

CITY COUNCIL Agenda

222 NE 2nd Avenue, Canby, OR, 97013 | Ph: (503) 266-4021 | www.canbyoregon.gov

October 15, 2025

The City Council meeting may be attended in person in the Council Chambers at
222 NE 2nd Avenue, Canby, OR 97013

The meetings can be viewed on YouTube at:

<https://www.youtube.com/channel/UCn8dRr3QzZYXoPUEF4OTP-A>

The public can register to attend the meeting virtually by contacting the Deputy City Recorder;
ridgleyt@canbyoregon.gov or call 503-266-0637.

For questions regarding programming, please contact: Willamette Falls Studio (503) 650-0275;
media@wfmstudios.org

REGULAR MEETING – 7:00 PM

1. CALL TO ORDER

- a. Invocation
- b. Pledge of Allegiance

2. NEW EMPLOYEE INTRODUCTIONS

3. **CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS:** This is an opportunity for audience members to address the City Council on items not on the agenda. If you are attending in person, please complete a testimony/comment card prior to speaking and hand it to the City Recorder. If you would like to speak virtually, please contact the Deputy City Recorder by 4:30 pm on October 15, 2025, with your name, the topic you'd like to speak on and contact information:
ridgleyt@canbyoregon.gov or call 503-266-0637.

4. CONSENT AGENDA

- a. Consider Approval of the September 17, 2025, City Council Regular Meeting Minutes. Pg. 1

5. ORDINANCES & RESOLUTIONS

- a. Consider **Ordinance No. 1657:** An Ordinance Considering a Contract Extension with Interim City Administrator Randy Ealy and Declaring An Emergency. (*Second Reading*) Pg. 4
- b. Consider **Resolution No. 1444:** A Resolution Authorizing the Interim City Administrator to Enter into an Intergovernmental Agreement with Clackamas County Related to the Transfer of Jurisdiction Over a Portion of N. Pine Street. Pg. 12
- c. Consider **Resolution No. 1445:** A Resolution Granting Authority to the City Administrator to Approve Individual Bancroft Financing Requests for System Development Charges (SDC) Pg. 34

6. OLD BUSINESS

7. NEW BUSINESS

8. MAYOR’S BUSINESS

9. COUNCILOR COMMENTS & LIAISON REPORTS

10. CITY ADMINISTRATOR’S BUSINESS & STAFF REPORT

- a. Letter of Support for Food Forest Application

Pg. 45

11. CITIZEN INPUT

12. ACTION REVIEW

13. ADJOURN

*The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Teresa Ridgley at 503-266-0637. A copy of this Agenda can be found on the City’s web page at www.canbyoregon.gov.

**CANBY CITY COUNCIL
REGULAR MEETING MINUTES
September 17, 2025**

PRESIDING: Brian Hodson

COUNCIL PRESENT: Traci Hensley, Paul Waterman, Daniel Stearns, Herman Maldonado, James Davis, and Jason Padden.

STAFF PRESENT: Randy Ealy, Interim City Administrator; Emily Guimont, City Attorney (attended virtually); Teresa Ridgley, Deputy City Recorder; Don Hardy, Planning Director; Ryan Potter, Planning Manager; and Peter Wood, Human Resources Director.

CALL TO ORDER: Mayor Hodson called the meeting to order at 7:01 p.m.

NEW EMPLOYEE INTRODUCTIONS: None.

POW/MIA RECOGNITION PROCLAMATION: Mayor Hodson read the proclamation declaring September 19, 2025, as POW/MIA Recognition Day.

CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS:

Kimberly Broomall, Canby resident, requested the System Development Charges on the property she was remodeling be reduced or waived. She wanted to connect the old farmhouse to the existing sewer that was already updated. She was already living on the property to help her mom. There would be no increase in the amount of usage, and she thought the SDCs had already been paid when it was hooked up to her mom's house originally. It was 30 feet from the City sewer line to where they were hooking to the structure.

There was discussion regarding setting a precedent for waiving fees, how it was not only sewer but a combination of fees, and following the process.

This item would go to staff and be placed on a future agenda.

Don Perman, Canby resident, approached the Council to discuss the property on SE 3rd Court. He was concerned that the issue of public parking for access to the Logging Road on the south side of town had not been solved.

The Council told him they determined at the last meeting that they would not purchase the property to take over SE 3rd Court or to build a parking lot.

Michelle Bayley, Canby resident, discussed the need to add information on E-bikes and E-scooters to the City's website.

CONSENT AGENDA: **Council President Hensley moved to approve the Consent Agenda that included approval of the August 20, 2025, City Council Regular Meeting Minutes. Motion was seconded by Councilor Waterman and passed 6-0.

PORTLAND GENERAL ELECTRIC/BONNEVILLE POWER ASSOCIATION/CANBY UTILITY PRESENTATION: Larry Bekkedahl, Senior VP from PGE; Mike Miller, Bonneville

Power; and Jason Berning, Operations Manager for CUB, presented information on long term plans for additional power to Canby. They discussed the Canby PUD distribution, partnership and supporting Canby's growth and vision, short term resolution of 6 MW of load added to the system, and long term strategy. Canby Utility submitted a line and load study request to BPA for direct delivery of power to Canby. BPA would complete the initial study in spring 2026. BPA was committed to working with PGE to develop the best plan to meet Canby's long term transmission needs.

There was discussion regarding exceeding capacity, upgrading the lines, planning for growth at a significant rate, how they said the City should have been warning them 5-8 years ago about the growth but back in 2020/2021 it was known that there were issues with the grid, need for more power to be resolved as quickly as possible, getting all the entities together and on the same page, how often peak load was reached and what was the variance in the power supply, disappointment in the lack of planning for Canby, development moratorium due to lack of power, significant loss of revenue until the issue was resolved, upcoming planned power projects, and working together to resolve the issue.

ORDINANCES AND RESOLUTIONS: None.

OLD BUSINESS: None.

NEW BUSINESS: Council Goals & Work Session Discussion Topics – Randy Ealy, Interim City Administrator, listed potential Work Session topics.

There was discussion regarding when to meet and prioritizing the list.

There was consensus to have off-meeting Wednesday night Work Sessions and to have staff look into a doodle poll to prioritize the list.

MAYOR'S BUSINESS: Mayor Hodson reported on the C4 meeting where their 2025-26 Work Plan was discussed.

COUNCILOR COMMENTS & LIAISON REPORTS:

Councilor Maldonado spoke about Charlie Kirk's memorial service on Sunday.

Council President Hensley thanked Canby Fire District for the 9/11 remembrance ceremony. September 17 was Constitution Day, and she brought copies to share.

Councilor Davis reported on the Canby Adult Center who was working on permits for the new building and developing plans for the remodel. The Parks and Recreation Advisory Board discussed Auburn Farms construction and naming and Bridging Cultures grant application for development of the park property in the Feist Addition.

There was consensus for Bridging Cultures to move forward, however concerns were raised about the liability of planting food on the park property and maintenance.

Councilor Davis said the Parks Board also discussed putting in a kiosk for charging for parking at Community Park, Maple Street Park signage and parking, and Park Maintenance Fee.

Councilor Stearns attended the Canby Utility Board meeting. He suggested looking into putting a lien on the property for the earlier request for the SDC waiver.

Councilor Waterman reported on the Bike and Ped Committee who discussed public education on courtesy and safety issues. The career center was now open at the Library. The Library received a \$10,000 donation for maker lab STEAM programming. The Library District Task Force was still working on their recommendations.

CITY ADMINISTRATOR'S BUSINESS: Mr. Ealy reviewed the bi-monthly reports, need to address striping the Logging Road, and vacancies on City Committees.

Councilor Waterman asked about the Downtown Parking Plan and what the next steps would be to implement the plan. He also asked questions about items in the reports.

Mr. Ealy gave an update on the Finance Director search.

CITIZEN INPUT: None.

ACTION REVIEW:

1. Approved the Consent Agenda.
2. Consensus to add off Wednesdays for Work Sessions with the priority of topics to come later.

****Council President Hensley moved to go into Executive Session pursuant to ORS 192.660(2)(f) Exempt Public Records, 192.660(2)(a) Employment of a Public Officer, and 192.660(2)(i) Performance Evaluation. Motion was seconded by Councilor Stearns and passed 6-0.**

Mayor Hodson read the Executive Session statement and recessed the Regular Meeting at 9:25 p.m. Mayor Hodson reconvened the Regular Meeting at 10:47 p.m.

There was consensus to allow the Human Resources Director, Councilor Davis, and the City Attorney to negotiate the extension of the Interim City Administrator's contract until June 30, 2026, with a potential to extend further. It was also determined to put the City Administrator search on hold indefinitely.

Mayor Hodson adjourned the meeting at 10:49 p.m.

Maya Benham, CMC
City Recorder

Brian Hodson
Mayor

Assisted with Preparation of Minutes – Susan Wood



CITY COUNCIL Staff Report

Meeting Date: 10/15/2025

To: The Honorable Mayor Hodson & City Council
Thru: N/A
From: Peter Wood, HR Director
Agenda Item: Consider **Ordinance No. 1657**: An Ordinance Authorizing the City Administrator Designee to Enter into an Amended Employment Contract between the City of Canby and Randy Ealy and Declaring An Emergency. (*Second Reading*)
Goal: N/A
Objective: N/A

Summary

Enclosed is the proposed contract language for Randy Ealy, Interim City Administrator, covering the period from November 1, 2025, through June 30, 2026. The contract specifies that the appointment is interim in nature, with an option for extension beyond June 30, 2026. It also includes updates compensation, separation, and benefits to align with the responsibilities of a City Administrator.

Background

To present City Council with an update and review of the proposed language contained in the Interim City Administrator Contract Extension.

Discussion

Key Points of Contract: Term of the contract is from November 1, 2025, through June 30, 2026, with the option for extension upon mutual agreement and amendment to this contract.

No changes to the employee duties. City Council provides updated goals and objectives upon agreement of the contract and quarterly discussions to review Interim City Administrator's performance.

Fiscal Impact

Current annual City of Canby budgeted salary, with cost-of-living increase, is approximately \$189,000. Under this eight-month contract, employee compensation is proposed at \$15,000 per month. Employee receives \$1,500 in deferred compensation each month in lieu of medical benefits. (*Please note: 2026 fiscal impact City of Canby's monthly contribution to family health plan is \$2,399.08 for Regence and \$2,617.07 for Kaiser).

Separation

The employee may resign with thirty (30) calendar days' notice. The City may terminate employment without cause by providing thirty (30) calendar days' notice or may terminate for cause, as defined in contract. In the event the City terminates the contract, the employee shall receive severance equal to two (2) months' salary payable in a lump sum within ten (10) days.

Leave

Upon execution of contract, the employee is credited with forty (40) hours of vacation leave and forty (40) hours of sick leave. Thereafter, the employee shall accrue prorated vacation and sick leave benefits equivalent to one hundred twenty (120) hours of vacation and ninety-six (96) hours of sick leave annually.

Options

1. Approve Ordinance No. 1657 and Interim City Administrator Contract Extension.
2. Amend or do not Approve Ordinance No. 1657 and Interim City Administrator Contract Extension.

Attachments

1. Ordinance No. 1657
2. Employment Contract with Randy Ealy

Recommendation

Council approve ordinance No. 1657 as proposed

Proposed Motion

"I move to adopt **Ordinance No. 1657**: An Ordinance Authorizing the City Administrator Designee to Enter into an Amended Employment Contract between the City of Canby and Randy Ealy and Declaring An Emergency."

