



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

Civic Center | 315 Kennel Avenue
Wednesday, October 22, 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.

[This institution is an equal opportunity employer.](#)

1. CALL TO ORDER AND FLAG SALUTE

2. ROLL CALL

3. CONSENT AGENDA

- A. [City Council Meeting Minutes - October 8, 2025](#)

4. PRESENTATIONS, PROCLAMATIONS, CEREMONIES

- A. [Wastewater Treatment Plant - New Facility Update](#)

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

7. ORDINANCES AND RESOLUTIONS

- A. [Ordinance No. 2025-10: Repealing Chapter 2.18 Parks and Recreation Board from the Molalla Municipal Code](#)
- B. [Ordinance No. 2025-11: Amending Molalla Municipal Code Language in Chapter 2.17.010, Community Program Committee](#)
- C. [Resolution No. 2025-24: Authorizing an Intergovernmental Agreement with the Department of Land Conservation and Development to Fund Housing Production Strategy Remediation](#)

8. GENERAL BUSINESS

9. STAFF COMMUNICATION

- A. [Government Finance Officers Association - Distinguished Budget Award](#)
- B. [Government Finance Officers Association - Award of Financial Reporting Achievement](#)
- C. [Molalla Public Library: 2024-2025 Statistics Report](#)

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, October 22, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: City Council Meeting Minutes - October 8, 2025

ATTACHMENTS:

[10-08-2025 CC Meeting Minutes.pdf](#)

[10-8-25 Public Comment.H Brandel.pdf](#)

[10-8-25 Public Comment.S. Robbins](#)



City of Molalla
City Council - Regular Meeting
Minutes – October 08, 2025
Molalla Civic Center | 315 Kennel Ave. | Molalla, OR

CALL TO ORDER

The Molalla City Council Meeting of October 08, 2025 was called to order by Mayor Scott Keyser at 7:00 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; and Kyle Murphy, Code Compliance Specialist.

APPROVAL OF AGENDA

Approved as presented.

CONSENT AGENDA

A. City Council Meeting Minutes - September 24, 2025

ACTION:

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

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

NAYS: None.

ABSTENTIONS: None.

PRESENTATIONS, PROCLAMATIONS, CEREMONIES

None.

PUBLIC COMMENT

Thomas Truax, Molalla: Pastor of Faith Bible Community Church advocated for more effective policies regarding the City's camping ordinances affecting the homeless and thanked Code Enforcement's compassionate approach.

Lucas and Laura Klyzak of Molalla: Requested City support and recognition for Pregnancy and Infant Loss Awareness Month, specifically the October 15th Wave of Light observance.

PUBLIC HEARINGS

None.

ORDINANCES AND RESOLUTIONS

A. Draft Ordinance Discussion - Chapter 10.72.020 Storage of Vehicles or Personal Property on Public Property

The Council discussed at great length Chapter 10.72.020 and suggested revisions to the RV parking ordinance, focusing on three main scenarios: temporary parking on public streets, recreational use on private property, and extended stays for specific purposes. Key points included a 48-hour reset period for street parking, proper waste disposal plans for all permits, and mandating RVs remain mobile and registered. For general private property use, the Council directed staff to conduct public outreach to determine appropriate time limits after debating various options. Council concurred to continue discussion at a future meeting. *(For full discussion refer to YouTube minutes 22:20-01:17:35)*

GENERAL BUSINESS:

A. City Council Library Liaison Discussion

Mayor Keyser announced Councilor Bartholomew had stepped down as Library Liaison and recommended Councilor Gilmer liaison appointment.

ACTION:

Mayor Keyser made a motion to appoint Councilor Gilmer as the Library Liaison; Council President Vermillion seconded. Motion passed 7-0.

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

NAYS: None | ABSTENTIONS: None.

B. Beautification and Culture CPC - Funding Request

City Manager Huff presented a proposal for ongoing maintenance of downtown tree lighting. The contractor has developed a new method to install and remove lights seasonally at an annual cost of \$1,895, with a three year guaranteed rate. Mr. Huff noted sufficient unallocated funds remain from the completed Native American Art Walk project to cover the current year's cost, including replacement of light strands damaged by tree growth.

ACTION:

Council President Vermillion made a motion to approve the monies from the Native American Art Walk Fund to be used for the Downtown Treet Lighting Project; Councilor Shankle seconded. Motion passed 7-0.

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

NAYS: None.

ABSTENTIONS: None.

STAFF COMMUNICATION

- **City Recorder Teets:** Wished videographer Russ Mabry a belated birthday and thanked him for all he does.
- **Assistant City Manager Corthell:** Reported, in short summary, Chief Yelkus Park Phase 1 Grand Opening was successful. He shared the City procured financing from Infrastructure Finance Authority for the Water Intake Project. The City was awarded several grants including a Goal 14 grant for UGB Boundary Analysis, a third Housing Production Strategies grant, and full funding for Aquifer Storage and Recharge Feasibility Study. Mr. Corthell also noted the City is currently seeking applicants for a Planning Commission vacancy. (For full details review Youtube minutes 01:27:01-01:34:20)
- **City Manager Huff:** Thanked Council President Vermillion for taking his Elementary class to the Chief Yelkus Park Grand Opening. He reported that the City is preparing to send out a Request for Quote (RFP) for the library design; the RFP is for design services only to create approximately 30% construction plans, which will determine project costs.

COUNCIL COMMUNICATION

- **Councilor Childress:** Shared Chief Yelkus Grand Opening was one of the most exciting the City has had with about 48 elementary students/15 neighborhood children in attendance. She thanked Council for supporting the Lighting Project, which remains popular in the City.
- **Councilor Bisenius:** Shared he attended the 100th Annual League of Oregon Cities Conference (LOC) and found it to be a valuable experience to become more effective in his role. He highlighted a keynote speaker who discussed serving all generations and understanding generational differences, which particularly resonated with him as a new councilor.
- **Councilor Bartholomew:** No Report.
- **Councilor Gilmer:** No Report.
- **Councilor Shankle:** No Report.
- **Council President Vermillion:** Reported on the grand opening we well, noting he took his third grade class and another teacher took their third grade classes and thanked Manager Huff for accommodating the field trip. Regarding the LOC Conference, he shared Mayor's presentation on Community Engagement generated significant interest and noted Molalla received considerable attention for ongoing projects.
- **Mayor Keyser:** Shared his experience at LOC and thanked City Manager Huff for joining him as Speakers and various classes he attended, including AI sessions. He ended his report by wishing City Manager Huff a wonderful birthday.

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

[City of Molalla | Oregon – October 08, 2025](#)

ADJOURN

Mayor Keyser adjourned the meeting at 8:38 PM.

