



City of Molalla  
 City Council - Regular Meeting  
 Minutes – May 13, 2026  
 Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

**CALL TO ORDER**

The Molalla City Council Regular Meeting for May 13, 2026 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, and Councilor K.C. Bisenius.

**STAFF IN ATTENDANCE**

Dan Huff, City Manager; Mac Corthell, Assistant City Manager; Christie Teets, City Recorder; Dan Zinder, Planning Manager; Bobby Call, Police Lieutenant; Diana Hadley, Library Director; Beka Murcra, Library Director.

**APPROVAL OF AGENDA**

As presented.

**CONSENT AGENDA**

**A. City Council Meeting Minutes - April 20, 2026**

**ACTION:**

Councilor Childress made a motion to approve the Consent Agenda as presented; Council President Vermillion seconded. Motion passed 7-0.

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

NAYS: None.

ABSTENTIONS: None.

**PRESENTATIONS, PROCLAMATIONS, CEREMONIES**

**A. Introduction - Rebekah Murcra**

City Manager Dan Huff introduced Beka Murcra as the newly appointed Library Director. Beka has been employed with the City for eight and a half years and was mentored by outgoing Library Director, Diana Hadley in preparation for the role. Council congratulated her appointment.

**B. New Library Director Retirement Farewell – Diana Hadley**

Incoming Library Director Murcra recognized outgoing Library Director Diana Hadley, who is retiring after 12 years of service with the City. Beka highlighted significant growth under Hadley's leadership, noting that library programs increased by 71% and participant engagement increased by 66% during her tenure. Hadley's initiatives included mobile library services, community cultural events, citizenship classes, summer reading programs, homebound delivery, school outreach, and various physical improvements to the library facility. Council members expressed gratitude for Hadley's service, noting the library's consistent excellence and positive impact. City Manager Huff credited Hadley's leadership as the driving force behind the library's success.

**C. Library Director Library Preliminary Design Update**

City Manager Huff provided an update on the preliminary library design, which was budgeted in the current fiscal year. The preliminary design phase addressed four objectives: establishing projected project costs, developing a design sufficient to support grant applications, determining how the new library would interface with the existing Civic Center building, and identifying opportunities to phase the project. The City does not have sufficient funding secured and will pursue grants and additional funding sources. No bond measure is planned.

**PUBLIC COMMENT**

**Brian Rearick, Molalla:** presented plans for a proposed 300-unit affordable housing development with mixed-use commercial space located just outside the current UGB.

**Char Penni, Molalla:** Shared she and Mr. Potts would be at Safeway collecting signatures for referendums.

**PUBLIC HEARING**

None.

## ORDINANCES AND RESOLUTIONS

### **A. Resolution No. 2026-13: Amending System Development Charges and Fees for Parks**

Assistant City Manager Mac Corthell presented Resolution No. 2026-13, amending System Development Charges (SDCs) for parks. Following adoption of the updated Parks and Trails Master Plan in February 2025, SDC rates were updated per standard practice to reflect the revised Capital Improvement Plan. The level of service standard was reduced from 10 to 7 acres of parkland per person by Council policy. Corthell noted that park SDCs were intentionally lowered in 2015 to offset Wastewater Treatment Plant SDC increases, and the proposed rates would restore them to the 2015 recommended level, moving Molalla from the lowest in the region to the lower-middle range. *(For full discussion see YouTube minutes 37:08 – 40:35)*

#### **ACTION:**

Council President Vermillion moved the City of Molalla to adopt Resolution No. 2026-13: A Resolution of the City of Molalla, Oregon, amending System Development Charges and Fees for Parks; Councilor Bisenius seconded. Motion passed 7-0.

A YES: Gilmer, Shankle, Childress, Vermillion, Bartholomew, Bisenius, Keyser.

NAYS: None.

ABSTENTIONS: None.

## GENERAL BUSINESS:

### **A. HPS Implementation and MHLD Code Updates**

Planning Manager Dan Zinder presented the 2026 Housing Production Strategy (HPS) implementation update. Required Code updates include adopting a middle housing land division process for duplexes, reducing minimum duplex parking from three to two spaces per state mandate, and updating ADU standards including reduced transportation SDCs and removal of the 40% size limitation. Cottage cluster development standards are required by 2027. Staff recommended waiting for the DLCD model code in September 2026 before drafting and requested a future Work Session for Council discussion. Administrative projects include a zombie housing inventory, Clackamas County collaborations, and an affordable housing resource page on the City website. *(For full discussion see YouTube minutes 40:45 – 01:18:45)*

### **B. Molalla Police Department - Post Evaluation Report**

City Manager Huff presented the post-project evaluation for the new Molalla Police Department building. The project was completed on time and under budget, fulfilling commitments made to the community. The Construction Manager/General Contractor was credited with facilitating cost savings and timeline adherence. The budget savings were returned to the Urban Renewal fund for future infrastructure improvements. Lieutenant Call confirmed the project went well and that staff was pleased with the outcome. *(For full discussion see YouTube minutes 01:18:45 – 01:29:15)*

### **C. Charter Update**

Councilor Bisenius reported following attendance at the League of Oregon Cities (LOC) conference, Council and staff determined the Charter update process needed to be approached more deliberately. The Council will step back, develop a prioritized plan, and move forward with greater intentionality. *(For full discussion see YouTube minutes 01:29:16 – 01:30:45)*

### **D. Discussion 2026 November General Election Announcement**

City Recorder Christie Teets announced the November 3, 2026, General Election will feature three expiring City Council positions held by Councilor Leota Childress, Councilor Terry Shankle, and Councilor K.C. Bisenius. Candidate filing opens June 3, 2026. *(For full discussion see YouTube minutes 01:30:46 – 01:32:35)*

## STAFF COMMUNICATION

- **Lieutenant Call:** Noted an officer recently retired and a new recruit was already in the field.
- **Planner Manager Zinder:** No Report.
- **City Recorder Teets:** No Report.
- **Assistant City Manager Corthell:** recognized City employee Landon Sheppard for coordinating the Wildfire Ready community event held May 9<sup>th</sup> at the Police Department Community Room, hosted by PGE with participation from the Molalla Fire Department and other agencies. He announced a Stormwater Master Plan Open House on May 19<sup>th</sup> at the Civic Center, with consultant Keller Engineering. He also shared the City of Molalla received the League of Oregon Cities Good Governance Award for mid-size cities for the Molalla Current communications and public engagement platform.
- **City Manager Huff:** announced that paving work on 2<sup>nd</sup> and 3<sup>rd</sup> Streets is scheduled for the week of May 25<sup>th</sup>, rescheduled to avoid conflicts with the District Track Meet. 5<sup>th</sup> Street and Sweigel paving will also occur that week. The School District will begin street improvements on 2<sup>nd</sup> Street concurrently.

## COUNCIL COMMUNICATION

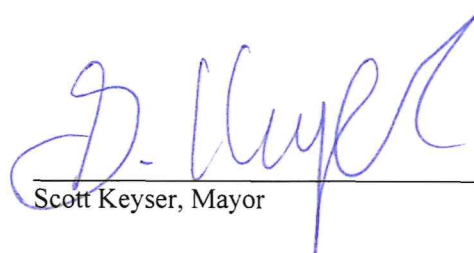
- **Councilor Bisenius:** reported the LOC conference was educational and valuable, particularly the charter review session, which provided tools the Council has already begun applying to the charter update process.
- **Councilor Bartholomew:** announced the Molalla River Summer Jam fundraiser scheduled for June 13<sup>th</sup> at 1:00 p.m. at Molalla River Brewing Company, benefiting retired Chief Frank Shoenfeld who was injured in a motorcycle accident in January.