ORDINANCE NO. 1657

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR DESIGNEE TO ENTER INTO AN AMENDED EMPLOYMENT CONTRACT BETWEEN THE CITY OF CANBY AND RANDY EALY AND DECLARING AN EMERGENCY.

WHEREAS, the City of Canby has employed Randy Ealy as Interim City Administrator since June 23, 2025;

WHEREAS, Randy Ealy has been and continues to be in good standing with the City of Canby in his Interim role;

WHEREAS, Randy Ealy wants to continue filling the Interim City Administrator role until the position is permanently filled; and

WHEREAS, the City of Canby would like Randy Ealy to continue in his role as Interim past an expenditure of \$50,000, requiring an ordinance per the Canby City Charter.

NOW, THEREFORE, THE CITY OF CANBY, OREGON, ORDAINS AS FOLLOWS:

Section 1. The City Administrator Designee is hereby authorized on behalf of the City to enter into an Amended Employment Contract Agreement with Randy Ealy to continue as Interim City Administrator for the City of Canby beyond a \$50,000 expenditure. A copy of the Agreement is attached hereto as Exhibit “A.”

Section 2. An emergency is declared to continue to provide Interim City Administrator services to the City without further delay. The effective date of this Ordinance shall be November 1, 2025.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, October 1, 2025, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, October 15, 2025 commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Maya Benham, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 15th day of October, 2025, by the following vote:

YEAS_____

NAYS_____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder

INTERIM CITY ADMINISTRATOR CONTRACT

A CONTRACT between THE CITY OF CANBY, OREGON ("City"), and Randy Ealy ("Employee").

WHEREAS, City and Employee believe it is in their mutual interest to enter into a written contract setting out their understandings concerning the Employee's provision of executive city management services for the City as the Interim City Administrator.

1. Term

The Employee shall be hired as a limited term, temporary employee of the City from November 1, 2025, to June 30, 2026, or until such time as a permanent City Administrator is hired and can assume the duties and responsibilities as City Administrator or the contract is either mutually amended to this contract otherwise terminated as set forth in Section 5 below.

2. Employee Duties

City employs the Employee to serve as the Interim City Administrator and to exercise all of the executive, leadership, and governmental responsibilities vested in the position of City Administrator under the City Charter and City Code, and to perform other legally permissible and proper duties and functions of the City Administrator as may be assigned to him by the City Council. The Employee accepts the Council's appointment and employment as Interim City Administrator for the City of Canby. The Employee's duties are limited as set forth in the Charter.

The City shall provide the Employee with a City-issued cellphone and laptop for the Employee's use for City business.

3. Compensation

A. City agrees to pay the Employee fifteen thousand dollars (\$15,000) per month in wages payable on the same schedule as it pays the City's regular employees subject to all withholdings required by law.

B. The Employee shall be entitled to take and be compensated for any City observed holiday occurring while employed during the term of this contract.

C. The Employee agrees that he has not been promised nor will he receive other benefits that are generally available to other City employees unless set forth expressly herein.

D. City agrees to provide workers' compensation insurance coverage for the Employee consistent with the City's Employee Handbook.

E. The Employee will receive Public Employee Retirement Benefits (PERS) consistent with state law and consistent with City policy.

F. The Employee will receive \$1,500 in deferred compensation each month in lieu of

medical benefits.

4. Supervision and Control

The Employee shall report to the City Council in the carrying out and implementation of his duties. The Employee will have the authority granted the City Administrator as set forth in the Canby City Charter, Canby City Code, and any applicable rules, regulations, and policies.

5. Separation

A. Resignation. The Employee may resign at any time with 30 calendar days advanced written notice to the Mayor.

B. Termination and Removal.

1. It is understood that the Employee works at-will and that this contract may be terminated by the City at any time without cause upon thirty (30) calendar days' written notice of intent to terminate.
2. The City may immediately terminate this contract for cause if:
 - a. Employee fails or refuses to comply with the written policies, standards, and regulations of the City that are now in existence or that may, from time to time be established;
 - b. The City has reasonable cause to believe Employee has committed fraud, misappropriated City funds, goods or services to either his own or some other private third party's benefit and/or other act(s) or misconduct which the City Council believes is/are detrimental to the City and/or its interests;
 - c. Employee is unable to perform his job functions; or
 - d. Employee is not bondable at normal rates.
3. If the City terminates this contract pursuant to Section 5(B)(1), the Employee shall receive two (2) months' salary as severance compensation, provided the Employee signs a full and final release of all claims, known or unknown, arising out of his employment or termination from employment, as a condition precedent to receiving severance compensation. Severance shall be paid in one lump sum within ten (10) business days of the effective date of separation and receipt of signed release of all claims.

6. Hours of Work.

The Employee is expected to be present at City Hall during the City's normal business hours during the workweek, unless otherwise attending meetings on behalf of the city at alternate

locations. He will attend all City Council work sessions, regular meetings, and other meetings as requested by the Council.

7. Law of Oregon

The contract shall be governed by the laws of the State of Oregon. Venue shall be in Clackamas County, Oregon.

8. Indemnification

Consistent with the Oregon Tort Claims Act, City shall defend, hold harmless, and indemnify the Employee against any claim or legal action arising out of the Employee's discharge of his duties under this Contract and within the scope of his employment.

9. Mediation/Trial without a Jury

Should any dispute arise between the parties to this Contract, it is agreed that such dispute will be submitted to a mediator prior to any litigation and the parties hereby expressly agree that no claim or dispute arising under the terms of this Contract shall be resolved other than first through mediation and only in the event said mediation efforts fail, through litigation. Any litigation arising under or as a result of this contract shall be tried to the court without a jury. The parties shall exercise good faith efforts to select a mediator who shall be compensated equally by both parties. Mediation will be conducted in Portland, Oregon unless both parties agree in writing otherwise. Both parties agree to exercise good faith efforts to resolve disputes covered by this section through this mediation process. If a party requests mediation and the other party fails to respond within ten (10) days or if the parties fail to agree on a mediator within ten (10) days, a mediator shall be appointed by the presiding judge of the Clackamas County Circuit Court upon the request of either party. The parties shall have any rights at law or in equity with respect to any dispute not covered by this Section.

10. Conflict of Interest/Outside Employment

The Employee shall not engage in any activity, business or transaction or have a financial or personal interest or association, direct or indirect which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of his duties under this Contract. The Employee also agrees not to accept any outside employment during the term of this Contract.

11. Performance Evaluations

Upon execution of the contract, the Council will meet with the employee at the earliest available executive session to set goals and objectives. Thereafter, the City Council and the Employee will conduct quarterly discussions to review performance.

12. Leave

The Employee shall receive a sick leave bank of forty (40) hours upon the execution of this

Contract. Thereafter, the Employee will accrue sick leave at the same rate as other non-represented employees and may take sick leave in accordance with state law. During the term of the contract, the Employee is entitled to a prorated vacation benefit equivalent to 120 hours per year and 96 sick hours and receives an initial allocation of 40 vacation hours at the commencement of the contract.

13. Assignment.

The Employee may not assign any interest in this Contract and shall not transfer any interest in the same.

14. Modification

Any modification of the provisions of this Contract shall be reduced to writing and signed by the parties.

15. No Waiver of Legal Rights

A waiver by a party of any breach by the other shall not be deemed to be a waiver of any subsequent breach.

16. Integration and Severability

This Contract contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject. If any clause, sentence, or section of this Contract is found to be illegal or unenforceable, such clause, sentence, or section so found shall be regarded as though it were not part of this Contract and the remaining parts of this Contract shall be fully binding and enforceable by the parties hereto.

THE EMPLOYEE

Randy Ealy

Date

CITY OF CANBY

Brian Hodson
Mayor

Date



CITY COUNCIL Staff Report

Meeting Date: 10/15/2025

To: The Honorable Mayor Hodson & City Council

Thru: Randy Ealy, City Administrator

From: Jerry Nelzen, Public Works Director

Agenda Item: Consider **Resolution No. 1444**, A Resolution Authorizing the Interim City Administrator to Enter into an Intergovernmental Agreement with Clackamas County Related to the Transfer of Jurisdiction Over a Portion of N. Pine Street.

Goal: Plan a Transportation System That Eases the Impacts of Growth

Objective: N/A

Summary

In 2025 the Council goal setting, staff was asked to research and work with Clackamas County on finding a way to make N. Pine a city street. After discussion with Clackamas County engineering, they made us an offer of \$513,000 in exchange for all authority of N. Pine Street. N. Pine Street is the last County Road in the Canby City limits.

Background

N. Pine Street is a County Road on the NE side of town that runs North and South connecting NE Territorial to NE 4th Avenue. This street is classified as a collector has a Pavement Condition Index (PCI) of 40. Clackamas County has no funds to do upgrades on N. Pine Street. The only maintenance done on this street is complaint driven (i.e. potholes), and most of the time Public Works staff take care of the issue.

Discussion

Clackamas County has agreed to coordinate with the City of Canby through an IGA and has offered to pay the City of Canby \$513,000 and draft the IGA for the transfer of the N. Pine Street. The Public works Director is here before city council tonight to answer any questions Council has before adopting the resolution agreeing to take ownership of N. Pine Street.

Attachments

- Resolution No. 1444
- N. Pine Street IGA transfer
- Pine Area Info Plan
- Drywells from DTD Asset Map

Fiscal Impact

Upgrading this road to city standards is estimated at a cost of \$1,250,000. With the \$513,000 County contribution, we are estimating the City will need to add another \$750,000 from the street funds to upgrade this street to City standards.

Options

1. Approve **Resolution No. 1444**.
2. Leave N. Pine Street a County Road.

Recommendation

Staff Recommends the Council adopt **Resolution No. 1444**.

Proposed Motion

"I move to adopt **Resolution No. 1444** A Resolution Authorizing the Interim City Administrator to Enter into an Intergovernmental Agreement with Clackamas County Related to the Transfer of Jurisdiction Over a Portion of N. Pine Street."

RESOLUTION NO. 1444

A RESOLUTION AUTHORIZING THE INTERIM CITY ADMINISTRATOR TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH CLACKAMAS COUNTY RELATED TO THE TRANSFER OF JURISDICTION OVER A PORTION OF NORTH PINE STREET.

WHEREAS, ORS 373.270 provides a mechanism for a county to surrender jurisdiction over a county road within a city to the city, provided the city requests or accepts such jurisdiction;

WHEREAS, North Pine Street, currently labeled as County Road No. 2580 and DTD No. 31030, is a county road, as defined in ORS 358.001;

WHEREAS, the portion of North Pine Street described in Exhibit “A” and depicted in Exhibit “B” attached hereto and by this reference incorporated herein (“North Pine Street”) is within the jurisdictional boundary of the City of Canby; and

WHEREAS, the Intergovernmental Agreement provides that the City shall carry out the procedures set forth in ORS 373.270 to determine whether it is necessary, expedient, or for the best interests of the City to acquire jurisdiction over North Pine Street and, if so, to adopt appropriate municipal legislation requesting such jurisdiction.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Canby that The City Council deems it necessary or expedient and for the best interests of the City to acquire jurisdiction over North Pine Street to the same extent as it has over other public streets and alleys of the City. The City requests the surrender of jurisdiction by the County over North Pine Street.

This resolution will take effect on October 15, 2025.

ADOPTED this 15th day of October, 2025, by the Canby City Council.

