildable Acres	67.6 acres
Housing Capacity	317
Industrial Lots	6 on 47.7 buildable acres With access on S Molalla Ave and S Dressler Ln
Proximity	Contiguous
Infrastructure	Could extend sewer along Mathias RD. Lines are 8" and designed only for the subdivision they serve. 12" waterline at S Molalla Ave and Molalla Forest RD. 8" waterline on Mathias RD at southern town boundary.
Compatible Uses	Near city park, industrial, and rural residential
Goal 7 Implications	Flooding reported

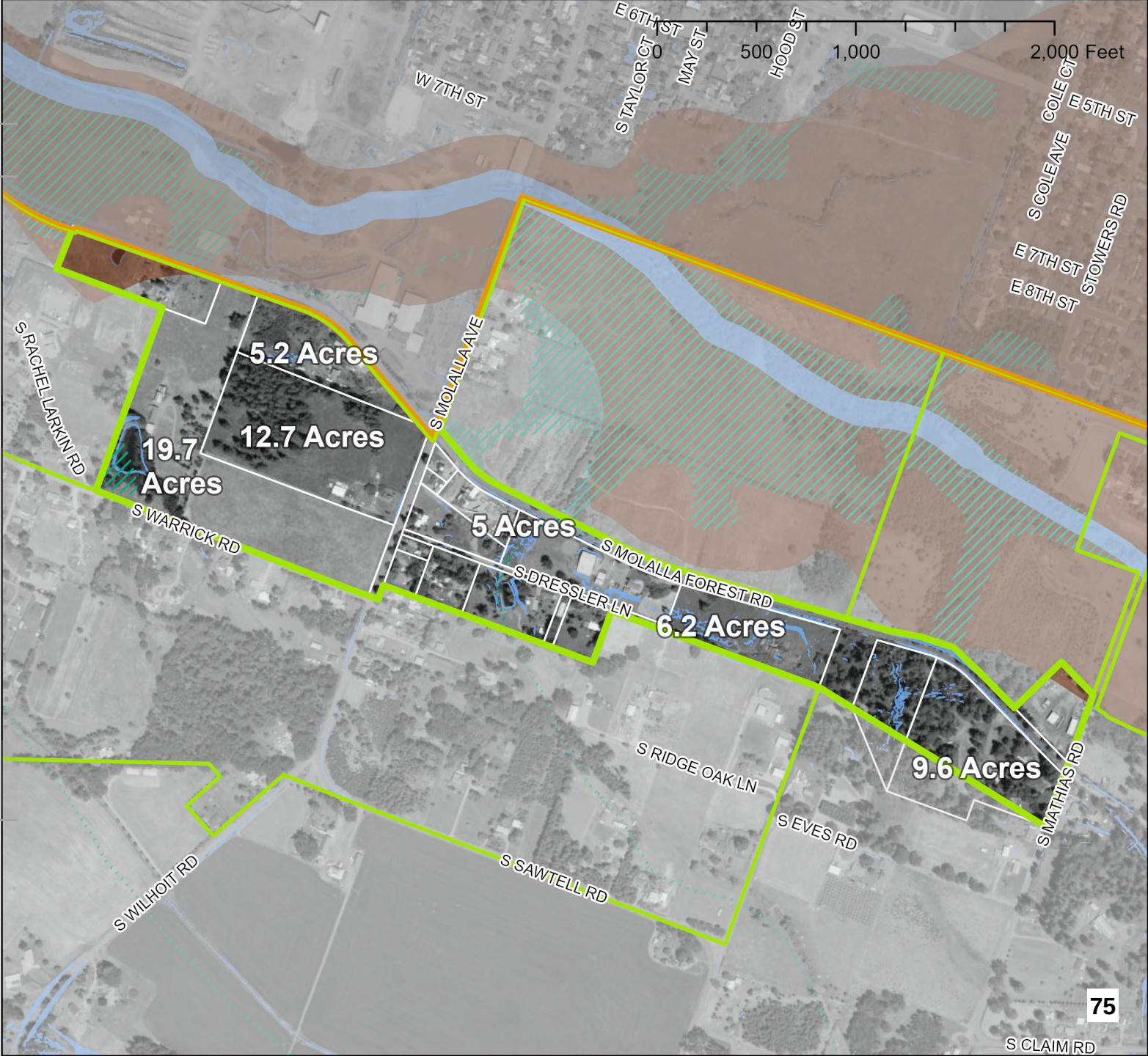
Existing UGB

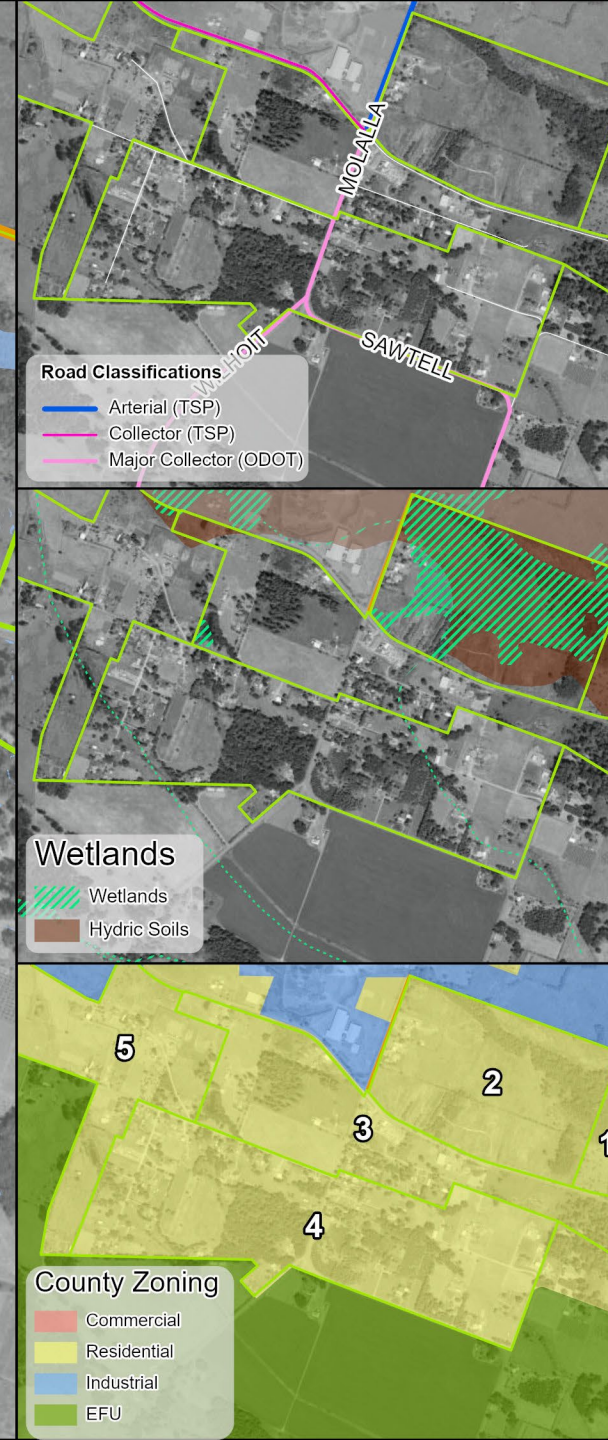
Subareas

Constraints

Wetlands

Hydric Soils





Subarea 4

Gross Acres	130.2 acres
Buildable Acres	130.1 acres
Housing Capacity	382
Industrial Lots	11 on 70 buildable acres With access on S Molalla Ave, S Sawtell Rd, and S Ridge Oak Ln
Proximity	Not Contiguous
Infrastructure	There is water nearly to the City limits on S Mathias RD but no sewer until 7th ST. Could extend sewer along Mathias RD. Lines are 8" and designed only for the subdivision they serve.
Compatible Uses	Near rural residential with some farm use
Goal 7 Implications	Flooding reported

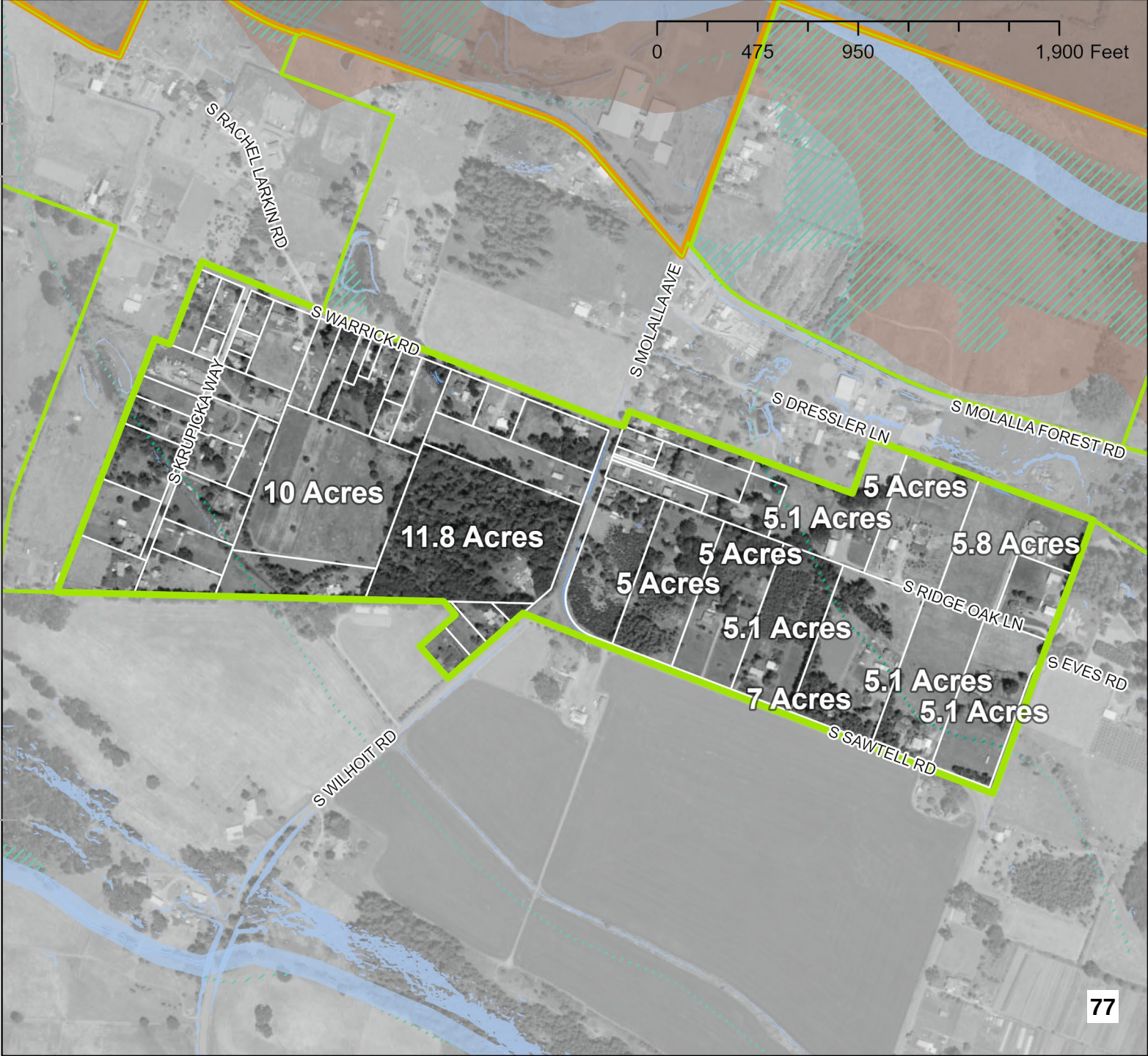
Existing UGB

Subareas

Constraints

Wetlands

Hydric Soils





Sewer Mains

Storm Mains

Water Mains

Existing UGB

Subareas

Goal 5 Constraints

ODOT Road Class

- Minor Arterial
- Major Collector
- Local Road

Wetlands

- Wetlands
- Hydric Soils

County Zoning

- Commercial
- Residential
- Industrial
- EFU

Subarea 5

Gross Acres	75 acres
Buildable Acres	75 acres
Housing Capacity	280
Industrial Lots	5 on 46 buildable acres With limited access on Warrick
Proximity	Contiguous
Infrastructure	Would need to extend water sewer likely down Molalla Forest Road with a likely lift station at MFR/Ona WY. Limited access to many parcels
Compatible Uses	Near residential and agriculture
Goal 7 Implications	Flooding reported