- **Councilor Gilmer:** reported attending the LOC conference, noting productive engagement with fellow councilors and informative sessions on upcoming legislative and regulatory matters.
- **Councilor Shankle:** shared upcoming Chamber events including a morning networking meeting and a multi-chamber after-hours event on May 19<sup>th</sup> at Aurora Vineyards. She also reminded the community to submit parade applications for the July 4th Molalla Parade, themed "Cheers to 250 Years".
- **Councilor Childress:** announced the Molalla Spring Clean-up saw record participation, processing 416 loads on Friday and 720 loads on Saturday, with Key Club volunteers credited for the high volume. Councilor Childress also reported the banner holders for Molalla Avenue light poles are expected to be installed by mid-June. Public Works employee Adam Schultz was recognized for retrofitting existing hardware rather than purchasing new holders, saving the City approximately \$57,000. The City was also awarded \$43,000 from Mount Hood Territory, \$10,500 from the Ford Family Foundation for the downtown arch banner project, with installation anticipated by end of summer.
- **Council President Vermillion:** shared the LOC conference was beneficial, highlighting the charter review session as immediately applicable to the Council's work. Vermillion also noted that Molalla's activity and recent recognition generated significant interest from other elected officials at the conference.
- **Mayor Keyser:** reported attending the Final Call ceremony for retiring Officer Aaron Christopherson, expressed appreciation for years of service to the community. Mayor Keyser extended broad recognition to City staff, crediting their expertise, initiative, and dedication as the driving force behind Molalla's reputation among peer cities. He credited staff with the success of the Molalla Current communications platform and the police station project and noted the Council's effectiveness is a direct reflection of the quality of City staff.

[For the complete video account of the City Council Meeting, please go to YouTube  
City of Molalla | Oregon – May 13, 2026](#)

**ADJOUR**

Mayor Keyser adjourned the meeting at 7:59 PM.





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Scott Keyser, Mayor

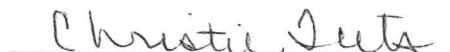
PREPARED BY:

ATTEST:




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Crystal Robles, Deputy City Recorder




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Christie Teets, CMC - City Recorder

Meeting Minute Attachments:

- Dan Huff – Handout to City Council
- Brian Rearick – Public Comment Presentation to Council
- Char Pennie – Public Comment Submission

## Dan Huff

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**From:** Heidi Bell <heidi.bell@pgn.com>  
**Sent:** Tuesday, May 12, 2026 3:23 PM  
**To:** Clackamas County CMs/CAs; Bush, Nancy; Holowetzki, Tonia; Lorenzini, Jaimie; West, Ben; Phelan, Megan; Mac Corthell; Ben Bryant; Dayna Webb; Elaina Turpin; Digby, Dylan; Koper, Steve; Judy Davis (johnson.city@comcast.net); manager@cityofrivergrove.com; Zoe Mombert; Everett Wild; Wilson, Trent; Craig Roberts; Savas, Paul; Martha Schrader; dhelm@clackamas.us; Peterson, Lynn; Shad Ahmed; Ahmad Qayoumi; West, Ben  
**Cc:** Linda Morton; Meredith Armstrong  
**Subject:** RE: You're Invited - PGE's Integrated Operations Center in Tualatin Tour

Hello Clackamas County/City and Newberg Leaders:

**Please forward this invitation to your Elected Leaders as well as your key leadership/safety/emergency staff.**

You're invited to join Portland General Electric (PGE) for a guided tour of our Integrated Operations Center (IOC) in Tualatin, hosted by Vice President Power Markets and Grid Operations Martin Wyspianski.

Following the successful hosting of recent tours, which received overwhelmingly positive feedback from attendees, CEO Maria Pope has requested that additional IOC tours be scheduled to meet continued interest and demand for our governmental leadership. We're excited to offer this opportunity to your elected leaders and key staff. The IOC is a state-of-the-art facility that centralizes critical operations to strengthen resilience against seismic, cyber, and physical threats. It enables PGE to monitor, control, and optimize our energy distribution system in real time. The tour will also include informal discussion with PGE leadership—an excellent chance to connect and learn more about our emergency operations and local partnerships.

Attendees will also have the opportunity to engage with elected officials and staff from across the region.

### **Tour Dates:**

- **Thursday, June 4, 2026, from 9:00am to 11:00am**
- **Monday, June 22, 2026, from 9:00am to 11:00am**

Please RSVP to Linda Morton at [linda.morton@pgn.com](mailto:linda.morton@pgn.com) and myself to attend. Linda will notify our IOC Security Team so they will admit you through the security gates. You are confirmed when Linda sends you an Outlook Invitation with directions, map, and IOC Security procedures to follow.

[We hope to see you there!](#)

All the best,  
Heidi

Heidi Bell  
Local Government Affairs Manager | 971-259-9004  
[portlandgeneral.com](http://portlandgeneral.com) | Follow us on social @PortlandGeneral

## Highland Estates

A masterplan project using a diverse mix of affordable housing types to provide home and business ownership for all income brackets; as listed in your “hps” and “eoa” studies.

Whether your 3 generations working together to afford 1 of our Zero lot line multigenerational units with an “adu”, for supplemental income or housing for ‘Mom and Dad’. Our multi-dwelling unit models will comfortably fit 3 generations of family or your 1st time buyer executive couple starting their portfolio of rental properties.

Our mixed use commercial commerce park will consist of 48 units with a commercial aspect on the 1st floor and 2 floor plans for the housing unit above; either a 3 bdrm- 2 bth housing unit or 2- 625sqft 2 bdrm apts. Allowing for a business owner to have a house, office and warehouse all in 1 location to drastically cut overhead for both business and living expenses, or the entrepreneur wanting to offset some monthly business expenses with 2 apt rentals upstairs.

The principle design of our commerce park is to consolidate business and living expenses, opening up new opportunities for employment and housing with small business and farm cottage industries in mind. There are currently no opportunities offered like this in the Molalla area.

The park will have amenities such as a food truck round up, Tesla superchargers, along with a playground-pocket park and green space pavilion area, multiple entrance and exits from 2 roads and main street-south Molalla Ave frontage. It will also have access to the multipath trail system soon to tie the Molalla river and one day the Canby area together.

# Highland Estates \*

*A proposal aligning with the city's affordable housing projection strategy and employment opportunity analysis.*

## FREQUENTLY ASKED QUESTIONS

### 01 -- Production Housing

**Aligns with the production housing strategy — meets goals for:**

- (a) Senior housing and people with disabilities
- (b) Home ownership at all income levels
- (c) A diverse mix of affordable housing types

### 03 -- Utilities Infrastructure

**All four utilities are within reach.**

- (a) Molalla Sewer main located within 1,400 ft
- (b) Molalla City water services within 10 ft
- (c) Molalla Communications at the corner of the property
- (d) NW Natural Gas within 1,000 ft of the property

