



CITY COUNCIL Agenda

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

NOVEMBER 6, 2024

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 November 6, 2024, 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. Appointment of Teen Liaison Linnea Stormo to the Library Advisory Board with a term ending at the end of the 2025 school year.

Pg. 1

5. PUBLIC HEARING

You are welcome to speak in person. *If you would like to speak virtually please email or call the Deputy City Recorder by 4:30 pm on November 6, 2024, with your name and contact information: ridgleyt@canbyoregon.gov or call 503-266-0637. Once your information is received, you will be sent instructions to speak.**

- a. Public Hearing Regarding the Adoption of Housing Efficiency Measures.
Consider **Ordinance 1634**: An Ordinance Adopting the Housing Efficiency Measures: Cottage Cluster Development and Design Standards 16.21, Planned Unit Development Code Updates Chapter 16.74 and 16.76, Low Density Residential Chapter 16.16, and Medium Density Residential Chapter 16.18, As part of the City of Canby Code (TA 24-02). (*First Reading*) Pg. 2

6. ORDINANCES & RESOLUTIONS

- a. Consider **Ordinance 1633**: An Ordinance Authorizing the City Administrator to Extend a one (1) to two (2) year contract with MSNW Group LLC, in the amount of \$144,960.00 per year for custodial services for the City of Canby. (*Second Reading*) Pg. 52
- b. Consider **Ordinance 1635**: An Ordinance Authorizing the City Administrator to enter into a Contract between the City of Canby and Beery, Elsner and Hammond, LLP for City Attorney Services. (*First Reading*) Pg. 69

7. OLD BUSINESS

8. NEW BUSINESS

9. MAYOR’S BUSINESS

10. COUNCILOR COMMENTS & LIAISON REPORTS

11. CITY ADMINISTRATOR’S BUSINESS & STAFF REPORTS

12. CITIZEN INPUT

13. ACTION REVIEW

14. ADJOURN

EXECUTIVE SESSION – 7:45 PM
(Will begin at 7:45pm or after the Regular Meeting ends)

EXECUTIVE SESSIONS ARE CLOSED TO THE PUBLIC. Representatives of the news media and designated staff may attend Executive Sessions. Representatives of the news media are specifically directed not to report on any of the deliberations during the Executive Session, except to state the general subject of the session as previously announced. No Executive Session may be held for the purpose of taking final action or making any final decision.

- 1. CALL TO ORDER**
 - 2. EXECUTIVE SESSION:** Pursuant to 192.660(2)(i) Performance Evaluation of Public Officer.
 - 3. ADJOURN**
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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.



CITY COUNCIL Staff Report

Meeting Date: 11/6/2024

To: The Honorable Mayor Hodson & City Council
Thru: Eileen Stein, City Administrator
From: Marisa Ely, Library Director
Agenda Item: Library Advisory Board Teen Liaison Appointment
Goal: Enhance Engagement and Communications that Represent Broad Perspectives
Objective: Create A Strategy for Increasing Youth Engagement in Local Government

Summary

Former Library Advisory Board Teen Liaison, Luke Viter, resigned upon his high school graduation in June 2024. This created a vacancy on the Library Advisory Board for the teen liaison. The Library Advisory Board would like City Council to approve of the appointment of Linnea Stormo as the new teen liaison for the Library Advisory Board.

Background

The city's public library as established by § 2.20.010 shall be governed by the City Council. The Canby Public Library Advisory Board serves as an advisory role to the Council. The Library Advisory Board consists of 8 members (two members must reside outside City limits), including one voting high school student (residing within the Canby School District Boundary).

After filling out an application and going through the interview process, Canby High School freshman, Linnea Stormo, was unanimously approved to be the Library Advisory Board's chosen applicant for the teen liaison role. She is interested in being on the board to help teens get more involved with the community, to advocate for young people, learning leadership skills, and to improve her ability to voice ideas in front of others.

Attachments

None

Fiscal Impact

None

Options

1. Appoint Teen Liaison Linnea Stormo to the Library Advisory Board with a term ending at the end of the 2025 school year.
2. Take no action.

Proposed Motion

"I move to appoint Teen Liaison Linnea Stormo to the Library Advisory Board with a term ending at the end of the 2025 school year."



CITY COUNCIL Staff Report

Meeting Date: 11/6/2024

To: The Honorable Mayor Hodson & City Council
Thru: Eileen Stein, City Administrator
From: Don Hardy, Planning Director
Agenda Item: Consider Ordinance 1634: An Ordinance Adopting Housing Efficiency Measures: Cluster Development and Design Standards 16.21, Planned Unit Development Code Updates Chapter 16.74 and 16.76, Low Density Residential Chapter 16.16, and Medium Density Residential Chapter 16.18, As part of the City of Canby Code (TA 24 -02). (*First Reading*)
Goal: Align Resources to Address Future Community Growth
Objective: Complete the City's Development Code Update

Summary

The City proposes code updates to the Canby Planning and Zoning Code to improve residential development standards to promote a mix of housing types. The proposed code amendments, referred to as Housing Efficiency Measures (HEM) are the initial implementation of selected strategies in the draft Housing Production Strategy (HPS). The efficiency measures include new cottage cluster development standards, updates to the planned unit development standards, and revisions to the Low Density Residential and Medium Density Residential zones. These are required by the Department of Land Conservation and Development (DLCD) in order to approve the Canby urban growth boundary, as the efficiency measures are intended to lessen the need for urban growth boundary expansion. We received an efficiency measure letter of support from DLCD dated October 11, 2024, which is included with these materials. Prior to adoption of the ordinance, the City Council must have a public hearing and consider testimony received.

Background

Housing efficiency measures are necessary to limit the need for residential urban growth boundary expansion but even with the proposed housing efficiency measures, an urban growth boundary expansion is needed. There are still roughly 73 acres of residential urban growth boundary expansion need even with the proposed housing efficiency measures. These housing efficiency measures will also address some the Canby 20-year housing needs, and the need for forecasted single family residential, small lot/cottage cluster and townhomes in the city. These housing types represent the majority of needed housing over the next 20-years.

Discussion

The draft HEM was the subject of a public hearing before the Planning Commission on October 14, 2024, with a unanimous 6 to 0 vote, with one absent, recommendation of approval for adoption by the City Council. The Planning Commission also reviewed edits to the Chapter 16.21.080 Cottage Cluster Development and Design Standards and reconfirmed their recommendation of approval by a 4 to 1 vote with one opposed and one absent during the October 28, 2024, hearing. The Planning Commission requested that City Council review and make the final decision on three sections of Chapter 16.21.080 addressing parking, courtyard area and pathways, and fencing. These are identified in track change comments in the draft Chapter 16.21.080 text included in the Council packet. The remainder of the housing efficiency measure recommended for approval during the

October 14, 2024, hearing remained unchanged by the Planning Commission. The November 6, 2024, City Council staff report is included in the packet including findings to incorporate the proposed HEM code amendments into the Canby Municipal Code (CMC), Title 16, Planning and Zoning.

Attachments

- Draft Housing Efficiency Measure Proposed Code Updates
- November 6, 2024, Housing Efficiency Measures Code Amendment Staff Report
- Draft City Council Ordinance 1634
- Confirmation of Post Acknowledgment Plan Amendment (PAPA) Online Submittal to DLCD
- October 11, 2024, Letter: DLCD Proposed Efficiency Measures Code Amendment

Fiscal Impact

None

Options

1. Adoption of Ordinance 1634
2. Adoption of Ordinance 1634 with Modifications
3. Continue Discussing Housing Efficiency Measures

Recommended Action

Staff recommends the City Council adopt Ordinance 1634.

Proposed Motion

"I move to approve Ordinance 1634, an Ordinance Adopting the Housing Efficiency Measures: Cottage Cluster Development and Design Standards 16.21, Planning Unit Development Code Updates Chapter 16.74 and 16.76, Low Density Residential Chapter 16.16, and Medium Density Residential Chapter 16.18, As Part of the Canby Municipal Code (TA 24-02) to a second reading on November 20, 2024."

ORDINANCE NO. 1634

AN ORDINANCE ADOPTING THE HOUSING EFFICIENCY MEASURES: COTTAGE CLUSTER DEVELOPMENT AND DESIGN STANDARDS 16.21, PLANNED UNIT DEVELOPMENT CODE UPDATES CHAPTER 16.74 AND 16.76, LOW DENSITY RESIDENTIAL CHAPTER 16.16, AND MEDIUM DENSITY RESIDENTIAL CHAPTER 16.18, AS PART OF THE CITY OF CANBY CODE (TA 24-02)

WHEREAS, the City Council accepted the Housing Efficiency Measures on November 6, 2024, including new Canby code and revised Canby code;

WHEREAS, there is a state requirement that Housing Efficiency Measures be adopted in order to permit residential urban growth boundary expansion;

WHEREAS, the adopted Canby Housing Needs Analysis identifies a 73-acre urban growth boundary need after factoring the proposed Housing Efficiency Measure code changes;

WHEREAS, Oregon State Department of Land Conversation and Development provided an October 11, 2024, letter of support for the Housing Efficiency Measures;

WHEREAS, the planning commission recommended unanimous approval of the Housing Efficiency Measures on October 14, 2024; and

WHEREAS, a staff report with appropriate findings has been prepared showing consistency of the Housing Efficiency Measures with the Canby Comprehensive Plan, Canby Municipal Code and statewide planning goals.

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

Section 1. The City of Canby City Council hereby adopts the Housing Efficiency Measures and amends the Canby Municipal Code as described in Exhibit A, which is attached to this ordinance and is incorporated by reference.

Section 2. The effective date of this Ordinance shall be December 20, 2024.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, November 6, 2024, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, November 20, 2024, 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 20th day of November, 2024, by the following vote:

YEAS _____

NAYS _____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder

Canby Housing Efficiency Measures

Canby Municipal Code (CMC) Text Amendments

Proposed Text Amendments Tracker

Existing CMC Section	New CMC Section	Description of Change
16.16 R-1 Low Density Residential Zone		
16.16.010 Uses Permitted outright.		<ul style="list-style-type: none"> Amended to allow cottage cluster developments as an outright permitted use. Amended to allow townhouses as an outright permitted use if approved as a part of a PUD. Amended to allow duplexes as an outright permitted use to memorialize previously approved HB 2001 code amendments adopted via Ord #1574. Amended to strike duplexes as a conditional use.
16.16.030 Development Standards.		<ul style="list-style-type: none"> Amended to identify that cottage clusters are subject to separate development standards and are not subject to the standards of this section. Amended to add minimum lot size and modified lot dimensions for townhouses. Amended to establish a maximum residential density standard of six (6) units per acre. Amended to require that townhouse development shall not exceed six (6) consecutive attached dwellings, with each grouping of townhouses being separated by at least 10 feet. Language added encouraging that townhouses be alley loaded.
16.18 R-1.5 Medium Density Residential Zone		
16.18.010 Uses Permitted outright.		<ul style="list-style-type: none"> Amended to increase the maximum townhouse grouping from three (3) to six (6) dwelling units. Amended to allow fourplexes as an outright permitted use. Amended to strike fourplexes as a conditional use.