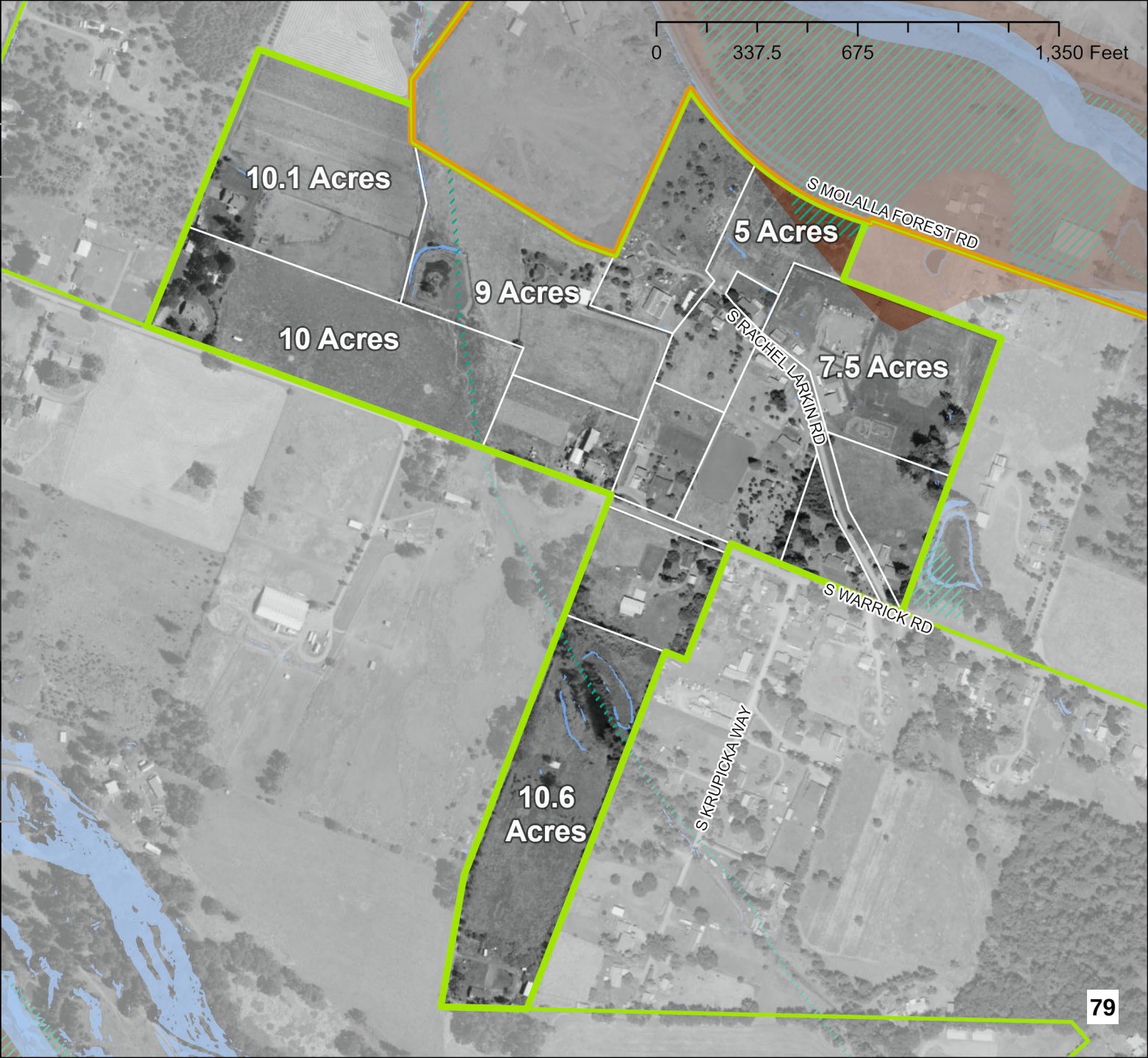
Existing UGB

Subareas

Constraints

Wetlands

Hydric Soils

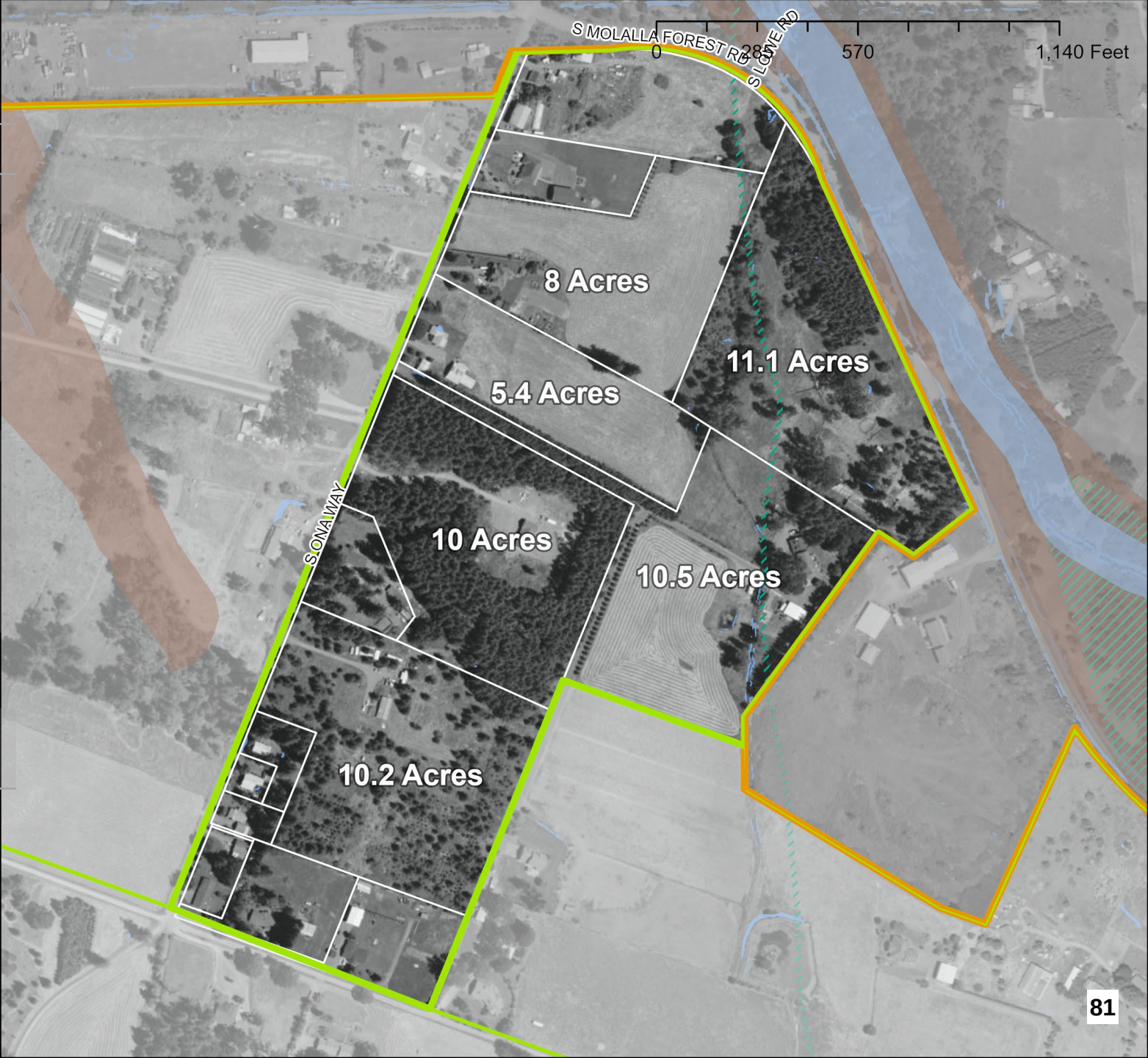


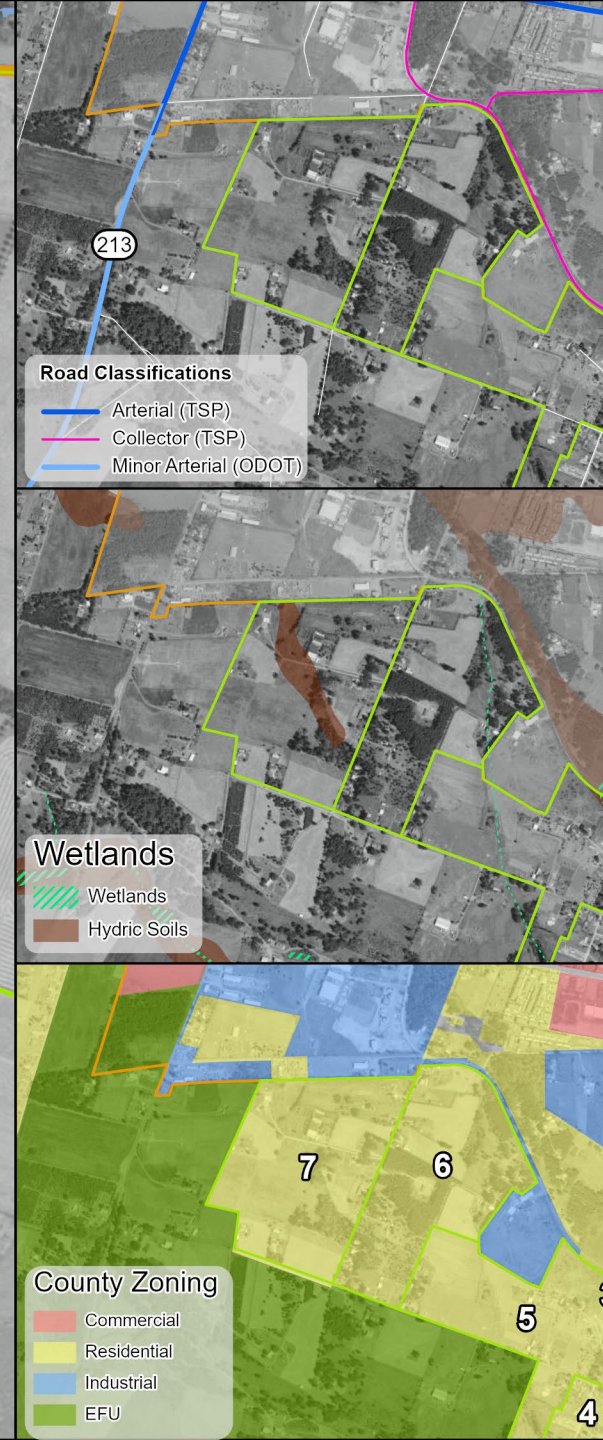


Subarea 6

Gross Acres	69.6 acres
Buildable Acres	69.6 acres
Housing Capacity	239
Industrial Lots	6 on 55 buildable acres With access on S Ona WY
Proximity	Contiguous
Infrastructure	Two 8" sanitary lines in the vicinity of the northern portion of this property. One along S Ona WY (north of Bear Creek) and one along MFR and S Lowe RD. 8" waterline to city limits along S Ona WY.
Compatible Uses	Near residential and agriculture
Goal 5 Implications	Some hydric soils and creek adjacent; flooding