### 02 -- Employment Opportunity Analysis

**Highland Estates meets EOA requirements through:**

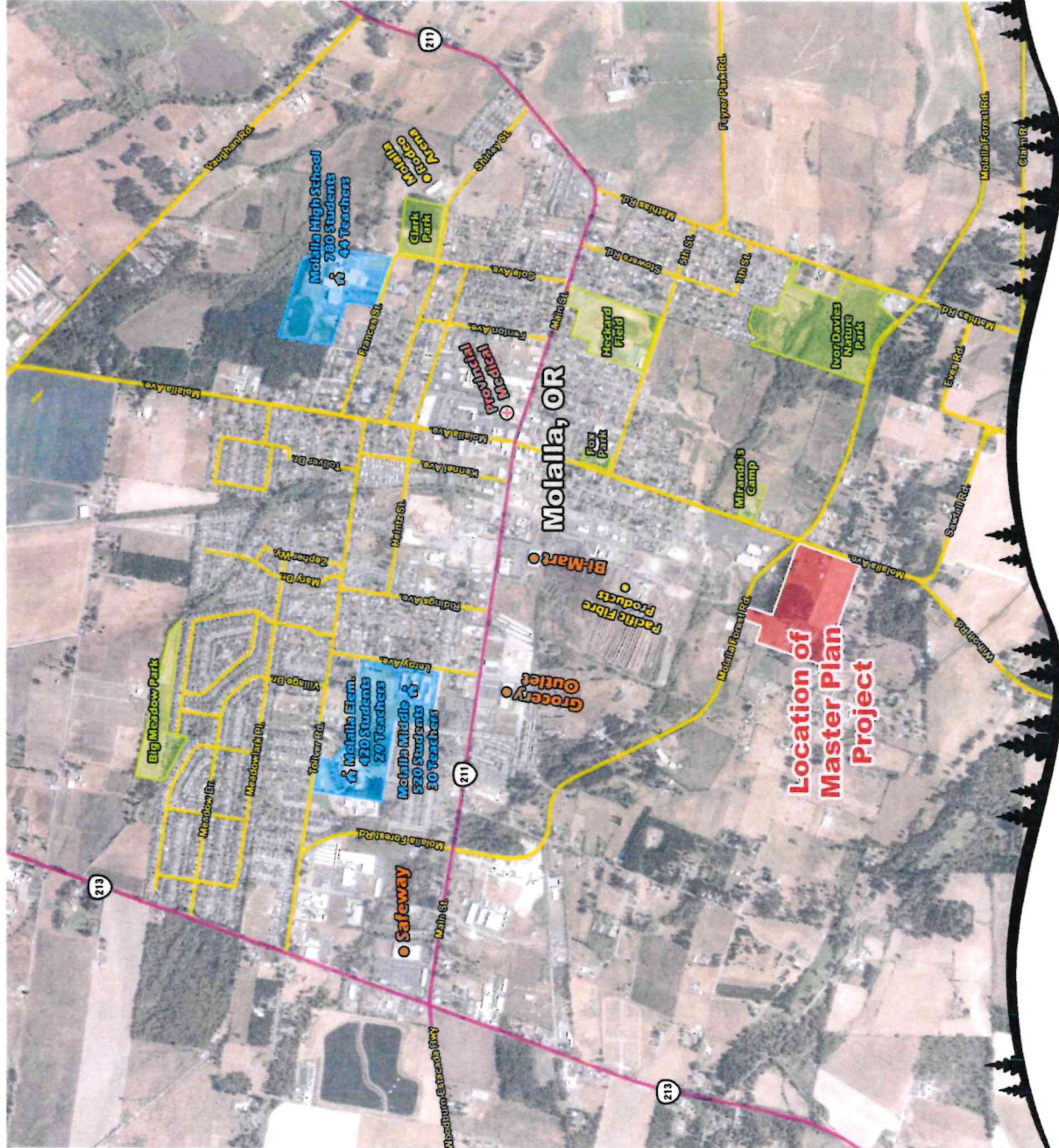
- (a) Need (4×) 5-acre sites — Highland Estates offers 6 acres of mixed-use space
- (b) Affordable housing based on \$36,000/yr income
- (c) 150 to 500 jobs from the 48 commercial units

### 04 -- Community Connections

**Already woven into Molalla's civic fabric.**

- (a) Adjacent to the Molalla Forest Road trail system, connecting Molalla River to Ivor Davies Park, Pioneer Cemetery Park, Bear Creek Annex, and Chief Yelkis Park
- (b) Close to the library
- (c) On the existing city limits and U.G.B.





Enlarged Map

**MOLALLA  
OREGON**

# HIGHLAND ESTATES



32+ ACRES  
32395 Molalla Ave. &  
13595 S. Warrick Rd.



# Overall Site Plan - Option #2

S. Molalla Forest Rd.



**Residential**  
 (11) Quadplex  
 (5) Duplex  
 (54) Units Total  
 (32) with ADU's

**Mixed-Use**  
 2-Story Buildings  
 48 Units 30' x 50'  
 1st Floor = Commercial  
 2nd Floor = Residential

**Residential**  
 (78) Units 33' x 40'

**Cottages**  
 (41) Units 16' x 28'  
 (17) Units 20' x 22'

S. Warrick Rd.



32+ Acres  
 32595 Molalla Ave. &  
 13595 S. Warrick Rd.

## MOLALLA OREGON

# HIGHLAND ESTATES



# Overall Site Plan - Option #3

S. Molalla Forest Rd.



**Residential**  
 (11) Quadplex  
 (5) Duplex  
 (54) Units Total  
 (32) with ADU's

**Mixed-Use**  
 2-Story Buildings  
 48 Units 30' x 50'  
 1st Floor = Commercial  
 2nd Floor = Residential

**Residential**  
 (78) Units 33' x 40'

**Cottages**  
 (41) Units 16' x 28'  
 (17) Units 20' x 22'

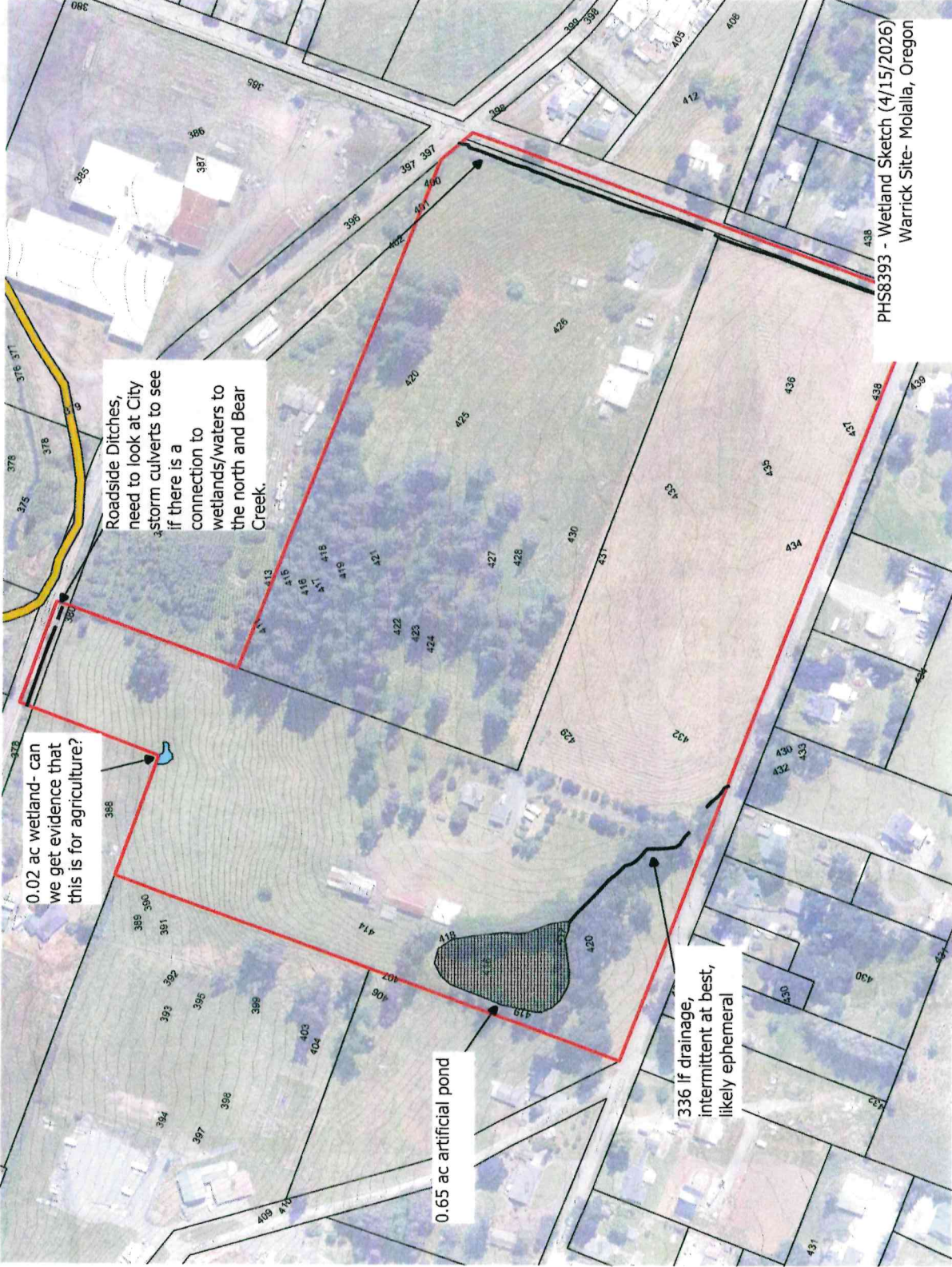
S. Warrick Rd.