Scott Keyser, Mayor

PREPARED BY:

ATTEST:

Crystal Robles, Deputy City Recorder

Christie Teets, CMC - City Recorder

Attachments:

- Public Comment: Heather Brandel - October Infant and Pregnancy Loss Remembrance Month
- Susan Robbins: Concern regarding Odd Fellows Park

DRAFT

From: [Heather Kowaleski](#)
To: [City Recorder](#)
Date: Wednesday, October 8, 2025 9:36:33 AM
Attachments: [public comment.pdf](#)

I would like to take a moment to speak to council about an issue very near and dear to my heart. As some of you may know, October is Infant and Pregnancy loss remembrance month. In 2017, I lost our first baby due to a heartbreaking miscarriage. Since then, this month has always held an important place in my heart. What you may not know, is that miscarriage and infant loss likely happens more than you know. 1:4 pregnancies end in a loss. That means many residents in this town, likely someone in this room, have experienced it at least once in their life. The loss of a baby is often very lonely, as friends do not know what to say, and often say the wrong thing. October is a time for us to feel less alone, to have our child's name said and to comfort those who also have had this experience. The loss of a baby is the loss of hope for the future, of school trips, graduations, lost teeth, and every other milestone a parent looks forward to. It is the loss of that child, the legacy they would have left on the world, on places and people right here in Molalla.

October 15th, is the Wave of Light where those who have lost a child due to miscarriage or infant loss light a candle at 7:00 PM in their time zone and keep it lit for the hour to remember a baby born sleeping. I am writing to ask that the city recognise this date, as it did last year, and as the police department has said it will also do. As a city remember dates like 9/11 as Patriot Day, Memorial Day and other special dates along the year. Please consider as a city recognizing this often forgotten day. Thank You
Heather Brandel

Concern about Odd Fellows Park

Susan Robbins <magical.dolphin@hotmail.com>

Fri 9/26/2025 3:34 PM

To: City Recorder <recorder@cityofmolalla.com>;

September 26, 2025

Dear City Council Members,

I currently own a home on Metzler, just a couple houses from Odd Fellows Park. Over time the park has become a homeless camp, I want to give my opinion, especially after the incident we had with our law enforcement officer.

Back in 2020 when we bought our house, we had no idea that this was the park the homeless would be sent to camp. We bought our house to be closer to our kids, grandkids, and live in the downtown area of Molalla. We have had a "problem" house near us since day one, and calls have been made. This is a given with any neighborhood I believe. There is always that one person, right?

After the homeless camp was made a staple, there has been a lot of foot traffic on Metzler. Between the homeless walking, pulling wagons, riding bikes, of all hours of the night. Some even frequent said neighbors. Then we have the incident that happened with our law enforcement officer, and he became injured. Our road got shut down. No one knew what was really happening, but this isn't Portland.

We shouldn't have to worry about our children or grandchildren playing outside. What they may find on the ground. Who maybe walking by, doing drugs, or high on whatever their drug of choice is. I understand that with our laws, a lot of people's hands are tied, but there has to be a solution to this. We have so many children in our neighborhood, and it's not safe for them to be out there.

Honestly, the homeless camp needs to be moved. I thought it was going to be monitored better. I have called in several times due to tents being up past time. I don't mean a few minutes past, but hours past. A lot of times I see garbage around, and quite honestly, it stinks during certain times of the day. I know we have a lot more homeless in Molalla, then what is at the park, so where are they? Ivor Davies? Does anyone look there or is it out of sight out of mind kind of thing?

It's just frustrating to me and I am sure others when we are hardworking, tax paying citizens, and have to be subjected to people who have no place to go and nothing to do all day long. I am by no means saying that they are all bad, or have ill intentions, but please look into finding a new place to have them sleep, rather than the heart of Molalla and around residential neighborhoods and businesses.

Thank you, Susan



CITY OF MOLALLA

Staff Report

Agenda Category: PRESENTATIONS, PROCLAMATIONS, CEREMONIES

Agenda Date: Wednesday, October 22, 2025

Submitted by: Seth Kelly, Water Quality Superintendent

Approved by: Dan Huff, City Manager

SUBJECT: Wastewater Treatment Plant - New Facility Update

BACKGROUND:

The Wastewater Treatment Project is the City's largest and most extensive infrastructure project ever. This project will ensure compliance with our NPDES permit, as well as provide the City with the ability to fully realize its fiscal opportunities.

We are about 10 months into this project since groundbreaking and we are moving along at a steady rate.

Recap of last update: Site prep and excavation work was done in the first few months. Fill and plumbing for the new upgrades were in full swing. Some of the sites were getting ready for structural to begin.

Today's Update: All three sites are in structural progress; the sequencing batch reactor and aerobic digester floors are poured, and the walls are being erected and poured in sections each week. The Control Building floors are poured, the brick walls were laid, and remaining rooms have been framed in. The roofing and siding are beginning soon. The Equalization Basin Floor is almost completely poured and reinforcing on the walls has started. The majority of the site piping runs have been completed and waiting to be tied into the new structures that are being erected now.

Presentation Acronym Key:

- SBR - Sequence Batch Reactor
- AD - Aerobic Digestors
- EQ - Equalization (Basin Walls)

ATTACHMENTS:

[Plant Operations Update.pdf](#)

Molalla, OR

City of Molalla Wastewater Updates



Seth Kelly
Water Quality Superintendent

WWTP Overview



New Treatment Equipment



- Grit Removal
- Sequencing Batch Reactor
- Disc Filters (bottom left)
- UV Disinfection (top left)
- Aerobic Digesters
- FKC Screw Press (top right)

Started with this...

SBR Progress



Now
We are
Here...

Site Piping



So much more than what is in the photos.

- New 8" water line
- 24" Effluent line
- 14" Influent line
- Conduits!

Control Building



With everything underneath the structure in place (Conduits and plumbing). The Brick is up, and the floors are poured. The Framers have the Control Building taking shape.

Biosolids Area



To the Left is the storage area for the biosolids and above will be the biosolids dewatering room

Coming Soon

- Once the South wall is poured, they can start plumbing things into the SBR and AD.
- Once the plumbing is in the grit removal structure can be built.
- The Control Buildings siding and roofing. Then internal work can begin such as plumbing, electrical, and mechanical.
- Once the SBR/AD walls are poured the pad for the Filters and UV Channels will be poured.
- EQ Basin Walls anticipated to be poured after the SBR and AD walls have been completed.

Questions...?



CITY OF MOLALLA

Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, October 22, 2025

Submitted by: Dan Huff, City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Ordinance No. 2025-10: Repealing Chapter 2.18 Parks and Recreation Board from the Molalla Municipal Code

RECOMMENDATION/RECOMMENDED MOTION:

Conduct the First Reading of Ordinance No. 2025-10. If it results in unanimous vote, conduct Second Reading and Adoption.