- Existing UGB
- Subareas
- Constraints
- Wetlands
- Hydric Soils





Subarea 7

Gross Acres	76.1 acres
Buildable Acres	76.1 acres
Housing Capacity	291
Industrial Lots	8 on 58 buildable acres With access on S Ona WY
Proximity	Contiguous
Infrastructure	Similar to section 6. Opportunity for sewer/water to lines in OR-213. 12" waterline ends at Crumpton's . Sewer ends ~135ft N of the city limits. Potential gravity connection with extensive upsizing and extension of sewer.
Compatible Uses	Near residential and agriculture with heavy traffic on 211
Goal 5 Implications	Hydric soils could be locally significant

Existing UGB

Subareas

Constraints

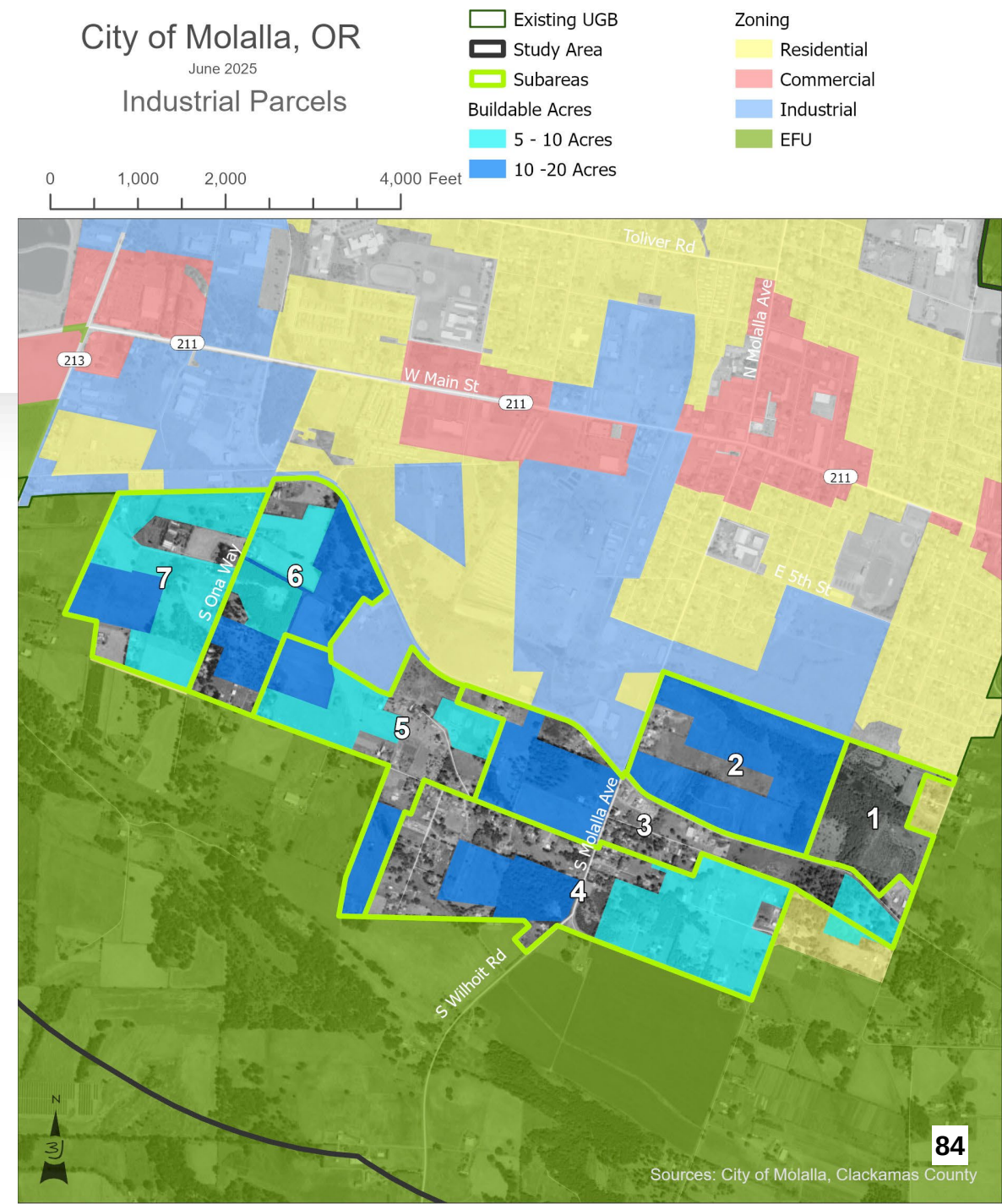
Wetlands

Hydric Soils



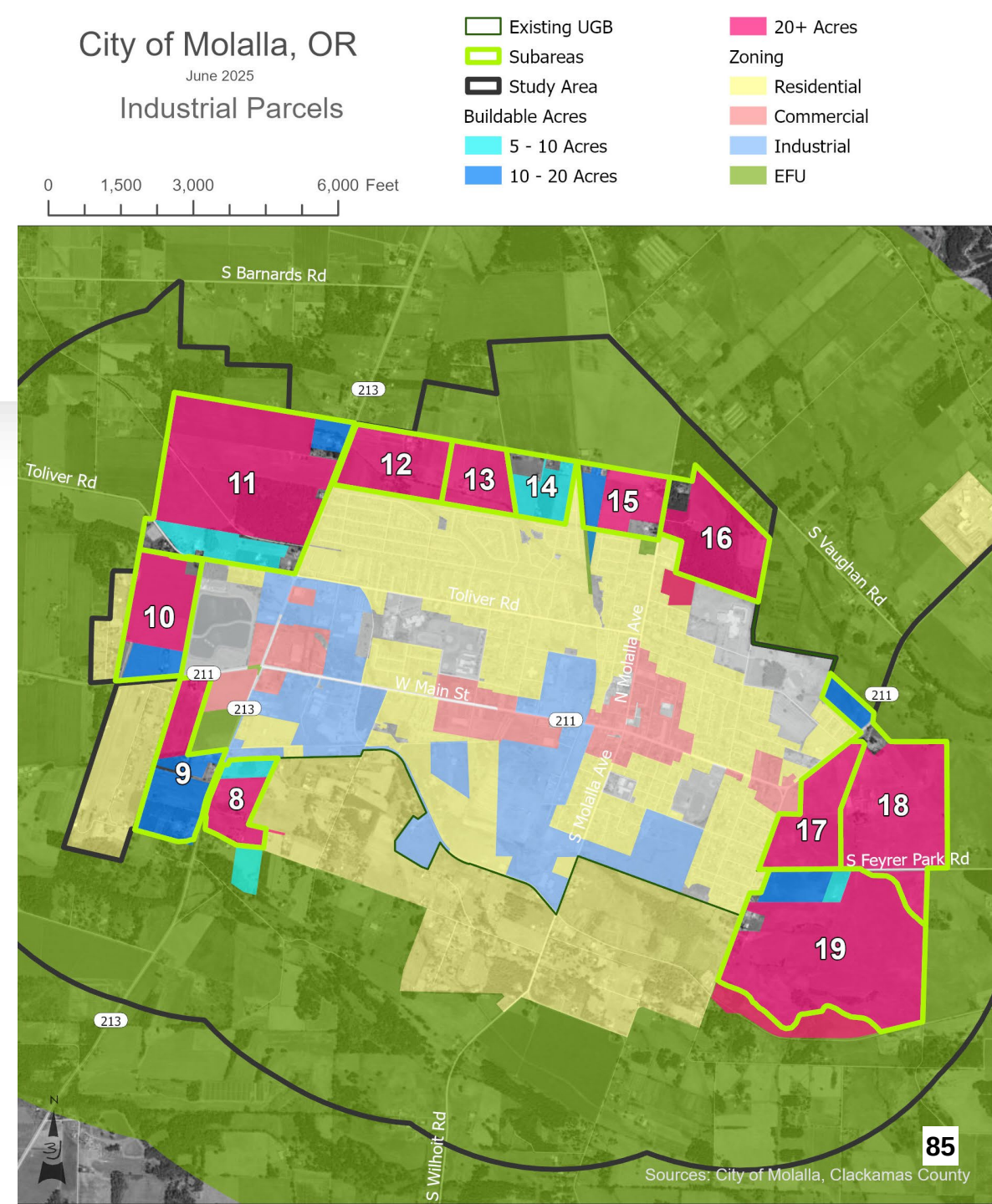
Subarea Analysis: Employment

- 8 industrial parcels on ~80 acres
- leaves room for 1,731 housing units



Subarea Analysis: Employment

- EOA give the option to add 2 additional parcels that are 20+ acres
- Includes a restriction that the land be maintained at that size for future employment
- Selection would apply the same Goal 14 Location Factors (proximity, compatibility, infrastructure costs, impact on nearby agriculture)



Next Steps

- Establish land need for housing (HNA) and employment (EOA) – *Complete*
- Enact “efficiency measures” to reduce land need – *Complete*
- Create preliminary and final study area– *Complete*
- Establish parcel prioritization– *Complete*
- Evaluate subareas according to Goal 14 location factors– *May 2025*
- Present analysis to PC & CC– *June 2025*
- **UGB Amendment Adoption by City (by March 2026)**
- **UGB Amendment Adoption by County**
- **Approval/Denial by DLCD with potential for legislative override (e.g. Roseburg)**

Questions?



Thank you!

From: [Community Planner](#)
To: [Dan Zinder](#)
Cc: [Christie Teets](#)
Subject: RE: June 4th Agenda: UGB Feedback
Date: Monday, June 2, 2025 3:34:48 PM

I've printed these for the meeting and saved them into the folder.

Jessica Wirth

Community Development Technician

City of Molalla

www.cityofmolalla.com

Phone: 503-759-0243

315 Kennel Ave., Molalla, OR 97038

[FACEBOOK](#) | [INSTAGRAM](#)



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From: Paige Lantz <paige@lantz-construction.com>
Sent: Monday, June 2, 2025 3:17 PM
To: Community Planner <communityplanner@cityofmolalla.com>; dan.zinder@cityofmolalla.com
Subject: June 4th Agenda: UGB Feedback

ATTN: Molalla City Council, Planning Commission, 3J Consulting

I ask that these comments please be included in the June 4th Planning Commission and the following City Council Mtg Agenda Packets and to be submitted in the record.

Hello - My name is Paige Lantz and my husband, Lee Lantz, and I live at 32951 S. Wilhoit. My in-laws (John and Eileen Lantz) live next door at 33061 S. Wilhoit, uncle lives next door on the other side (Lynn and Debbie Lantz) at 32845 S Wilhoit, and cousin (Mason Lantz) owns property touching all three of our properties. All four of these Lantz family properties border about half of the southern edge of Sub-Area 4 of the proposed UGB expansion.

I am writing to share my concerns with the proposed Sub-Areas 1-7 being prioritized in the proposed UGB expansion. I understand that Exception Lands must be exhausted prior to considering other Sub-Areas, however I have many concerns about how Sub-Areas 1-7 are not compatible with Oregon's Goal 14 factor and guidelines. My hope is that more compatible Sub-Areas will be considered instead of Sub-Areas of 1-7.

These Sub-Areas 1-7 (exception lands) will pose risks and challenges as part of the UGB

expansion that will not follow to the Goal 14 Factors to “provide for an orderly and efficient transition from rural to urban land use, to ensure efficient use of land, and to provide for livable communities”.