32 + Acres  
 32595 Molalla Ave. &  
 13595 S. Warrick Rd.

## MOLALLA OREGON

# HIGHLAND ESTATES



0.02 ac wetland- can we get evidence that this is for agriculture?

Roadside Ditches, need to look at City storm culverts to see if there is a connection to wetlands/waters to the north and Bear Creek.

0.65 ac artificial pond

336 If drainage, intermittent at best, likely ephemeral

PHS8393 - Wetland Sketch (4/15/2026)  
Warrick Site- Molalla, Oregon



**Molalla Commerce Park**

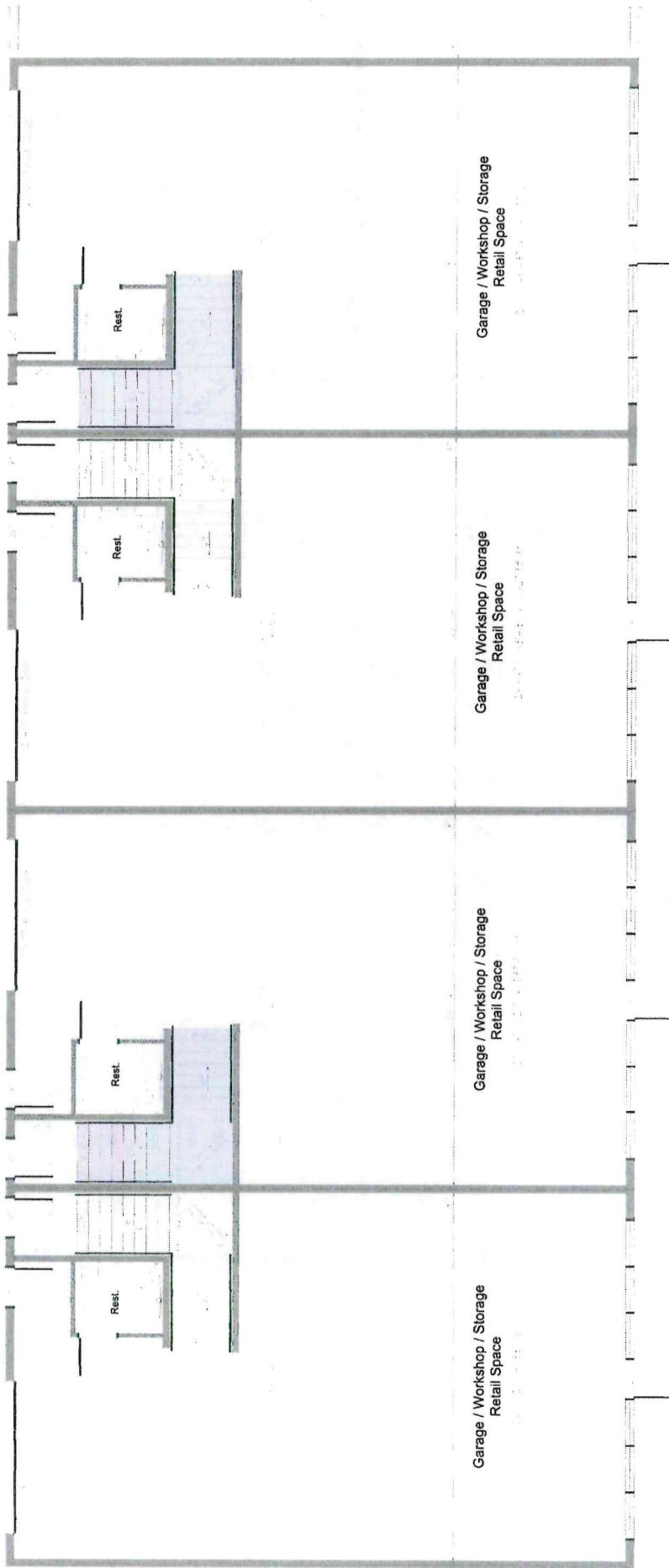
32+ Acres  
 32595 Molalla Ave. &  
 13595 S. Warrick Rd.



**MOLALLA  
 OREGON**

**HIGHLAND ESTATES**

**S. Warrick Rd.**



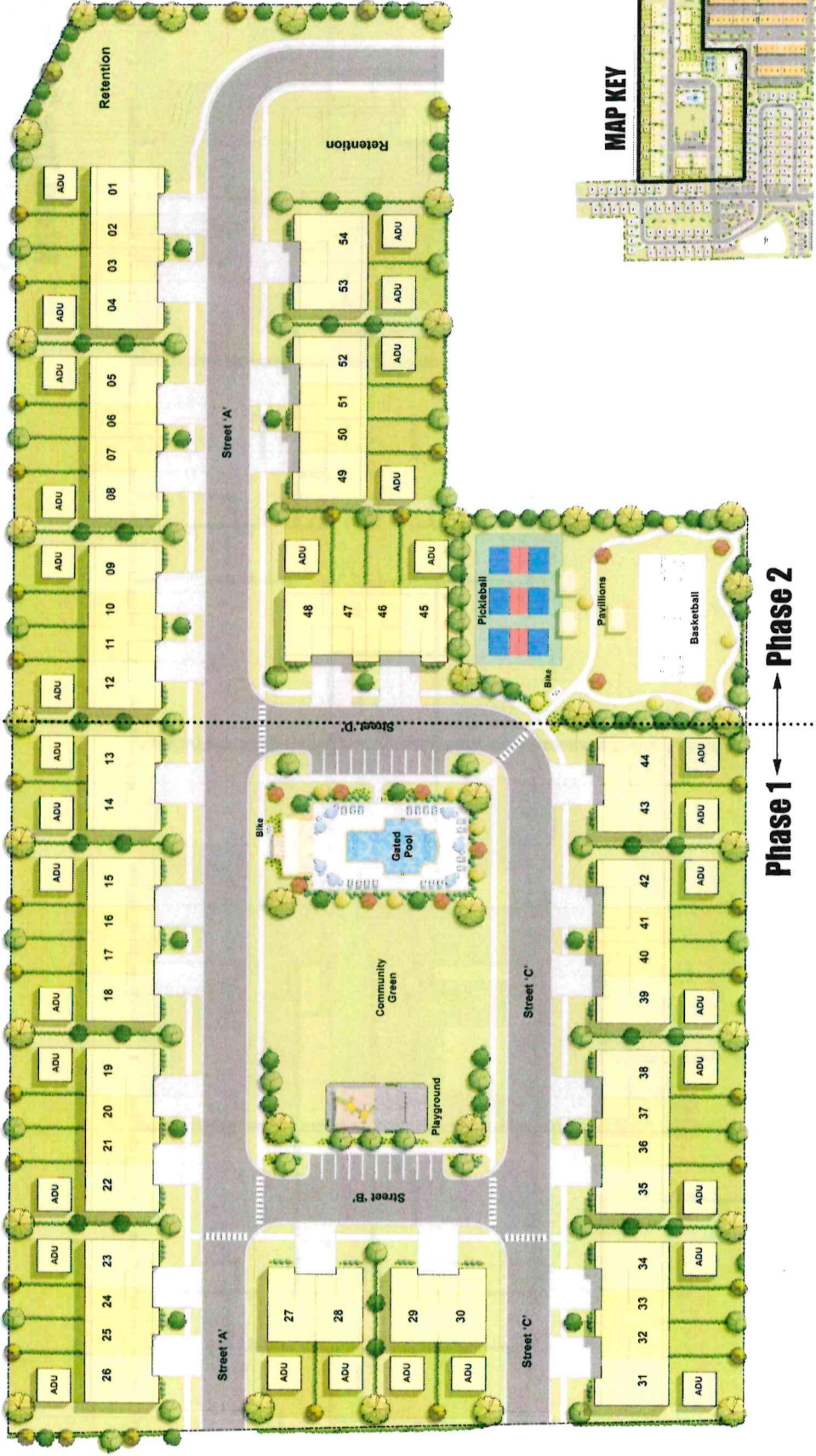
**Mixed-Use: 1st Floor**  
**Each Unit 1st Floor = 1,500 SF**  
**Total SF = 6,000 SF**