I move to hold the First Reading of Ordinance No. 2025-10, by title only.

If unanimous:

I move to hold the Second Reading and Adoption of Ordinance No. 2025-10.

BACKGROUND:

Molalla has not had a Parks and Rec Board since 2014. Staff recommends removing section 2.18 from the Molalla Municipal Code.

ATTACHMENTS:

[Ordinance No. 2025-10 Repealing Chapter 2.18 Parks and Recreation Board.pdf](#)



ORDINANCE NO. 2025-10

**AN ORDINANCE OF THE CITY OF MOLALLA, OREGON.
REPEALING CHAPTER 2.18 PARKS AND RECREATION BOARD
FROM THE MOLALLA MUNICIPAL CODE**

WHEREAS, as a result of the Molalla Area Vision and Action Plan, Molalla City Council adopted Ordinance No. 2019-14 establishing Community Program Committees; and

WHEREAS, the Parks and Recreation Board dissolved in 2014 and has not assembled since that time; and

WHEREAS, when deemed necessary a community group representing the Parks will be assembled and follow guidelines set by Chapter 2.17 Community Program Committee(s).

Now, Therefore, the City of Molalla ordains:

Section 1. Chapter 2.18 Parks and Recreation Board is hereby repealed and to be removed from the Molalla Municipal Code.

Section 2: Effective Date. This Ordinance shall take effect 30 days after enactment.

The First Reading was held on October 22, 2025, and moved to a Second Reading by _____ vote of the City Council.

The Second Reading was held on _____ and adopted by the City Council on _____.

Signed this ____ day of _____ 2025.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder



CITY OF MOLALLA

Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, October 22, 2025

Submitted by: Christie Teets, City Recorder

Approved by: Dan Huff, City Manager

SUBJECT: Ordinance No. 2025-11: Amending Molalla Municipal Code Language in Chapter 2.17.010, Community Program Committee

BACKGROUND:

During recent Council discussion, it was recommended that the Chair and Vice-Chair of Community Program Committees are members of City Council. This amendment updates the language to reflect as such.

ATTACHMENTS:

[Ordinance No. 2025-11 Amending Language in Chapter 2.17.010.pdf](#)

[Chapter 2.17 Recommended Amendment.pdf](#)



ORDINANCE NO. 2025-11

**AN ORDINANCE OF THE CITY OF MOLALLA, OREGON.
AMENDING MOLALLA MUNICIPAL CODE LANGUAGE IN
CHAPTER 2.17.010, COMMUNITY PROGRAM COMMITTEE**

WHEREAS, Ordinance No. 2019-14 established Community Program Committee(s); and

WHEREAS, Molalla City Council desires to amend language in Section 2.17.010 pertaining to the Chair and Vice Chair of the committees.

Now, Therefore, the City of Molalla ordains:

Section 1. Section 2.17.010 letter C. "Members of the Committee shall elect from among their members a chair and vice-chair" shall be removed from the Code and replaced with language as stated in Section 2.

Section 2: Section 2.17.010 letter C. shall state "The Chair and Vice-Chair of Community Program Committees shall be members of the Molalla City Council."

Section 3. Effective Date. This Ordinance shall take effect 30 days after enactment.

The First Reading was held on October 22, 2025 and moved to a Second Reading by _____ vote of the City Council.

The Second Reading was held on _____ and adopted by the City Council on _____.

Signed this ____ day of _____ 2025.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder

Chapter 2.17. COMMUNITY PROGRAM COMMITTEE

§ 2.17.010. Committee established.

A. All Community Program Committees shall function under the direction of policy established by the City Council and may have one City Councilor as a voting member. A Councilor may also be assigned as a liaison. Each Community Program Committee shall consist of five members appointed by the City Council. Term limits for Community Program Committee members shall be two -years.

B. At least three persons shall be City residents or own a business within the City limits. The remaining appointed members do not require City residency.

C. ~~Members of the Committee shall elect from among their members a chair and vice-chair.~~ **The Chair and Vice-Chair of Community Program Committees shall be members of the Molalla City Council.**

D. Each Committee shall meet as deemed necessary and shall establish rules or procedures necessary to conduct business consistent with state or city requirements.

E. Committee meetings shall be publicly noticed and be in conformance with Oregon's open meetings requirements.

F. Summary minutes of Committee proceedings shall be recorded and retained in conformance with Oregon's public records requirements. Minutes of proceedings shall be submitted to the City Council for informational purposes as minutes are adopted.

G. In January of each year the Committee shall submit a report on its activities to the City Council.

H. All appointments to the Committee may be terminated at the pleasure of the Mayor with the consent of the City Council for the remaining portion of the term.

(Ord. 2019-14 §2; Ord. 2025-01, 1/22/2025)

§ 2.17.020. Mission.

The mission of each Community Program Committee is to:

A. Carry out established City Council Policy.

B. Encourage greater participation and opportunities for the Molalla area.

C. Facilitate cooperation, coordination and communication among groups and individuals engaged in the community based on City Council policy direction.

D. Sponsor, facilitate or coordinate events and activities to showcase the Molalla area.

E. Encourage and promote Molalla based on Council policy direction.

F. Pursue funding sources, projects and programs to enhance the Molalla Area.

G. May provide liaison and representation to the City Council.

(Ord. 2019-14 §2)

§ 2.17.030. Definition of Community Program.

Each Community Program includes, but not limited to: art and culture, economic development, visual design, community livability and such other endeavors promoting and enhancing the Molalla Community as may be designated by the Council.

(Ord. 2019-14 §2)

§ 2.17.040. City support.

The City will provide web page access if deemed necessary. Other related support may occur through consultation with the City Manager; however, funding for events and projects is expected to be generated by the Committee. The City shall receive and disburse funds for the Committee in accordance with the City's accounting and purchasing practices and provide guidance to the Committee on fundraising and finance matters.
(Ord. 2019-14 §2)



CITY OF MOLALLA

Staff Report

Agenda Category: ORDINANCES AND RESOLUTIONS

Agenda Date: Wednesday, October 22, 2025

Submitted by: Mac Corthell, Assistant City Manager

Approved by: Dan Huff, City Manager

SUBJECT: Resolution No. 2025-24: Authorizing an Intergovernmental Agreement with the Department of Land Conservation and Development to Fund Housing Production Strategy Remediation

FISCAL IMPACT:

Provides full funding for consultant work to complete the HPS required by HB 2003.

RECOMMENDATION/RECOMMENDED MOTION:

Adopt IGA

I move the Molalla City Council to adopt Resolution No. 2025-24, authorizing the City Manager to enter into an Intergovernmental Agreement with DLCD to fund Housing Production Strategy remediation.