The risks, challenges, and incompatibilities of Sub-Areas 1-7 to Goal 14 Guidelines are:

1. The largest numbers of land-owners across all Sub-Areas are in Sub-Areas 1-7. The tax lot parcels across these areas are a variety of small and oddly shaped lots owned by single-family homes with various farms/ranches/agricultural uses. This would not allow for an "efficient use of land" as it is unlikely that enough tax lot owners would decide to annex and sell to a developer, thus creating a patchwork of "annexed" or "urbanized" areas mixed in with owners who want to keep their small parcel "rural". Annexation of these areas would not be cost effective to try to annex and incorporate multiple small parcels into city utilities, roads etc. The hodge-podge of lot sizes and layout of individual parcels will create an expensive and disjointed patchwork of annexed land which complicates transportation, public safety, and provision of city services. A better option would be to consider larger tax lots to create a more cost effective and efficient use of land to add to potential UGB expansion.

2. The location of Sub-Areas 1-7 is not maximizing the best use of land for population growth, or environmentally appropriate. People moving to Molalla that are part of the forecasted +5000 population increase forecast will want to live close to easy access to Hwy 213 and 1-5, which would be on the North side of Molalla, not the South side farthest away from major commuting arteries.

3. The location of Sub-Areas 1-7 will have negative effects on the environment and sensitive ecological areas. Sub-Areas 1-7 are home to many wetlands, creeks, streams, springs, oak groves, forests, and animal habitats, notably Bald Eagles. These Sub-Areas also border even more of these types of sensitive ecological areas (such as all four of our family parcels have a high-water table, many ground-springs, and marshy areas). The bordering properties would be environmentally harmed (animals, well-water and stream-water quality etc.) if the Sub-Areas 1-7 turn into developed land with multiple single family homes per acre. Water pollution would be a large risk to Bear Creek, and its smaller connecting creeks, running through many of the Sub-Areas 1-7 that feed into the Molalla River which is the City's main water source.

4. The location of Sub-Areas 1-7 will hinder economic and environmental viability for the current ranches, farms, and large crop fields. Our family properties that border Sub-Area 4, and many of our neighbors, are used for cattle, hay crops, and horse boarding. None of these agricultural activities would be possible if Sub-Area 4 was developed thus hindering peoples' ability to make a living, and for the Lantz families, carry-on our 5th Generation family operations. Furthermore, across Wilhoit (farther south) are multiple large crop fields actively in use that would be at risk if Sub-Areas 1-7 were developed (water pollution concerns, disturbance of crops and farming etc.)

5. . The location of Sub-Areas 1-7 will create high-risk traffic arteries. The commercial vehicle traffic (log trucks and farm equipment etc.) coming down from Sawtell, Wilhoit, and Molalla Ave are already very dangerous for existing residents. Adding higher density population to this area will further clog already busy and dangerous roads that are narrow, curvy, and don't have a shoulder for expansion or to pull over.

I hope that the "exception lands" (aka Sub-Areas 1-7) that are currently prioritized for UGB expansion are swapped for more appropriate sub-areas that do not negatively impact as many landowners and the environment, and that will be more cost-effective and efficient and attractive to developers to accommodate the future population of Molalla. There are other Sub-Areas that better align with the mandatory Oregon Administrative Rule urbanization guidelines outside of these exception lands.

If Sub-Areas 1-7 continue to be prioritized for UGB expansion there is opportunity for valid objection and appeal.

Thank you for your time and consideration,
Paige and Lee Lantz

Paige Lantz
Lantz Construction - *Operations Manager*
32951 S Wilhoit Rd., Molalla, OR 97038
503.318.6228



CITY OF MOLALLA

Staff Report

Agenda Category: GENERAL BUSINESS

Agenda Date: Wednesday, June 11, 2025

Submitted by: Dan Huff, City Manager

Approved by: Dan Huff, City Manager

SUBJECT: PILOT Payment in Lieu of Taxes - 1000 W. Main Street (Bear Creek Apartments)

FISCAL IMPACT:

Unknown annual decrease in revenue.

RECOMMENDATION/RECOMMENDED MOTION:

At the May 28th meeting, Council requested a legal opinion on the City's options. As of the date of writing this memo we have not received an opinion from the attorney. If we receive an opinion prior to the Council meeting, Staff will inform Council.

BACKGROUND:

In early March of this year, the City of Molalla learned that Clackamas County had approved a Payment in Lieu of Taxes (PILOT) Agreement for a housing development within Molalla (Molalla Apartments Limited Partnership). Since the City was not consulted on this matter, we obtained copies of the agreements approved by the Commissioners. These agreements are attached. The City takes issue with how Clackamas County has removed the taxing authority from the Molalla City Council without consultation.

In addition to this finding, the City discovered that Molalla Apartments Limited Partnership will pay a fee of \$25,000 annually in lieu of taxes for the next 40 years. This figure is close to actual taxes that would have been paid to all taxing districts but will not be within a few years. The burden of providing service to this development falls to the City of Molalla and to some extent the Molalla Fire District. I believe the City should have been consulted, especially since funding will be severely limited in the near future. As proven by data, these types of housing units require a substantial increase in service from the Molalla Police Department as well as the Molalla Fire District. Other cities with similar developments will agree with this fact.

Following initial discovery, we determined that the original Fee in Lieu Payment disbursement plan seems to take funding generated from a project in Molalla, and redistribute these funds well outside the area that services are being provided. Molalla tax revenue had been taken and re-assigned to the rest of the county.

We believe these are glaring discrepancies, incorrect distributions, and unfair actions being taken by Clackamas County. Thankfully, County Staff took notice and are working to correct this dilemma. The Commissioners should be able to act on this matter sometime in June. Our hope is that you all will act accordingly and fairly to correct

this problem.

The pressing dilemma for the City of Molalla is why was the City not consulted? Why did Clackamas County assume taxing authority within the city limits of Molalla? One would think the City and other impacted districts would have a place at the table for discussions. Or at least be invited to a public hearing to testify.

ATTACHMENTS:

Email re: Molalla PILOT Distribution.pdf

5-2-25 Clackamas County HHHS Memo re: Molalla Pilot Allocation

4-21-22 Clackamas County HHHS Memo re: Molalla Pilot Agreement

2-7-25 Payment in Lieu of Taxes (Pilot) Agreement.pdf

2024 Clackamas County Rate Book excerpt

From: [Dan Huff](#)
To: [Mac Corthell](#); [Cindy Chauran](#); [Suzan Duffy](#); [Christie Teets](#)
Subject: FW: Molalla PILOT Distribution
Date: Tuesday, June 3, 2025 11:29:23 AM
Attachments: [image004.png](#)
[CC Molalla Apts PILOT 6-3-2025.pdf](#)

I went to the Commissioner page and pulled their presentation out. Interesting highlight on the last page of the memo that maybe they should talk with the local jurisdictions affected prior to making another decision.

From: Callahan, Shannon <SCallahan@clackamas.us>
Sent: Tuesday, June 3, 2025 10:44 AM
To: Dan Huff <dhuff@cityofmolalla.com>
Subject: FW: Molalla PILOT Distribution

Good morning, Dan –

I just wanted to follow up to let you know we presented the IGA this morning to correct the tax distribution formula. I am including a link to the board item, and the IGA is attached.
[961290fb-69ab-45b7-ab65-47a32b27c125](#)

The board has placed this item on their next business meeting for this Thursday, June 5th. Once it passes and it is executed we will send the 24/25 PILOT payment that the Housing Authority has been holding to the assessor for distribution per the distribution schedule below.

Thank you for your patience as we worked to resolve this situation, and please let me know if you have any questions or concerns.

Best,
Shannon

Shannon Callahan, Director
she/her
Housing and Community Development
Clackamas County Health, Housing & Human Services
2051 Kaen Road, Suite 239 | Oregon City, OR 97045
Phone: 971.480.0189
Hours of Operation: Mon – Thu, 7am – 6pm
[Housing and Community Development Division | Clackamas County](#)

We are building a safe Clackamas County where all people thrive, are celebrated for their diverse identities, and know they belong.

035-002		PILOT Payment	\$24,823.55
	Rate	% of Total Rate	PILOT distribution
COM COLL CLACK	0.5054	2.650%	\$657.82
ESD CLACKAMAS	0.3345	1.754%	\$435.38
SCH MOL RIVER	4.2986	22.539%	\$5,594.99
CITY MOLALLA	4.8556	25.460%	\$6,319.97
COUNTY CLACKAMAS C	2.1989	11.530%	\$2,862.05
COUNTY EXTENSION & 4-H	0.0455	0.239%	\$59.22
COUNTY LIBRARY	0.3608	1.892%	\$469.61
COUNTY PUBLIC SAFETY LOC OPT	0.3680	1.930%	\$478.98
COUNTY SOIL CONS	0.0455	0.239%	\$59.22
FD73 MOLALLA	0.7164	3.756%	\$932.45
FD73 MOLALLA LOC OPT	0.7600	3.985%	\$989.20
PK MOLALLA AQUATIC	0.2653	1.391%	\$345.31
PORT OF PTLD	0.0638	0.335%	\$83.04
ROAD DIST 10 MOL	0.0000	0.000%	\$0.00
TRANS S CLACK	0.0000	0.000%	\$0.00
URBAN RENEWAL COUNTY	0.0129	0.068%	\$16.79
URBAN RENEWAL MOLALLA	1.2751	6.686%	\$1,659.65
VECTOR CONTROL	0.0060	0.031%	\$7.81
VECTOR CONTROL LOC OPT	0.0250	0.131%	\$32.54
CITY MOLALLA BOND	0.8489	4.451%	\$1,104.91
COM COLL CLACK BOND	0.2451	1.285%	\$319.02
COUNTY PUBLIC SFTY RADIO BOND	0.0914	0.479%	\$118.96
FD73 MOLALLA BOND	0.2080	1.091%	\$270.73
SCH MOL RIVER BOND	1.5411	8.081%	\$2,005.87
Total Tax Rate:	19.0718		\$24,823.55

MEMORANDUM

TO: Clackamas County Board of County Commissioners
FROM: Mary Rumbaugh, Director, Health Housing and Human Services
Shannon Callahan, Division Director, Housing and Community Development Division
RE: Molalla Apartments Payment in Lieu of Taxes (PILOT) Allocation
DATE: May 29, 2025

REQUEST: Review of the Intergovernmental Agreement (IGA) clarifying the allocations of the Payment in Lieu of Taxes (PILOT) Agreement for Molalla Apartments.

BACKGROUND: The Housing Authority of Clackamas County (HACC), a component unit within the Housing and Community Development Division of the Health, Housing and Human Services Department, was approached by a developer of 60-unit affordable housing project located in Molalla to consider a property tax exemption request for the project.

Affordable apartment communities owned by Oregon housing authorities can receive a property tax exemption so long as the housing is rented to low-income households (ORS 307.092). This exemption exists even when a housing authority has an extremely limited role, e.g. a 0.01% ownership stake, no fiduciary responsibilities and no role in daily operations. Unlike other property tax exemptions, this exemption requires no local approval.

Since local governments do not receive their share of property taxes from exempt properties, local governments can enter into agreements with low-income housing developers to compensate them for a portion of their lost revenues. These agreements are known as Payment in Lieu of Taxes (PILOT) agreements.

In March of 2022, the Housing Authority Board considered a tax exemption policy to create more affordable housing in Clackamas County.