**Mixed-Use: 2nd Floor**  
**Each Unit 2nd Floor = 1,500 SF**  
**Total SF = 6,000 SF**

# Sunset Ridge at Highland Estates

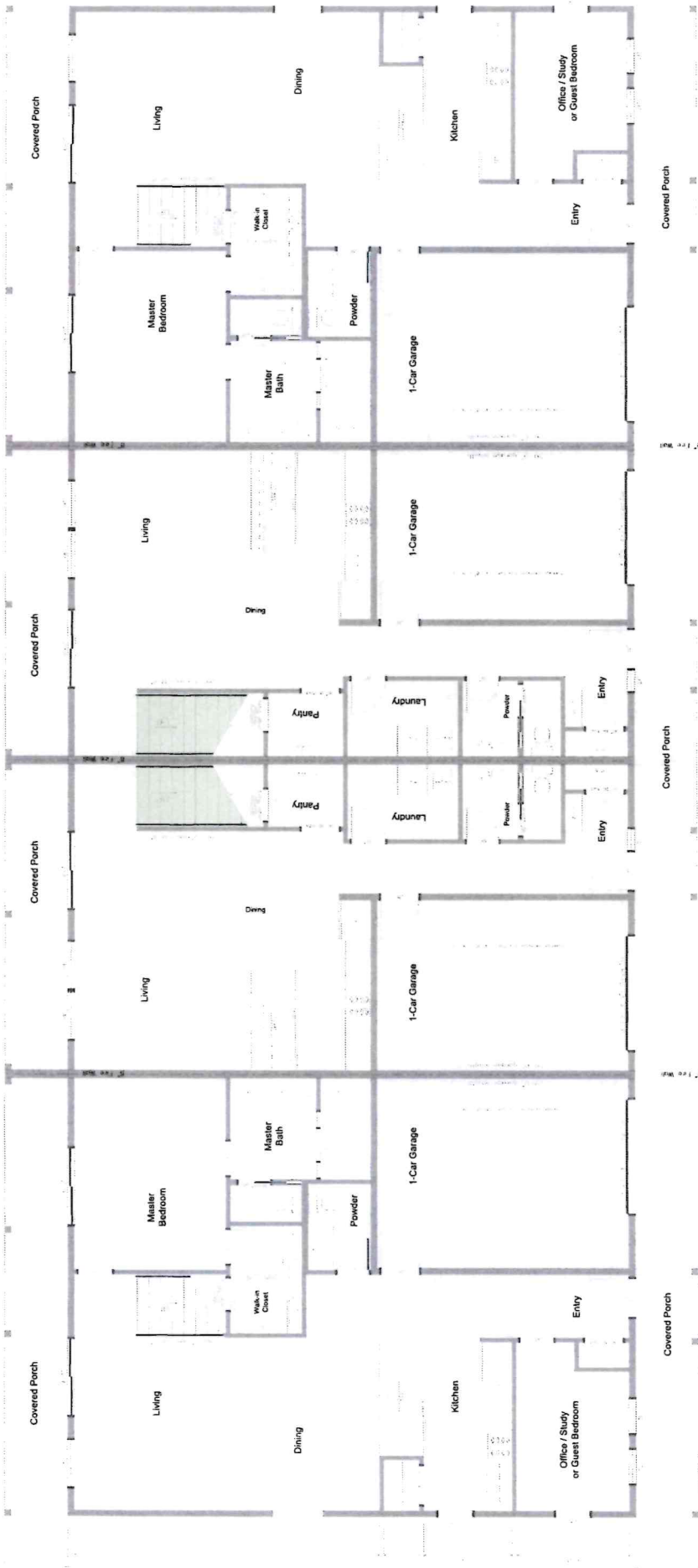
Phase 1 ← → Phase 2



32+ Acres  
32595 Molalla Ave. &  
13595 S. Warrick Rd.