<p>16.18.030 Development standards.</p>		<ul style="list-style-type: none"> • Amended to identify that cottage clusters are subject to separate development standards and are not subject to the standards of this section. • Amended to decrease the minimum townhouse lot size from 3,000 to 1,800 square feet if approved as a part of a PUD. • Amended to require that townhouse development shall not exceed six (6) consecutive attached dwellings in a row and that groupings should be separated by at least 10 feet. Language added encouraging that townhouses be alley loaded.
<p>16.21 Residential Design Standards</p>		
	<p>16.21.080 Cottage Cluster Development and Design Standards.</p>	<ul style="list-style-type: none"> • Section added to provide development and design standards for cottage cluster developments. Includes purpose statement, applicability provisions, approval processes and development/design standards for cottage clusters.
<p>16.74 PUD Uses Permitted</p>		
<p>16.74.020 Uses permitted in residential zone.</p>		<ul style="list-style-type: none"> • Amended to identify that all uses permitted outright or conditionally may be permitted with a PUD. • Amended to identify that a CUP is required if a conditional use is proposed with a PUD. • Amended to allow uses to be spread across a PUD site, regardless of the underlying base zone.
<p>16.76 PUD Requirements</p>		
<p>16.76.010 Minimum Requirements.</p>		<ul style="list-style-type: none"> • Amended to identify that open space provided with a PUD must be “usable”. • Amended to create exception for cottage clusters in PUDs for the purpose of calculating the minimum open space requirement. • Amended to identify that PUDs shall adhere to density provisions of the underlying base zone(s). • Amended to add approval criteria for a density bonus. • Amended to create exception that cottage cluster units do count toward

REVISED 9/03/2024.

		<p>maximum density allowance within a PUD.</p> <ul style="list-style-type: none">• Amended to allow the total base zone density to be spread throughout the PUD site, regardless of the underlying base zone.
16.76.030 Standards and criteria.		<ul style="list-style-type: none">• Amended to identify that higher intensity uses should be placed within the interior of a PUD where the PUD is adjacent to lower intensity uses.

KEY

Proposed New Text = Red Underlined

Proposed Removed Text = Red Underlined and Strikethrough

Chapter 16.16

R-1 LOW DENSITY RESIDENTIAL ZONE

Sections:

16.16.010 Uses permitted outright.

16.16.020 Conditional uses.

16.16.030 Development standards.

16.16.010 Uses permitted outright.

Uses permitted outright in the R-1 zone shall be as follows:

- A. Single-family dwelling; one single-family dwelling per lot;
- B. Duplex, subject to the standards in Chapter 16.81;
- C. Cottage cluster development, subject to the cottage cluster development and design standards of Chapter 16.21.080;
- D. Vegetable gardens, orchards and crop cultivation for personal use only, including greenhouses. No large-scale commercial sale of produce is permitted unless continued as a non-conforming use that was in place prior to the existing zoning designation. Keeping of animals other than domestic pets requires a special permit from the City Administrator unless a continuation of a non-conforming agriculture use.
- E. Accessory uses and/or accessory structures;
- F. Accessory dwelling, subject to review and approval through a Type 1 procedure (pursuant to Chapter 16.89.030) and must conform to the following standards:
 - 1. Compliance with the Oregon Structural Specialty Code;
 - 2. A maximum of one accessory dwelling is allowed per legal single-family dwelling. The unit may be a detached building, in a portion of a detached accessory building (e.g. above a garage or workshop), or a unit attached or interior to a primary dwelling (e.g. an addition or the conversion of an existing floor).

3. A detached accessory dwelling may not exceed 800 square feet of floor area or 75% of the primary dwelling's floor area, whichever is smaller.
4. Accessory dwellings that result from the conversion of a level or floor (e.g. basement, attic, or second floor) of the primary dwelling may occupy the entire level or floor, even if the floor area of the accessory dwelling would be more than 800 square feet.
5. Accessory dwellings must meet all other development standards (e.g. height, setbacks, lot coverage, etc.) for buildings in the zoning district, except that:
 - a. Conversion of an existing legal non-conforming structure to an accessory dwelling is allowed, provided the conversion does not increase the non-conformity; and
 - b. Chapter 16.21, Residential Design Standards do not apply; and
 - c. An additional on-site parking space shall not be required but may be provided.
- G. Day care facility in a residential home, with twelve (12) or fewer children;
- H. Manufactured and mobile home subdivisions, where developed as planned unit developments, subject to the requirements of Divisions IV and V;
- I. Minor public facilities;
- J. Manufactured home - with the following additional approval criteria:
 1. Must be double-wide or wider and must enclose at least 1,000 square feet.
 2. Must be located not more than twelve (12) inches above grade on an excavated and back-filled masonry foundation which is enclosed at the perimeter.
 3. Must have a pitched roof with a minimum slope of at least a nominal three (3) feet in height for each twelve (12) feet in width.
 4. Exterior siding and roofing must be similar in color, material and appearance to that used on surrounding dwellings within three hundred (300) feet of the lot.
 5. The exterior thermal envelope must meet performance standards equivalent to those required for single family dwellings under the State Building Code.
 6. Must not have bare metal siding or roofing.
- K. Home occupations which meet the strict definition of section 16.04.240.
- L. Residential Home/Adult Foster Home - for five or fewer individuals. (Per ORS 197.665).

M. Foster Care Home; as defined in Section 16.04

N. Uses permitted outright with a planned unit development. The following uses are permitted outright if approved as a part of a planned unit development in accordance with section 16.76.

1. Single-family townhouse dwellings having common wall construction. The townhouse construction is limited to a maximum grouping of six dwellings. If more than one group of dwellings is developed than a ten foot distance shall be maintained between an adjacent group of dwellings.

16.16.020 Conditional uses.

Conditional uses in the R-1 zone shall be as follows:

A. Cemetery;

B. Church;

C. Day care facility, other than a residence or caring for more than twelve (12) children;

D. Hospital;

E. Nursing home

F. School;

G. Major public facilities;

H. Golf courses, public or private, with facilities and structures that are associated with the use;

I. Home occupations which otherwise meet the strict definition of section 16.04.240, but which involve the manufacture of products, nonresidential storage of goods, or any activity which is likely to increase traffic;

J. Accessory use or structure (not a dwelling) located on a lot or lots abutting the lot which houses the principal use of the property;

K. Manufactured and mobile home park or trailer park, subject to the criteria of Chapter 16.44;

~~L. One two family dwelling (duplex) where the lot contains a minimum of twelve thousand square feet. Through the conditional use process, the Planning Commission may require the two dwellings in a duplex to share a common driveway to minimize curb cuts and paving;~~

~~M. One duplex on a corner lot that contains a minimum of ten thousand square feet, provided that the building is designed such that vehicle access to the different units is taken from different streets;~~

N. Bed and Breakfast;

O. Residential Facility - for six to fifteen individuals (Per ORS 197.667(4) and 443.400 (8))

P. Zero-lot line development for uses otherwise allowed, provided that the minimum side yard setback shall be 7 feet when adjacent to housing with standard setbacks. Prior to building permit approval, the applicant shall submit a copy of a recorded easement for every zero-lot line housing that guarantees rights for the purpose of construction and maintenance of structures and yards. The easement shall stipulate that no fence or other obstruction shall be placed in a manner that would prevent maintenance of structures on the subject lot; and the building placement, landscaping, and/or design of windows shall provide a buffer for the occupants of abutting lots.

Q. Other developments customarily found within a residential zone, as determined by the Planning Commission.

R. Detached accessory structure (not dwelling) up to twenty-two feet high which is located outside the allowed building footprint area for the principal structure and which does not meet the step-up height standard described in 16.16.030(E)(2)(b). (Ord. 890 section 16, 1993; Ord. 740 section 10.3.18(B), 1984; Ord. 1080, 2001; Ord. 1111 section 7, 2003; Ord 1237, 2007; Ord. 1514, 2019)

16.16.030 Development standards.

The following subsections indicate the required development standards of the R-l zone. Cottage cluster developments are exempt from these standards and are instead subject to the cottage cluster development and design standards outlined in section 16.21.080.

A. Minimum and maximum lot area:

1. For single family dwellings: seven thousand (7,000) square feet minimum, and ten thousand (10,000) square feet maximum, per single-family dwelling. The maximum lot area standard does not apply to single family dwellings existing at the time of subdivision or partition plan approval; and the Planning Commission may approve smaller or larger lots in conformance with subsection B, below. Preexisting, legally created lots of record shall be considered to be legally buildable and separately saleable, provided they contain at least five thousand (5,000) square feet; and further provided, that any new structures on such lots meet the required setbacks.
2. For townhouse dwelling units having common wall construction and developed as a part of a planned unit development:

- a. 1,800 square foot minimum lot size.

3. Density. There is no minimum density. The maximum density for all residential uses is 6 units per acre.

B. Lot area exceptions:

1. The Planning Commission may approve an exception to the minimum and maximum lot area standards in subsection 16.16.030.A as part of a subdivision or partition application when all of the following standards are met:

- a. The average area of all lots created through the subject land division, excluding required public park land dedications, surface water management facilities and similar public use areas, shall be no less than seven thousand square feet and no greater than ten thousand square feet. Non-required significant natural resource areas shall be included in the average lot size calculation to enable a transfer of density onto buildable portions of the site. Required areas include identified parks, wetland areas, riparian corridors, and other areas in which building is not permitted under local, state, or federal laws or regulations. For land in the North Redwood DCP area, the Planning Commission may allow public park land dedications to be included in the lot size averaging calculation in order to achieve community development goals and allow protection of natural resources; in this case, the resulting average lot size shall not be less than 5,000 square feet.

- b. No lot shall be created that contains less than six thousand square feet, unless the alternative lot layout option provided in Section 16.64.040 is used;

- c. The lot area standards for two-family dwellings, as provided in Sections 16.16.010 and 16.16.020, shall be met; and

- d. As a condition of granting the exception, the city will require the owner to record a deed restriction with the final plat that prevents the re-division of oversized lots (e.g., ten thousand square feet and larger), when such re-division would violate the average lot area provision in subsection 16.16.030.B.1.a. All lots approved for use by more than one dwelling shall be so designated on the final plat.

2. A public benefit must be demonstrated in order to allow more than ten percent of the lots to be outside of the minimum and maximum lot areas in subsection 16.16.030.A.

3. The Planning Commission may modify the maximum lot area requirements in 16.16.030.A if these cannot be met due to existing lot dimensions, road patterns, or other site characteristics.

C. Minimum width and frontage: sixty feet, except that the Planning Commission may approve lots having less frontage subject to special conditions to assure adequate access.

1. Exception. The minimum width and frontage for single family attached (common wall) townhouse lots is twenty feet.

D. Minimum yard requirements:

1. Street yard: twenty feet on side with driveway; fifteen feet for all other street sides; except that street yards may be reduced to ten feet for covered porches only;
2. Rear yard: all corner lots, ten feet single story or fifteen feet two-story; all other lots, fifteen feet single story or twenty feet two-story. One story building components must meet the single story setback requirements; two story building components must meet the two-story setback requirements;
3. Interior yard: Seven feet, except as otherwise provided for zero-lot line housing.
4. Interior and rear yards may be reduced to three feet, or the width of any existing utility easement, whichever is greater, for detached accessory structures erected sixty feet or more from any street other than an alley. The height limitations noted in subsection E.2 below apply to such structures. Detached accessory dwellings are not eligible for the three foot reduction. Utility easements may only be reduced with the approval of all utility providers.
5. Infill standards may also apply. See CMC 16.21.050.

E. Maximum building height:

1. Principal building: thirty-five feet.
2. Detached accessory structure:
 - a. If located inside the allowed building footprint for the principal building, a detached accessory structure may be up to twenty-two feet tall, as measured to the highest point of the roof.
 - b. If located outside the allowed building footprint for the principal building, a detached accessory structure is subject to a step-up height standard, and is allowed outright only if it meets this standard. The structure shall not exceed eight feet tall, as measured to the highest point of the roof, at a distance of three feet from the property line. The structure may increase in height by one foot vertically for every one foot horizontally away from the three foot line, up to the maximum height of twenty-two feet.
 - c. A conditional use permit is required to locate the structure outside of the allowed building footprint for the principal building in violation of the step-up height standard.

d. Detached accessory structures over twenty-two feet tall are not permitted.