In April of 2022, the Housing Authority Board approved a PILOT agreement for Molalla Apartments, a 60-unit affordable housing project located in Molalla with the Housing Authority of Clackamas County—in partnership with Home First Development, LLC and Green Light, LLC. The Partnership agreed to make a \$25,000 annual payment for 20 years, beginning July 1, 2022, and ending June 30, 2043, to permit the Authority to make a payment in lieu of taxes to Clackamas County.

Earlier this year, Molalla City Manager Dan Huff raised concerns regarding how the PILOT fee was being allocated. The PILOT fee was distributed according to a general county allocation formula, which did not directly benefit the City of Molalla in the way a standard property tax payment would.

The Authority is currently holding the \$25,000 payment to provide the Board with the opportunity to amend the tax distribution so that the tax year 24/25 funds can be distributed in the formula delineated in the proposed IGA.

In response to Mr. Huff's concerns, the Housing Authority, in coordination with the County's Assessment & Taxation department and County Counsel, researched the issue and developed an Intergovernmental Agreement (IGA). The IGA proposes a revised allocation structure that distributes the PILOT payment to ensure greater benefit to the taxing jurisdictions within the Molalla area. The IGA

also specifies that the PILOT payment cannot exceed what the property would have paid under normal property tax assessment, which our review determined was the case this year- the PILOT payment slightly exceeded the standard tax liability.

If the IGA were approved, the **Allocation of the PILOT payment for the 24/25 Tax Year** would be as follows:

035-002		PILOT Payment	\$24,823.55
	Rate	% of Total Rate	PILOT distribution
COM COLL CLACK	0.5054	2.650%	\$657.82
ESD CLACKAMAS	0.3345	1.754%	\$435.38
SCH MOL RIVER	4.2986	22.539%	\$5,594.99
CITY MOLALLA	4.8556	25.460%	\$6,319.97
COUNTY CLACKAMAS C	2.1989	11.530%	\$2,862.05
COUNTY EXTENSION & 4-H	0.0455	0.239%	\$59.22
COUNTY LIBRARY	0.3608	1.892%	\$469.61
COUNTY PUBLIC SAFETY LOC OPT	0.3680	1.930%	\$478.98
COUNTY SOIL CONS	0.0455	0.239%	\$59.22
FD73 MOLALLA	0.7164	3.756%	\$932.45
FD73 MOLALLA LOC OPT	0.7600	3.985%	\$989.20
PK MOLALLA AQUATIC	0.2653	1.391%	\$345.31
PORT OF PTLD	0.0638	0.335%	\$83.04
ROAD DIST 10 MOL	0.0000	0.000%	\$0.00
TRANS S CLACK	0.0000	0.000%	\$0.00
URBAN RENEWAL COUNTY	0.0129	0.068%	\$16.79
URBAN RENEWAL MOLALLA	1.2751	6.686%	\$1,659.65
VECTOR CONTROL	0.0060	0.031%	\$7.81
VECTOR CONTROL LOC OPT	0.0250	0.131%	\$32.54
CITY MOLALLA BOND	0.8489	4.451%	\$1,104.91
COM COLL CLACK BOND	0.2451	1.285%	\$319.02
COUNTY PUBLIC SFTY RADIO BOND	0.0914	0.479%	\$118.96
FD73 MOLALLA BOND	0.2080	1.091%	\$270.73
SCH MOL RIVER BOND	1.5411	8.081%	\$2,005.87
Total Tax Rate:	19.0718		\$24,823.55

The Housing Authority currently has no plans to enter into another PILOT (Payment in Lieu of Taxes) agreement. Should a future PILOT agreement be considered, the Housing Authority recommends that, prior to any such consideration, the Board adopt formal policy guidance. This policy should address, among other factors, the balance between financial incentives offered and financial benefits received, the duration of affordability commitments, and the necessity for communication and consultation with local jurisdictions affected by the agreement.

RECOMMENDATION: Staff recommends the Molalla PILOT IGA be placed on the next appropriate Board Business Meeting consent agenda.

Respectfully submitted,

Mary Rumbaugh

Mary Rumbaugh
Director of Health Housing and Human Services

**INTERGOVERNMENTAL AGREEMENT
BETWEEN CLACKAMAS COUNTY
AND HOUSING AUTHORITY OF CLACKAMAS COUNTY**

THIS AGREEMENT (this "Agreement") is entered into and between Clackamas County ("County"), a political subdivision of the State of Oregon, and Housing Authority of Clackamas County ("HACC") an Oregon municipal corporation, collectively referred to as the "Parties" and each a "Party."

RECITALS

Oregon Revised Statutes Chapter 190.010 confers authority upon local governments to enter into agreements for the performance of any and all functions and activities that a party to the agreement, its officers or agencies have authority to perform.

A. HACC works to provide affordable multifamily housing ("Affordable Housing") for persons and families of lower income pursuant to Oregon Revised Statutes ("ORS") 456.005 through 456.235, and is a Special Limited Partner of Molalla Apartments Limited Partnership (the "**Partnership**"), formed for the purposes of acquiring and developing Molalla Apartments, a 60-unit Affordable Housing project with a property address of 1000 W. Main Street, Molalla, Oregon (the "**Project**");

B. The Partnership was formed for the purpose of acquiring and owning real property located in Molalla, Oregon (the "**Property**") and developing and operating thereon a 60-unit affordable housing apartment project commonly known as "Molalla Apartments" (the "**Project**").

C. Pursuant to the provisions of ORS 307.092 and the fact that HACC has been admitted as a Special Limited Partner of the Partnership, the Property is exempt for all taxes to the extent authorized by ORS 307.092.

D. Pursuant to ORS 307.092(2)(b), the Authority may enter into an agreement with the County to make an annual payment in lieu of paying taxes and the Authority desires to enter into such an agreement.

E. The Partnership has agreed to make a fixed sum payment annually in the amount of Twenty-Five Thousand and No/100 Dollars (\$25,000) for twenty (20) years to the Authority to permit the Partnership to make the payment in lieu of paying taxes to the County. HACC has agreed to continue as a Special Limited Partner of the Partnership during the term of this agreement.

F. County calculates and collects annual property taxes for each of the taxing districts within the tax code area where the property is located and distributes the received tax money to the taxing districts.

In consideration of the mutual promises set forth below and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

TERMS

1. **Term.** This Agreement shall be effective upon execution, and shall expire upon the on June 30, 2042 whichever is sooner.
2. **PILOT Fee.** The fee in lieu of taxes (the “**PILOT Fee**”) shall be a fixed annual sum in the amount of Twenty-Five Thousand and No/100 Dollars (\$25,000).
3. **Payment of PILOT Fee.** Each tax year during the term of this Agreement, beginning July 1, 2022 and ending June 30, 2042, on or before March 1 (commencing March 1, 2023 and March 1 of each year thereafter), the Partnership shall pay an amount equal to the PILOT Fee to the Authority and the Authority will in turn promptly pay the PILOT Fee to the County to satisfy its obligation under this Agreement.
4. **Disbursement of Funds.** Beginning in the 2024/2025 tax year, the annual PILOT Fee will be distributed to the taxing districts within the tax code area where the exempt property is located. If the PILOT Fee is equal to, more, or less than the taxes that would have been owed if the property were taxable, the distribution will be made to the districts within the tax code based upon each district's percentage of the total rate and no taxing district will receive more that they would have received if taxable. Any excess funds after the initial distribution to the taxing districts within the tax code will be distributed according to the current tax year's uniform distribution schedule.
5. **Representations and Warranties.**
 - A. *HACC Representations and Warranties:* HACC represents and warrants to County that HACC has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of HACC enforceable in accordance with its terms.
 - B. *County Representations and Warranties:* County represents and warrants to HACC that County has the power and authority to enter into and perform this Agreement, and this Agreement, when executed and delivered, shall be a valid and binding obligation of County enforceable in accordance with its terms.
 - C. The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.
6. **Termination.**
 - A. Either the County or HACC may terminate this Agreement at any time upon thirty (30) days written notice to the other party.
 - B. Any termination of this Agreement shall not prejudice any rights or obligations accrued to the Parties prior to termination.
7. **Indemnification.**

Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the County agrees to indemnify, save harmless and defend the HACC, its officers, elected officials, agents and employees from and against all

costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts of the County or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which the County has a right to control.

Subject to the limits of the Oregon Constitution and the Oregon Tort Claims Act or successor statute, the HACC agrees to indemnify, save harmless and defend the County, its officers, elected officials, agents and employees from and against all costs, losses, damages, claims or actions and all expenses incidental to the investigation and defense thereof arising out of or based upon damages or injuries to persons or property caused by the negligent or willful acts of the HACC or its officers, elected officials, owners, employees, agents, or its subcontractors or anyone over which the HACC has a right to control.

8. **Notices; Contacts.** Any notice provided under this Agreement shall be delivered by email or by first class US mail to the individuals identified below. Any communication or notice mailed by first class US mail shall be deemed to be given three days after the date it is sent. Any communication or notice sent by electronic mail is deemed to be received on the date sent, unless the sender receives an automated message or other indication that the email has not been delivered. Either Party may change the Party contact information, or the invoice or payment addresses, by giving prior written notice to the other Party.

County Deputy Assessor or their designee will act as liaison for the County.

Contact Information:

Todd Cooper, Deputy Assessor
Clackamas County Assessment & Taxation
150 Beaver Creek Road, Room #135
Oregon City, OR 97045

Copy to:
County Counsel
2051 Kaen Road, 4th Floor
Oregon City, OR 97045

HACC Finance Manager or their designee will act as liaison for HACC.

Contact Information:

Darren Chilton, Finance Manager
Housing Authority of Clackamas County
P.O. Box 1510
Oregon City, OR 97045-0510

9. **General Provisions.**

- A. **Oregon Law and Forum.** This Agreement, and all rights, obligations, and disputes arising out of it will be governed by and construed in accordance with the laws of the State of Oregon and the ordinances of Clackamas County without giving effect

to the conflict of law provisions thereof. Any claim between County and HACC that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Clackamas County for the State of Oregon; provided, however, if a claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the County of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any claim or from the jurisdiction of any court. HACC, by execution of this Agreement, hereby consents to the in personam jurisdiction of the courts referenced in this section.

- B. **Compliance with Applicable Law.** Both Parties shall comply with all applicable local, state and federal ordinances, statutes, laws and regulations. All provisions of law required to be a part of this Agreement, whether listed or otherwise, are hereby integrated and adopted herein. Failure to comply with such obligations is a material breach of this Agreement.
- C. **Non-Exclusive Rights and Remedies.** Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive, and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach, or for any other default or breach, by the other Party.
- D. **Access to Records.** HACC shall retain, maintain, and keep accessible all records relevant to this Agreement ("Records") for a minimum of six (6) years, following Agreement termination or full performance or any longer period as may be required by applicable law, or until the conclusion of an audit, controversy or litigation arising out of or related to this Agreement, whichever is later. HACC shall maintain all financial records in accordance with generally accepted accounting principles. All other Records shall be maintained to the extent necessary to clearly reflect actions taken. During this record retention period, HACC shall permit the County's authorized representatives' access to the Records at reasonable times and places for purposes of examining and copying.
- E. **Work Product.** All work performed under this Agreement shall be considered work made for hire and shall be the sole and exclusive property of the District. The District shall own any and all data, documents, plans, copyrights, specifications, working papers and any other materials produced in connection with this Agreement. On completion or termination of the Agreement, the HACC shall promptly deliver these materials to the District's Project Manager.
- F. **Hazard Communication.** HACC shall notify County prior to using products containing hazardous chemicals to which County employees may be exposed, which includes any hazardous, toxic, or dangerous substance, waste, or material that is the subject of environmental protection legal requirements or that becomes regulated under any applicable local, state or federal law, including but not limited to

the items listed in the United States Department of Transportation Hazardous Materials Table (49 CFR §172.101) or designated as hazardous substances by Oregon Administrative Rules, Chapter 137, or the United States Environmental Protection Agency (40 CFR Part 302), and any amendments thereto. Upon County's request, HACC shall immediately provide Material Safety Data Sheets for the products subject to this provision.