BACKGROUND:

Oregon HB 2003 required every city of over 10,000 in population to complete a Housing Production Strategy. Molalla produced such a strategy and submitted to DLCD in 2023. The plan was remanded for more extensive public outreach.

The City then completed a second HPS using a DLCD planning consultant and a more extensive public engagement process. That plan was submitted to DLCD in 2025 and was remanded with four conditions for readoption that are largely unsupported by statute and/or administrative rule, but can be viewed in the DLCD remand letter.

The IGA that is the subject of this resolution provides the City funding to satisfy the conditions for readoption and complete the HPS process.

Acronym Key:

- IGA - Intergovernmental Agreement
- DLCD - Department of Land Conservation and Development
- HPS - Housing Production Strategy

ATTACHMENTS:

[Res2025-24_IGA_HPS3](#)



RESOLUTION NO. 2025-24

A RESOLUTION OF THE CITY OF MOLALLA, OREGON AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT WITH THE DEPARTMENT OF LAND CONSERVATION AND DEVELOPMENT TO FUND HOUSING PRODUCTION STRATEGY REMEDIATION

WHEREAS, Oregon HB2003 requires cities over 10,000 in population to complete a Housing Production Strategy (HPS); and

WHEREAS, the City of Molalla is over 10,000 in population and thus subject to the HPS requirement; and

WHEREAS, Department of Land Conservation and Development (DLCD) has offered to provide a grant to complete Molalla's HPS work; and

WHEREAS, ORS 190 authorizes the City of Molalla and the DLCD to enter into intergovernmental agreements.

Now, Therefore, the City of Molalla Resolves:

Section 1. The Intergovernmental Agreement attached hereto as Exhibit A is made part of this resolution by reference and approved by the City Council.

Section 2. Effective Date. This Resolution shall be effective upon adoption.

Signed this 22nd day of October 2025.

Scott Keyser, Mayor

ATTEST:

Christie Teets, CMC
City Recorder

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption**INTERGOVERNMENTAL AGREEMENT****City of Molalla**

This Agreement is between the State of Oregon acting by and through its Department of Land Conservation and Development (“DLCD” or “Agency”) and City of Molalla (“City” or “Local Government”), each a “Party” and, together, the “Parties”.

SECTION 1: AUTHORITY

This Agreement is authorized by ORS 190.110.

SECTION 2: PURPOSE

The primary objective of this Agreement is to support the preparation and readoption of a Housing Production Strategy that complies with Oregon Revised Statute (“ORS”) [197.290](#) [2021] and Oregon Administrative Rules (“OAR”) [Chapter 660, Division 008](#), as in effect prior to January 1, 2025.

State of Oregon funds for this project are paid by and through DLCD to a professional consultant contracted to complete the project on behalf of the City, as further described in the attached Statement of Work. No funds will be provided to the City under this Agreement for any expenses incurred by the City.

SECTION 3: EFFECTIVE DATE AND DURATION

This Agreement is effective on the date of the last signature (“Effective Date”), and terminates on February 28, 2026, unless terminated earlier in accordance with Section 16.

SECTION 4: AUTHORIZED REPRESENTATIVES**4.1 Agency’s Authorized Representatives:**

Ethan Stuckmayer, Housing Division Manager
635 Capitol Street NE, Suite 150
Salem, OR 97301
Phone: (503) 302-0937
Email: ethan.stuckmayer@dlcd.oregon.gov

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption

Samuel Goldberg, Housing Policy Analyst
635 Capitol Street NE, Suite 150
Salem, OR 97301
Phone: (971) 458-3202
Email: samuel.goldberg@dlcd.oregon.gov

Kelly Reid, Metro Regional Representative
1600 SW Fourth Avenue, Suite 109
Portland, OR 97201
Phone: (971) 345-1987
Email: kelly.reid@dlcd.oregon.gov

4.2 Local Government's Authorized Representatives:

Dan Zinder, Planning Manager, Economic & Community Development Director
117 N. Molalla Ave.
Molalla, OR 97038
Phone: (503) 759-0226
Email: dzinder@cityofmolalla.com

Mac Corthell, Assistant City Manager
117 N. Molalla Ave.
Molalla, OR 97038
Email: mcorthell@cityofmolalla.com

4.3 A Party may designate a new Authorized Representative by written notice to the other Party.

SECTION 5: RESPONSIBILITIES OF EACH PARTY

- 5.1** Local Government shall perform the work set forth on Exhibit A, attached hereto and incorporated herein by this reference.
- 5.2** DLCD shall provide at its expense a professional consultant ("Consultant") to perform the tasks assigned to Consultant in Exhibit B ("Project Specific Statement of Work from DLCD Consulting Contract").

SECTION 6: COMPENSATION

- 6.1** Each Party shall assume its own costs of carrying out the tasks and responsibilities assigned to it under this Agreement. Under no circumstances is the City responsible for payment of costs incurred under the contract between DLCD and the chosen Consultant.

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption

SECTION 7: REPRESENTATIONS AND WARRANTIES

Local Government represents and warrants to Agency that:

- 7.1** Local Government is a city duly organized and validly existing. Local Government has the power and authority to enter into and perform this Agreement;
- 7.2** The making and performance by Local Government of this Agreement (a) have been duly authorized by Local Government, (b) do not and will not violate any provision of any applicable law, rule, regulation, or order of any court, regulatory commission, board, or other administrative agency or any provision of Local Government's charter or other organizational document and (c) do not and will not result in the breach of, or constitute a default or require any consent under any other agreement or instrument to which Local Government is party or by which Local Government may be bound or affected. No authorization, consent, license, approval of, or filing or registration with or notification to any governmental body or regulatory or supervisory authority is required for the execution, delivery or performance by Local Government of this Agreement, other than those that have already been obtained;
- 7.3** This Agreement has been duly executed and delivered by Local Government and constitutes a legal, valid and binding obligation of Local Government enforceable in accordance with its terms;

The representations and warranties set forth in this section are in addition to, and not in lieu of, any other representations or warranties provided by Local Government.

SECTION 8: GOVERNING LAW, CONSENT TO JURISDICTION

- 8.1** This Agreement shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively "Claim") between Agency or any other agency or department of the State of Oregon, or both, and Local Government that arises from or relates to this Agreement shall be brought and conducted solely and exclusively within the Circuit Court of Marion 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 State of Oregon 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, to or from any Claim or from the jurisdiction of any court. LOCAL GOVERNMENT, BY EXECUTION OF THIS AGREEMENT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

SECTION 9: OWNERSHIP OF WORK PRODUCT

- 9.1** As used in this Section 9 and elsewhere in this Agreement, the following terms have the meanings set forth below:

- 9.1.1** "**Local Government Intellectual Property**" means any intellectual property owned by Local

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption

Government and developed independently from the work under this Agreement.