3. For detached accessory dwellings, the Planning Commission may approve building heights over twenty-two feet through the Conditional Use process, but in no case shall the accessory dwelling be higher than the principal building. The Planning Commission may only approve the use of buildings over twenty-two feet in the case of existing structures where no substantial changes to existing roof lines are proposed.

F. The maximum amount of impervious surface allowed the R-1 zone shall be 60 percent of the lot area.

1. Impervious surface includes all surface areas that create a barrier to or hinder the entry of water into the soil in comparison with natural conditions prior to development. Impervious surfaces include, but are not limited to, buildings, paved parking areas and driveways, roads, sidewalks, patios, packed earth, and oiled surfaces. Open, uncovered retention/detention facilities, green roofs, and permeable surfacing materials shall not be considered impervious surfaces. Roof surfaces are also considered 'pervious' when 100% of the annual average roof runoff is captured and reused on-site for irrigation or approved interior uses.

2. To limit impervious surface, alternative surfacing materials may be used. Alternative surfacing includes, but is not limited to paving blocks, turf block, pervious concrete, and porous asphalt. Other similar approved materials are encouraged. Utilization of alternative surfacing methods shall be subject to review by the City Public Works Department for compliance with applicable regulations and development standards. Maintenance of alternative surfacing materials located on private property are the responsibility of the property owner.

G. Other regulations:

1. Vision clearance distance shall be ten feet from a street to an alley or a street to a driveway, and thirty feet from a street to any other street.

2. All setbacks to be measured from the foundation line of the building; overhangs shall not exceed two feet; mechanical units, used for the heating/cooling of residential units are exempt from interior and/or rear yard setback requirements. A chimney for a fireplace or stove shall not exceed a two foot projection.

3. To provide shade, required yards on southern and western exposures may be reduced by not more than five feet for eaves, canopies, and covered patios if patio posts still comply with required five foot setbacks.

4. Accessory buildings shall not have a larger footprint than the primary building, unless lot area exceeds twelve thousand square feet.

5. Townhouse (common wall) development shall not exceed six attached dwellings if developed as a part of a planned unit development. If more than one group of

six dwellings is constructed, then the groups shall be separated by not less than ten (10) feet. Townhouse units are encouraged to be alley loaded when possible.

DRAFT

KEY

Proposed New Text = Red Underlined

Proposed Removed Text = ~~Red Underlined and Strikethrough~~

Chapter 16.18

R-1.5 MEDIUM DENSITY RESIDENTIAL ZONE

Sections:

- 16.18.010** Uses permitted outright.
- 16.18.020** Conditional uses.
- 16.18.030** Development standards.

16.18.010 Uses permitted outright.

Uses permitted outright in the R-1.5 zone shall be as follows:

- A.** Uses permitted outright in the R-1 zone;
- B.** Two-family or three-family dwellings. One duplex or triplex on each lot. (Ord. 740 sect. 10.3.20 (A), 1984)
- C.** Single-family townhouse dwellings having common wall construction. The townhouse construction is limited to a maximum grouping of ~~three~~ six dwelling units. If more than one group of dwellings is developed then a ten foot distance shall be maintained between an adjacent group of dwelling units. (Ord. 740 sect. 10.3.20(B), 1984; Ord. 1080, 2001; Ord. 1514, 2019)
- D.** Four-family dwellings, one fourplex on each lot.

16.18.020 Conditional uses.

Conditional uses in the R-1.5 zone shall be as follows:

- A.** Uses listed as conditional in the R-1 zone; except as modified by Section 16.18.010, above;
- ~~**B.** Four family dwellings. (Ord. 740 sect. 10.3.20(B), 1984; Ord. 1080, 2001; Ord. 1514, 2019)~~

16.18.030 Development standards.

The following subsections indicate the required development standards of the R-1.5 zone.

Cottage cluster developments are exempt from these standards and are instead subject to the cottage cluster development and design standards outlined in Section 16.21.080.

A. Minimum and maximum lot area:

1. For single family dwellings: five thousand (5,000) square feet minimum and six thousand five hundred (6,500) square feet maximum.
2. For townhouse dwelling units having common wall construction: ~~three thousand (3000) square foot minimum lot size.~~
 - a. 3,000 square foot minimum lot size.
 - b. 1,800 square foot minimum lot size if approved as a part of a planned unit development in accordance with section 16.76.
3. Minimum residential density: For two, three, and four family dwellings: new development shall achieve a minimum density of 6 units per acre and a maximum of 13 units per acre. Minimum density for a property is calculated by multiplying its area in acres (minus area required for street right-of-way and public park/open space areas) by the density standard. For example, 0.32 acres x 6 units/acre = minimum of 1.92 units. Decimals are rounded to the nearest whole number (e.g., a minimum of 1.92 units becomes a minimum of 2 units per acre). The Planning Commission may modify the density standard if it cannot be met due to existing lot dimensions, road patterns, or other site characteristics.
4. The Planning Commission may approve smaller or larger lots in accordance with subsection B, below.

B. Lot area exceptions:

1. The Planning Commission may approve an exception to the minimum and maximum lot area standards in subsection 16.18.030.A as part of a subdivision or partition application when all of the following standards are met:
 - a. The average area of all lots and open space tracts created through the subject land division, excluding required public park land dedications, surface water management facilities and similar public use areas, shall be no less than five thousand square feet and no greater than six thousand five hundred square feet. Non-required significant natural resource areas shall be included in the average lot size calculation to enable a transfer of density onto buildable portions of the site. Required areas include identified parks, wetland areas, riparian corridors, and other areas in which building is not permitted under local, state, or federal laws or regulations. For land in the North Redwood DCP area, the Planning Commission may allow public park land dedications to be included in the lot size averaging calculation in order to achieve community development goals and allow protection of natural resources; in this case, the resulting average lot size shall not be less than 4,000 square feet;

b. No lot shall be created that contains less than four thousand square feet, unless the alternative lot layout option provided in Section 16.64.040 is used; and

2. As a condition of granting the exception, the city will require the owner to record a deed restriction with the final plat that prevents the re-division of over-sized lots (six thousand five hundred square feet and larger), when such re-division would violate the average lot size provision in subsection 16.18.030.B.1.a. All lots approved for use by more than one dwelling shall be so designated on the final plat.

3. A public benefit must be demonstrated in order to allow more than ten percent of the lots to be outside of the minimum and maximum lot areas in subsection 16.18.030.B.1.a.

4. The Planning Commission may modify the maximum lot area requirements in subsection 16.18.030.B if these cannot be met due to existing lot dimensions, road patterns, or other site characteristics.

5. The maximum lot area standard does not apply to dwellings existing prior to subdivision or partition plan approval or to lots designated for open space.

C. Minimum width and frontage: forty feet, except that the Planning Commission may approve lots having less frontage subject to special conditions to assure adequate access. Twenty feet is permitted for single family attached (common wall) housing ~~on interior lots.~~

D. Minimum yard requirements:

1. Street yard: twenty feet on side with driveway; fifteen feet for all other street sides; except that street yards may be reduced to ten feet for covered porches only.

2. Rear yard: all corner lots, ten feet single story or fifteen feet two-story; all other lots: fifteen feet single story or twenty feet two-story. One story building components must meet the single story setback requirements; two story building components must meet the two-story setback requirements;

3. Interior yard: seven feet, except as otherwise provided for zero-lot line housing.

4. Interior and rear yards may be reduced to three feet, or the width of any existing utility easement, whichever is greater, for detached accessory structures, except accessory dwellings, erected sixty feet or more from any street other than an alley. The height limitations noted in subsection E.2 below apply. Utility easements may only be reduced with the approval of all utility providers.

5. Infill standards may also apply. See CMC 16.21.050.

E. Maximum building height:

1. Principal building: thirty-five feet.
2. Detached accessory structure:
 - a. If located inside the allowed building footprint for the principal building, a detached accessory structure may be up to twenty-two feet tall, as measured to the highest point of the roof.
 - b. If located outside the allowed building footprint for the principal building, a detached accessory structure is subject to a step-up height standard, and is allowed outright only if it meets this standard. The structure shall not exceed eight feet tall, as measured to the highest point of the roof, at a distance of three feet from the property line. The structure may increase in height by one foot vertically for every one foot horizontally away from the three foot line, up to the maximum height of twenty-two feet.
 - c. A conditional use permit is required to locate the structure outside of the allowed building footprint for the principal building in violation of the step-up height standard.
 - d. Detached accessory structures over twenty-two feet tall are not permitted.
3. For detached accessory dwellings, the Planning Commission may approve building heights over twenty-two feet through the Conditional Use process, but in no case shall the accessory dwelling be higher than the principal building. The Planning Commission may only approve the use of buildings over twenty-two feet in the case of existing structures where no substantial changes to existing roof lines are proposed.

F. The maximum amount of impervious surface allowed the R-1.5 zone shall be 70 percent of the lot area.

1. Impervious surface includes all surface areas that create a barrier to or hinder the entry of water into the soil in comparison with natural conditions prior to development. Impervious surface include, but are not limited to, buildings, parking areas, driveways, roads, sidewalks, patios, packed earth, and oiled surfaces. Open, uncovered retention/detention facilities, green roofs, and permeable surfacing materials shall not be considered impervious surfaces. Roof surfaces are also considered 'pervious' when 100% of the annual average roof runoff is captured and reused on-site for irrigation or approved interior uses.
2. To limit impervious surface, alternative surfacing materials may be used. Alternative surfacing includes, but is not limited to paving blocks, turf block, pervious concrete, and porous asphalt. Other similar approved materials are encouraged. Utilization of alternative surfacing methods shall be subject to review and approval

by the City Public Works Department for compliance with other applicable regulations and development standards. Maintenance of alternative surfacing materials located on private property are the responsibility of the property owner.

G. Other regulations:

1. Vision clearance distance shall be ten feet from a street to an alley or a street to a driveway, and thirty feet from a street to any other street.
2. All setbacks to be measured from the foundation line of the building. Overhangs shall not exceed two feet; mechanical units, used for the heating/cooling of residential units are exempt from interior and/or rear yard setback requirements. A chimney for a fireplace or stove shall not exceed a two foot projection.
3. To provide shade, required yards on southern and western exposures may be reduced by not more than five feet for eaves, canopies, and patio covers, if the patio posts still comply with required setbacks.
4. Accessory buildings shall not have a larger footprint than the primary building.
5. Townhouse (common wall) development shall not exceed six attached dwellings in a group as defined in Chapter 16.04.195. If more than one group of six dwellings is constructed, then the groups shall be separated by no less than ten feet. Townhouse units are encouraged to be alley loaded when possible.

KEY

Proposed New Text = Red Underlined

Proposed Removed Text = ~~Red Underlined and Strikethrough~~

Chapter 16.74

USES PERMITTED

Sections:

- 16.74.010** **Generally.**
- 16.74.020** **Uses permitted in residential zone.**
- 16.74.030** **Uses permitted in other than residential zone.**

16.74.010 **Generally.**

In a planned unit development the uses set out in this chapter are permitted. (Ord. 740 section 10.5.30[part], 1984)

16.74.020 **Uses permitted in residential zone.**

In a planned unit development in a residential zone only the following uses are permitted:

- A.** All uses permitted outright or conditionally permitted in the underlying zone. If conditionally permitted uses are proposed within a planned unit development, the standards of Chapter 16.50 shall be met. Residential units, either detached, attached or in multiple type dwellings, but at no greater density than is allowed for the zoning district as set forth in Division III, except as may be modified for a density bonus as provided in section 16.76.010 or Chapter 16.80.
- B.** Accessory and incidental retail and other nonresidential uses may be specifically and selectively authorized as to exact type and size to be integrated into the project by design. Accessory retail uses shall serve primarily as a convenience to the inhabitants of the project.
- C.** Mobile home subdivisions, subject to the standards and criteria of Division IV and Chapter 16.80.
- D.** Recreational facilities, including but not limited to tennis courts, swimming pools, and playgrounds. (Ord. 740 section 10.5.30 (A), 1984)
- E.** All permitted and conditional residential uses allowed in any base zone in which the planned unit development is located are allowed uses throughout the planned unit development.