Brian Hodson
Mayor

ATTEST:

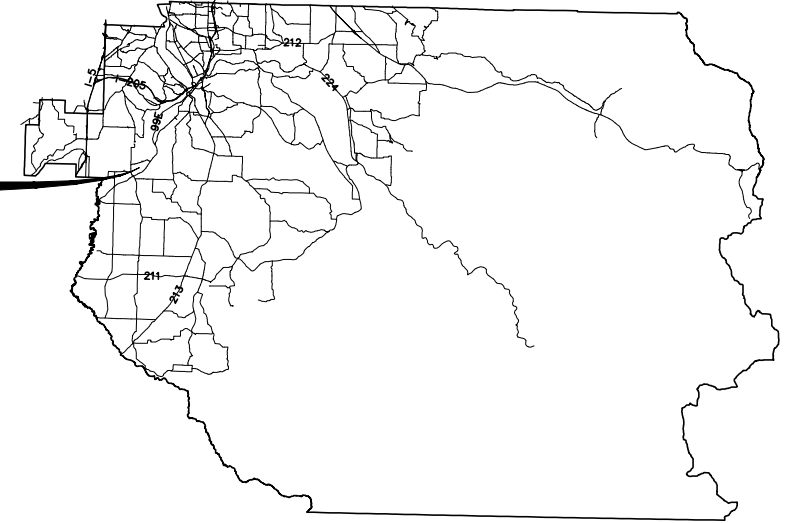
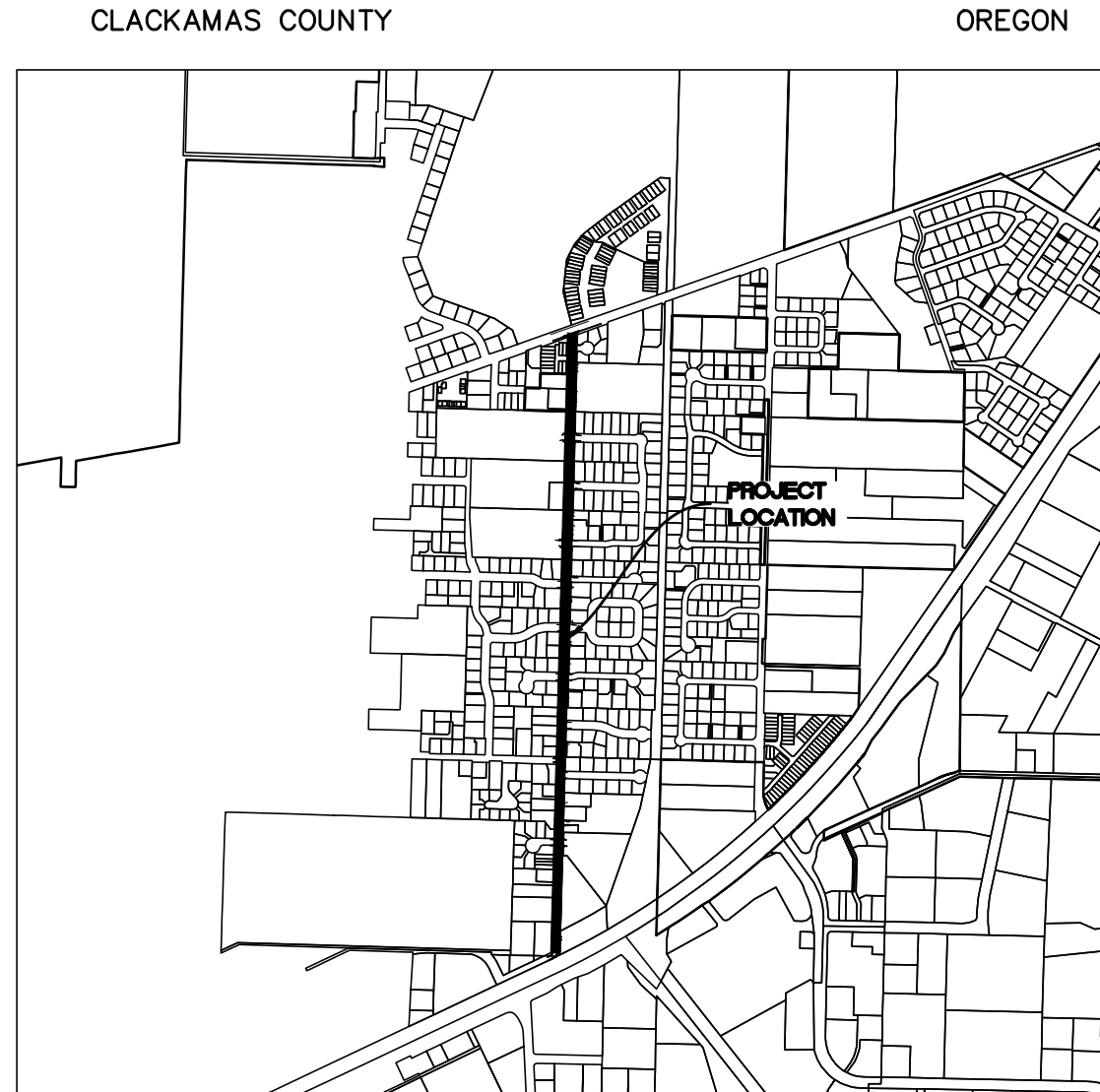
Maya Benham, CMC
City Recorder

S:\ENGINEERING\PROPERTY INFORMATION\JURISDICTIONAL TRANSFERS\CANBY TRANSFERS\31030 NORTH PINE STREET (MP 0.0-0.79)\PINEAREA_RM.DWG

CLACKAMAS COUNTY DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

PLANS FOR PROPOSED PROJECT

N. PINE STREET JURISDICTIONAL TRANSFER



RIGHT-OF-WAY REPRESENTATION:

ALL LINE-WORK SHOWN RELATING PROPERTY BOUNDARY TO SCAN DATA IS FOR GRAPHICAL REPRESENTATION ONLY. ANY APPARENT DISCREPANCIES BETWEEN SAID DATA WILL REQUIRE FIELD VERIFICATION THROUGH A PROPER RIGHT-OF-WAY RESOLUTION.

VICINITY MAP
NOT TO SCALE



T. 3S, R. 1E, SEC. 28, 31, 27 & 34 W.M.

C.R. #2580
DTD #31030

ATTENTION !

OREGON LAW REQUIRES YOU TO FOLLOW RULES ADOPTED BY THE OREGON UTILITY NOTIFICATION CENTER. THOSE RULES ARE SET FORTH IN OAR 952-001-0010 THROUGH OAR 952-001-0100. YOU MAY OBTAIN COPIES OF THE RULES FROM THE CENTER OR ANSWERS TO QUESTIONS ABOUT THE RULES BY CALLING (503) 232-1987.

COVER SHEET

N. PINE ST.
JURISDICTIONAL TRANSFER

DATE: 12/30/2024 PROJECT NO.:

CLACKAMAS COUNTY

DEPT. OF TRANSPORTATION
AND DEVELOPMENT
150 BEAVERCREEK ROAD
OREGON CITY, OR 97045



DIRECTOR

DAN JOHNSON

DESIGNED BY:
STAFF

DRAFTED BY:
RM

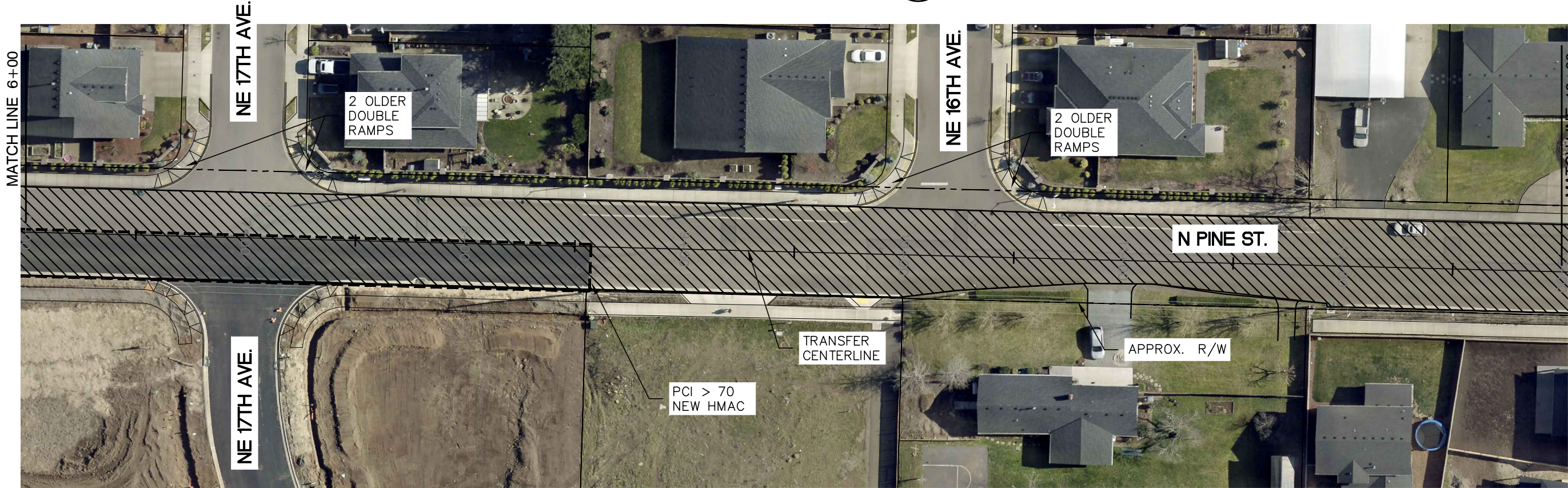
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REVISIONS

NO. DATE:

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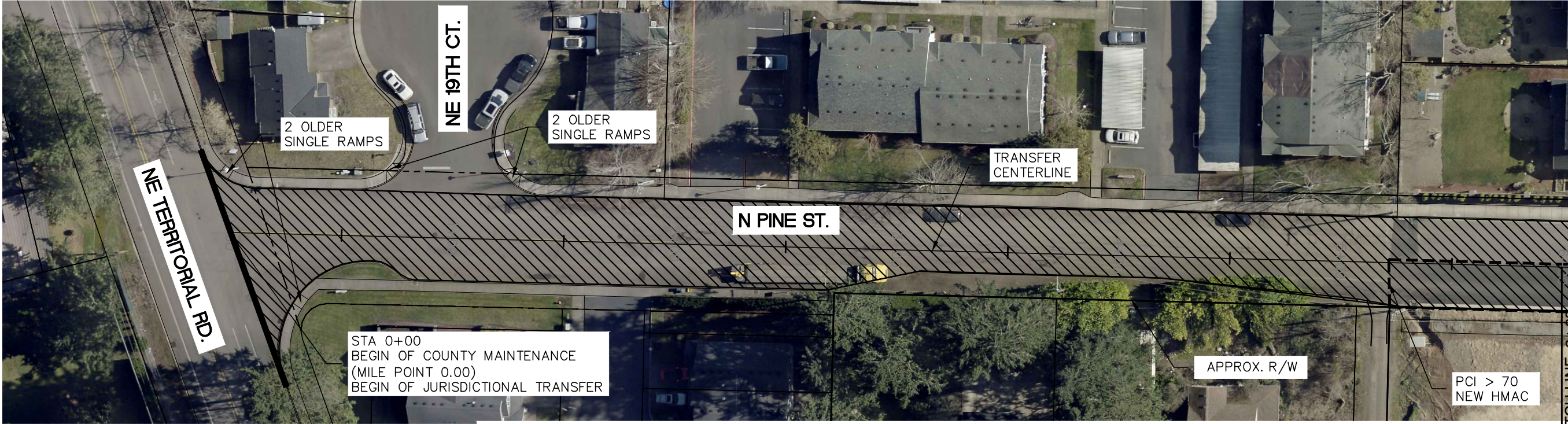
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A/C AREA FOR TRANSFER