9.1.2 "Third Party Intellectual Property" means any intellectual property owned by parties other than Local Government or Agency.

9.1.3 "Work Product" means every invention, discovery, work of authorship, trade secret or other tangible or intangible item that Local Government is required to deliver to Agency under this Agreement, and all intellectual property rights therein.

9.2 If Work Product is Third Party Intellectual Property, Local Government shall secure on Agency's behalf and in the name of Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Third Party Intellectual Property, and to authorize others to do the same on Agency's behalf.

9.3 If state or federal law requires that Agency or Local Government grant to the United States a license to any intellectual property in the Work Product, or if state or federal law requires that Agency or the United States own the intellectual property in the Work Product, then Local Government shall execute such further documents and instruments as Agency may reasonably request in order to make any such grant or to assign ownership in such intellectual property to the United States or Agency.

SECTION 10: CONTRIBUTION

10.1 If any third party makes any claim or brings any action, suit or proceeding alleging a tort as now or hereafter defined in ORS 30.260 (a "Third Party Claim") against a Party (the "Notified Party") with respect to which the other Party (the "Other Party") may have liability, the Notified Party shall promptly notify the Other Party in writing of the Third Party Claim and deliver to the Other Party, along with the written notice, a copy of the claim, process and all legal pleadings with respect to the Third Party Claim that have been received by the Notified Party. Each Party is entitled to participate in the defense of a Third Party Claim, and to defend a Third Party Claim with counsel of its own choosing. Receipt by the Other Party of the notice and copies required in this Section and a meaningful opportunity for the Other Party to participate in the investigation, defense and settlement of the Third Party Claim with counsel of its own choosing are conditions precedent to the Other Party's contribution obligation under this Section 10 with respect to the Third Party Claim.

10.2 With respect to a Third Party Claim for which Agency is jointly liable with Local Government (or would be if joined in the Third Party Claim), Agency shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Local Government in such proportion as is appropriate to reflect the relative fault of Agency on the one hand and of Local Government on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Agency on the one hand and of Local Government on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments,

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finer or settlement amounts. Agency's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if the State had sole liability in the proceeding.

- 10.3** With respect to a Third Party Claim for which Local Government is jointly liable with Agency (or would be if joined in the Third Party Claim), Local Government shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Agency in such proportion as is appropriate to reflect the relative fault of Local Government on the one hand and of Agency on the other hand in connection with the events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of Local Government on the one hand and of Agency on the other hand shall be determined by reference to, among other things, the Parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts. Local Government's contribution amount in any instance is capped to the same extent it would have been capped under Oregon law if it had sole liability in the proceeding.

SECTION 11: LOCAL GOVERNMENT DEFAULT

Local Government will be in default under this Agreement upon the occurrence of any of the following events:

- 11.1** Local Government fails to perform, observe or discharge any of its covenants, agreements or obligations under this Agreement;
- 11.2** Any representation, warranty or statement made by Local Government in this Agreement or in any documents or reports relied upon by Agency to measure the delivery of services, the expenditure of funds or the performance by Local Government is untrue in any material respect when made;
- 11.3** A proceeding or case is commenced, without the application or consent of Local Government, in any court of competent jurisdiction, seeking (a) the liquidation, dissolution or winding-up, or the composition or readjustment of debts of Local Government, (b) the appointment of a trustee, receiver, custodian, liquidator, or the like of Local Government or of all or any substantial part of its assets, or (c) similar relief in respect to Local Government under any law relating to bankruptcy, insolvency, reorganization, winding-up, or composition or adjustment of debts, and such proceeding or case continues undismissed, or an order, judgment, or decree approving or ordering any of the foregoing is entered and continues unstayed and in effect for a period of sixty consecutive days, or an order for relief against Local Government is entered in an involuntary case under the Federal Bankruptcy Code (as now or hereafter in effect).

SECTION 12: AGENCY DEFAULT

Agency will be in default under this Agreement if Agency fails to perform, observe or discharge any of its covenants, agreements, or obligations under this Agreement.

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SECTION 13: REMEDIES

- 13.1** In the event Local Government is in default under Section 11, Agency may, at its option, pursue any or all of the remedies available to it under this Agreement and at law or in equity, including, but not limited to: (a) termination of this Agreement under Section 16, (b) reducing or withholding payment for work or Work Product that Local Government has failed to deliver within any scheduled completion dates or has performed inadequately or defectively, (c) requiring Local Government to perform, at Local Government's expense, additional work necessary to satisfy its performance obligations or meet performance standards under this Agreement, or (d) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief. These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.
- 13.2** In the event Agency is in default under Section 12 and whether or not Local Government elects to exercise its right to terminate this Agreement under Section 16.3.3, or in the event Agency terminates this Agreement under Sections 16.2.1, 16.2.2, 16.2.3, or 16.2.5, Local Government's sole monetary remedy will be (a) for work compensable at a stated rate, a claim for unpaid invoices for work completed and accepted by Agency, for work completed and accepted by Agency within any limits set forth in this Agreement but not yet invoiced, for authorized expenses incurred, and for interest within the limits of ORS 293.462, less any claims Agency has against Local Government, and (b) for deliverable-based work, a claim for the sum designated for completing the deliverable multiplied by the percentage of work completed on the deliverable and accepted by Agency, for authorized expenses incurred, and for interest within the limits of ORS 293.462, less previous amounts paid for the deliverable and any claims that Agency has against Local Government. In no event will Agency be liable to Local Government for any expenses related to termination of this Agreement or for anticipated profits. If previous amounts paid to Local Government exceed the amount due to Local Government under this Section 13.2, Local Government shall promptly pay any excess to Agency.

SECTION 14: RESERVED

SECTION 15: LIMITATION OF LIABILITY

EXCEPT FOR LIABILITY ARISING UNDER OR RELATED TO SECTION 10, NEITHER PARTY WILL BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, OR OTHER INDIRECT DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, REGARDLESS OF WHETHER THE LIABILITY CLAIM IS BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE. NEITHER PARTY WILL BE LIABLE FOR ANY DAMAGES OF ANY SORT ARISING SOLELY FROM THE TERMINATION OF THIS AGREEMENT IN ACCORDANCE WITH ITS TERMS.