MOLALLA  
OREGON

# HIGHLAND ESTATES



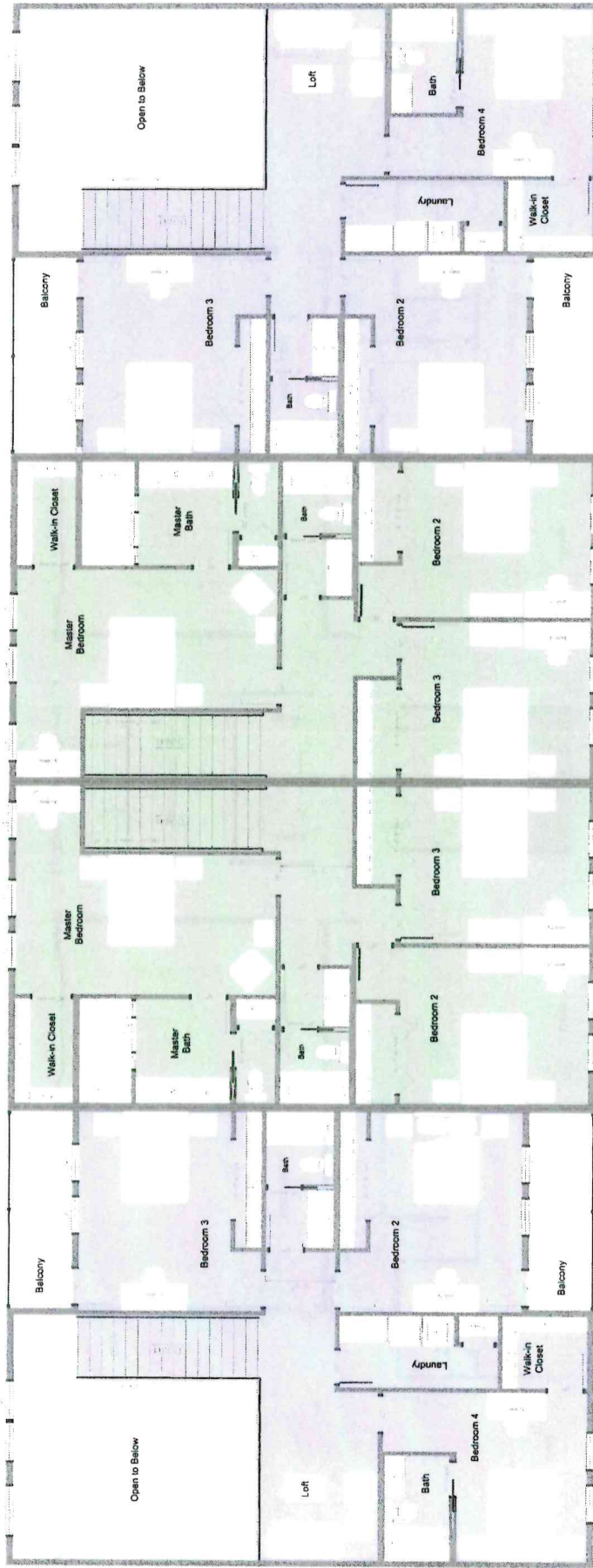
**Unit #1**  
**35' x 45' = 1,575 SF**

**Unit #2**  
**25' x 45' = 1,125 SF**

**Unit #3**  
**25' x 45' = 1,125 SF**

**Unit #4**  
**35' x 45' = 1,575 SF**

**Single Family: 1st Floor**



**Unit #1**

**35' x 45' = 1,425 SF** (minus balconies)

**Unit #2**

**25' x 45' = 1,125 SF**

**Unit #3**

**25' x 45' = 1,125 SF**

**Unit #4**

**35' x 45' = 1,425 SF** (minus balconies)

**Single Family: 2nd Floor**

S. Molalla Forest Rd.

# Highland Estates



**Phase 2**



**Phase 1**

S. Warrick Rd.



**MAP KEY**

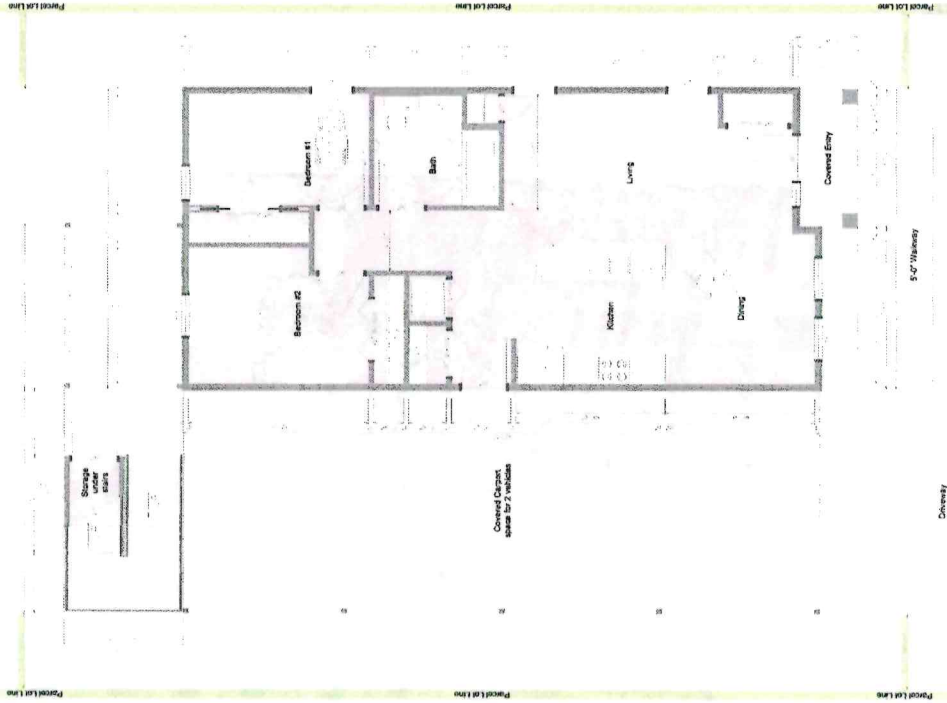
Phase 1



32 + Acres  
 32995 Molalla Ave. &  
 13595 S. Warrick Rd.

**MOLALLA  
 OREGON**

# HIGHLAND ESTATES



**ADA Accessible Unit = 836 SF**  
**Residential Plan 1: 1st Floor**



**ADU Unit = 637.5 SF**      **2nd Floor Unit = 850 SF**

**Residential Plan 1: 2nd Floor**



**Residential Plan 2: 1st Floor**

**1st Floor = 1,320 SF**

**(can be made ADA Accessible)**

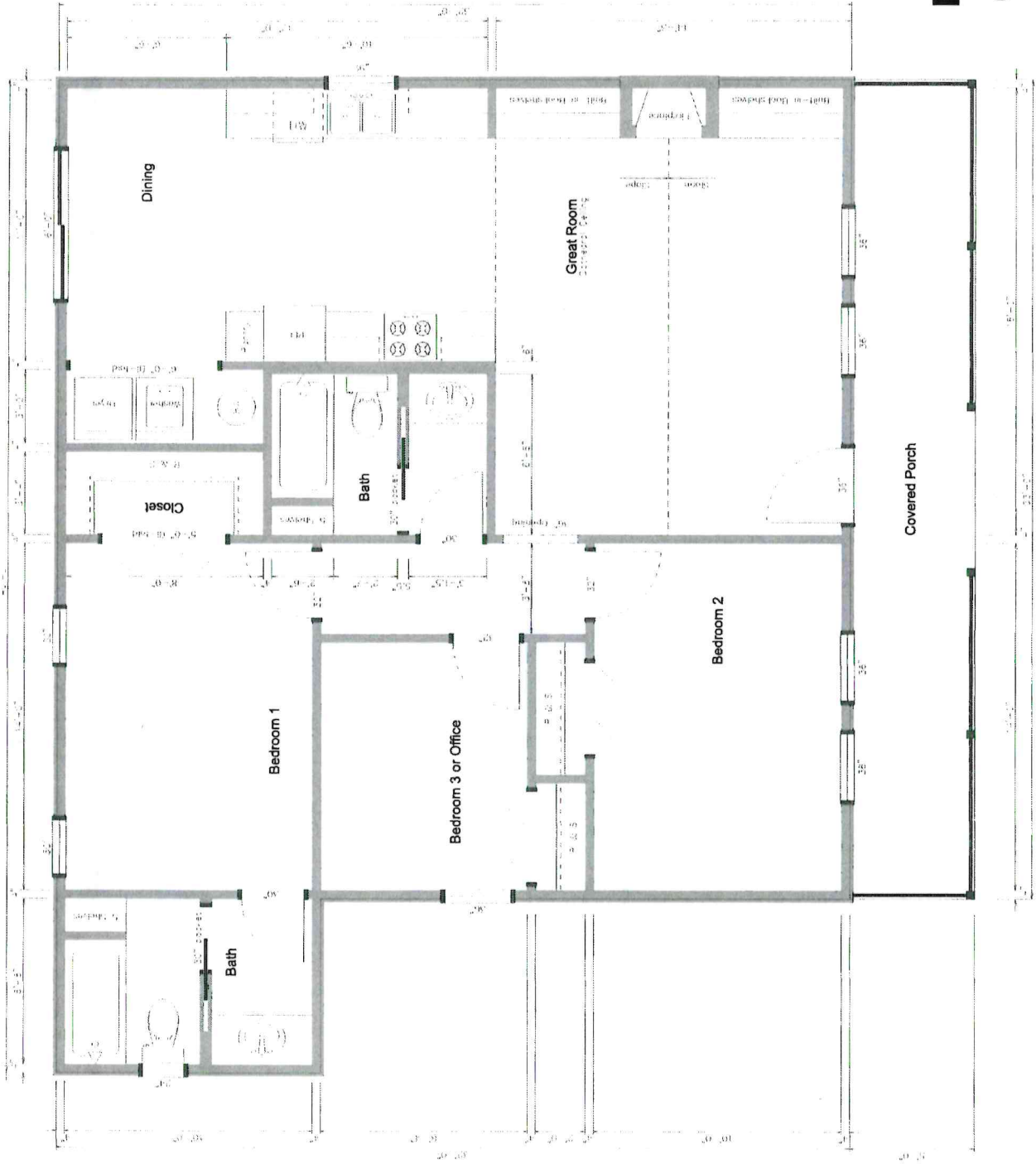


**Residential Plan 2: 2nd Floor**

**2nd Floor = 1,320 SF**

**Total SF = 2,640 SF**

Printed at 11" x 17" SCALE: 1/8" = 1'-0"