REVISED 11/17/2023.

16.74.030 Uses permitted in other than residential zone.

In planned unit developments in areas zoned for other than residential uses, uses shall be limited to those permitted by the zoning districts in which the use is located. (Ord. 740 section 10.5.30(B), 1984)

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Chapter 16.76

REQUIREMENTS

Sections:

- 16.76.010** Minimum requirements.
- 16.76.020** General requirements.
- 16.76.030** Standards and criteria.
- 16.76.040** Exceptions.

16.76.010 Minimum requirements.

The minimum requirements for a residential planned unit development shall include the following two items:

- A. Open Space.** A minimum of fifteen (15) percent of the gross area of the development shall be devoted to open space and shall be located in a common area or dedicated to the public, except in the case of conversions of existing rentals to unit ownership, where the Planning Commission may permit a lesser requirement if it is found that adequate recreation facilities exist for the units.

- 1. Usable Open Space.** Open space areas shall be planned and improved to provide opportunities for active recreation, passive relaxation, or community interaction, and which are accessible to the general public or to residents, employees or customers in common. Examples include plazas, courtyards, private parks, sport fields and courts, and viewpoints overlooking natural resource areas.

- a. The following shall not be counted towards a planned unit development's usable open space:**

- i. Areas of land where the average slope exceeds 20 percent where there is no associated usable amenity provided;**
- ii. Areas subject to the Wetland Overlay Zone (WO) per section 16.39 or the Hazard Overlay Zone (H) per section 16.40 unless the area can be improved to include usable amenities in conformance with the provisions of these**

overlay zones;

- iii. Fenced surface stormwater facilities. Stormwater facilities may only be counted as usable open space if they are not fenced, include associated passive recreational amenities such as benches, viewpoints, or walking paths and are effectively incorporated into the development's overall open space design; and
- iv. Other areas determined by the review authority to be unusable for the purpose of meeting this standard.

2. Exemption. Portions of the planned unit development site used for cottage clusters do not count toward the development site's gross area for the purpose of calculating the minimum usable open space requirement for PUDs per this standard. However, common courtyards provided with cottage cluster developments per section 16.21.080(F)(2) as a part of a PUD may count towards a PUD's usable space requirement.

B. Density. The planned unit development site shall adhere to the minimum and maximum density provisions of the base zone, except where a density bonus is approved as provided in subsection B(1) below. The average area per dwelling unit shall not be less than that allowed within the zoning district in which the subdivision is located, unless alternative lot layout is used pursuant to 16.64.040(B). The average area shall be calculated by dividing the number of dwelling units into the gross area of the total land development, minus that area occupied by streets. The commission may grant a density bonus of not more than fifteen percent to planned unit developments where it is found that unique, beneficial design features (such as solar efficiency, recreation facilities, or other community assets) warrant such a bonus. The commission shall clearly state its findings in support of granting or denying a requested density bonus.

1. Density Bonus. The planning commission may grant an increase of up to 20% beyond the maximum density of the underlying base zone if all of the following criteria are met:

- a. Existing and proposed streets within and connecting to the development site will support the proposed density;
- b. Existing and proposed water, sanitary sewer and storm drainage systems within and connecting to the development will support the proposed density;
- c. The development demonstrates innovative site design, outstanding architectural variety, and quality construction which will mitigate the increased density;
- d. The increased density will be mitigated by providing exceptional

quality and increased quantity of usable open space beyond the minimum amount required by section 16.76.010(A), and other amenities, especially active recreational areas.

- e. A minimum of five (5) percent of the planned unit development's dwelling units must be single-story units that have at least one (1) entrance accessible via a route that does not have any stairs between it and the street lot line or an on-site parking space.

2. Exceptions.

- a. Cottage cluster units provided within a planned unit development do not count toward the maximum density standard of the underlying base zone. Cottage cluster developments proposed within a planned unit development must meet the applicable development and design standards for cottage cluster developments per section 16.21.080.

C. The density allowed in each base zone may be spread throughout the planned unit development site.

D. To achieve the goals of low impact development, buildings are encouraged to be clustered within the designated development area of the site. Clustering is intended to preserve open space, reduce total impervious surface area, and minimize development impacts on critical areas and associated buffers. Preservation of open space reduces potential stormwater runoff and associated impacts and provides area for dispersion, filtration and infiltration of stormwater. The arrangement of clustered buildings shall be designed to avoid development forms commonly known as linear, straight-line or highway strip patterns.

E. The use of LID best management practices in site design and development is required where site and soil conditions make it feasible option. LID practices shall meet the standards set forth in the Canby Public Works design Standards.

F. (Ord. 740 section 10.5.50, 1984; Ord. 890 section 57, 1993; Ord. 1338, 2010; Ord. 1514, 2019)

16.76.020 General requirements.

Prior to development, application shall be made to the commission for site approval for all or any portion of the proposed development. Where only a portion of the development is submitted for approval, a master plan shall also be submitted indicating the intended layout for the total development. The form of the application shall follow the requirements and be subject to the standards and criteria of a subdivision or conditional use permit, depending upon whether the proposed development involves the division of property. Additional to the information which is otherwise required, the applicant shall submit accurate information on all of the following which may be applicable:

- A. Any areas proposed to be dedicated or reserved for public parks, schools,

- playgrounds, or otherwise dedicated or reserved for public purposes;
- B. Other undedicated open space set aside for the use of the residents of the development in common. Access and types of access for the open space area or areas shall be shown;
 - C. A general land use plan for the proposed subdivision indicating the areas to be used for various purposes;
 - D. Types of dwellings and site locations thereof;
 - E. Proposed locations of off-street parking areas with dimensions;
 - F. Pedestrian walks, malls and other trails, both public and private. The commission may require a complete circulation plan if warranted by the size and type of development;
 - G. The stages to be built in progression, if any;
 - H. The location of adjacent utilities intended to serve the development and a layout of the utilities within the development;
 - I. Table showing the density and lot coverage of the overall development;
 - J. Such other pertinent information as the commission may require in order to make necessary findings on the site approval. (Ord. 740 section 10.5.60(A), 1984)
 - K. A Traffic Impact Study (TIS) may be required in accordance with Section 16.08.150. (Ord. 1340, 2011)

16.76.030 Standards and criteria.

Additional to the standards and criteria listed in Divisions III and IV which are applicable to planned unit development, the following standards and criteria shall apply:

- A. The site approval as acted upon by the commission shall be binding upon the developer, and variations from the plan shall be subject to approval by the commission.
- B. All land within the planned unit development may be subject to contractual agreements with the city and to recorded covenants providing for compliance with the city's requirements.
- C. The development of the property in the manner proposed will be in keeping with the requirements of this title, other than those provisions allowing for special treatment of PUD's.

- D. The plan for the proposed development shall present a unified and organized arrangement of buildings and service facilities.
- E. The development must be designed so that the land areas and buildings around the perimeter of the project do not conflict with the adjoining properties. Where the development is adjacent to lower intensity uses, higher intensity uses should be placed within the interior of the project. The commission may establish special conditions for the perimeter of the development to minimize or mitigate potential conflicts.
- F. Each planned unit development shall be a complete development considering all previous requirements. The commission may, in addition, require the inclusion of facilities such as special curbs, sidewalks, streetlights, storm drainage, sanitary sewers, underground power and telephone lines, landscaping and adequate easements for utilities.
- G. Land which is not intended for physical development, such as buildings or street uses, may be required to remain in open space usage perpetually. Maintenance of such open space areas shall remain the responsibility of the individual owner or owners' association, in a manner outlined in the by-laws of such association.
- H. The manner in which any open space or park and recreational area is to be maintained shall be submitted, along with the preliminary copy of the proposed owners' association bylaws and contractual agreements, with the preliminary subdivision. In the case of an individual owner, the commission may impose special requirements to assure long-term maintenance.
- I. The Planning Commission may, and in the case of single story or townhouse structures shall, require the separation of utilities from one unit to the next.
- J. In reviewing an application for the conversion of existing residential units to condominiums, the commission shall utilize the general standards as are applied to the new construction of planned unit developments. A proposed conversion which is not found to meet the standards customarily applied to planned unit developments will not be approved.
- K. In reviewing an application for the conversion of existing residential units to condominiums, the Planning Commission shall consider the vacancy rates of multiple-family rental units throughout the city at the time of the application. It is the intent of the city to assure that there is at least one suitable rental unit available and vacant for each unit converted to condominium ownership.
- L. No fence/wall shall be constructed throughout a planned unit development where the effect or purpose is to wall said project off from the rest of the community unless reviewed and approved by the Planning Commission. (Ord. 740 section 10.5.60(B), 1984; Ord. 955 section 30, 1996)

16.76.040 Exceptions.

- A.** In considering a proposed planned unit development project, the approval thereof may involve modifications in the regulations, requirements and standards of the zoning district in which the project is located so as to appropriately apply such regulations, requirements and standards to the development. Modification of the lot size, lot width, and yard setback requirements may be approved by the commission at the time of the approval of the tentative subdivision plat or conditional use permit.
- B.** Building height shall conform to the zoning district in which the development is located.
- C.** Off-street parking and off-street loading requirement shall be pursuant to Division III. (Ord. 740 section 10.5.60(C), 1984)

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16.21.080 Cottage Cluster Development and Design Standards.

- A. **Purpose.** The purpose of these standards is to promote more affordable fee in common or fee ownership housing options within Canby. Additionally, they are designed to promote quality development, a sense of openness and community, and enhance livability, ~~and~~ walkability, ~~and safety of the community~~. These standards are also intended to encourage cottage cluster developments that are compatible with existing and future residential development within the R-1 and R-1.5 zones.
- B. **Applicability.** These standards apply to all new cottage cluster developments as defined by section 16.04.

NOTE: DOWL suggests that the City create a new sub-chapter to the City’s residential design standards chapter (Chapter 16.21.080) for the new cottage cluster development and design standards. In addition to the code provisions that would be added here, a definition for “cottage cluster development” and “common courtyard” will need to be added to [Chapter 16.04, Definitions](#). The following definitions are provided, both of which are consistent with the definitions provided by [OAR 660-046-0020](#) but modified slightly based on this draft code:

Cottage Cluster: A grouping of at least four (4) detached dwelling units (cottages), where each cottage has a floor area square footage no less than 600 square feet and no greater than 1,200 square feet and are generally clustered around a common courtyard. For every 12 cottages there must be one (1) common courtyard. Cottage clusters are considered a type of middle housing and are not considered multiple dwelling units or single-dwelling unit detached dwellings. Cottage clusters typically have multiple cottages sharing a single lot; however, cottage clusters can also be divided so that cottages are on individual lots.

Common Courtyard: A single, contiguous common area for use by residents of a cottage cluster pursuant to the standards of Chapter 16.21.080(F)(2).

- C. **Permitted Use.** Cottage Cluster developments are permitted outright within the R1 and R1.5 zones. Cottage Cluster developments may be permitted as a standalone development or as part of a Planned Unit Development in accordance with 16.72, PUD applications.
- D. **Approval Process.** Cottage cluster developments are a Type 3 Site and Design Review application, approved in accordance with Chapter 16.49, Site and Design Review. Cottage cluster developments within a PUD are subject to Chapter 16.72, PUD Applications. Cottage cluster developments proposed to be subdivided may be approved in accordance with [Chapter 16.62, Subdivisions](#) as a Type 3 process.
 - 1. Cottage cluster developments are exempt from the following sections of Chapter 16.49, Site and Design Review:

- a. Section 16.49.040.B.5, Site Design Review Menu;
 - b. Section 16.49.080.C, minimum landscaping standards; and
 - c. Section 16.49.120, parking lot landscaping standards.
2. Covenants, easements or other recorded documents shall be provided to the City prior to certificate of occupancy of the first unit, or prior to the final plat if the cottage cluster is proposed to be subdivided, addressing access and maintenance of all shared common areas or common facilities including, but not limited to, storm sewers and stormwater facilities, drainage ways, open space, landscaping, and shared parking facilities.