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption

SECTION 16: TERMINATION

16.1 This Agreement may be terminated at any time by mutual written consent of the Parties.

16.2 Agency may terminate this Agreement as follows:

16.2.1 Upon 30 days advance written notice to Local Government;

16.2.2 Immediately upon written notice to Local Government, if Agency fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient in Agency's reasonable administrative discretion, to perform its obligations under this Agreement;

16.2.3 Immediately upon written notice to Local Government, if federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that Agency's performance under this Agreement is prohibited or Agency is prohibited from paying for such performance from the planned funding source;

16.2.4 Immediately upon written notice to Local Government, if Local Government is in default under this Agreement and such default remains uncured 15 days after written notice thereof to Local Government; or

16.2.5 As otherwise expressly provided in this Agreement.

16.3 Local Government may terminate this Agreement as follows:

16.3.1 Immediately upon written notice to Agency, if Local Government fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient in Local Government's reasonable administrative discretion, to perform its obligations under this Agreement;

16.3.2 Immediately upon written notice to Agency, if federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that Local Government's performance under this Agreement is prohibited or Local Government is prohibited from paying for such performance from the planned funding source;

16.3.3 Immediately upon written notice to Agency, if Agency is in default under this Agreement and such default remains uncured 15 days after written notice thereof to Agency; or

16.3.4 As otherwise expressly provided in this Agreement.

16.4 Upon receiving a notice of termination of this Agreement, Local Government will immediately cease all activities under this Agreement, unless Agency expressly directs otherwise in such notice. Upon termination, Local Government will deliver to Agency all documents, information, works-in-progress, Work Product and other property that are or would be deliverables under the Agreement. And upon Agency's reasonable request, Local Government will surrender all

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documents, research or objects or other tangible things needed to complete the work that was to have been performed by Local Government under this Agreement.

SECTION 17: NONAPPROPRIATION

Agency's obligation to pay any amounts and otherwise perform its duties under this Agreement is conditioned upon Agency receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to meet its obligations under this Agreement. Nothing in this Agreement may be construed as permitting any violation of Article XI, section 7 of the Oregon Constitution or any other law limiting the activities, liabilities or monetary obligations of Agency.

SECTION 18: AMENDMENTS

The terms of this Agreement may not be altered, modified, supplemented or otherwise amended, except by written agreement of the Parties.

SECTION 19: NOTICE

Except as otherwise expressly provided in this Agreement, any notices to be given relating to this Agreement must be given in writing by facsimile, email, personal delivery, or postage prepaid mail, to a Party's Authorized Representative at the physical address, fax number or email address set forth in this Agreement, or to such other addresses as either Party may indicate pursuant to this Section 19. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system. Any notice given by facsimile becomes effective upon electronic confirmation of successful transmission to the designated fax number.

SECTION 20: SURVIVAL

All rights and obligations of the Parties under this Agreement will cease upon termination of this Agreement, other than the rights and obligations arising under Sections 8, 9, 10, 14, 15 and 20 hereof and those rights and obligations that by their express terms survive termination of this Agreement; provided, however, that termination of this Agreement will not prejudice any rights or obligations accrued to the Parties under this Agreement prior to termination.

SECTION 21: SEVERABILITY

The Parties agree that if any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and

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provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Agreement did not contain the particular term or provision held to be invalid.

SECTION 22: COUNTERPARTS

This Agreement may be executed in several counterparts, all of which when taken together shall constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Agreement so executed constitutes an original.

SECTION 23: COMPLIANCE WITH LAW

In connection with their activities under this Agreement, the Parties shall comply with all applicable federal, state and local law.

SECTION 24: INDEPENDENT CONTRACTORS

The Parties agree and acknowledge that their relationship is that of independent contracting parties and that Local Government is not an officer, employee, or agent of the State of Oregon as those terms are used in ORS 30.265 or otherwise.

SECTION 25: INTENDED BENEFICIARIES

Agency and Local Government are the only parties to this Agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Agreement.

SECTION 26: FORCE MAJEURE

Neither Party is responsible for any failure to perform or any delay in performance of any obligations under this Agreement caused by fire, civil unrest, labor unrest, natural causes, or war, which is beyond that Party's reasonable control. Each Party shall, however, make all reasonable efforts to remove or eliminate such cause of failure to perform or delay in performance and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement. Agency may terminate this Agreement upon written notice to Local Government after reasonably determining that the failure or delay will likely prevent successful performance of this Agreement.

SECTION 27: ASSIGNMENT AND SUCESSORS IN INTEREST

Local Government may not assign or transfer its interest in this Agreement without the prior written consent of Agency and any attempt by Local Government to assign or transfer its interest in

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this Agreement without such consent will be void and of no force or effect. Agency's consent to Local Government's assignment or transfer of its interest in this Agreement will not relieve Local Government of any of its duties or obligations under this Agreement. The provisions of this Agreement will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.

SECTION 28: SUBCONTRACTS

Local Government shall not, without Agency's prior written consent, enter into any subcontracts for any of the work required of Local Government under this Agreement. Agency's consent to any subcontract will not relieve Local Government of any of its duties or obligations under this Agreement.

SECTION 29: RESERVED

SECTION 30: MERGER, WAIVER

This Agreement and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver or consent under this Agreement binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given. EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES THAT IT HAS READ THIS AGREEMENT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

SECTION 31: RESERVED

SECTION 32: HEADINGS

The headings and captions to sections of this Agreement have been inserted for identification and reference purposes only and may not be used to construe the meaning or to interpret this Agreement.

SECTION 33: AGREEMENT DOCUMENTS

This Agreement consists of the following documents, which are listed in descending order of precedence: this Agreement less all exhibits, attached Exhibit A (the Statement of Work), Exhibit B (Project Specific Statement of Work from DLCD Consulting Contract), and Exhibit C (City of Molalla Housing Production Strategy Readoption Workplan Activities).

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption

SECTION 34: SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

STATE OF OREGON acting by and through its Department of Land Conservation and Development

Ethan Stuckmayer, Housing Division Manager

Date

City of Molalla

Dan Zinder, Planning Manager

Date

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption

EXHIBIT A

STATEMENT OF WORK

Project Purpose and Objectives:

On April 11, 2025, the City adopted a Housing Production Strategy (HPS) under ORS 197.290 (2021) and submitted the HPS to DLCD. On August 13, 2025, DLCD remanded the HPS to the City for additional work and readoption. This Agreement outlines the City's actions related to preparation and readoption of the HPS to ensure it complies with [ORS 197.290](#) [2021] and [OAR Chapter 660, Division 008](#), as in effect prior to January 1, 2025.

Project Activities and Deliverables:

The City shall serve as part of the Project Management Team ("PMT") for the Project described in Exhibit B, attached hereto and incorporated herein. The City shall coordinate with DLCD's contracted consultant, 3J Consulting ("Consultant") to complete all project activities described in Exhibit B. The City shall also complete all project activities described in the "City of Molalla Housing Production Strategy Readoption Workplan Activities", hereby incorporated by reference and included as Exhibit C.