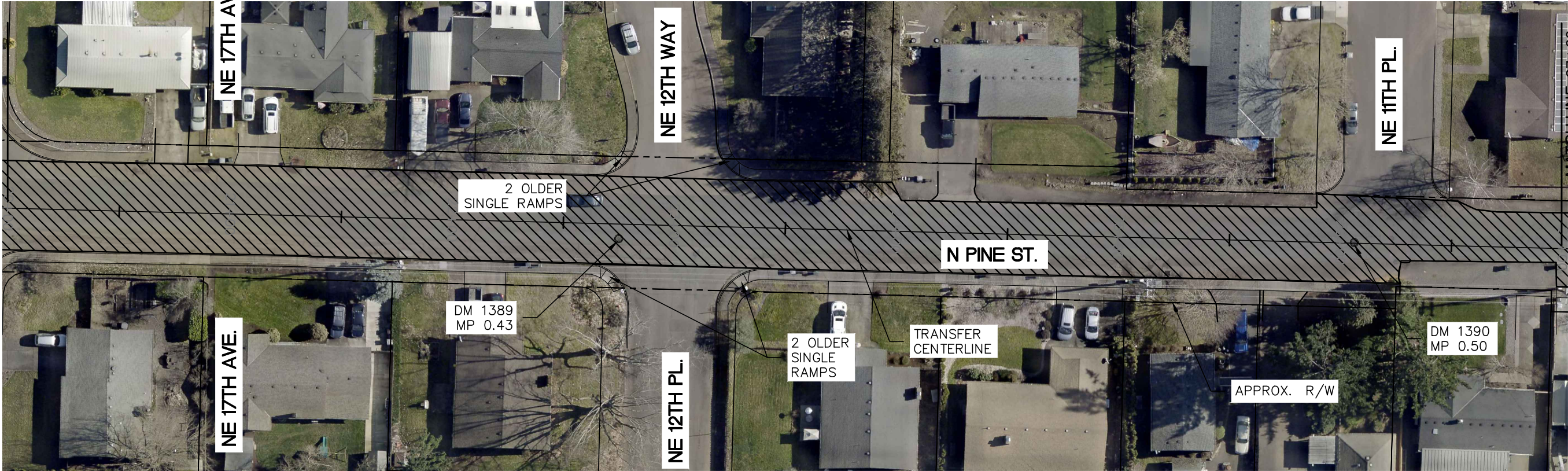
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REVISIONS

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		STAFF

MATCH LINE 20+00



PLAN
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A/C AREA FOR TRANSFER

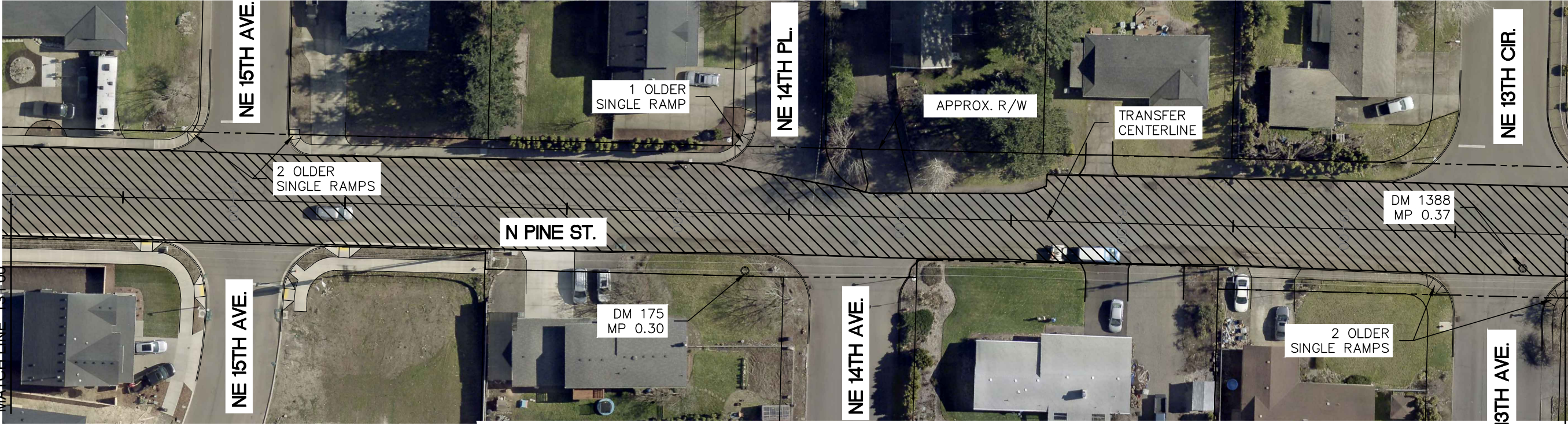


PLAN
1"=50'



A/C AREA FOR TRANSFER

MATCH LINE 13+00



REVISIONS

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		STAFF
		DRAFTED BY:
		RM
		CHECKED BY:
		STAFF

CLACKAMAS COUNTY

DEPT. OF TRANSPORTATION
AND DEVELOPMENT
150 BEAVERCREEK ROAD
OREGON CITY, OR 97045



DAN JOHNSON

DIRECTOR

PLAN

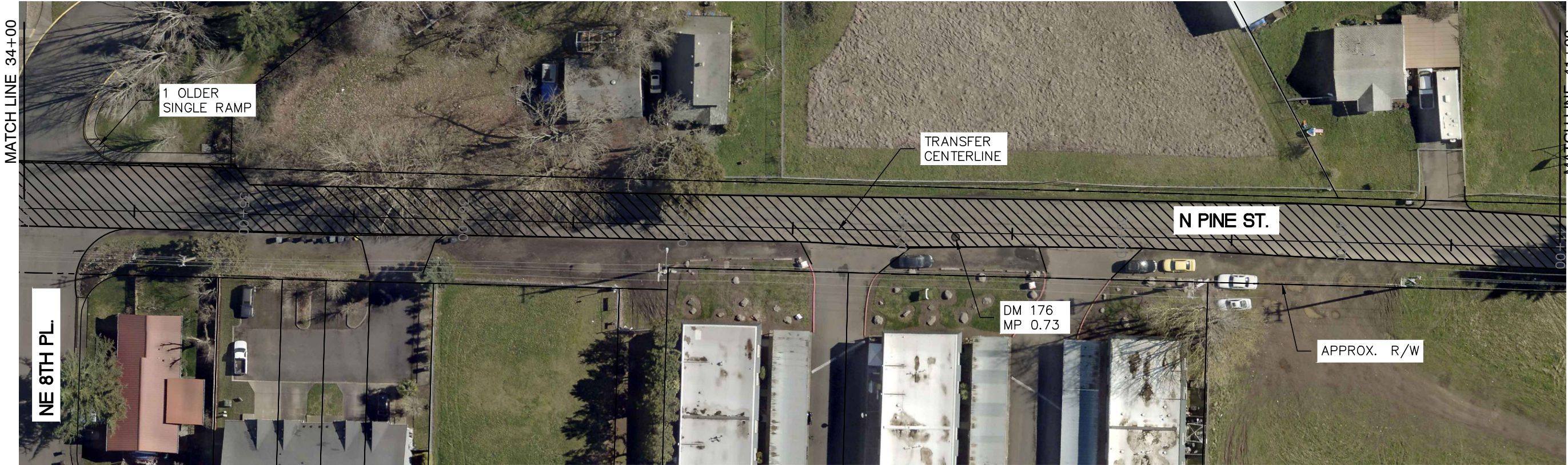
N. PINE ST.
JURISDICTIONAL TRANSFER

DATE: 1/29/2025

PROJECT NO.:

Sheet No.

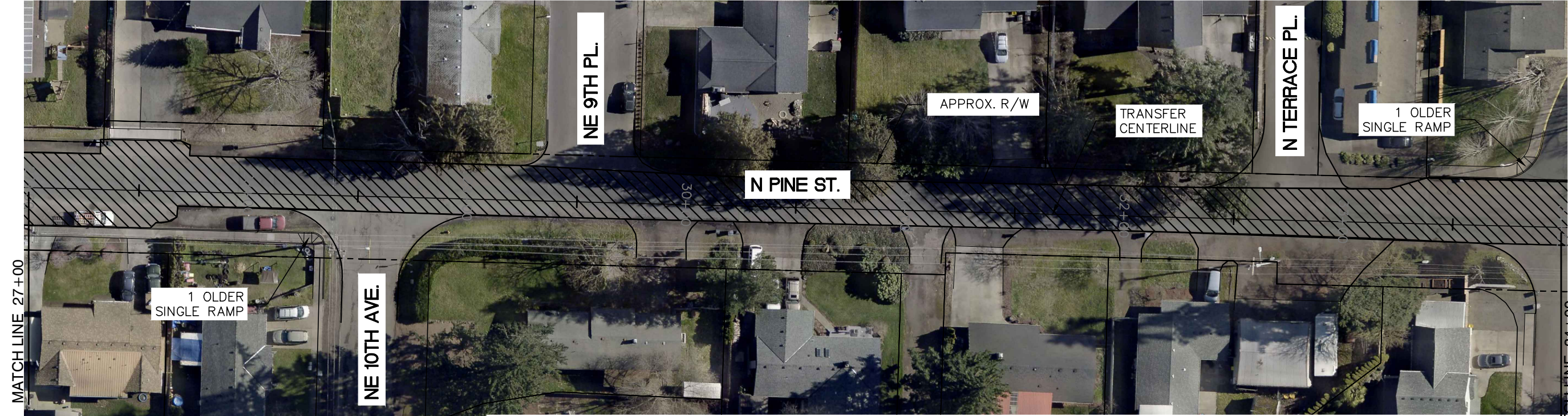
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PLAN
1"=50'



A/C AREA FOR TRANSFER



PLAN
1"=50'



A/C AREA FOR TRANSFER

REVISIONS

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		STAFF
		DRAFTED BY:
		RM
		CHECKED BY:
		STAFF