NOTE: The City’s legal counsel will provide input on the permitting process during the November 27th work session with the Planning Commission. Chapters 16.48 may need to be amended to exempt cottage clusters from certain design standards within those sections. This is noted below as well.

E. Development Standards. The following development standards apply to all cottage cluster developments and supersede the development standards of the underlying zone unless stated otherwise.

1. *Density.* The minimum density of any cottage cluster development is 6 units per acre. There is no maximum density standard, provided the cottage cluster development is designed to conform with the requirements of this section.
2. *Lot Area.* There is no minimum or maximum lot area standard, provided the cottage cluster development is designed to conform with the requirements of this section.

NOTE: In order to provide design flexibility, the minimum density is set at 6 units per acre, which is the R-1.5 zone’s minimum density for duplex/triplex/fourplexes, and there is no maximum density or minimum/maximum lot area standard. However, both of these standards will be effectively regulated and controlled by compliance with the development and design standards of this section.

3. *Minimum Perimeter Yard Setback Requirements for Structures.*
 - a. Street yard: The minimum setback requirement of the underlying zone applies.

NOTE: During work sessions, the Planning Commission seemed especially concerned with providing a similar streetscape experience to existing single-family development patterns. This ensures that cottage cluster developments will be setback from the street a similar minimum distance as existing and future single-family residential units.

- b. Rear yard: 10 feet

c. Side yard 5 feet

NOTE: These rear and side yard setback standards are consistent with the DLCD cottage cluster model code. These setback distances represent minor reductions to the setback standards of the R-1 and R-1.5 zones, but provide additional flexibility in the design and layout of a cottage cluster development.

4. *Number of Cottages.* Cottage housing units shall be developed in clusters of a minimum of four (4) units per cluster. There is no maximum, provided one (1) common courtyard, consistent with the standards of section 16.21.080(F)(3), is provided for every 12 cottages.

NOTE: This is a typical standard provided in most cottage cluster development standards throughout the state.

5. *Building Separation.* Cottages shall be separated by a minimum distance of six (6) feet. The minimum distance between all other structures, including accessory structures, shall be three (3) feet.

NOTE: This is a typical standard provided in most cottage cluster development standards throughout the state as well as in the DLCD cottage cluster model code.

6. *Building Height.* The maximum building height for all structures is 28 feet.

NOTE: This is the same maximum building height standard as the R-1 and R-1.5 zone, creating consistency with adjacent single-family development. By stating “all structures”, this accounts for any accessory structures provided such as garages, carports, and community/common buildings.

7. *Unit Size.* Each cottage’s total floor area shall be a minimum of 600 square feet and shall not exceed a maximum of 1,200 square feet. Per section 16.21.080(F)(6)(e)(ii) of this chapter, individual attached garages up to 200 square feet shall be exempted from the calculation of a cottage’s maximum total floor area.

NOTE: There is considerable variation in the size requirements for cottages. This is the requirement provided by Turner’s cottage cluster design standards. Redmond and Albany, for example, have no minimum unit size and allow cottages to be as large as 1,400 square feet. Albany further requires that the average floor area per unit not exceed 1,000 square feet. The DLCD cottage cluster model code simply requires the average unit size not to exceed 1,400 square feet, but that a cottage’s footprint cannot be greater than 900 square feet.

8. *Maximum Impervious Surface.* The maximum impervious surface standard of the underlying zone applies.

9. Off-Street Parking. At least one (1) off-street parking space shall be provided per cottage dwelling unit. Off-street parking shall be designed in accordance with [section 16.10.070, Parking Lots and Access](#), and section 16.21.080(F)(5).

- a. Where-If a cottage cluster development fronts on a street that does not allow on-street parking, at least two (2) guest parking spaces shall be provided on site for every four (4) cottage dwelling units.
- b. If a cottage cluster development fronts on a street that allows on-street parking, there is no guest parking requirement.

NOTE: The requirement of one space per unit is typical for cottage cluster standards across the state, including City of Turner. Visitor parking requirements are more varied, but the requirement of one space for every 4 units is taken from Silverton's cottage code, with an added caveat that visitor parking is not required if the adjacent street allows on-street parking. There is no maximum parking standard. Parking seemed to be a major concern for the Planning Commission, so we should plan to discuss this especially.

10. Access Requirements. Cottage cluster developments are permitted to have more than one driveway access provided applicable access spacing standards are met.

F. Design Standards. The following design standards apply to all cottage cluster developments. No other design standards shall apply to cottage clusters unless noted in this section. Where there is a conflict between these standards and the standards of other sections of this code, the standards of this section shall control.

1. Cottage Design Standards. All cottages and community buildings shall incorporate four (4) of the following design features:

- a. Dormers.
- b. Gables, hip roof, or gambrel roof form.
- c. Recessed entries (minimum 2 foot recess).
- d. Covered porch entries (minimum 48 square feet, minimum 4 foot depth).
- e. Bay windows.
- f. Any eaves of 12-inches or greater.
- g. Off-set of 16-inches or greater on building face or roof.
- h. Windows and main entrance doors occupy a minimum of 15 percent of the façade, not including the roof.
- i. Window trim (minimum 4-inch) or shutters (minimum 8-inch)

Commented [JH1]: Planning Commission recommends that the City Council discuss minimum on-site parking requirements. Some members expressed interest in increasing to 2 stalls per cottage, while at least one member agreed that 1 was enough.

- j. Balconies or porch rail.
- k. Shakes, shingles, brick or other similar decorative materials occupying at least 60 square feet of the street-facing and courtyard-facing façade.

NOTE: This section requires minimum design elements for all cottages and community buildings included as a part of a cottage cluster development. This options menu is taken from the minimum design standards for single-family and two-family dwellings per CMC 16.21.030. All cottages and community buildings must incorporate at least four of these elements in their design, which will help to ensure compatibility with adjacent single-family development.

- 2. *Cottage Orientation.* Cottages must be clustered around a common courtyard and must meet the following standards (see Figure 1 and Figure 2):
 - a. A minimum of 50 percent of cottages within a cluster must be oriented to the common courtyard and meet the following standards:
 - i. Have a main entrance facing the common courtyard;
 - ii. Be within 10 feet of the common courtyard measured from the façade of the cottage to the nearest edge of the common courtyard; and
 - iii. Be connected to the common courtyard by a pedestrian path.
 - b. Cottages within 20 feet of a street property line may have their entrances facing the street, provided 50 percent of all cottage units within the cluster face the common courtyard.
 - c. Cottages not facing the common courtyard or the street must have their main entrances facing a pedestrian path that provides a continuous and reasonably direct connection to the common courtyard.
- 3. *Common Courtyard Design Standards.* Each cottage cluster development must share a common courtyard in order to provide a minimum open space area for the cottage cluster development. One (1) common courtyard shall be provided for every 12 cottage units (see Figure 1 and Figure 2).
 - a. The common courtyard must be a single, contiguous area.
 - b. Cottages must abut the common courtyard on at least two sides of the courtyard.

- c. The common courtyard must contain a minimum of 150 square feet per cottage within the associated cluster.
- d. The common courtyard must be a minimum of 15 feet wide at its narrowest dimension.
- e. The common courtyard shall be developed with a mix of landscaping and lawn area, recreational amenities, hard-surfaced pedestrian paths, and/or paved courtyard area. Impervious elements of the common courtyard shall not exceed 75 percent of the total common courtyard.
- f. Pedestrian paths qualify as part of a common courtyard. Parking areas, required setbacks, and driveways do not qualify as part of a common courtyard.

NOTE: The requirement for a common courtyard is a typical requirement for cottage clusters around the state and is an integral part of a cottage cluster development's design. It provides usable open space for residents while offering a similar "back yard" experience as single-family units. These requirements are taken from the DLCD cottage cluster model code. This language is extremely similar to that provided in other city's cottage cluster codes, such as Turner, Albany, and Redmond. Silverton requires a "common green", but is much less restrictive to how cottages are oriented to or clustered around the open space area. However, Silverton does require 400 square feet of common area per cottage, which is significantly higher than the model code.

Commented [JH2]: Planning Commission requests that City Council consider excluding pedestrian paths from common courtyard calculation. The intent is to preserve the required minimum courtyard area for recreational use since pedestrian pathways are required by other elements of this code.

4. *Community Buildings.* Cottage cluster developments may include community buildings for the shared use of residents that provide space for accessory uses such as community meeting rooms, guest housing, exercise rooms, day care, or community eating areas. Community buildings must meet the following standards and may not be used as dwelling units:

- a. Each cottage cluster is permitted one community building.
- b. A community building shall not exceed 1,400 square feet of total floor area.
- c. Community buildings may count towards a cottage cluster's common courtyard requirement provided the standards of section 16.21.080(F)(1) are met. Only the footprint area of the community building may count towards the common courtyard minimum area requirement.

e-d. A community building cannot count for more than 75% of the common courtyard.

NOTE: This language is largely taken from the DLCD cottage cluster model code but simplified slightly and similar to the language in Turner’s code. The model code requires all buildings within a site (including cottages and community buildings) to not exceed an average maximum building area of 900 square feet. We are not applying a maximum average building area, but rather have specific limitations for cottages and the community building. Turner also applied a 1,400 square foot maximum for community buildings. An additional provision has been added to clarify that any community buildings proposed may count towards the “common courtyard” area requirement.

5. *Pedestrian Access.*

- a. An accessible pedestrian path must be provided that connects the main entrance of each cottage to the following (see Figure 1 and Figure 2):
 - i. The common courtyard;
 - ii. Shared parking areas;
 - iii. Community buildings, if provided; and
 - iv. Abutting sidewalks within the public right-of-way, or to the edge of the roadway if sidewalks along the roadway are not provided.
- b. The pedestrian path must be hard-surfaced and a minimum of five (5) feet in width.

NOTE: This language is taken from the DLCD cottage cluster model code and has not been modified.

6. *Parking Area Location and Design* (see Figure 1 and Figure 2).

- a. Clustered parking. Off-street parking may be arranged in clusters of not more than five (5) contiguous spaces separated from other clusters by at least four (4) feet of landscaping. Clustered parking areas may be covered.
- b. Off-street parking spaces and vehicle maneuvering areas shall not be located:
 - i. Within 20 feet from any street property line, excluding alleys.
 - ii. Between a street property line, excluding alleys, and cottages abutting the street property line.
- c. Off-street parking spaces shall not be located within 10 feet of any property line, except alley property lines. Driveways and drive aisles are permitted within 10 feet of all property lines.

- d. Screening. Landscaping, fencing, or walls at least three (3) feet tall shall separate clustered parking areas and parking structures from public streets and residentially zoned properties.
- e. Garages and carports shall meet the following standards:
 - i. Garages and carports (whether shared or individual) must not abut common courtyards.
 - ii. Individual attached garages up to 200 square feet shall be exempted from the calculation of a cottage's maximum total floor area per section 16.21.080(E)(7) of this chapter.
 - iii. Individual detached garages must not exceed 400 square feet in floor area.
 - iv. Garage doors for individual garages must not exceed 12 feet in width.

Commented [JH3]: Planning Commission recommends that City Council discuss the height and consider increasing it to 6 feet when adjacent to residentially zoned properties, and 3 feet when adjacent to public streets.