- G. **Debt Limitation.** This Agreement is expressly subject to the limitations of the Oregon Constitution and Oregon Tort Claims Act, and is contingent upon appropriation of funds. Any provisions herein that conflict with the above referenced laws are deemed inoperative to that extent.
- H. **Severability.** If any provision of this Agreement is found to be unconstitutional, illegal or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal or unenforceable shall construe this Agreement without such provision to give effect to the maximum extent possible the intentions of the Parties.
- I. **Integration, Amendment and Waiver.** Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties on the matter of the Project. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification or change of terms of this Agreement shall bind either Party unless in writing and signed by both Parties and all necessary approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision.
- J. **Interpretation.** The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- K. **Independent Contractor.** Each of the Parties hereto shall be deemed an independent contractor for purposes of this Agreement. No representative, agent, employee or contractor of one Party shall be deemed to be a representative, agent, employee or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture or any similar relationship, and each Party hereby specifically disclaims any such relationship.
- L. **No Third-Party Beneficiary.** HACC and County are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Agreement.

- M. **Subcontract and Assignment.** HACC shall not enter into any subcontracts for any of the work required by this Agreement, or assign or transfer any of its interest in this Agreement by operation of law or otherwise, without obtaining prior written approval from the County, which shall be granted or denied in the County's sole discretion. County's consent to any subcontract shall not relieve HACC of any of its duties or obligations under this Agreement.
- N. **Counterparts.** This Agreement may be executed in several counterparts (electronic or otherwise), each of which shall be an original, all of which shall constitute the same instrument.
- O. **Survival.** All provisions in Sections 5, 7, and 10 (A), (C), (D), (G), (H), (I), (J), (L), (Q), (T), and (U) shall survive the termination of this Agreement, together with all other rights and obligations herein which by their context are intended to survive.
- P. **Necessary Acts.** Each Party shall execute and deliver to the others all such further instruments and documents as may be reasonably necessary to carry out this Agreement.
- Q. **Time is of the Essence.** HACC agrees that time is of the essence in the performance this Agreement.
- R. **Successors in Interest.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective authorized successors and assigns.
- S. **Force Majeure.** Neither HACC nor County shall be held responsible for delay or default caused by events outside of the HACC or County's reasonable control including, but not limited to, fire, terrorism, riot, acts of God, or war. However, HACC shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.
- T. **Confidentiality.** HACC acknowledges that it and its employees or agents may, in the course of performing their responsibilities under this Agreement, be exposed to or acquire confidential information. Any and all information of any form obtained by HACC or its employees or agents in the performance of this Agreement shall be deemed confidential information of the County ("Confidential Information"). HACC agrees to hold Confidential Information in strict confidence, using at least the same degree of care that HACC uses in maintaining the confidentiality of its own confidential information, and not to copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties or use Confidential Information for any purpose unless specifically authorized in writing under this Agreement.
- U. **No Attorney Fees.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorneys' fees and expenses.

IN WITNESS HEREOF, the Parties have executed this Agreement by the date set forth opposite their names below.

Clackamas County

Housing Authority of Clackamas County

Chair, Board of County Commissioners

Shannon Callahan, Executive Director

Date

Date

April 21, 2022

Board of County Commissioners
Clackamas County

Members of the Board:

Adoption of Resolution authorizing a Payment in Lieu of Taxes (PILOT) Agreement between Molalla Apartments Limited Partnership, the Housing Authority of Clackamas County (HACC) and Clackamas County, Housing Assistance Payment Contract (AHAP) and Related Matters, for the Molalla Apartments Project. Total Value is \$500,000. Clackamas County General Funds are not involved.

Purpose/Outcomes	Adoption of Resolution authorizing a PILOT Agreement other related documents to support the affordability of the 60-unit affordable housing apartment project, commonly known as Molalla Apartments, in Molalla, Oregon
Dollar Amount and Fiscal Impact	Annual payments of \$25,000 paid to HACC by Molalla Apartments Limited Partnership and then distributed to Clackamas County for a term of 20 years.
Funding Source(s)	Molalla Apartments Limited Partnership
Duration	20 years from July 1, 2022, thru June 30, 2042.
Previous Board Action/Review	3/1/22 – PTE & PILOT concepts presented at Issues 4/19/22 – Resolution presented at Issues
Strategic Plan Alignment	This funding aligns with the County's strategic priority to ensure safe, healthy, and secure communities by increasing the inventory of affordable housing units in Clackamas County.
Counsel Review	3/29/2022 - Andrew Naylor, County Counsel on behalf of the Housing Authority of Clackamas County 3/29/2022 – Kathleen Rastetter, County Counsel on behalf of Clackamas County
Procurement Review	1. Was the item processed through Procurement? yes ☐ no ☒ 2. If no, provide brief explanation: Tax exemption/real property transactions are outside the procurement code. Voucher award based on previous successful LIFT Funding Award
Contact Person	Devin Ellin, Director of Housing Development, HACC 971-227-0472
Contract Number	Clackamas County Resolution

BACKGROUND:

The state of Oregon is experiencing a housing crisis which has led to a shortage of affordable housing units in Clackamas County. Property tax exemptions are an effective affordable housing tool that can increase the amount of debt an affordable property can sustainably take on, thereby decreasing the demand for other limited funding sources. Property tax exemptions are especially useful to projects like Molalla Apartments that are being developed outside of the Urban Growth Boundary (UGB) where resources like the Regional Affordable Housing Bond are not available.

Affordable apartment communities owned by Oregon housing authorities receive a property tax exemption so long as the housing is rented to low-income households (ORS 307.092). This exemption exists even when a housing authority has an extremely limited role—e.g. a 0.01% ownership stake, no fiduciary responsibilities and no role in daily operations. Unlike other property tax exemptions, this exemption requires no local approval.

Since local governments do not receive their share of property taxes from exempt properties, local governments can enter into agreements with low-income housing developers to compensate them for a portion of their lost revenues. These agreements are known as "payment in lieu of taxes" (PILOT) agreements.

In support of Molalla Apartments, a 60-unit affordable housing project located in Molalla, the Housing Authority of Clackamas County—in partnership with Home First Development, LLC and Green Light, LLC—would become a Special Limited Partner in the Molalla Apartments Limited Partnership. If approved, the Partnership agrees to make a \$25,000 annual payment for the next 20 years to permit the Authority to make a payment in lieu of taxes to Clackamas County.

Each tax year during the term of the Agreement, beginning July 1, 2022, and ending June 30, 2042, on or before March 1 (commencing March 1, 2023, and March 1 of each year thereafter), the Partnership shall pay a fixed annual sum in the amount of \$25,000 to the Authority and the Authority will, in turn, promptly pay the PILOT Fee to the County to satisfy its obligation under the Agreement.

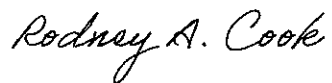
ATTACHMENTS:

- CC Resolution - PILOT Agreement – Molalla Apartments
- PILOT Agreement – Molalla Apartments – partnership executed

RECOMMENDATION:

Staff recommends approving Resolution authorizing the Chair of the Board of County Commissioners to act on behalf of Clackamas County to approve the PILOT Agreement and such other documents as may reasonably be required in connection with the PILOT Agreement.

Respectfully submitted,

A handwritten signature in black ink that reads "Rodney A. Cook". The signature is written in a cursive, flowing style.

Rodney A. Cook, Director
Health, Housing and Human Services

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

Resolution Authorizing the PILOT
Agreement and Related Matters,
for the Molalla Apartments
Project

Resolution No. _____
Page 1 of 3

WHEREAS, Clackamas County, Oregon ("**County**") desires to provide affordable multifamily housing ("**Affordable Housing**") for persons and families of lower income; and

WHEREAS, GL-HR Molalla 2021 GP LLC, an Oregon limited liability company (the "**General Partner**"), has formed an Oregon limited partnership, Molalla Apartments Limited Partnership (the "**Partnership**"), of which the General Partner is the sole general partner, for the purposes of acquiring and developing Molalla Apartments, a 60-unit Affordable Housing project with a property address of 1000 W. Main Street, Molalla, Oregon (the "**Project**"); and

WHEREAS, the Partnership will be operated pursuant to the terms and provisions of an Amended and Restated Agreement of Limited Partnership, among General Partner, an entity designated by Enterprise Housing Credit Investments as Investor Limited Partner, Evergreen Community Partners, an Oregon public benefit nonprofit corporation as a Special Limited Partner, and the Housing Authority of Clackamas County, a public body and politic of the state of Oregon (the "**Authority**"), as a Special Limited Partner (the "**Partnership Agreement**"); and

WHEREAS, the Authority will be admitted as a Special Limited Partner to the Partnership pursuant to the Partnership Agreement with a 0.001% interest in the Partnership; and

WHEREAS, pursuant to ORS 307.092(2)(b), the Authority may enter into an agreement with the County to make an annual payment in lieu of paying taxes ("**PILOT Agreement**") and the Authority desires to enter into such a PILOT Agreement with the County and the Partnership for the Project; and

WHEREAS, the Partnership has agreed to make a payment annually for twenty (20) years to the Authority to permit the Authority to make the payment in lieu of paying taxes to the County assuming the County and the Authority enter into the PILOT Agreement with the Partnership, and in the amount identified in the PILOT Agreement;

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

Resolution Authorizing the PILOT
Agreement and Related Matters,
for the Molalla Apartments
Project



Resolution No. _____
Page 2 of 3

NOW, THEREFORE, the Clackamas County board of Commissioners do hereby resolve as follows:

Section 1. Approve PILOT Agreement.

BE IT RESOLVED, that the County is authorized to negotiate, execute and deliver on behalf of the County the PILOT Agreement in the form submitted to the Board of Commissioners and such other documents as reasonably may be required in connection with the PILOT Agreement all in the form approved by the Authorized Representative (such approval to be conclusively demonstrated by the signature of such Authorized Representative on such documents).

Section 2. Delegation.

BE IT RESOLVED, that the Clackamas County Chair Commissioner is hereby designated as an Authorized Representative, as that term is used in these Resolutions, and may individually, acting on behalf of the County and without further action by the Board, finalize the terms of, execute, acknowledge, and deliver the documents authorized herein and take the actions authorized herein.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
OF CLACKAMAS COUNTY, STATE OF OREGON**

Resolution Authorizing the PILOT
Agreement and Related Matters,
for the Molalla Apartments
Project



Resolution No. _____
Page 3 of 3

Section 3. General Resolutions Authorizing and Ratifying Other Actions.

BE IT RESOLVED, that each of the Authorized Representatives is authorized to negotiate, execute and deliver on behalf of the County such other agreements, certificates, and documents, and to take or authorize to be taken all such other actions as such Authorized Representative shall deem necessary or desirable to carry out the agreements and transactions contemplated by the foregoing resolutions (such determination to be conclusively demonstrated by the signature of such Authorized Representative on such document); and

BE IT FURTHER RESOLVED, that to the extent any action, agreement, document, or certification has heretofore been taken, executed, delivered or performed by an Authorized Representative named in these Resolutions on behalf of the County to carry out the transactions contemplated by the foregoing resolutions, the same is hereby ratified and affirmed.