CLACKAMAS COUNTY

DEPT. OF TRANSPORTATION
AND DEVELOPMENT
150 BEAVERCREEK ROAD
OREGON CITY, OR 97045



DAN JOHNSON

DIRECTOR

PLAN

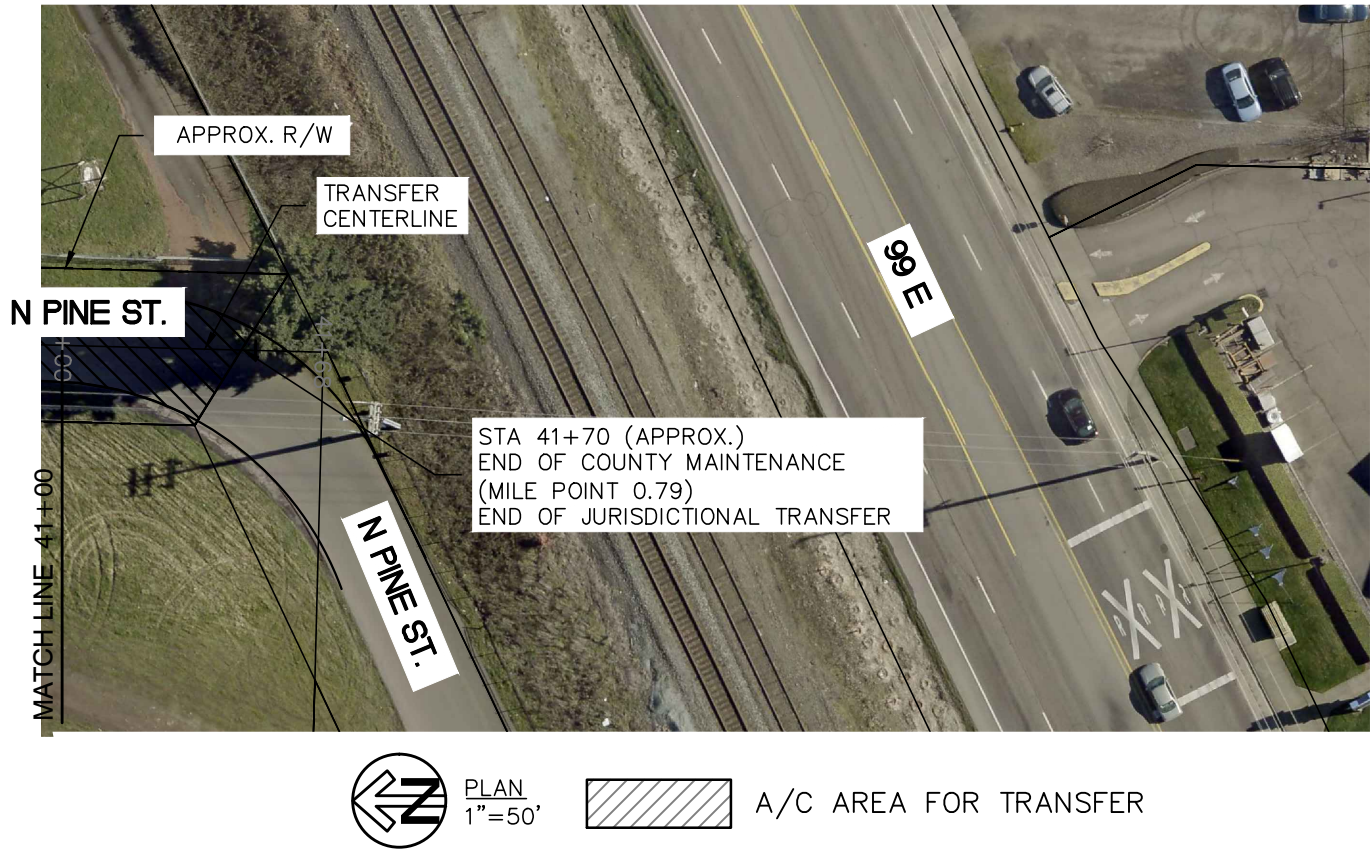
N. PINE ST.
JURISDICTIONAL TRANSFER


DATE: 1/29/2025

PROJECT NO.:

Sheet No.

4



REVISIONS		DESIGNED BY:		CLACKAMAS COUNTY DEPT. OF TRANSPORTATION AND DEVELOPMENT 150 BEAVERCREEK ROAD OREGON CITY, OR 97045		PLAN	
		STAFF					
NO	DATE:	DRAFTED BY:		 CLACKAMAS COUNTY		N. PINE ST. JURISDICTIONAL TRANSFER	
		RM					
		CHECKED BY:					
		STAFF					
Sheet No.				DAN JOHNSON		DIRECTOR	
5						DATE: 1/29/2025	
						PROJECT NO.:	

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CANBY AND CLACKAMAS COUNTY RELATED TO THE TRANSFER OF JURISDICTION OVER A PORTION OF N PINE STREET

This Agreement is made between the City of Canby, a municipal corporation of the State of Oregon (the “City”), and Clackamas County, a political subdivision of the State of Oregon (the “County”), collectively referred to as the “Parties” and each a “Party.”

RECITALS

WHEREAS, ORS chapter 190 authorizes local governments to enter into intergovernmental agreements for the performance of any or all functions and activities that a local government or its officers or agencies have the authority to perform;

WHEREAS, the portion of N Pine Street, currently labeled as county road no. 31030, described in Exhibit “A” and depicted in Exhibit “B” attached hereto and incorporated herein (“N Pine Street”), is a County Road as defined under ORS 368.001 that is wholly within the boundary of the City;

WHEREAS, the City is best suited to acquire full and absolute jurisdiction over N Pine Street, including for maintenance and permitting purposes;

WHEREAS, ORS 373.270 provides a procedure whereby a county may transfer full and absolute jurisdiction over any County Road within a city to the city by surrendering such jurisdiction, provided the city requests or accepts such jurisdiction; and

WHEREAS, the Parties desire to transfer jurisdiction over N Pine Street pursuant to ORS 373.270 and acknowledge that the City should be compensated, consistent with the terms of this Agreement.

AGREEMENT

NOW, THEREFORE, the Parties agree as follows:

1. **Term.** This Agreement shall be effective on the last day of signature by a Party indicated below and shall expire automatically at the time the City accepts jurisdiction over N Pine Street pursuant to ORS 373.270 and the County makes payment as provided in this Agreement.
2. **City Responsibilities.**
 - A. The City shall carry out the procedures set forth in ORS 373.270 to determine whether it is necessary, expedient, or for the best interests of the City to acquire full and absolute jurisdiction over N Pine Street, and, if so, to adopt appropriate municipal legislation requesting such jurisdiction. The City shall complete the process to request jurisdiction within 60 days of the effective date of this Agreement.

- B. The City shall accept full and absolute jurisdiction over N Pine Street in the event that the governing body of the City and the governing body of the County determine that it is necessary, expedient, or for the best interests of their respective jurisdictions to transfer such jurisdiction, and if the County adopts an order surrendering such jurisdiction.
- C. The City shall accept maintenance responsibility for all surface water drainage facilities within the right-of-way to be transferred, including underground injection control (UIC) systems. Though additional, previously unknown UIC systems may exist, the County and the City are aware of five (5) systems within the right-of-way to be transferred:
- DM175 31030 PINE ST 0.30
 - DM1388 31030 PINE ST 0.37
 - DM1389 31030 PINE ST 0.43
 - DM1390 31030 PINE ST 0.50
 - DM176 31030 PINE ST 0.73

The County and the City shall work collaboratively to transfer UIC systems from County inventory to City inventory via the Oregon Department of Environmental Quality drywell transfer process.

3. County Responsibilities.

- A. Once the City completes the process to request jurisdiction over N Pine Street, the County shall give notice and carry out the procedures set forth in ORS 373.270 to determine whether it is necessary, expedient, or for the best interests of the County to surrender such jurisdiction, and, if so, to adopt an order surrendering such jurisdiction. The County shall complete the process to surrender jurisdiction within 120 days of the date that the City requests such jurisdiction. This obligation shall terminate in the event the governing body of the City fails to find that it is not necessary, expedient, or for the best interests of the City to acquire such jurisdiction.
- B. In the event the governing body of the City and the governing body of the County both determine that it is necessary, expedient, or for the best interests of their respective jurisdictions to transfer jurisdiction over N Pine Street, the County shall make a one-time payment to the City in the sum of \$513,000, which is equivalent to the costs associated with the construction of a 2-inch asphalt overlay of the entire 212,965 square feet of N Pine Street and the replacement of 25 accessible ramps to comply with modern day Americans with Disabilities Act standards. The payment shall be made to the City within 30 days of the date that the County surrenders such jurisdiction.

4. Termination.

- A. The Parties, by mutual written agreement, may terminate this Agreement at any time.

- B. Either Party may terminate this Agreement in the event of a breach by the other Party. Prior to such termination, however, the Party seeking the termination shall give the other Party written notice of the breach and of the Party's intent to terminate. If the breaching Party has not completely cured the breach within fifteen (15) days of deemed or actual receipt of the notice, then the Party giving notice may terminate this Agreement any time thereafter by giving written notice of termination stating the effective date of the termination. If the breach is of such a nature that it cannot be completely cured within such fifteen (15) day period, then the Party giving notice may not terminate this Agreement due to the breach if the breaching Party begins curing the breach within the fifteen (15) day period and thereafter proceeds with reasonable diligence and in good faith to completely cure the breach as soon as practicable. The Party giving notice shall not be required to give more than one (1) notice for a similar breach in any twelve (12) month period.

5. **Indemnification.**

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

6. **General Provisions.**

- A. **Oregon Law and Forum.** This Agreement shall be construed according to the laws of the State of Oregon, without giving effect to the conflict of law provisions thereof.
- B. **Applicable Law.** The Parties shall comply in all ways with applicable local, state, and federal ordinances, statutes, laws, and regulations.
- C. **Non-Exclusive Rights and Remedies.** Except as otherwise expressly provided herein, the rights and remedies expressly afforded under the provisions of this Agreement shall not be deemed exclusive and shall be in addition to and cumulative with any and all rights and remedies otherwise available at law or in equity. The exercise by either Party

of any one or more of such remedies shall not preclude the exercise by it, at the same or a different time, of any other remedies for the same breach, or for any other breach, by the other Party.

- D. **Access to Records.** Each Party, the federal government, and their duly authorized representatives shall have access to each Party's books, documents, papers, and records which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts for a period of three years after the County makes payment as provided in this Agreement. Copies of applicable records shall be made available upon request. The cost of such inspection shall be borne by the inspecting Party.
- E. **Debt Limitation.** This Agreement is subject to the county debt limitation set forth in Article XI, section 10, of the Oregon Constitution, and is contingent upon funds being appropriated to carry out its provisions.
- F. **Severability.** If any provision of this Agreement is found to be unconstitutional, illegal, or unenforceable, this Agreement nevertheless shall remain in full force and effect and the offending provision shall be stricken. The Court or other authorized body finding such provision unconstitutional, illegal, or unenforceable shall construe this Agreement without such provision to give effect, to the maximum extent possible, to the intentions of the Parties.
- G. **Integration, Amendment, and Waiver.** Except as otherwise set forth herein, this Agreement constitutes the entire agreement between the Parties on the matter of the transfer of jurisdiction over N Pine Street. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Agreement. No waiver, consent, modification, or change to the terms of this Agreement shall bind either Party unless it is in writing and signed by both Parties, and unless all necessary approvals have been obtained. Such waiver, consent, modification, or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of either Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of that or any other provision. A waiver as to one breach shall not be deemed a waiver as to any other breach not expressly identified, even though the other breach is of the same nature as the one waived.
- H. **Interpretation.** The titles of the sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.
- I. **No Partnership.** No representative, agent, employee, or contractor of one Party shall be deemed to be a representative, agent, employee, or contractor of the other Party for any purpose, except to the extent specifically provided herein. Nothing herein is intended, nor shall it be construed, to create between the Parties any relationship of principal and agent, partnership, joint venture, or any similar relationship, and each Party specifically disclaims any such relationship.

- J. **No Third-Party Beneficiary.** Neither Party intends that this Agreement benefit, or create any right or cause of action in, or on behalf of, any person or entity other than the Parties.
- K. **No Assignment.** Neither Party shall have the right to assign its interest in this Agreement (or any portion thereof) without the prior written consent of the other Party, which consent may be withheld for any reason. The benefits conferred by this Agreement, and the obligations assumed hereunder, shall inure to the benefit of and bind the successors to the Parties.
- L. **Counterparts.** This Agreement may be executed in any number of counterparts (electronic, facsimile, or otherwise), all of which, when taken together, shall constitute one agreement binding on both Parties, notwithstanding that both Parties are not signatories to the same counterpart. Each copy of this Agreement so executed shall constitute an original.
- M. **Authority.** Each Party represents that it has the authority to enter into this Agreement, and each individual signatory for a Party represents that it has been authorized by that Party to execute and deliver this Agreement.
- N. **Necessary Acts.** Each Party shall execute and deliver to the other all such further instruments and documents as may be reasonably necessary to carry out this Agreement.