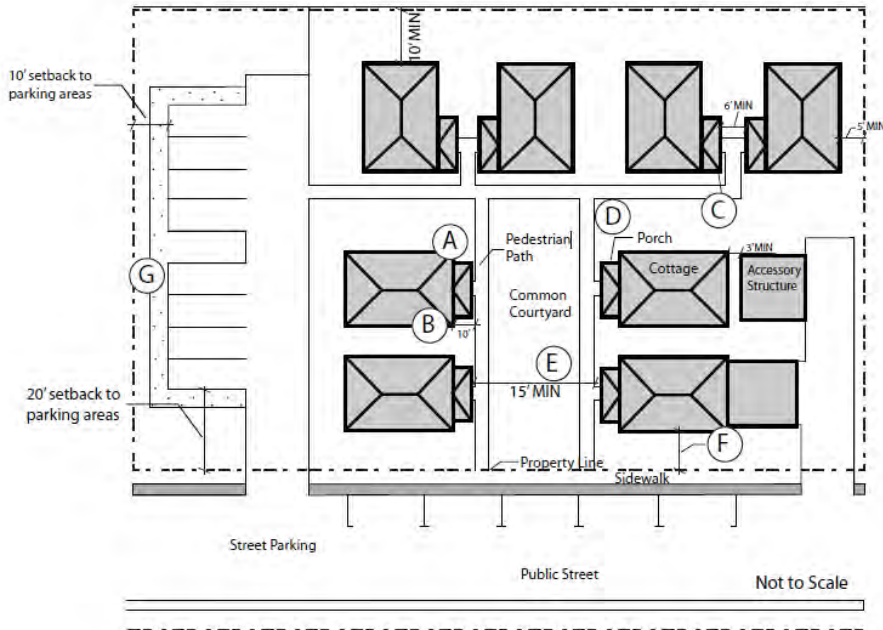
NOTE: This language is largely taken from the DLCD model code, but includes additional requirements for screening parking areas from adjacent residential properties. Additional buffer distances could be provided between parking and maneuvering areas and adjacent residential properties if desired.

- 7. *Existing Structures.* On a lot or parcel to be used for a cottage cluster development, a pre-existing detached single-family dwelling may remain within the cottage cluster development area and does not need to comply with the requirements of this section except for minimum separation distance requirements per section 16.21.080(E)(4) above.

NOTE: The DLCD cottage cluster model code includes a carveout for existing dwellings within a new cottage cluster development. The model code language has been simplified somewhat, removing restrictions on how existing dwellings can be modified.

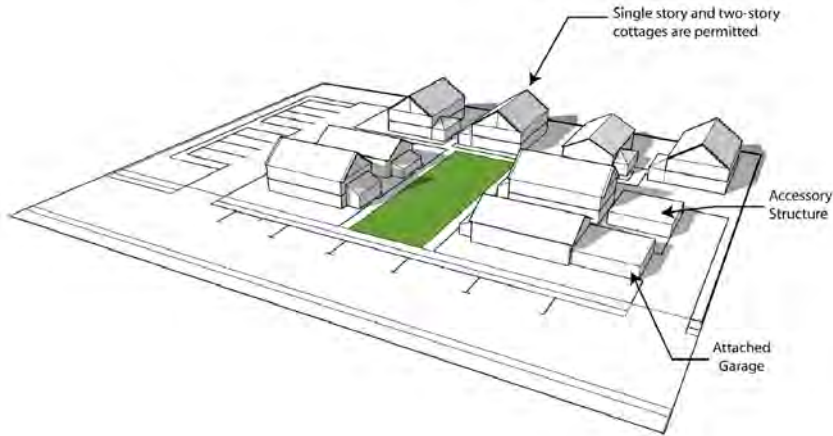
Figure 1. Cottage Cluster & Common Courtyard Design Standards

Commented [JH4]: Figure 1 and call out G may require revision if screening required by 16.21.080(F)(6)(d) is modified.



- (A) A minimum of 50% of cottages must be oriented to the common courtyard.
- (B) Cottages oriented to the common courtyard must be within 10 feet of the courtyard.
- (C) Cottages must be connected to the common courtyard by a pedestrian path.
- (D) Cottages must abut the courtyard on at least two sides of the courtyard.
- (E) The common courtyard must be at least 15 feet wide at its narrowest width.
- (F) Front yard setback to match the minimum setback of the underlying zone.
- (G) Parking facilities should be screened from public streets and residentially zoned properties with 3 foot tall landscaping, fencing or walls.

Figure 2. Cottage Cluster Development Concept





City of Canby
Planning & Development Services
222 NE 2nd Ave / PO Box 930 / Canby, OR 97013
Phone: 503.266.7001
www.canbyoregon.gov

TA 24-02

Housing Efficiency Measures Code Amendments
Staff Report for 11/6/2023 City Council Hearing

Applicant: City of Canby

Application Type: Text Amendment (Type IV)

City File No.: TA 24-01

REQUEST

The City proposes code updates to the Canby Planning and Zoning Code to improve residential development standards to promote a mix of housing types. The proposed code amendments, referred to Housing Efficiency Measures (HEM) or efficiency measures, are the initial implementation of selected strategies in the draft Housing Production Strategy (HPS). These are required by the Department of Land Conservation and Development (DLCD) in order to approve the Canby urban growth boundary, and the efficiency measures are intended to lessen the need for urban growth boundary expansion. We received efficiency measure review comments from DLCD on September 27, 2024, and these are also incorporated in this staff report. Below are the findings to incorporate the proposed HEM code amendments into the Canby Municipal Code (CMC), Title 16, Planning and Zoning.

OVERVIEW

This report includes findings regarding each applicable existing Canby Comprehensive Plan and Zoning Code criterion for the housing efficiency measures. The proposal is consistent with the Comprehensive Plan and Zoning Code criteria for a Zoning Code Text Amendment found in CMC 16.88.170. Context is also provided on the housing production strategies; however, they are subject to a separate Planning Commission and City Council review.

BACKGROUND

The Canby Housing Needs Analysis (HNA) was recently adopted in July 2024. The HNA included a buildable land inventory for the Canby Urban Growth Boundary (UGB) and evaluated the housing need for Canby over the 20-year planning horizon. A 73-acre deficit in residential land for the 20-year forecasted growth, across all residential designations (low, medium, and high density) was identified. See Figure 1 below. The HNA findings also displayed Canby's significant challenge with providing affordable housing for both fee-owned housing and rental housing currently and over the next 20-years.

Figure 1. Reconciliation of Residential Land Needs, Canby UGB (Source: Canby HNA, Exhibit 27)

Dwelling Unit Type	Most Typical Plan Designation ¹	Buildable Land Requirement ³	Current Buildable Land Inventory ³	Buildable Land Deficit (excluding public parks)	UGB Land Sufficiency (excludes public parks)
Single-Family Standard Lot	LDR	127.62	173.74	(22.62)	<i>inadequate land supply</i>
Single-Family Small Lot & Cottages		102.67		(33.93)	<i>inadequate land supply</i>
Townhomes/Plexes (2-4 units)	MDR	45.34	37.25	(8.10)	<i>inadequate land supply</i>
Multi-family/Other ²	HDR /varies	18.24	9.82	(8.42)	<i>inadequate land supply</i>
Total (gross buildable acres)		293.87	220.80	(73.07)	<i>inadequate land supply</i>

Source: prior tables; and interpretation of current zoning code and housing development/market conditions.

¹ Manufactured housing is allowed in all residential land use classifications.

² Category also includes group quarters housing demand.

³ Derived from previous Exhibits.

State legislation adopted in 2019 requires Oregon cities with a population over 10,000 people to adopt a HPS to promote the development of needed housing. The Canby draft HPS is intended to expand on the work of the HNA by examining how a city can impact housing affordability, access and choice issues, displacement and housing stability. The HPS process included a review of the city’s policies, past actions, future housing needs, and an analysis of who is at risk of being left behind in the existing housing environment. Community input was obtained to identify and evaluate recommended policy changes that can be implemented to increase production of needed subsidized and market-rate housing. At its core, the HPS identifies which tools, actions, or policies the city can implement to promote housing production, affordability, and choice, especially as it relates to the needs identified in the adopted HNA. The draft HPS proposes twelve (12) housing production strategies to be addressed over the next five (5) years. The strategies and their proposed adoption date are included in Table 1 below. The draft HPS is anticipated to be reviewed in work session in early 2025.

Table 1. HPS Strategies from September 2024 Final Draft HPS

HPS Strategy	Adoption Year
A. Develop Process for Identifying Land to Up-zone	2028
B. Allow Cottage Clusters in Residential Zones	2025
C. Identify Opportunities to Streamline PUDs	2028
D. Incentives to Encourage Diverse Housing Development in PUDs	2028
E. Modify SDC Fee Schedules with Scaled Based Charges (based on home size)	2026
F. Land Use Permitting Education for Property Owners/Developers	2028
G. Reduce Minimum Lot Size	2028
H. Increase Building Heights	2028
I. Update Residential Zones	2026
J. Update Design Standards	2029
K. Inventory and Encourage Preservation of Naturally Occurring Affordable Housing	2029
L. Partner with Clackamas County and Seek Public/Private Partnerships	2029

The proposed HEM code amendments are the first phase of implementing HPS strategies. The HEM code amendments are to implement three HPS strategies:

1. Strategy B. Allow Cottage Clusters in Residential Zones,
2. Strategy C. Identify Opportunities to Streamline PUDs (PUD code update), and
3. Strategy G. Reduce Minimum Lot Size (for townhouses).

The remaining HPS strategies will be implemented over the course of the next four years. Additionally, the next phase of HPS strategies implementation will be incorporated into the comprehensive Canby Planning and Zoning Code update that is anticipated to begin in the 2025-2026 fiscal year. An anticipated 2 to 3 year process will include a detailed code analysis of barriers to housing as well as changes earmarked in the HPS. The strategies to be addressed through the comprehensive code update process include the following.

1. Strategy H. Increase Building Heights
2. Strategy I. Update Residential Zones
3. Strategy J. Update Design Standards

The City is also in the process of updating the Comprehensive Plan. The HPS will be used to create and guide new housing policies in the Comprehensive Plan.

In addition to the proposed HEM efficiency measures, the City already has several efficiency measures or standards in place that support an effective use of land and a mix of housing types. They include the following.

- The City has a provision in the Zoning Code (Chapter 16.82) that allows deviations of development standards for "Special Housing Projects for the Elderly or Handicapped."
- Housing in a portion of the Downtown Core area of the C-1 Zone doesn't have to provide any parking if the development provides both housing and commercial uses.
- The City's R-2 (High Density) Residential Zone has been amended to require a minimum density of 14 dwelling units per acre, preventing lower density development.
- The City has amended its Zoning Code to allow duplexes in all low density residential zones to fully comply with HB 2001.
- A minimum density of 6 dwelling units per acre for triplexes and fourplexes in the R-1.5 zone is required.
- Established a minimum and maximum lot sizes in the R-1 and R-1.5 zones that create parameters for density. In the R-1 zone the minimum lot size permitted is 7,000 sf and 10,000 sf maximum. A 6 dwelling unit per acres maximum in the R-1 zone is proposed, and by maximum lot size the minimum R-1 density is four dwelling units per acre. In the R-1.5 zone the minimum lot size is 5,000 sf and the maximum lot size is 6,500 square feet.
- The City has a maximum building height of 35 feet across the R-1, R-1.5, and R-2 zones. Note, HPS Strategy H will revisit maximum building heights in the R-2 zone.

PROPOSAL

The City proposes a series of HEM code amendments as the preliminary implementation of select strategies from the draft HPS; they are Strategy B. Allow Cottage Clusters in Residential Zones, Strategy C. Identify Opportunities to Streamline PUDs (PUD code update is portion of this strategy), and Strategy G. Reduce Minimum Lot Size (for townhouses).