**Residential**  
**Plan 3: 1st Floor**  
 1st Floor = 1,130 SF  
 Covered Porch = 165 SF

Printed at 11" x 17" SCALE: 1/4" = 1'-0"



**A.D.U. Plan 1: 1st Floor**  
**A.D.U. Unit = 625 SF**



S. Warrick Rd.

Phase 1 ← Phase 2

Phase 1 ← Phase 2

Cottages at  
Highland Estates



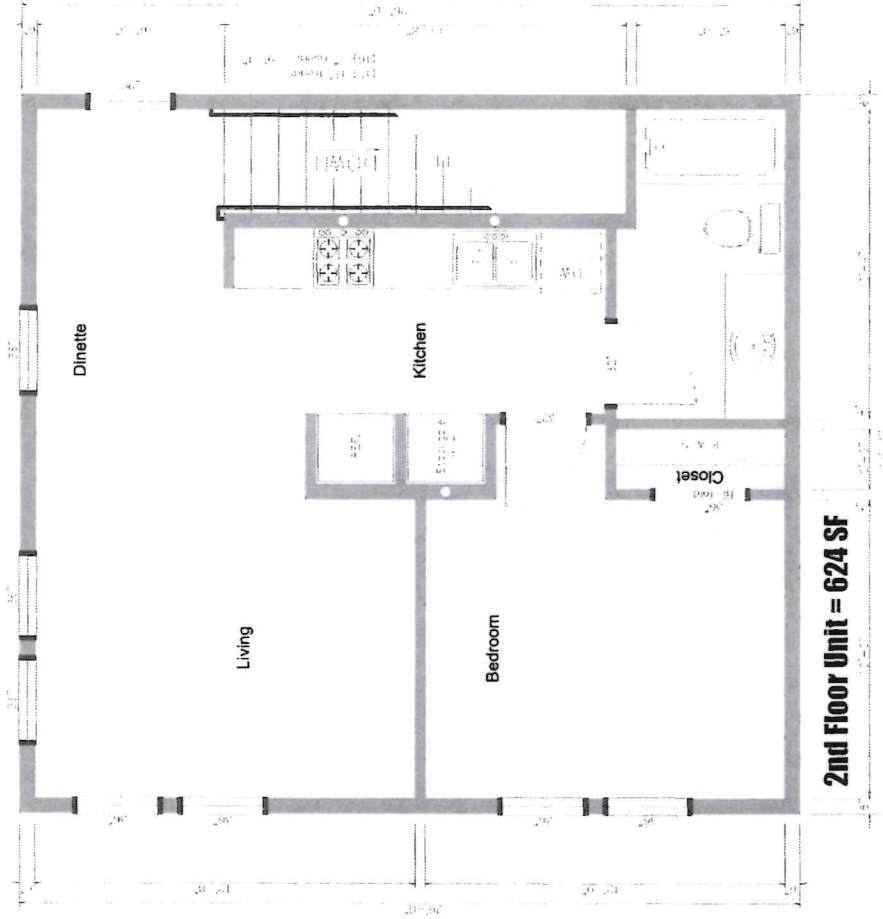
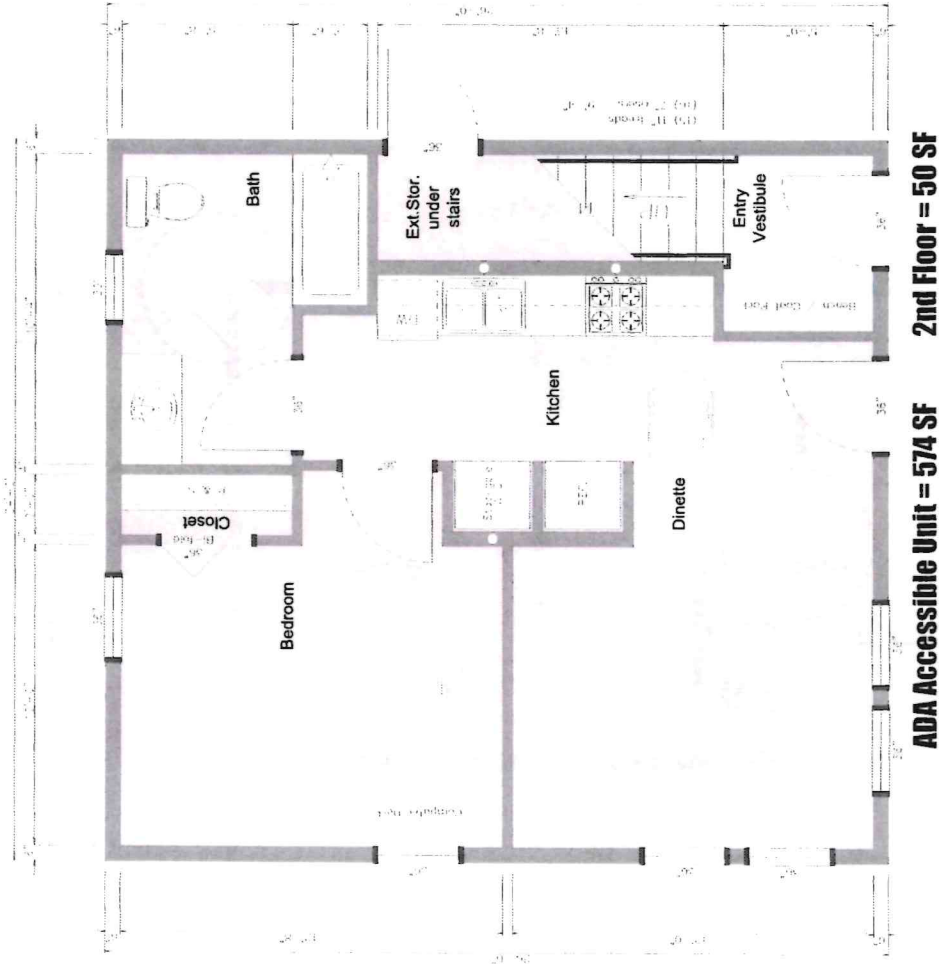
MAP KEY



32 + Acres  
32595 Molalla Ave. &  
13595 S. Warrick Rd.