BE RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS THAT:

The above statements were approved and declared adopted on this ____ day of March,
2022

DATED this ____ day of APRIL, 2022

BOARD OF COUNTY COMMISSIONERS

Chair

Recording Secretary

APPROVED AS TO FORM

Kathleen Rastetter, Approved via email on 3/29/22

COUNSEL FOR CLACKAMAS COUNTY
OF CLACKAMAS COUNTY, OREGON

PAYMENT IN LIEU OF TAXES (PILOT) AGREEMENT

This Payment in Lieu of Taxes (PILOT) Agreement (the “**Agreement**”), is effective as of the date that the last party signs upon execution by all parties, is entered into by and among Molalla Apartments Limited Partnership, an Oregon limited partnership (the “**Partnership**”), the Housing Authority of Clackamas County, a public body corporate and politic (the “**Authority**”), and Clackamas County, Oregon, a municipal subdivision of the state of Oregon (the “**County**”).

RECITALS

A. The Partnership was formed for the purpose of acquiring and owning real property located in Molalla, Oregon that is described on Exhibit A attached hereto and incorporated herein by reference (the “**Property**”) and developing and operating thereon a 60-unit affordable housing apartment project commonly known as “Molalla Apartments” (the “**Project**”).

B. The Partnership will be operated pursuant to the terms and provisions of an Amended and Restated Agreement of Limited Partnership to be entered into among GL-HR Molalla 2021 GP LLC, an Oregon limited liability company, as General Partner, Wincopin Circle LLLP, a Maryland limited liability limited partnership, as Investor Limited Partner, and the Housing Authority of Clackamas County (“**HACC**”) as a Special Limited Partner (the “**Partnership Agreement**”). Evergreen Community Partners, an Oregon public benefit nonprofit corporation or its designee may also be admitted as a Special Limited Partner.

C. Pursuant to the provisions of ORS 307.092 and the fact that HACC has been admitted as a Special Limited Partner of the Partnership, the Property is exempt from all taxes to the extent authorized by ORS 307.092.

D. HACC has agreed to continue as a Special Limited Partner of the Partnership during the term of this Agreement.

E. Pursuant to ORS 307.092(2)(b), the Authority may enter into an agreement with the County to make an annual payment in lieu of paying taxes and the Authority desires to enter into such an agreement.

F. The Partnership has agreed to make a payment annually for twenty (20) years to the Authority to permit the Authority to make the payment in lieu of paying taxes to the County.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The Recitals are incorporated herein as if fully set forth in this Agreement.

2. Term. The term of this Agreement shall be for a period commencing as of the date of this Agreement and continuing until June 30, 2042, and shall relate to tax years beginning July 1, 2022, and continuing for a total of twenty (20) tax years ending June 30, 2042.

3. **PILOT Fee.** The fee in lieu of taxes (the “**PILOT Fee**”) shall be a fixed annual sum in the amount of Twenty-Five Thousand and No/100 Dollars (\$25,000).

4. **Payment of PILOT Fee.** Each tax year during the term of this Agreement, beginning July 1, 2022 and ending June 30, 2042, on or before March 1 (commencing March 1, 2023 and March 1 of each year thereafter), the Partnership shall pay an amount equal to the PILOT Fee to the Authority and the Authority will in turn promptly pay the PILOT Fee to the County to satisfy its obligation under this Agreement.

5. **Burden and Benefit; Assignment.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the parties and their respective successors, and assigns. No party may assign this Agreement without the prior written consent of the other parties which consent may be withheld in such party’s sole discretion.

6. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

7. **No Continuing Waiver.** The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

8. **Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the state of Oregon applicable to agreements made and to be performed entirely therein without regard to the conflict of law provisions of Oregon law.

9. **Headings.** All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section.

10. **Terminology.** All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

11. **Reliance.** Except with the written consent of all parties to this Agreement, no person other than the parties to this Agreement may directly or indirectly rely upon or enforce the provisions of this Agreement, whether as a third-party beneficiary or otherwise.

12. **No Attorney Fees.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorneys’ fees and expenses.

13. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties or any third party to create the relationship of partners or joint ventures between the County and the Partnership.

14. Modification. This Agreement may not be amended or modified in any respect whatsoever without written agreement of the parties.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth opposite the name of each party.

The Partnership has executed this Agreement April 4, 2022.

PARTNERSHIP:

MOLALLA APARTMENTS LIMITED PARTNERSHIP,
an Oregon limited partnership

By: GL-HF Molalla 2021 GP LLC, an
Oregon limited liability company,
General Partner

By: Green Light – Home First LLC, an
Oregon limited liability company,
Manager

By: Home First Development, LLC,
an Oregon limited liability company,
Manager

By: 
Benjamin Pray
Manager

By: Green Light LLC,
an Oregon limited liability company,
Manager

By: 
Mark N. R. Desbrow
Managing Member

[Remainder of page intentionally left blank]

The Housing Authority has executed this Agreement _____, 2022.

HOUSING AUTHORITY:

HOUSING AUTHORITY OF CLACKAMAS COUNTY,
a public body corporate and politic of Clackamas County, Oregon

By: _____

Name: Tootie Smith

Title: Chair of the Housing Authority of Clackamas County Board

The County has executed this Agreement _____, 2022.

COUNTY:

CLACKAMAS COUNTY,
a municipal subdivision of the state of Oregon

By: _____

Name: Tootie Smith

Title: Chair of the Clackamas County Board of Commissioners

APPROVED AS TO FORM

Kathleen Rastetter, Approved via email on 3/29/22
COUNSEL FOR CLACKAMAS COUNTY
OF CLACKAMAS COUNTY, OREGON

APPROVED AS TO FORM

Andrew Naylor, Approved via email on 3/29/22
COUNSEL FOR HOUSING AUTHORITY
OF CLACKAMAS COUNTY, OREGON

EXHIBIT A

Legal Description

Part of the Rachel Larking Donation Land Claim No. 43 in Township 5 South, Range 2 East, of the Willamette Meridian, in the County of Clackamas and State of Oregon, described as follows:

Beginning at the northeast corner of that tract of land conveyed to Harvey C. Burghardt, et ux, by Deed recorded in Deed Book 491, page 381, and running thence South 81°30' East along the south line of Market Road No. 32, 196 feet to a point; thence South 18°47' West 669.00 feet, more or less, to the south boundary of that tract of land conveyed to L.O. Nightingale, et ux, by Deed recorded in Deed Book 137, page 426; thence North 81°30' West along the south boundary of the Nightingale tract 196.00 feet, more or less, to the point of Intersection of said south boundary with the southerly extension of the easterly boundary line of the aforesaid Harvey C. Burghardt tract; thence Northerly along the southerly extension of the east boundary line of the said Burghardt tract 244.00 feet, more or less, to the southeast corner of said Burghardt tract; thence continuing Northerly along the east boundary line of the said Burghardt tract 425.00 feet to the point of beginning.

PAYMENT IN LIEU OF TAXES (PILOT) AGREEMENT

This Payment in Lieu of Taxes (PILOT) Agreement (the “**Agreement**”), is effective as of the date that the last party signs upon execution by all parties, is entered into by and among Molalla Apartments Limited Partnership, an Oregon limited partnership (the “**Partnership**”), the Housing Authority of Clackamas County, a public body corporate and politic (the “**Authority**”), and Clackamas County, Oregon, a municipal subdivision of the state of Oregon (the “**County**”).

RECITALS

A. The Partnership was formed for the purpose of acquiring and owning real property located in Molalla, Oregon that is described on **Exhibit A** attached hereto and incorporated herein by reference (the “**Property**”) and developing and operating thereon a 60-unit affordable housing apartment project commonly known as “Molalla Apartments” (the “**Project**”).

B. The Partnership will be operated pursuant to the terms and provisions of an Amended and Restated Agreement of Limited Partnership to be entered into among GL-HR Molalla 2021 GP LLC, an Oregon limited liability company, as General Partner, Wincopin Circle LLLP, a Maryland limited liability limited partnership, as Investor Limited Partner, and the Housing Authority of Clackamas County (“**HACC**”) as a Special Limited Partner (the “**Partnership Agreement**”). Evergreen Community Partners, an Oregon public benefit nonprofit corporation or its designee may also be admitted as a Special Limited Partner.

C. Pursuant to the provisions of ORS 307.092 and the fact that HACC has been admitted as a Special Limited Partner of the Partnership, the Property is exempt from all taxes to the extent authorized by ORS 307.092.

D. HACC has agreed to continue as a Special Limited Partner of the Partnership during the term of this Agreement.

E. Pursuant to ORS 307.092(2)(b), the Authority may enter into an agreement with the County to make an annual payment in lieu of paying taxes and the Authority desires to enter into such an agreement.

F. The Partnership has agreed to make a payment annually for twenty (20) years to the Authority to permit the Authority to make the payment in lieu of paying taxes to the County.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Recitals.** The Recitals are incorporated herein as if fully set forth in this Agreement.
2. **Term.** The term of this Agreement shall be for a period commencing as of the date of this Agreement and continuing until June 30, 2042, and shall relate to tax years beginning July 1, 2022, and continuing for a total of twenty (20) tax years ending June 30, 2042.

3. **PILOT Fee.** The fee in lieu of taxes (the “**PILOT Fee**”) shall be a fixed annual sum in the amount of Twenty-Five Thousand and No/100 Dollars (\$25,000).

4. **Payment of PILOT Fee.** Each tax year during the term of this Agreement, beginning July 1, 2022 and ending June 30, 2042, on or before March 1 (commencing March 1, 2023 and March 1 of each year thereafter), the Partnership shall pay an amount equal to the PILOT Fee to the Authority and the Authority will in turn promptly pay the PILOT Fee to the County to satisfy its obligation under this Agreement. Each year the PILOT fee should be uniformly distributed according to current tax year’s distribution schedule.

5. **Burden and Benefit; Assignment.** The covenants and agreements contained herein shall be binding upon and inure to the benefit of the parties and their respective successors, and assigns. No party may assign this Agreement without the prior written consent of the other parties which consent may be withheld in such party’s sole discretion.

6. **Severability of Provisions.** Each provision of this Agreement shall be considered severable, and if for any reason any provision that is not essential to the effectuation of the basic purposes of the Agreement is determined to be invalid and contrary to any existing or future law, such invalidity shall not impair the operation of or affect those provisions of this Agreement that are valid.

7. **No Continuing Waiver.** The waiver by any party of any breach of this Agreement shall not operate or be construed to be a waiver of any subsequent breach.

8. **Applicable Law.** This Agreement shall be construed and enforced in accordance with the laws of the state of Oregon applicable to agreements made and to be performed entirely therein without regard to the conflict of law provisions of Oregon law.

9. **Headings.** All section headings in this Agreement are for convenience of reference only and are not intended to qualify the meaning of any section.

10. **Terminology.** All personal pronouns used in this Agreement, whether used in the masculine, feminine, or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

11. **Reliance.** Except with the written consent of all parties to this Agreement, no person other than the parties to this Agreement may directly or indirectly rely upon or enforce the provisions of this Agreement, whether as a third-party beneficiary or otherwise.

12. **No Attorney Fees.** In the event any arbitration, action or proceeding, including any bankruptcy proceeding, is instituted to enforce any term of this Agreement, each party shall be responsible for its own attorneys’ fees and expenses.

13. Relationship of Parties. Nothing contained in this Agreement shall be deemed or construed by the parties or any third party to create the relationship of partners or joint ventures between the County and the Partnership.

14. Modification. This Agreement may not be amended or modified in any respect whatsoever without written agreement of the parties.