The efficiency measures are primarily aimed at reducing barriers to certain middle housing types (i.e., cottage clusters, townhouses, and fourplexes) to promote a mix of housing developments. Middle

housing, also often referred to as “missing middle housing,” are housing types in between single family houses and large apartment buildings; it generally includes duplexes, triplexes, fourplexes, townhouses and cottage clusters. Improving PUD standards to promote a more beneficial, streamlined process are also proposed. A brief list of the proposed amendments is summarized below. A complete summary and the proposed amendments are attached to this Staff Report.

- Add cottage clusters as a newly permitted use in the R-1, Low Density Residential, and R-1.5, Medium Density Residential zones. Create siting and design standards specifically for cottage clusters.
- Amend townhouses from a conditional use to a permitted use in PUDs only in the R-1 zone.
- Reduce townhouses minimum lot size from 3,000 to 1,800 sf for townhouses in PUDs.
- Change fourplexes from a conditional to a permitted use in the R-1.5 zone.
- Amend allowed use provisions to PUDs add detailed provisions to help streamline PUD processes. Also amend density bonus incentives for PUDs to promote better design.

The intent of efficiency measures is to support the development of a greater diversity or mix of housing types to address land needs and housing affordability in Canby. These issues that were identified in the HNA. Additionally, the City is currently in the process of conducting the series of studies for the Urban Growth Boundary (UGB), including the HNA, HPS, Comprehensive Plan update, and more. Pursuant to state law, a requirement of the UGB expansion process is demonstrating actions towards using existing UGB land more efficiently to reduce the need for additional land. Per guidance from the state Department of Land Conservation and Development (DLCD), implementation of some efficiency measures is needed in order to support a UGB expansion.

COMPLIANCE WITH CITY OF CANBY MUNICIPAL CODE FOR HOUSING EFFICIENCY MEASURES

The Canby Municipal Code defines the requirements for code amendments as follows:

CMC 16.88.170 Amendments to Text of Title

D. Standards and Criteria. In judging whether or not this title should be amended or changed, the Planning Commission and City Council shall consider:

1. The Comprehensive Plan of the city, and the plans and policies of the county, state, and local districts, in order to preserve functions and local aspects of land conservation and development;

***Finding:** As a part of the next steps, the City will be updating the Comprehensive Plan. The HNA findings and draft HPS will inform updated housing policies in the Comprehensive Plan.*

The proposed efficiency measure amendments are also consistent with exiting Comprehensive Plan policies. Compliance with applicable Comprehensive Plan goals and policies are addressed below.

Urban Growth Element

Goals:

- 1) To preserve and maintain designated agricultural and forest lands by protecting them from urbanization.
- 2) To provide adequate urbanizable area for the growth of the city, within the framework of an efficient system for the transition from rural to urban land use.

Land Use Element

Goal: To guide the development and uses of land so that they are orderly, efficient, aesthetically pleasing, and suitably related to one another.

- Policy 2: Canby shall encourage a general increase in the intensity and density of permitted development as a means of minimizing urban sprawl.

Housing Element

Goal: to provide for the housing needs of the citizens of Canby.

- Policy 2: Canby shall encourage a gradual increase in housing density as a response to the increase in housing costs and the need for more rental housing.

The proposed efficiency measure amendments support middle housing. The middle housing types are a gradual increase in the current densities found in the City's low and medium density zones. Middle housing is a denser and more-efficient use of land when compared to single-family detached homes. Therefore, the efficiency measures can improve the utilization of land within the City's UGB. This minimizes sprawl which helps preserve agricultural and forest lands surrounding the city consistent with statewide goals. Additionally, middle housing is typically a more affordable option than a single-family detached home. The proposed code amendments were developed with neighborhood consistency in mind, keeping similar setback requirements to the existing requirements and equivalent design standards to single family homes.

Additionally, the HPS and efficiency measures have been sent to DLCD for review. Staff finds the criterion is met.

2. A public need for the change;

Finding: *The HNA findings demonstrated that in 2022, 29% of Canby residents are severely rent burdened. Canby's rate is slightly greater than the Clackamas County (27%) and statewide percentages (24%). In the 20-year planning horizon, the HNA identified a need for additional units across all housing types: single family detached, townhouses and 'plexes, multifamily housing or apartments. However, the HNA emphasized the need for affordable housing for fee-owned housing and rental housing both currently and over the course of the next 20 years. Sixty-two percent of the needed housing units are within the fee owned category.*

Per HNA findings, a public need for changes to housing within the Canby community exists today. The draft HPS and proposed HEM code amendments provide the opportunity for more housing opportunities by reducing barriers middle housing types, primarily townhouses and cottage clusters. Middle housing is typically more affordable than a detached single-family home. Additionally, the efficiency measures improve options for a PUD development, supporting additional pathway to developing a mix of housing types. The proposed HEM code amendments support the public need for a mix of housing types and improved housing affordability in Canby with the intent to promote broader, more affordable housing options. Staff finds the criterion is met.

3. Whether the proposed change will serve the public need better than any other change which might be expected to be made;

Finding: The proposed efficiency measures and HPS strategies were developed through an extensive public process and discussion with decision-makers. The 12 HPS strategies proposed in the draft HPS were chosen from a list of over 100 strategies vetted through public involvement via stakeholder interviews, a citizen advisory committee, and a community open house. The HEM code amendments were presented at numerous work sessions with Planning Commission and City Council.

With the extensive public involvement process for the HPS and proposed HEM code amendments, the proposed HPS strategies and efficiency measures were tailored to the local context and determined to be the best approach for Canby. The tailored approach developed through the public involvement process best serves the needs of the Canby community. Therefore, Staff finds the criterion is met.

4. Whether the change will preserve and protect the health, safety and general welfare of the residents in the community;

Finding: The proposed efficiency measures have been developed with the consideration for health, safety, and general welfare of the residents of the community. Housing is an essential need for all. By improving housing opportunities for the future, the efficiency measures support community health, safety, and general welfare. Additionally, encouraging wider diversity of housing type supports housing choices for various stages of life and a variety of income levels. The efficiency measures propose an incentive for 1-story housing within PUDs to support aging in place in Chapter 16.76. Staff finds the criterion is met.

5. Statewide planning goals.

Finding: Oregon's 19 Statewide Planning Goals are addressed below. Though several of the goals are not applicable to the proposed Comprehensive Plan text amendments, those that are applicable are responded to in detail. Staff finds the proposed amendments are consistent with applicable statewide planning goals.

Goal 1 Citizen Involvement

This land use application is subject to a City of Canby Type IV land use review, which includes a significant citizen involvement component. This process has been established by the City and is determined to be consistent with this goal. The mandatory public notice of the action and decision, and the hearings on this case before the Planning Commission and City Council are all avenues of citizen participation. Additionally, the proposed HPS strategies and efficiency measures went through an extensive public process. The HPS included stakeholder interviews, as well as a public advisory committee, and community open house with an online public survey. The HEM code amendments, born from HPS strategies, were presented at 3 Planning Commission work sessions and 2 City Council Work Sessions.

Goal 2 Land Use Planning

This statewide goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out Comprehensive Plan.

The process identified above was utilized in the drafting of the HPS and associated HEM code amendments. Alternative strategies and efficiency measures were considered and publicly vetted and have been considered. The proposed changes are consistent with and adequate to carry out the Comprehensive Plan.

Goal 3 Agricultural Lands and Goal 4 Forest Lands

These goals do not apply because the City does not include areas designated for agricultural or forest use.

Goal 5 Open Spaces, Scenic and Historic Areas, and Natural Resources

There are no proposed changes to text or policy regarding Goal 5 open spaces, scenic and historic areas and natural resources. Therefore, the intent of this goal remains satisfied by the policies of the Comprehensive Plan and implementation in the Zoning Ordinance.

Goal 6 Air, Water and Land Resources Quality

There are no proposed changes to text regarding air, water, or land resources. Therefore, the intent of this goal remains satisfied by the policies of the Comprehensive Plan and implementation in the Zoning Ordinance.

Goal 7 Areas Subject to Natural Hazards

There are no proposed changes to text regarding areas subject to natural hazards. Therefore, the intent of this goal remains satisfied by the policies of the Comprehensive Plan and implementation in the Zoning Ordinance.

Goal 8 Recreational Needs

There are no proposed changes to text regarding recreational needs. Therefore, the intent of this goal remains satisfied by the policies of the Comprehensive Plan and implementation in the Zoning Ordinance.

Goal 9 Economic Development

There are no proposed changes to text regarding non-residential development or economic development. Therefore, the intent of the goals remains satisfied by the policies of the Comprehensive Plan and Economic Opportunities Analysis and the implementation of the Zoning Ordinance.

Goal 10 Housing

The proposed HEM code amendments support a diversity of housing types by reducing barriers to certain middle housing types. Goal 10 supports a mix of housing types to address needed housing today and well as needed housing in the 20-year planning horizon. Therefore, the intent of this goal is met.

Goal 11 Public Facilities and Services

There are no proposed changes to text regarding public facilities and services. Therefore, the intent of this goal remains satisfied by the policies of the Comprehensive Plan and implementation in the Zoning Ordinance.

Goal 12 Transportation

The Transportation Planning Rule (TPR), OAR 600-012.0060, requires that, where an amendment to a Comprehensive Plan or zoning regulation would significantly affect an existing or planned transportation facility, the local government shall put in place measures that assure that allowed land uses are consistent with the function, capacity, and performance standards of the facility. The proposed code amendments will not significantly affect existing or planned transportation facilities. In addition to the required traffic review for development, the City's traffic consultant manages an update to date model of all new development in Canby. Therefore, the evaluations of the transportation function, capacity and performance

are maintained through the required traffic studies and active management of current conditions.

Goal 13 Energy Conservation

The proposed code amendments reduce barriers to certain middle housing types, specifically cottage cluster development and townhouse development. Generally, the footprint of these middle housing types is smaller than a single-family detached home. Therefore, the proposed amendments could support better energy efficiency.

Goal 14 Urbanization

The HPS and associated HEM code amendments are a part of the City current efforts for expansion of the Urban Growth Boundary (UGB), through the sequential UGB process pursuant to OAR 660-038. The adoption of the proposed HEM code amendments prepares the City for the expansion of the Urban Growth Boundary, an on-going effort by the City to provide for the housing needs of the City for the next 20 years. Approval of these updates will support the City's on-going compliance with Goal 14.

Goal 15 Willamette River Greenway

The Willamette Greenway does include the southern shoreline of the Willamette River on the north side of the City. However, the greenway does not extend into the Urban Growth Boundary and, therefore, encroachment of potential urban uses should not be a problem. Furthermore, most, if not all, of the greenway is in the floodplain; therefore, development will be restricted to comply with Federal Flood Insurance requirements.

Goal 16 Estuarine Resources, Goal 17 Coastal Shorelands, Goal 18 Beaches and Dunes, and Goal 19 Ocean Resources

The City does not have any estuarine resources, and is not on the Oregon Coast, so goals 16 through 19 are not applicable.