CLACKAMAS COUNTY

Chair

Date

Recording Secretary

CITY OF CANBY

Interim City Administrator

Date

Recording Secretary

Exhibit "A"

N. Pine Street Transfer of Jurisdiction

Clackamas County to City of Canby

Description

All that portion of N. Pine Street, County Road No. 2580, Department of Transportation and Development maintenance No. 31030;

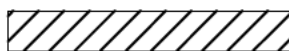
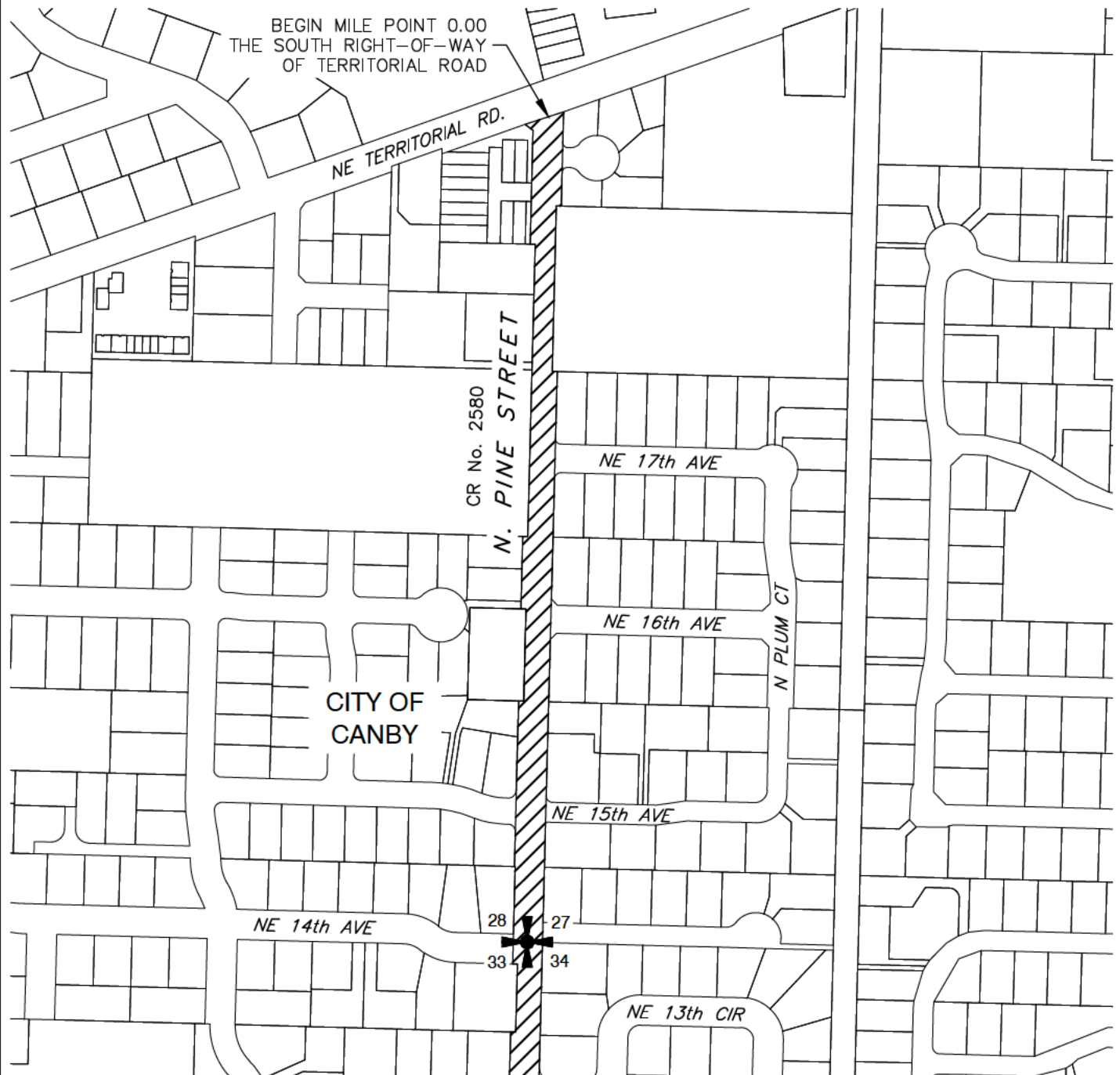
Situated in the SW 1/4 of Section 27, SE 1/4 of Section 28, NE 1/4 of Section 33 and the NW 1/4 of Section 34, T. 3 S., R. 1 E., W.M. as shown on Exhibit "B" , attached hereto, lying south of the Southerly Right-of-Way of NE Territorial Road, County Road No. 1485, (mile point 0.00) and lying north of the Northerly Boundary Line of the Union Pacific Railroad Company, being the northerly boundary line of Tax Lot 31E33CC 08200, Clackamas County records (mile point 0.79), being approximately 4,117 feet long.

Contain 212,965 square feet, more or less.

EXHIBIT "B"



1"=300'



212,965± SF

TRANSFERED ROAD

LOCATED IN THE SW 1/4 OF SECTION 27,
THE SE 1/4 OF SECTION 28,
THE NE 1/4 OF SECTION 33 &
THE NW 1/4 OF SECTION 34,
T. 3 S., R. 1 E., W.M.
CLACKAMAS COUNTY, OREGON

DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
150 BEAVERCREEK ROAD
OREGON CITY, OR 97045



04/28/2022

A. REITER

JURISDICTIONAL TRANSFER
N. PINE ROAD
COUNTY ROAD NO. 2580

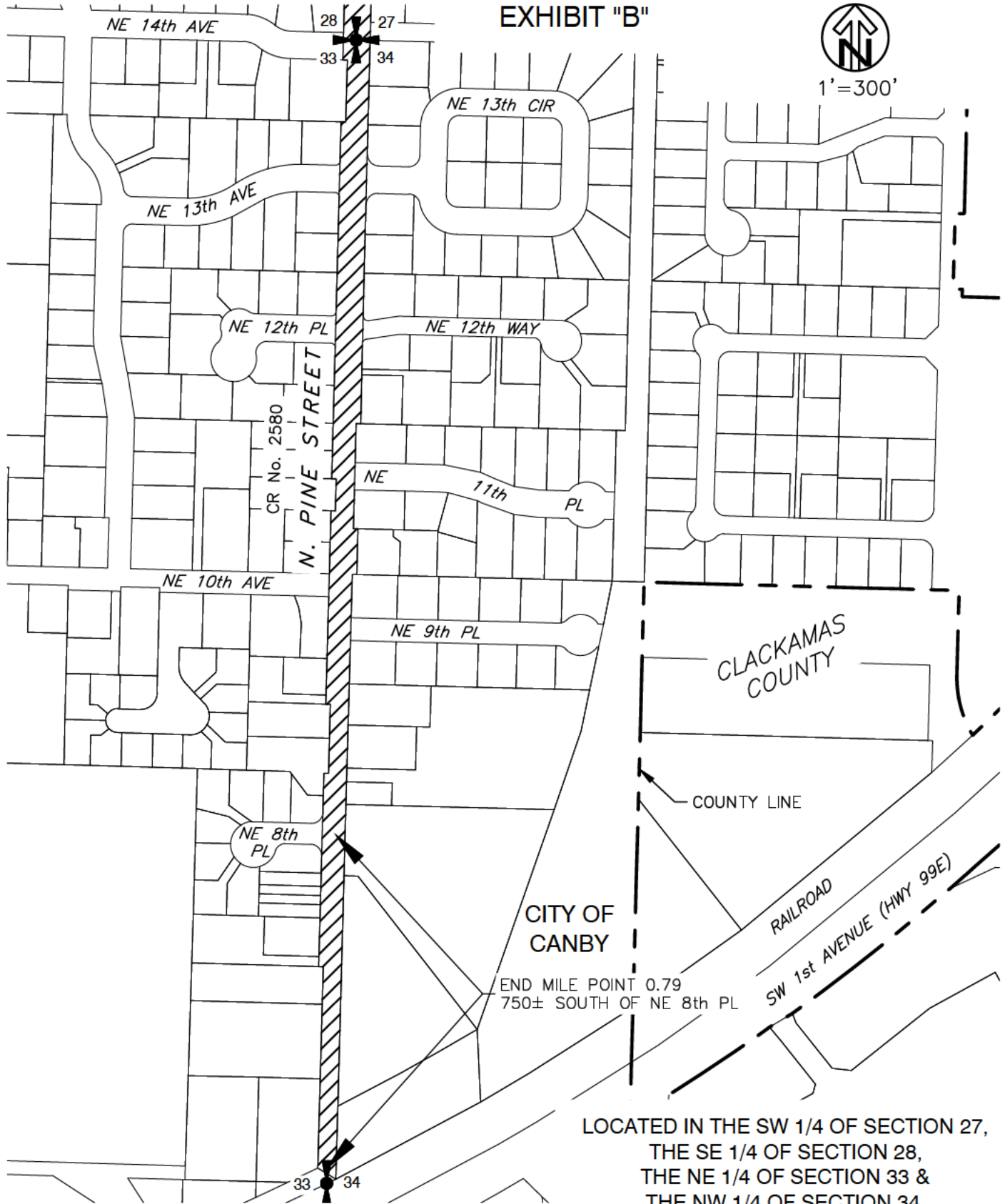
SHEET

1 OF 2

EXHIBIT "B"



1' = 300'



212,965± SF

TRANSFERED ROAD

CITY OF
CANBY

END MILE POINT 0.79
750± SOUTH OF NE 8th PL

CLACKAMAS
COUNTY

COUNTY LINE

RAILROAD
SW 1st AVENUE (HWY 99E)

LOCATED IN THE SW 1/4 OF SECTION 27,
THE SE 1/4 OF SECTION 28,
THE NE 1/4 OF SECTION 33 &
THE NW 1/4 OF SECTION 34,
T. 3 S., R. 1 E., W.M.
CLACKAMAS COUNTY, OREGON

DEPARTMENT OF TRANSPORTATION
AND DEVELOPMENT
150 BEAVERCREEK ROAD
OREGON CITY, OR 97045



04/28/2022

A. REITER

JURISDICTIONAL TRANSFER
N. PINE ROAD
COUNTY ROAD NO. 2580

SHEET
2 OF 2

D	RoadNo	RoadName	MP	FT	Placement	Position	Location	Condition
DM175	31030	PINE ST	0.30000001	1584	RIGHT	1	BEHIND CURB	FAIR (5 YRS)
DM1388	31030	PINE ST	0.37	1954	RIGHT	1	IN ROAD	GOOD (10 YRS)
DM1389	31030	PINE ST	0.43000001	2270	RIGHT	1	IN ROAD	GOOD (10 YRS)
DM1390	31030	PINE ST	0.5	2640	CENTER	1	IN ROAD	GOOD (10 YRS)
DM176	31030	PINE ST	0.73000002	3854	CENTER	1	IN ROAD	GOOD (10 YRS)

Remarks	UICType	InstallDate	PublicWellDistance
There is a cleanout with Manhole lid 15ft into the yard on SE corner.	DRYWELL		
	DRYWELL		
	DRYWELL		
	DRYWELL		
	DRYWELL		