The City's project activities include, but are not limited to the following:

- Maintain ongoing coordination with DLCD staff throughout the HPS readoption process;
- Participate in scheduled check-ins and technical assistance discussions with DLCD;
- Complete the HPS revisions and all adoption steps no later than February 28, 2026; and,
- Submit the revised, adopted HPS to DLCD by February 28, 2026.

The City's anticipated project deliverables include, but are not limited to the following:

- 1.1 Copy of relevant comprehensive plan and code sections;
- 1.2 Building permit and housing data to support the project;
- 2.1 Advisory committee appointments, meeting notices, and agendas;
- 2.2 Written review comments on public engagement materials;
- 2.3 Coordination of commission and committee meetings;
- 3.1 Identification and introductions to stakeholders;
- 3.2 Staff coordination re: opportunity areas and pathways to development readiness for consideration in urbanization work; and,
- 3.3 Written review comments on the draft Housing Production Strategy.

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EXHIBIT B

PROJECT SPECIFIC STATEMENT OF WORK FROM DLCD CONSULTING CONTRACT

TASK 1: PROJECT MANAGEMENT

Consultant shall facilitate a kickoff meeting with the City and DLCD to become familiar with local conditions and planning documents, including the recently adopted Housing Capacity Analysis and draft HPS, and to confirm the project objectives and refine the project schedule, and for City to prepare for the project.

Consultant shall contact City staff via conference or video call to establish project expectations and familiarize themselves with city-specific concerns. Consultant shall verify the action items identified during kickoff meeting with City staff and will develop and share a proposed schedule for the actions required for the completion of all tasks, building on the task timeline included in this scope.

Consultant shall coordinate with City through biweekly phone calls to monitor progress on key tasks throughout the course of the project.

Task 1 Consultant Deliverables:

- *1.1: Agenda and notes for meetings, including summary of updated priorities and major tasks for the project;*
- *1.2: Proposed Project schedule; and*
- *1.3: Project Management Team meetings agendas and notes.*

Task 1 City of Molalla Anticipated Deliverables:

- *1.1: Copy of relevant comprehensive plan and code sections; and*
- *1.2: Building permit and housing data to support the project.*

Timeline: October 2025 – February 2026

TASK 2: COMMUNICATIONS AND PUBLIC OUTREACH SUPPORT

2a Advisory Committees

Consultant shall coordinate with City staff to schedule and provide notice and agendas for one (1) virtual Project Advisory Committee (PAC) meeting to present the project scope, goals, findings, and recommendations. The Consultant shall coordinate with City staff on meeting arrangements and facilitate the advisory committee meeting, including developing additional materials to supplement project reports and memoranda.

PAC meeting topics will include:

- Updates to the analysis included in the draft HPS adopted February 2025; and
- Recommended changes to the housing production strategies.

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2b City Council Briefings

The Consultant shall coordinate with City staff on presenting HPS updates at two (2) in-person City Council work sessions and provide DLCD with a summary of feedback received.

Task 2 Consultant Deliverables:

- *2.1: PAC meeting presentation materials, and summary;*
- *2.2: City Council work session #1 feedback summary;*
- *2.3: City Council work session #1 presentation materials;*
- *2.4: City Council work session #2 feedback summary; and*
- *2.5: City Council work session #2 presentation materials.*

Task 2 City of Molalla Anticipated Deliverables:

- *2.1: Advisory committee appointments, meeting notices, and agendas;*
- *2.2: Written review of comments on public engagement materials; and*
- *2.3: Coordination of commission and committee meetings.*

Timeline: November 2025 – February 2026

TASK 3: DRAFT AND FINAL HPS REPORT

Following review by City staff and making revisions as needed, Consultant shall produce an updated draft HPS for public review and comment and adoption. Consultant will consider comments gathered through community engagement activities for the initial draft HPS and written comments received during the initial public comment period when preparing the Final HPS document.

The draft HPS will consider production strategies that meet the requirements set forth by DLCD in the August 13, 2025, Remand Letter and that merge with concurrent urbanization efforts, including but not limited to:

- Efficiency measures, including density and infill opportunities that encourage development-readiness of partially vacant and vacant properties within incorporated city limits;
- Measures to preserve farmworker housing and naturally occurring affordable housing (mobile home parks, manufactured homes, older single-family homes);
- Housing types that satisfy identified need typologies (multigenerational households, older adults, workforce); and
- Opportunities for upzoning parcels in areas with existing community services/resources (parks, schools, grocery stores).

Consultant shall coordinate with City planning staff and Public Works staff to consider infrastructure needs of opportunity areas and identify pathways for strategies based on potential for addressing identified needs.

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Task 3 Consultant Deliverables:

- *3.1: Draft Housing Production Strategy; and*
- *3.2: Final Housing Production Strategy, integrating feedback from City staff, City Council, and stakeholders.*

Task 3 City of Molalla Anticipated Deliverables:

- *3.1: Identification and introductions to stakeholders;*
- *3.2: Staff coordination re: opportunity areas and pathways to development readiness for consideration in urbanization work; and*
- *3.3: Written review comments on the draft Housing Production Strategy.*

Timeline: November 2025 – February 2026

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption**EXHIBIT C****CITY OF MOLALLA HOUSING PRODUCTION STRATEGY
READOPTION WORKPLAN ACTIVITIES**

Month	Tasks	Notes
Aug – Sept 2025	- City reviews this draft workplan, makes refinements, and submits a draft workplan to DLCD - City includes refined workplan in City staff packet at the scheduled City Council work session on August 27, 2025 - City notifies DLCD of any final edits to the workplan by August 29, 2025. If needed, City and DLCD can meet to discuss refinements on draft workplan. - DLCD generates and forwards to the City a Department Approval Letter for the final workplan following receipt of the city's final workplan. City submits final workplan and signed Approval Letter to DLCD by September 12, 2025 or earlier. - City prepares for future kickoff meeting for the HPS readoption project	Workplan to be signed by Mac Corthell and DLCD Director or Designee Kick off meeting to include city staff, consultant staff, and DLCD staff
Oct	- DLCD coordinates with the Consultant team to prepare a project scope and budget for purposes of the housing technical assistance grant agreement by October 1, 2025 - City and DLCD sign an Intergovernmental Agreement for the technical assistance consultant work with DLCD - Project kick-off meeting to be held to confirm project scope, deliverables, and schedule - City and Consultant team begin the HPS readoption project scope of work and the discussions necessary to address DLCD's HPS Remand Decision letter dated August 13, 2025	City will invite DLCD staff to project kickoff meeting and all project management (PM) team meetings
Nov	- City and Consultant team complete the preliminary draft HPS revisions - City submits preliminary draft HPS to DLCD for written feedback November 5, 2025	City will invite DLCD staff to all PM team meetings