MOLALLA  
OREGON

HIGHLAND ESTATES



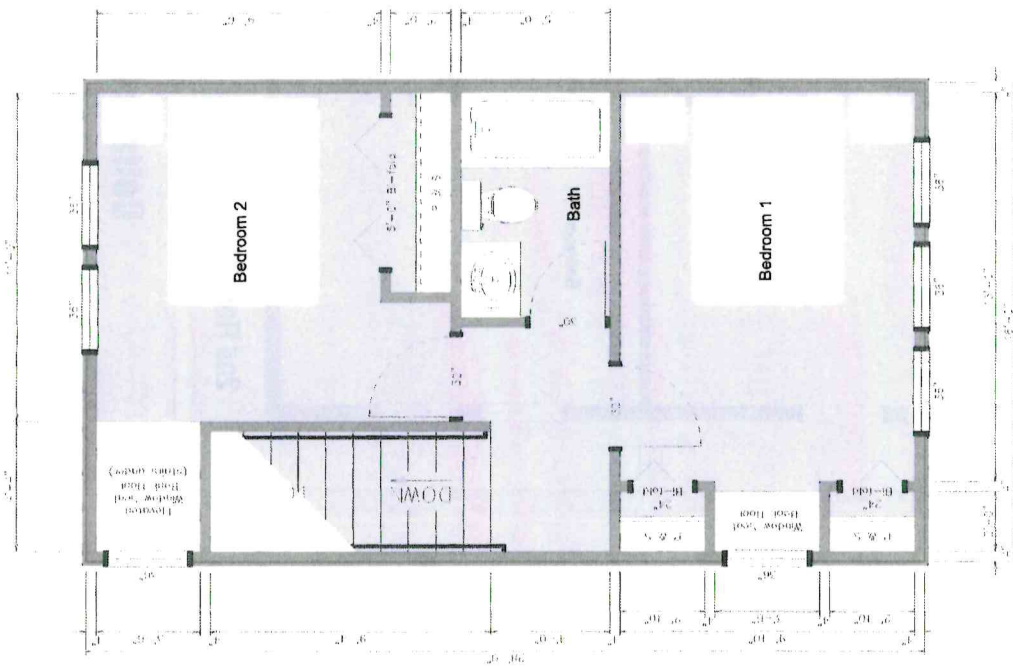
**Cottage Cluster Plan 1: 1st Floor**

**Cottage Cluster Plan 1: 2nd Floor**

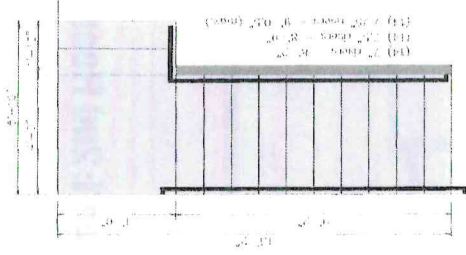
**Total SF = 1,248 SF**



**Cottage Cluster Plan 2: 1st Floor**  
1st Floor = 448 SF

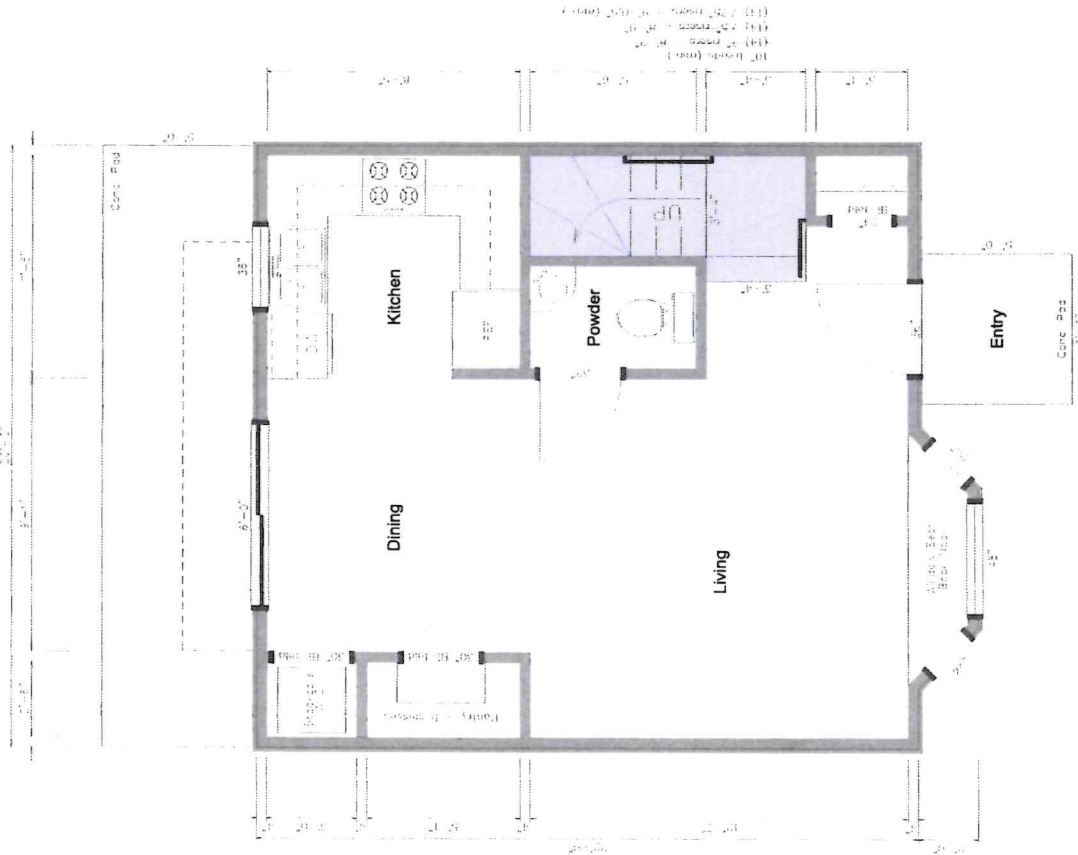


**Cottage Cluster Plan 2: 2nd Floor**  
2nd Floor = 448 SF



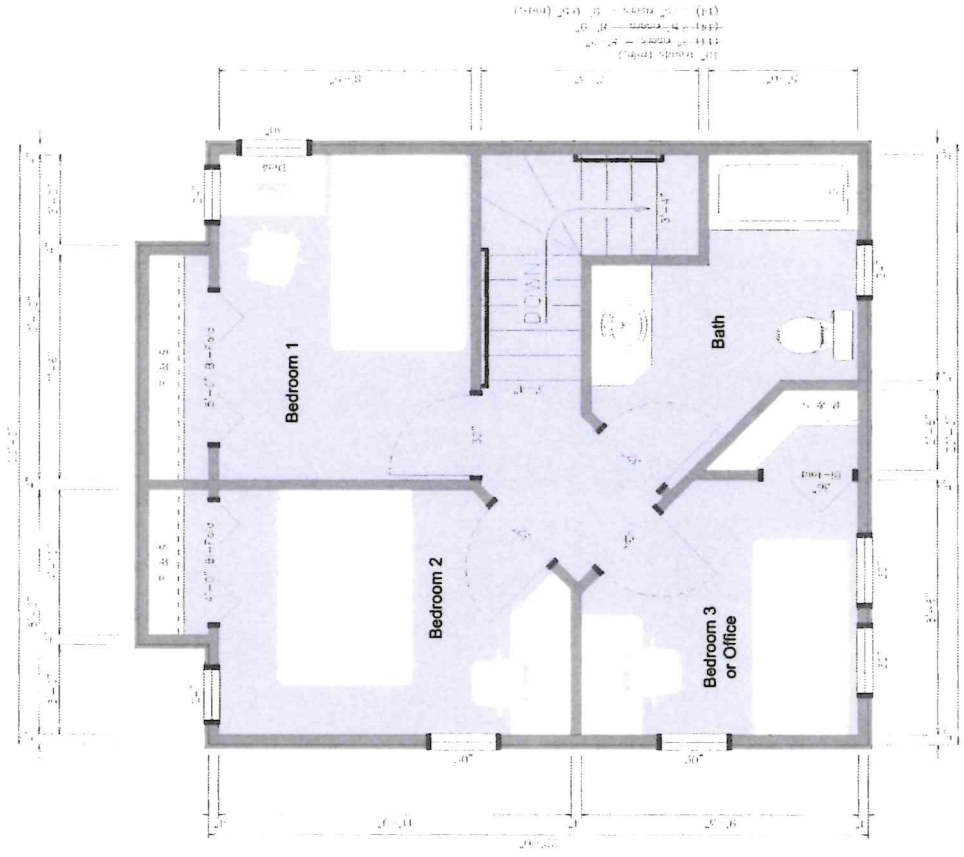
**Stair Detail**

**Total SF = 896 SF**



**Cottage Cluster Plan 3: 1st Floor**

**1st Floor = 440 SF**



**Cottage Cluster Plan 3: 2nd Floor**

**2nd Floor = 440 SF**

**Total SF = 880 SF**

CITY COUNCIL ANNOUNCEMENT 5/13/26 CHAR PENNIE

I would like to announce to the millions of people watching the live stream that we will be collecting signatures for the four new referendums along with Let us Paddle at the Molalla Safeway on Saturday May 16 from 10:00 – 2PM

If you have signed the 4 referendums and haven't signed the Let Us Paddle please stop by and sign that one as well.

The petitions are:

No Tolls

Crime Fighting Act

No Tax Clawback

End the Death Tax

Let Us Paddle