WetlandDistance	SurfWtrDistance	SizeImpvAreaDrained	WasteTypeDischrgd	DEQStatus	Depth	Diameter
			STORMWATER (5D2)	ACTIVE	20	4
			STORMWATER (5D2)	ACTIVE	20	4
			STORMWATER (5D2)	ACTIVE	20	4
			STORMWATER (5D2)	ACTIVE	30	4
			STORMWATER (5D2)	ACTIVE	20	4

DrainRate	DrainVolume	DecomDate	DecomMethod	TreatPriorDischrg	DrainTo	Sump	DMStatus	Owner	Custodian
				CATCH BASIN		0	ACTIVE	CC	CC
				(NO TREATMENT)		0	ACTIVE	CC	CC
				(NO TREATMENT)		0	ACTIVE	CC	CC
				(NO TREATMENT)		0	ACTIVE	CC	CC
				CATCH BASIN		0	ACTIVE	CC	CC

CompleteInv	CreateDate	LastUpdated	RefCode	OBJECTID	Code	DM_ID	X	Y
0		23-Mar-09	DRYWELL/MANHOLE	5	DM	175	-122.6805	45.273918
0		13-Mar-02	DRYWELL/MANHOLE	3	DM	1388	-122.6805	45.273048
0		23-Jan-04	DRYWELL/MANHOLE	52	DM	1389	-122.6804	45.272034
0		13-Mar-02	DRYWELL/MANHOLE	2	DM	1390	-122.6804	45.271168
0		23-Jan-04	DRYWELL/MANHOLE	4	DM	176	-122.6805	45.267834

XYSource	LastModifyBy	GISDate	LineOffset	Shape	x	y
GIS MP Conversion	daryntho	9/23/2024	-10		-13656861.14	5664736.447
GIS MP Conversion	PMS	9/23/2024	-10		-13656862	5664575.779
GIS MP Conversion	PMS	9/23/2024	-10		-13656862.09	5664438.596
GIS MP Conversion	PMS	9/23/2024	0		-13656855.41	5664278.097
GIS MP Conversion	PMS	9/23/2024	0		-13656852.54	5663750.661



CITY COUNCIL Staff Report

Meeting Date: 10/15/2025

To: The Honorable Mayor Hodson & City Council

Thru: Randy Ealy, Interim City Administrator

From: Don Hardy, Planning Director; Brianna Addotta, AICP, Associate Planner; and Emma Porricolo, Associate Planner

Agenda Item: Consider **Resolution No. 1445**, A Resolution Granting Authority to the City Administrator to Approve Individual Bancroft Financing Requests for System Development Charges (SDC)

Goal: N/A

Objective: N/A

Summary

System Development Charge (SDC) payment plans are a financing tool, called Bancroft Financing, that is allowed by State Law and has been used by Canby a few times in the past. The financing tool, which grants developments the ability to provide deferred payments of SDCs over a period of up to 10 years, is herein referred to as a Bancroft Financing Plan.

Staff supports the use of this tool for this development, which will add housing that meets a demonstrated need within the City of Canby. The continued use of the tool and the authorization of a formal approval process were supported by the City's approval of its Housing Production Strategy on October 1, 2025.

The tool was recommended to prioritize entry-level homeownership opportunities (e.g., townhomes, cottages, condominiums) and lower rents. These opportunities are typically found in middle and multi-family housing projects. Note that the priority for approachable housing options does not preclude the use of the tool for other development types.

Staff propose **Resolution No. 1445** that grants the City Administrator the ability to authorize developments to use the Bancroft Financing Plan to clarify the approval process. This tool is allowed by the State of Oregon but is not explicitly included in the Canby Municipal Code, so this resolution to formalize an approval process is presented to City Council.

Background

Program Background

SDCs are fees that developers pay in order for their projects to access City facilities and services, including stormwater, wastewater, parks and transportation. Typically, SDCs are paid before the City allows building permits to be issued by Clackamas County, but there have been several exceptions. These exceptions are not often used but are allowed by State Law under the Bancroft Financing Act. With the Bancroft Financing Plan, the prime interest rate is set at the time of agreement.

City staff consulted with the Finance Director at the time, Scott Shlag, and legal consultants Berry Elsner and Hammond (BEH) regarding Bancroft Financing Plans for future projects. A legal agreement was drafted

by BEH (see Attachment 1). To ensure the capital will be available over the loan period, *Examples of Approved Bancroft Financing Plans*

The following two projects are two examples of previously approved Bancroft Financing Plans:

Dragonberry Produce was granted a 4-year payment schedule for the SDCs due for their warehouse. The payment schedule was established in 2012 and ran through 2016, with two payments made each year. The principal owed for that project was \$43,900, and the city received an additional \$4,389 in interest, which was charged at 6.5%. The decision to allow this payment plan was made by the Finance Director at the time in collaboration with Development Services.

The Manzanita Apartments project was granted a 10-year payment schedule for the SDCs due for the conversion of a former place of worship and daycare into a 23-unit multifamily building. The payment schedule was established in 2023 and will end in 2033. The principal owed for that project was \$216,177, and the city will receive an additional \$81,192 in interest, which is being charged at 6.5%. A lien was placed against the property for the amount due. The decision to allow this payment plan was made by the City Administrator, City Attorney, Finance Director and the Planning Director. Our previous city attorney cited that state law provides for Bancroft Financing relying on state law as the basis for the city approving this and prior approvals.

Discussion

In the past, the decision to allow a project to use a Bancroft Financing Plan was made at the staff level. Staff recommend that the City Administrator be granted authority to approve the use of the Bancroft Financing Plan for individual projects on a case-by-case basis. At a minimum, the developments brought to the Administrator must meet the following requirements:

- 1) Agree to pay the SDCs plus the prime interest rate through a timeline determined by the City (up to 10 years).
- 2) A lien is placed on real property owned by the developer. The property with the lien must be owned free and clear and must not be the same property where the development is located.

The City Administrator would have the ability to defer the decision to the City Council on a Bancroft Financing request for any reason.

Planning staff believe the strategic use of the Bancroft Bonding Act can be a housing production strategy used to address housing needs, as shown in the 2024 adopted housing needs analysis and supported by the adopted HPS. A diversity of housing types (e.g., middle housing which is the housing types between a single family detached home and apartment. Which include, but are not limited to duplexes, triplexes, townhouses, and cottage clusters), entry-level home ownership options, and affordable rents can be supported by this tool and are recommended to be the priority use of the tool. We received a recent request from a condominium developer who can provide free-owned housing units at a lower entry level price point using SDC Bancroft Financing, which is helpful for entry level home buyers. Note that the priority use of the financing tool for approachable housing options does not preclude its use for other development types.

Attachments

1. Resolution No. 1445
2. System Development Charge Installment Payment and Financing Agreement
3. Adopted Housing Production Strategy Excerpt – Strategy M. Deferred SDC Payments

Options

- Approve **Resolution No. 1445** to allow the City Administrator to authorize individual projects' use of the Bancroft Act to be used for deferred payment of the System Development Charges.
- Recommend revisions to **Resolution No. 1445**
- Deny **Resolution No. 1445**

Fiscal Impact

Approving the Bancroft Financing Plan for a development would lock in the SDC rates applicable at the time of site plan approval, but the prime interest rate would be applied. The city would receive the cost of SDCs plus the interest over the 10-year period. Future SDC rates are unknown, so the potential amounts that could be applied to future payments can't be calculated.

SDC funds are used for capital projects in Canby; if a Bancroft Financing Plan were approved for a project, the lump sum currently due at permit approval would not be immediately available in the fund but would be accrued through biannual payments.

Recommended Action

Approve **Resolution No. 1445** to grant the City Administrator the authority to approve a development's use of the Bancroft Financing Plan for SDC fees determined on a case-by-case basis.

Proposed Motion

"I move to adopt **Resolution No. 1445**, A Resolution Granting Authority to the City Administrator to Approve Individual Bancroft Financing Requests for System Development Charges (SDC)."

RESOLUTION NO. 1445

A RESOLUTION GRANTING AUTHORITY TO THE CITY ADMINISTRATOR TO APPROVE INDIVIDUAL BANCROFT FINANCING REQUESTS FOR SYSTEM DEVELOPMENT CHARGES

WHEREAS, ORS 223.208, ORS 223.210, and ORS 223.515 authorize an owner of real property, subject to an SDC, can apply for payment of SDC in installments of the unpaid balance and interest;

WHEREAS, when an applicant is subject to SDCs charged by Canby for a proposed development, they may request the use of a Bancroft Financing Plan to pay SDCs through a payment plan with a duration up to 10 years;

WHEREAS, the City Administrator can authorize a development's use of the Bancroft Financing Plan provided they meet the minimum requirements of the program;

WHEREAS, the City Administrator can choose to defer the decision to City Council to decide if a development can use a Bancroft Financing Plan;

WHEREAS, Canby's Housing Needs Analysis, adopted in 2024, shows that about 360 townhouses, plexes, or manufactured homes will be needed to meet demand over the next 20 years; and use of the Bancroft Bonding Act can be a housing production strategy used to address housing needs;

WHEREAS, pursuant to the Housing Production Strategy, adopted in 2025, the use of the Bancroft Financing Plan shall give priority to entry-level homeownership opportunities, or where lesser rents are provided; and

WHEREAS, the City reserves the option to utilize a Bancroft Financing Plan for any type of development, subject to approval by the City Administrator or City Council.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Canby that the City Administrator can authorize a development's use of a Bancroft Financing Plan, as to be determined on a case-by-case basis, as authorized by the regulations of the Bancroft Bonding Act as described in ORS 223.208, ORS 223.210, and ORS 223.515.

Section 1. This resolution will take effect on October 15, 2025.

ADOPTED this 15th day of October, 2025, by the Canby City Council.

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder

Attachment 1. SDC Installment Payment and Financing Agreement

City of Canby
System Development Charge
Installment Payment & Financing Agreement
ORS 223.210

This Agreement is dated effective as of _____, 2025, (the “Effective Date”) and relates to payment by Applicant to the City of Canby (hereafter, “Canby”) of certain Systems Development Charges (“SDC”) payable to Canby.

Applicant and Property owner (hereafter, “Applicant”): Northwest Home Designing, Inc.

Property Description subject to SDC (hereafter, “Property”) As described in Exhibit A to this Agreement

First Lien Against Real Property to secure SDC (hereafter, “Lien Property”) As described in Exhibit B to this Agreement

Types of SDC: [Transportation, Park, Sewer and Storm Drainage]

SDC Amount: [amount]

WHEREAS, ORS 223.208, ORS 223.210, and ORS 223.515 authorize an owner of real property, subject to an SDC, to apply for payment of SDC in installments of the unpaid balance and interest; and

WHEREAS, Applicant is subject to SDCs charged by Canby for Applicant’s proposed development of the Property; and

WHEREAS, Applicant has applied to pay the SDCs in installments; and

WHEREAS, Applicant and City understand and agree that the Lien Property shall secure the full and complete payment of SDCs by Applicant; and

WHEREAS, Canby finds that permitting Applicant to pay SDCs in installments will be beneficial to its community by promoting beneficial development within the Canby; and

WHEREAS, the Canby City Council authorized this transaction via Resolution _____ on September 17, 2025

NOW, THEREFORE, the Parties agree as follows:

1. ORS 223.208, ORS 223.210, and ORS 223.215 authorize an owner of real property, subject to an SDC, to apply for payment of such SDC in installments of the unpaid balance and interest. Applicant hereby waives all irregularities or defects, jurisdictional or otherwise, in Canby proceedings relating to the capital improvements for which the SDC is charged, and in the apportionment of the actual cost of the capital improvement to Applicant’s property through the applicable SDC methodology.
2. Applicant shall pay the SDC amount in installments financed over a period of ten (10) years (“Financing Installments”). The Financing Installment payments shall include both interest and principal calculated according to a typical ten (10) year fully amortizing loan schedule. The first Financing Installment shall be due six (6) months following the effective date of this Agreement.