DLCD IGA #25022 – City of Molalla – Housing Production Strategy Readoption

	- DLCD provides written feedback on preliminary draft HPS within two week(s) of receipt - City, DLCD, and Consultant team meet to discuss preliminary draft HPS by November 26, 2025	
Dec	- City presents preliminary draft HPS at City Council work session on December 10, 2025 - City and Consultant team refine HPS based on City Council feedback and prepare a refined draft HPS for key stakeholder input - City circulates the refined draft HPS (that outlines proposed changes clearly) on December 17, 2025 and due by December 17, 2025 to key interested parties that participated in the city's original 2024/25 HPS development process including City leadership, members of the TAC and/or PAC, interview participants with developers and housing advocates that support priority populations, individuals who testified at public hearings or provided comment to DLCD during the department's formal HPS public comment period. - City and Consultant team forwards DLCD a summary of refined draft HPS comments received, and City proposed responses to this input, by December 31, 2025 for review	City will invite DLCD staff to all PM team meetings
Jan 2026	- DLCD provides written feedback on the consultant summary by January 14, 2026 - City, DLCD, and the Consultant team meet by January 21, 2026 to finalize outstanding items based on input received on the refined draft HPS - City and the Consultant team finalize adoption- ready HPS by January 30, 2026	City will invite DLCD staff to all PM team meetings
Feb 2026	- City Council resolution for adoption-ready HPS February 11, 2026 - City submits adopted HPS to DLCD through Housing Portal by February 27, 2026 - DLCD reviews submitted HPS and issues final decision	City will invite DLCD staff to all PM team meetings DLCD is targeting an expedited 75-day review period



CITY OF MOLALLA

Staff Report

Agenda Category: STAFF COMMUNICATION

Agenda Date: Wednesday, October 22, 2025

Submitted by: Cindy Chauran, Finance Director

Approved by: Dan Huff, City Manager

SUBJECT: Government Finance Officers Association - Distinguished Budget Award

ATTACHMENTS:

[Distinguished Budget Award.pdf](#)

[Distinguished Budget Result Letter.pdf](#)



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Molalla
Oregon**

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morill

Executive Director



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

October 10, 2025

Cindy Chauran
Finance Director
City of Molalla, Oregon

Dear Cindy:

A panel of independent reviewers have completed their examination of your Annual budget document for the period beginning July 2025. We are pleased to inform you that your budget document has been awarded the Distinguished Budget Presentation Award from Government Finance Officers Association (GFOA). This award is the highest form of recognition in governmental budgeting. Its attainment represents a significant achievement by your organization.

Your Distinguished Budget Presentation Award is valid for one year. To continue your participation in the program, it will be necessary to submit your next budget document to GFOA within 90 days of the proposed budget's submission to the legislature or within 90 days of the budget's final adoption.

Your electronic award package contains the following:

- **Scores and Comments.** Each entity submitting a budget to the program is provided with reviewers' scores for each of the categories on which the budget document was judged along with reviewers' confidential comments and suggestions for possible improvements to the budget document. We urge you to carefully consider these suggestions as you prepare your next budget.
- **Budget Award.** A camera-ready reproduction of the Award is included for inclusion in your next budget. If you reproduce the camera-ready image in your next budget, it should be accompanied by a statement indicating continued compliance with program criteria. Please refer to the instructions for reproducing your Award in your next budget (also included in your award package).
- **Certificate of Recognition.** When a Distinguished Budget Presentation Award is granted to an entity, a Certificate of Recognition for Budget Presentation is also presented to the individual(s) or department designated as being primarily responsible for its having achieved the award.
- **Sample press release.** Attaining this Award is a significant accomplishment. The sample press release may be used to give appropriate publicity to this notable achievement.

In addition, award recipients will receive via mail either a plaque (if the government is a first-time recipient or has received the Award fifteen times since it received its last plaque) or a brass medallion to affix to the plaque.

We appreciate your participation in this program, and we sincerely hope that your example will encourage others in their efforts to achieve and maintain excellence in governmental budgeting. The most current list of award recipients can be found on GFOA's website at www.gfoa.org. If we can be of further assistance, please contact the Awards Programs staff at (312) 977-9700.

Sincerely,

Michele Mark Levine
Director, Technical Services Center



CITY OF MOLALLA

Staff Report

Agenda Category: STAFF COMMUNICATION

Agenda Date: Wednesday, October 22, 2025

Submitted by: Cindy Chauran, Finance Director

Approved by: Dan Huff, City Manager

SUBJECT: Government Finance Officers Association - Award of Financial Reporting Achievement

ATTACHMENTS:

[GFOA AFRA.pdf](#)

[GFOA Announcement.pdf](#)

[GFOA Certificate of Finance.pdf](#)



**The Government Finance Officers Association of
the United States and Canada**

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department
City of Molalla, Oregon



The Award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the department or individual designated as instrumental in the government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Christopher P. Morill

Date: 10/7/2025



Government Finance Officers Association
203 North LaSalle Street, Suite 2700
Chicago, Illinois 60601-1210
312.977.9700 fax: 312.977.4806

10/7/2025

Dan Huff
Manager
City of Molalla, Oregon

Dear Dan:

We are pleased to notify you that your annual comprehensive financial report for the fiscal year ended June 30, 2024 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and give appropriate publicity to this notable achievement. A sample news release is included to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is fluid and cursive, with the first name "Michele" being more prominent.

Michele Mark Levine
Director, Technical Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Molalla
Oregon**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO



CITY OF MOLALLA

Staff Report

Agenda Category: STAFF COMMUNICATION

Agenda Date: Wednesday, October 22, 2025

Submitted by: Diana Hadley, Library Director

Approved by: Dan Huff, City Manager

SUBJECT: Molalla Public Library: 2024-2025 Statistics Report

ATTACHMENTS:

[2024-2025 Molalla Public Library.pdf](#)

2024-2025

MOLALLA PUBLIC LIBRARY



TOTAL VISITORS

45,072 ↑8%

TOTAL CARD HOLDERS
6,640

ITEMS

CHECKED OUT



95,308

DIGITAL ITEMS CHECKED OUT

38,370



READING

PROGRAMS

Summer and Winter

677

PROGRAMMING

286 PROGRAMS

9,889 PARTICIPANTS

↑25%

> ADULTS

54 PROGRAMS

1,418 PARTICIPANTS

> TEENS

30 PROGRAMS

443 PARTICIPANTS

> CHILDREN

176 PROGRAMS

8,578 PARTICIPANTS

> OUTREACH

26 PROGRAMS

862 PARTICIPANTS

201 E. 5TH ST.,
MOLALLA, OR 97038

503-829-2593

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