[Remainder of page intentionally left blank]

Payee		Payee Address	
CITY MOLALLA		PO BOX 248 MOLALLA, OR 97038	
Date	Payment Method	Amount	Reference No.
02/07/2025	EFT	\$ 37,480.97	

File Copy

204010--CITY MOLALLA
Print As: CITY MOLALLA

PO BOX 248
MOLALLA, OR 97038

Date: 02/07/2025

Date	Bill #	Reference Number	Term	Discount	Amount Paid/Applied
02/07/2025		USEG 1/31/2025		\$0.00	\$330.11
02/07/2025		HACCPILT2025		\$0.00	\$105.80
02/07/2025		TXTO 1/31/2025		\$0.00	\$37,045.06
Net Amount:					\$37,480.97

Page 1 of 1

204010--CITY MOLALLA
Print As: CITY MOLALLA

PO BOX 248
MOLALLA, OR 97038

Date: 02/07/2025

Date	Bill #	Reference Number	Term	Discount	Amount Paid/Applied
02/07/2025		USEG 1/31/2025		\$0.00	\$330.11
02/07/2025		HACCPILT2025		\$0.00	\$105.80
02/07/2025		TXTO 1/31/2025		\$0.00	\$37,045.06
Net Amount:					\$37,480.97

Page 1 of 1

Payee	Payee Address			Date
SCH 035 MOLALLA RI	PO BOX 188 MOLALLA, OR 97038			02/07/2025
Payment Method	Amount	Reference No.	Memo	
EFT	\$ 112,557.88			

File Copy

201010--SCH 035 MOLALLA RI
Print As: SCH 035 MOLALLA RI

PO BOX 188
MOLALLA, OR 97038

Date: 02/07/2025

Date	Bill #	Reference Number	Term Discount	Amount Paid/Applied
02/07/2025		USEG 1/31/2025	\$0.00	\$994.62
02/07/2025		HACCPILT2025	\$0.00	\$318.77
02/07/2025		TXTO 1/31/2025	\$0.00	\$111,244.49
Net Amount:				\$112,557.88

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201010--SCH 035 MOLALLA RI
Print As: SCH 035 MOLALLA RI

PO BOX 188
MOLALLA, OR 97038

Date: 02/07/2025

Date	Bill #	Reference Number	Term Discount	Amount Paid/Applied
02/07/2025		USEG 1/31/2025	\$0.00	\$994.62
02/07/2025		HACCPILT2025	\$0.00	\$318.77
02/07/2025		TXTO 1/31/2025	\$0.00	\$111,244.49
Net Amount:				\$112,557.88

Page 1 of 1

Payee		Payee Address			
SCH 012 N CLACKAMA		12400 SE FREEMAN WAY			
		ATTN ACCOUNTING			
		MILWAUKIE, OR 97222			
Date	Payment Method	Amount	Reference No.	Memo	
02/07/2025	EFT	\$ 1,159,195.00			

File Copy

201004--SCH 012 N CLACKAMA
Print As: SCH 012 N CLACKAMA

12400 SE FREEMAN WAY
ATTN ACCOUNTING
MILWAUKIE, OR 97222

Date: 02/07/2025

Date	Bill #	Reference Number	Term Discount	Amount Paid/Applied
02/07/2025		TXTO 1/31/2025	\$0.00	\$1,145,904.82
02/07/2025		HACCPILT2025	\$0.00	\$3,225.83
02/07/2025		USEG 1/31/2025	\$0.00	\$10,064.35
Net Amount:				\$1,159,195.00

Page 1 of 1

201004--SCH 012 N CLACKAMA
Print As: SCH 012 N CLACKAMA

12400 SE FREEMAN WAY
ATTN ACCOUNTING
MILWAUKIE, OR 97222

Date: 02/07/2025

Date	Bill #	Reference Number	Term Discount	Amount Paid/Applied
02/07/2025		TXTO 1/31/2025	\$0.00	\$1,145,904.82
02/07/2025		HACCPILT2025	\$0.00	\$3,225.83
02/07/2025		USEG 1/31/2025	\$0.00	\$10,064.35
Net Amount:				\$1,159,195.00

Page 1 of 1

Payee	Payee Address		
SCH 003 WLINN/WILS	22210 SW STAFFORD RD		
	TUALATIN, OR 97062		
Date	Payment Method	Amount	Reference No
02/07/2025	EFT	\$ 728,366.96	

File Copy

201002--SCH 003 WLINN/WILS
Print As: SCH 003 WLINN/WILS

22210 SW STAFFORD RD
TUALATIN, OR 97062

Date: 02/07/2025

Date	Bill #	Reference Number	Term Discount	Amount Paid/Applied
02/07/2025		TXTO 1/31/2025	\$0.00	\$720,008.94
02/07/2025		HACCPILT2025	\$0.00	\$2,028.65
02/07/2025		USEG 1/31/2025	\$0.00	\$6,329.37
Net Amount:				\$728,366.96

Page 1 of 1

201002--SCH 003 WLINN/WILS
Print As: SCH 003 WLINN/WILS

22210 SW STAFFORD RD
TUALATIN, OR 97062

Date: 02/07/2025

Date	Bill #	Reference Number	Term Discount	Amount Paid/Applied
02/07/2025		TXTO 1/31/2025	\$0.00	\$720,008.94
02/07/2025		HACCPILT2025	\$0.00	\$2,028.65
02/07/2025		USEG 1/31/2025	\$0.00	\$6,329.37
Net Amount:				\$728,366.96

Page 1 of 1

Payee	Payee Address	Date	Payment Method	Amount	Reference No.
SCH 007 LAKE OSWEG	PO BOX 70 LAKE OSWEGO, OR 97034	02/07/2025	EFT	\$ 691,238.57	

File Copy

201003--SCH 007 LAKE OSWEG
Print As: SCH 007 LAKE OSWEG

PO BOX 70
LAKE OSWEGO, OR 97034

Date: 02/07/2025

Date	Reference Number	Amount	Balance
02/07/2025	USEG 1/31/2025	\$0.00	\$6,014.00
02/07/2025	TXTO 1/31/2025	\$0.00	\$683,297.01
02/07/2025	HACCPILT2025	\$0.00	\$1,927.56
Net Amount:			\$691,238.57

Page 1 of 1

201003--SCH 007 LAKE OSWEG
Print As: SCH 007 LAKE OSWEG

PO BOX 70
LAKE OSWEGO, OR 97034

Date: 02/07/2025

Date	Reference Number	Amount	Balance
02/07/2025	USEG 1/31/2025	\$0.00	\$6,014.00
02/07/2025	TXTO 1/31/2025	\$0.00	\$683,297.01
02/07/2025	HACCPILT2025	\$0.00	\$1,927.56
Net Amount:			\$691,238.57

Page 1 of 1

Payee	Payee Address
FIRE 001 CLACKAMAS	11300 SE FULLER ROAD MILWAUKIE, OR 97222
Date	Payment Method
02/07/2025	EFT
Amount	Reference No.
\$ 649,448.69	

File Copy

205001—FIRE 001 CLACKAMAS
Print As: FIRE 001 CLACKAMAS

11300 SE FULLER ROAD
MILWAUKIE, OR 97222

Date: 02/07/2025

Date	Bill #	Reference Number	Amount	Amount Paid
02/07/2025		TXTO 1/31/2025	\$0.00	\$641,933.47
02/07/2025		USEG 1/31/2025	\$0.00	\$5,691.14
02/07/2025		HACCPILT2025	\$0.00	\$1,824.08
Net Amount:				\$649,448.69

Page 1 of 1

205001—FIRE 001 CLACKAMAS
Print As: FIRE 001 CLACKAMAS

11300 SE FULLER ROAD
MILWAUKIE, OR 97222

Date: 02/07/2025

Date	Bill #	Reference Number	Amount	Amount Paid
02/07/2025		TXTO 1/31/2025	\$0.00	\$641,933.47
02/07/2025		USEG 1/31/2025	\$0.00	\$5,691.14
02/07/2025		HACCPILT2025	\$0.00	\$1,824.08
Net Amount:				\$649,448.69

Page 1 of 1

Payroll
FIRE 073 MOLALLA
PO BOX 655
MOLALLA, OR 97038
Date: 02/07/2025
Payment Method: EFT
Amount: \$ 26,787.73

File Copy

205020--FIRE 073 MOLALLA
Print As: FIRE 073 MOLALLA

PO BOX 655
MOLALLA, OR 97038

Date: 02/07/2025

Date	Description	Amount	Balance
02/07/2025	TXTO 1/31/2025	\$0.00	\$26,479.14
02/07/2025	HACCPILT2025 00-1050	\$0.00	\$74.90
02/07/2025	USEG 1/31/2025 00-4400	\$0.00	\$233.69

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205020--FIRE 073 MOLALLA
Print As: FIRE 073 MOLALLA

PO BOX 655
MOLALLA, OR 97038

Date: 02/07/2025

Date	Description	Amount	Balance
02/07/2025	TXTO 1/31/2025	\$0.00	\$26,479.14
02/07/2025	HACCPILT2025	\$0.00	\$74.90
02/07/2025	USEG 1/31/2025	\$0.00	\$233.69

Page 1 of 1

Tax Code: 026-035

Taxable Value:	\$1,376,749
COM COLL MT HOOD	0.4556
ESD MULTNOMAH	0.4240
SCH GRESHAM/BRLW	4.5268
Total Education	5.4064
CITY HAPPY VALLEY	0.5953
CITY HAPPY VALLEY LOC OPT	1.9200
COUNTY CLACKAMAS C	2.1316
COUNTY EXTENSION & 4-H	0.0441
COUNTY LIBRARY	0.3499
COUNTY PUBLIC SAFETY LOC OPT	0.3680
COUNTY SOIL CONS	0.0441
FD 1 CLACK CO	2.0924
FD 1 CLACK CO LOC OPT	0.5200
PORT OF PTL D	0.0618
ROAD DIST 11 HV	0.0000
SRV 2 METRO	0.0848
SRV 2 METRO LOC OPT	0.0960
URBAN RENEWAL COUNTY	0.0436
URBAN RENEWAL HAPPY VALLEY	0.7633
VECTOR CONTROL	0.0058
VECTOR CONTROL LOC OPT	0.0250
Total General Government	9.1457
COUNTY EMERG RADIO BOND (After)	0.0914
FD 1 CLACK CO BOND (After)	0.0811
SCH GRESHAM/BRLW BOND (After)	2.7138
SRV 2 METRO BOND (After)	0.3807
Total Excluded from Limitations	3.2670
Total Rate	17.8191

Tax Code: 035-002

Taxable Value:	\$748,263,134
COM COLL CLACK	0.5054
ESD CLACKAMAS	0.3345
SCH MOL RIVER	4.2986
Total Education	5.1385
CITY MOLALLA	4.8556
COUNTY CLACKAMAS C	2.1989
COUNTY EXTENSION & 4-H	0.0455
COUNTY LIBRARY	0.3608
COUNTY PUBLIC SAFETY LOC OPT	0.3680
COUNTY SOIL CONS	0.0455
FD73 MOLALLA	0.7164
FD73 MOLALLA LOC OPT	0.7600
PK MOLALLA AQUATIC	0.2653
PORT OF PTL D	0.0638
ROAD DIST 10 MOL	0.0000
TRANS S CLACK	0.0000
URBAN RENEWAL COUNTY	0.0129
URBAN RENEWAL MOLALLA	1.2751
VECTOR CONTROL	0.0060
VECTOR CONTROL LOC OPT	0.0250
Total General Government	10.9988
CITY MOLALLA BOND (After)	0.8489
COM COLL CLACK BOND (After)	0.2451
COUNTY EMERG RADIO BOND (After)	0.0914
FD73 MOLALLA BOND (After)	0.2080
SCH MOL RIVER BOND (After)	1.5411
Total Excluded from Limitations	2.9345
Total Rate	19.0718