Subsequent Financing Installment payments shall be due upon every six (6) month period thereafter. Canby shall provide the billing for each subsequent Financing Installment payment at least 7 days before the Financing Installment payment is due. Applicant agrees to pay the SDC and annual interest of [prime interest rate at time] on the unpaid amount owed. The full amortization schedule of repayment is set forth in Exhibit C.

3. Applicant may pay in full the outstanding balance of the SDC and accrued interest at any time, without early payment penalty or charge. For the avoidance of doubt, if Applicant prepays the entire SDC then interest will be charged only through the date on which Applicant prepays the outstanding balance in full (and not interest over the entire 10 year amortization period).
4. Applicant consents to a Canby lien on the Lien Property in order to secure the Applicant's full and complete repayment of the SDC Amount, and agrees that Canby will enter that lien on its lien docket. This lien will continue to exist until the Applicant pays all unpaid SDC Financing Installments, accrued and unpaid interest, and any penalties. The lien to secure the SDC, together with all accruing interest, shall be a first lien against the Lien Property. Applicant agrees to sign all documents necessary to effect said lien in favor of Canby and understand that Canby has not elected to exercise the option to make this a second lien consistent with ORS 223.208(2). If Applicant is in default under this Agreement beyond any applicable notice or cure period, Canby may foreclose upon the lien consistent with and in the manner set out in ORS 223.505 to ORS 223.650.
5. The occurrence of any single and/or of multiple of the following constitute(s) an "Event of Acceleration" by Applicant under this Agreement:
 - a. Applicant's failure to stay in operation during the specified time;
 - b. Applicant becoming insolvent or timely failing to pay its debts (including timely payment of amounts due under this Agreement and the lien);
 - c. Applicant's failure to timely and completely comply with any and all the terms and conditions of this Agreement, including but not limited to matters identified as events of default hereunder; or
 - d. Applicant's failure to pay any part of an installment, including interest, within three months after it is due and payable, and continued failure to pay the applicable part within five (5) business days after receipt of written notice from Canby of the expiration of one year from its due date.

Upon the occurrence of an Event of Acceleration under this Agreement and in addition to any other rights and remedies Canby may have, Canby shall have the right at its sole and exclusive option to declare the whole amount of the unpaid SDC obligation becomes due and payable. Applicant and Owner agree that Canby may collect the entire amount owed in any manner provided by law, including foreclosure of the Lien Property. Applicant will be responsible for all collection costs and/or fees associated with any payment default.

6. In the event any payment under this Agreement and the lien is not paid when due, Applicant agrees to pay, in addition to the principal and interest hereunder, reasonable attorneys' fees plus all other reasonable expenses incurred by Canby in exercising any of its rights and remedies upon default.
7. The rights under this Agreement are non-transferrable. Applicant agrees that if Applicant sells any portion of the said Lien Property, the sale requires the immediate payment for the full remaining balance due under this Agreement, including interest assessed to the date of the sale of the Lien Property or any portion thereof.

8. Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

CITY OF CANBY:

☐
☐
☐

APPLICANT:

☐
☐
☐

Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice with the United States Postal Service. Names and addresses of persons or entities to be given notices hereunder may be changed upon written notice to the other party.

9. No delay or omission on part of Canby in exercising any right in the lien or this Agreement operates as a waiver of any such right or of any other right of Canby nor shall any delay, omission or waiver on any one occasion be deemed a bar to or waiver of the same or any other right on any future occasion. Canby's rights and remedies are cumulative and may be pursued singly, successively or together in Canby's sole discretion.
10. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Oregon. Venue shall lie in Clackamas County Circuit Court
11. Applicant agrees to indemnify, hold harmless and defend (with counsel reasonably acceptable to the party being defended) Canby and the members of Canby's governing bodies, employees, agents, and insurers for any and all damages, costs, penalties, and fees (including reasonable attorneys, expert and witness fees) alleged by a third party to arise from all acts or omissions under this Agreement, except to the extent said damages, costs, penalties and fees are proven to arise from the negligence of Canby or its officers, Board Members, Councilors, employees, or agents.
12. The Applicant represents by signing below that he/she has the authority to sign this Agreement and to fully bind the principal thereto, that the Applicant is the owner of the Property, that the Applicant is the owner of the Lien Property, and that the Lien Property is free and clear of all liens and encumbrances.

[Remainder of this page is intentionally left blank, signatures are on the following page.]

Applicant:

STATE OF OREGON)

) ss

County of CLACKAMAS)

Name (Please Print):

Address:

SUBSCRIBED AND SWORN TO BEFORE me this _____ day of _____ 20__.

Notary Public for Oregon _____

My Commission Expires: _____

City:

STATE OF OREGON)

) ss

County of CLACKAMAS)

Name (Please Print):

Address:

SUBSCRIBED AND SWORN TO BEFORE me this _____ day of _____ 20__.

Notary Public for Oregon _____

My Commission Expires: _____

**NOTICE OF RIGHT TO CANCEL
INSTALLMENT PAYMENT OF SYSTEM DEVELOPMENT CHARGE
UNDER ORS CHAPTER 223, 15 USC 1601 et seq. AND 12 CFR 226 et seq.**

Your Right to Cancel

You are entering a transaction that may result in a lien or security interest on your property. You have a legal right under Federal Law to cancel this transaction, without cost, within three (3) business days from whichever of the following events occurs last:

1. The date of the transaction, which is _____; or
(Date you signed the Installment Payment Application)
2. The date on which the material Truth in Lending Act disclosures were given to you, which is _____; or
3. The date on which this notice of right to cancel was given to you, which is _____.

This right to cancel applies to you if the property affected by this transaction includes your principal dwelling.

If you cancel this transaction, any lien or security interest is also canceled. Within twenty (20) calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the lien or security interest in your property has been canceled, and we must return to you any money or property you have given to us or to anyone else in connection with this transaction. This right to cancel allows you to cancel the installment payment application. It does not cancel your obligation to pay the System Development Charges (SDCs).

How to Cancel

If you decide to cancel this transaction, you may do so by notifying us in writing at:

City Administrator
City of Canby
PO Box 930
Canby, OR 97013

You may use any written statement identifying the transaction and stating your intentions to cancel, that is signed and dated by you, or you may use this notice by dating and signing below. Keep one copy of this notice because it contains important information about your rights.

If you cancel by mail or facsimile, the notice must be sent no later than midnight of the third business day following the latest of the three events listed above, which is _____.

If you send or deliver your written notice some other way, it must be delivered to the above address no later than that time.

I HEREBY CANCEL THIS TRANSACTION

Print Name

Signature

Date

M. Deferred System Development Charges

Description

- The Bancroft Bonding Act (ORS 223.210) allows jurisdictions to finance public improvements through adoption, such as SDCs, through bonding typically for up to 10 years. This allows development to use a 10-year payment plan, with interest, to pay SDCs.
- Support development through deferred SDC payments, allowing a 10-year payment plan with interest. The interest rate would be set up front.
- The City has allowed development to utilize this tool in the past. Within the past 10 years, it has been used for several projects.
- Allow deferred SDCS for middle and multi-family housing to promote a diversity of housing types in Canby.
- This policy reduces the upfront cost of development to encourage more affordable prices for new development, with minimal to no cost to the City.
- This policy reflects Canby residents' desire for the city to take actionable steps to incentivize affordable housing as well as the construction of attainably priced rental housing.

Implementation Steps

- Adopt a policy to allow for deferral of SDCs with City Council approval by ordinance or resolution. The current practice is not yet codified.
- In recent years, SDC deferrals have been authorized by the City Administrator. The City Administrator or City Council may be the approving body.
- A major code update to the Canby Development Code is planned to begin in 2026. Consider combining this change with other housing policies.
- Determine criteria for projects that could receive the funds, such as housing type and affordability rate.

Timeframes

- For Adoption: 2029
- For Implementation: 2030
- For housing Impacts: 2031

Estimated Magnitude of Impact

- Housing Type Impact: Benefit to middle and multi-family housing types.
- Housing Tenure Impact: Benefits home renters and owners
- Income Demographic Served: Extremely low to upper income households (0% - 120% MFI)
- Housing Production Impacts: Deferred SDC payments can help incentivize the construction of all housing types.
- Demographic Benefits and Burdens
 - Low-income communities: This policy would result in lower upfront development costs which could increase rental opportunities for lower income residents of Canby. This strategy could result in decreased housing cost burden for low-income communities.

- Communities of color: No unique benefit will be provided to Canby's BIPOC residents but those experiencing housing insecurity may benefit. Negative impacts of this strategy on communities of color are expected to be limited.
- People with disabilities: Seniors will not be uniquely benefited by this policy apart from those experiencing housing instability. Negative impacts of this strategy on Canby's senior population are expected to be limited.
- Individuals experiencing homelessness: As stated above, this policy creates an increased opportunity for the development of subsidized housing, which could also include housing intended to meet the needs of Canby's homeless population. Increased development pressure in residential zones may disrupt housing currently occupied by Canby's homeless residents.
- Seniors: Seniors will not be uniquely benefited by this policy apart from those experiencing housing instability. Negative impacts of this strategy on Canby's senior population are expected to be limited.

Revenue Impacts:

- There is not expected to be a measurable revenue impact from this policy, as the SDCs will be paid in full with interest.



City of Canby

Planning & Development Services

222 NE 2nd Ave / PO Box 930 / Canby, OR 97013

Phone: 503.266.7001

www.canbyoregon.gov

October 9, 2025

Community Green Infrastructure Grant Program
Oregon State Department of Land
Conservation and Development
635 Capital Street NE, Suite 150
Salem, OR 97301

Dear Community Green Infrastructure Grant Program Staff,

This letter is written in support of the Bridging Cultures Community Green Infrastructure Food Forest application. The city council received a presentation from Bridging Cultures staff during the October 1, 2025 council meeting, and the council is supportive of the project and community benefits it would bring.

Bridging Cultures has operated in Canby for over 20 years, working on a variety of community projects aimed at "building community relationships and bringing people together across backgrounds." The organization regularly hosts community celebrations, performs farmworker and immigrant outreach, and leads youth volunteer programs, among other activities. One primary focus of the organization is food access, including operating a community food bank, maintaining a community garden, and providing nutritious meals to Canby residents.

The proposed community garden would be located on a 0.34-acre (15,041 square feet) parcel that is informally referred to as Faist Park. It is located at the intersection of SE 10th Avenue and S Teakwood Street, adjacent to the Baker Prairie Middle School and Trost Elementary School campuses. The property was dedicated as Tract C of the Faist #5 Subdivision in 2002 but was never developed as a park. The Bridging Cultures Food Forest community garden will have a multi-layered environment of edible plants (including trees, vines, shrubs, and groundcovers) that is meant to mimic a natural ecosystem. The biodiversity of food forests is meant to require minimal maintenance and improve soil health.

Please accept this letter as official city support for the Bridging Cultures Food Forest grant application.

Sincerely,

Randy Ealy, Interim City Administrator