CMC 16.88.190. Conformance with Transportation System Plan and Transportation Planning Rule

- A. A proposed Comprehensive Plan amendment, zone change or land use regulation change, whether initiated by the city or by a private interest, shall be reviewed to determine whether it significantly affects a transportation facility, in accordance with the Transportation Planning Rule (OAR 660-012-0060). A plan or land use regulation amendment significantly affects a transportation facility if it:
 - 1. Changes the functional classification of an existing or planned transportation facility;
 - 2. Changes standards implementing a functional classification system;
 - 3. As measured at the end of the planning period identified in the adopted plan:
 - a. Allows types or levels of land use that would result in levels of travel or access that are inconsistent with the functional classification of a transportation facility; or
 - b. Would reduce the performance of the facility below the minimum acceptable performance standard identified in the Transportation System Plan;
 - c. Would worsen the performance of a facility that is otherwise projected to perform below the minimum acceptable performance standard identified in the Transportation System Plan.
- B. Amendments to the Comprehensive Plan and land use regulations which significantly affect a transportation facility shall assure that allowed land uses are consistent with the function, capacity, and performance standards (e.g., level of service, volume to capacity ratio, etc.) of

the facility identified in the Transportation System Plan. This shall be accomplished by one of the following:

1. Adopting measures that demonstrate allowed land uses are consistent with the planned function, capacity, and performance standards of the transportation facility.
 2. Amending the TSP or Comprehensive Plan to provide transportation facilities, improvements or services adequate to support the proposed land uses consistent with the requirements of Section – 0060 of the TPR. Such amendments shall include a funding plan or other mechanism so that the facility, improvement or service will be provided by the end of the planning period.
 3. Altering land use designations, densities, or design requirements to reduce demand for vehicle travel and meet travel needs through other modes of transportation.
 4. Amending the TSP to modify the planned function, capacity or performance standards of the transportation facility.
 5. Providing other measures as a condition of development, including transportation system management measures, demand management or minor transportation improvements.
- C. A Traffic Impact Study may be required by the City in accordance with Section 16.08.150.

Finding: *The proposed code amendments do not significantly change the characteristics of the city's low and medium density zones (R-1 and R-1.5). Rather, the efficiency measures encourage certain middle housing types by reducing barriers by shifting the uses from a conditional to a permitted use. Cottage clusters are proposed as a new use in the R-1 and R-1.5 chapters. Cottage cluster and PUD projects would be addressed through the required traffic analyses to determine and mitigate for impacts to the transportation system.*

The City's traffic consultant manages an up-to-date active model of the current transportation system that has every new development incorporated. This ensures that proposed development is considered within the current function, capacity, and performance standards for the City's transportation facilities.

The proposed code amendments will not significantly impact the transportation system. Staff finds the standards are met.

CONDITIONS

Planning Commissions shall review the recommended code amendments and make a recommendation to City Council. The final hearing body (City Council) shall issue a final written order containing findings and conclusions recommending that the City Council approve, approve with conditions or deny the application for the Comprehensive Plan amendment.

Finding: *Staff does not find it necessary to subject this decision to any conditions of approval.*

CONCLUSION

Based on the above information, including community outreach, Planning Commission and City Council review, Staff recommends that the City Council **approve the Housing Efficiency Measures code amendments (TA 24-02).**

Confirmation of PAPA Online submittal to DLCD

DLCD Plan Amendments

To: Laney Fouse Lawrence

Sent: 9/4/2024 12:53 PM

Canby

Your notice of a proposed change to a comprehensive plan or land use regulation has been received by the Oregon Department of Land Conservation and Development.

Local File #: TA 24-02 Housing Efficiency Measures

DLCD File #: [002-24](#)

Proposal Received: 9/4/2024

First Evidentiary Hearing: 10/14/2024

Final Hearing Date: 11/6/2024

Submitted by: fousel

If you have any questions about this notice, please reply or send an email to plan.amendments@dlcd.oregon.gov.



October 11, 2024



Don Hardy, Planning Director
City of Canby
PO Box 930
Canby, Oregon 97013

By email: hardyd@canbyoregon.gov

RE: Proposed Efficiency Measures code amendments

Dear Mr. Hardy,

Thank you for the opportunity to review your draft proposed code amendments to complete the City’s Sequential UGB Work Program Task 2: Identify and Adopt Land Efficiency Measures. The Work Program indicates the following under Task 2:

“Land efficiency measures are changes the city makes to its zoning map and development code to increase land efficiency within the existing UGB in order to reduce the overall UGB expansion needs.

The land efficiency measures can include zone changes to zone more land for residential development, to up-zone or increase densities in some areas, or other changes to standards that would provide more capacity. These measures may partially overlap with strategies identified in the Housing Production Strategy.”

Staff at DLCD have reviewed the proposed draft efficiency measures, as well as a draft of the city’s Housing Production Strategy. Taken together, we believe the proposals will provide additional housing capacity and will result in more efficient land development.

The proposed cottage cluster amendments closely follow DLCD’s model code for cottage clusters. We applaud the addition of this housing type that can provide smaller, more affordable options for current and future Canby residents. We note that when larger floor area and heights for cottage clusters are allowed the resulting housing units may not be priced much lower than typical detached homes, so it is important to calibrate the size allowances carefully.

The actions in the Housing Production Strategy that will most effectively move the needle further on land efficiency are strategy A: upzoning, strategy G, reducing the minimum lot size for townhomes and H, increasing the heights for high density housing. We support the proposed

timing of these actions to occur within the first half of the 8-year Housing Production Strategy implementation timeline. We will be monitoring the final adopted Housing Production Strategy to ensure the timeline continues to be front-loaded for these actions. Including these actions to be adopted by 2028 allows for evaluation during the mid-point review and provides time for the city to change course if it has not been successful in adopting these actions.

Thank you for your diligent work and we look forward to working with you.

Please contact your regional representative, Kelly Reid, at (971) 345-1987 or kelly.reid@dlcd.oregon.gov if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Gordon W. Howard". The signature is written in a cursive style.

Gordon Howard
Community Services Division Manager
DLCD

Attachments:

- A. City of Canby Approved Sequential UGB Work Program

cc: Kevin Young, DLCD Urban Planner
Jena Hughes, DLCD Housing and Growth Management Analyst
Kelly Reid, DLCD Regional Representative



CITY COUNCIL Staff Report

Meeting Date: 11/6/2024

To: The Honorable Mayor Hodson & City Council
Thru: Eileen Stein, City Administrator
From: Jerry Nelzen, Public Works Director
Agenda Item: Consider Ordinance No. 1633: An Ordinance Authorizing the City Administrator to Extend a one (1) to two (2) year contract with MSNW Group LLC, in the amount of \$144,960.00 per year for custodial services for the City of Canby. (Second Reading)
Goal: N/A
Objective: N/A

Summary

Consider Ordinance No. 1633: An Ordinance Authorizing the City Administrator to extend the one (1) to two (2) year contract with MSNW Group LLC, in the amount of \$144,960.00 per year for custodial services for the City of Canby. The purpose of entering a two-year contract with MSNW Group LLC is to provide custodial services for the five City-owned and operated buildings. This service includes general cleaning, restroom maintenance, floor care, trash removal, surface sanitation, and specialized services such as upholstery cleaning, pressure washing and window cleaning.

Background

Currently, the custodial services contract ends December 31, 2024.

Discussion

The City Facilities Department advertised through an RFP (Request for Proposal) process. Two (2) proposals were received. City staff did a scoring process and chose the company best suited for custodial services for the city of Canby. The decision was made to select MSNW Group LLC.

Attachments

Ordinance No. 1633
MSNW Group LLC Custodial Contract

Fiscal Impact

Custodial Services went through the budget process and was approved by the City Council.

Options

Approve the contract for Custodial Services with MSNW Group LLC, or
Deny the contract with further instructions to staff.

Recommendation

It is recommended that the City Council approve the custodial contract with MSNW Group LLC as presented.

Proposed Motion

"I move to adopt Ordinance 1633, Authorizing the City Administrator to extend the one (1) to two (2) year contract with MSNW Group LLC, in the amount of \$144,960.00 per year for custodial services for the City of Canby ."

ORDINANCE NO. 1633

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO EXTEND A ONE (1) TO TWO (2) YEAR CONTRACT WITH MSNW GROUP LLC, IN THE AMOUNT OF \$144,960.00 PER YEAR FOR CUSTODIAL SERVICES FOR THE CITY OF CANBY.

WHEREAS, on August 16, 2023, the City of Canby published a formal request for proposals (RFP) for professional services to provide Custodial Services for City owned and operated buildings;

WHEREAS, MSNW Group LLC was selected in the aforementioned process as a qualifying Custodial Service;

WHEREAS, the City of Canby has budgeted for Custodial Services in the adopted 2024/25 budget in the amount of \$150,000; and

WHEREAS, the Canby City Council meeting and acting as the Contract Review Board for the City of Canby has reviewed the contract price of \$144,960.00 and the Staff Report and believes this to be in the best interest of the City to enter into a contract with MSNW Group LLC.

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

Section 1. The City Administrator is hereby authorized on behalf of the City to enter into an agreement with MSNW Group LLC in the amount of \$144,960.

Section 2. The effective date of this Ordinance shall be December 6, 2024.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, October 23rd, 2024 ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, November 6th, 2024 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 6th day of November, 2024, by the following vote:

YEAS _____

NAYS _____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder

Exhibit "A"



FACILITY SERVICES CONTRACT

This agreement is entered into this 28th day of September 2023, by and between City of Canby, hereinafter referred to as "Client", and MSNW Group, LLC. ("MSNW"), hereinafter referred to as "Contractor" (the "Contract").

WHEREAS:

- (a) Client owns a building or buildings defined in Exhibit A (the "Property"); and
- (b) Client wishes to retain from Contractor, and Contractor wishes to provide to Client, certain janitorial and/or maintenance services for the Property.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants set forth below, and for other good and valuable consideration, the sufficiency of which is acknowledged by Client and Contractor, the parties agree as follows.

1. The Contractor shall commence performance of this Contract on the 1st day of January 2024 and, unless this Contract is otherwise terminated pursuant to paragraph 8 below, shall continue such performance until the 31st day of December 2024 (the "Term"). Unless otherwise terminated pursuant to paragraph 8 below, this Contract shall automatically renew for an additional (1) one year. Should such an automatic renewal occur, however, Contractor will be entitled to increase the Service Charge (as defined below) for Facility Services (as defined below) performed by Contractor following expiration of the initial Term of the Contract.
2. During the Term of this Contract, the Contractor shall provide the janitorial services specified in Exhibit B hereto for the Property (the "Facility Services"). Client shall provide Contractor access to the Property as reasonably necessary to allow Contractor to perform the Facility Services and/or any Additional Services (as defined below) requested by Client.
3. Payment for the Facility Services in the amount specified in Exhibit B will be made to the Contractor by the Client no later than the first (1st) day of each month (the "Service Charge"). Any services provided to Client by Contractor not specified in Exhibit B (the "General Janitorial Specifications") will be charged to Client at the rates set forth for Additional Services in Exhibit C. Payment for Additional Services will be due within ten (10) days of provision thereof. Any amounts not paid pursuant to the terms and conditions of this Contract will accrue interest at the rate of eighteen percent (18%) per annum or one and one-half percent (1.5%) per month, until paid in full.
4. The Contractor shall be responsible for furnishing all cleaning products and equipment necessary for provision of the Janitorial Services. Any required inventory of paper and plastic products, and light bulbs shall be maintained by Contractor, and the cost of same shall be billed to Client on a monthly basis.
5. Client shall provide, free of charge, adequate, conveniently located storage space for the cleaning materials and equipment of the Contractor and shall be responsible to the Contractor for the security of such storage space.
6. Client agrees that during the term of this Agreement Client shall not directly or indirectly solicit or assist in the solicitation of any person to leave employment who is an employee of the Contractor.
7. Client and Contractor may at any time and from time to time alter or vary the terms and conditions of this Contract but, except as to any increase in the Service Charge and rates for Additional Services provided for in paragraph 1 and 12, no such change shall be binding on either party unless reduced to writing and signed by the party to be charged therewith.
8. This Contract may be terminated by either party for cause upon sixty (60) days' written notice. Should either party wish not to renew this Contract upon expiration of its Term, said party shall provide written notice to the other party at least thirty (30) days prior to the expiration of the Term hereof. In the event Client terminates this Contract without cause prior to the expiration of the Term, Client shall pay to the Contractor an early termination fee equal to twenty percent (20%) of the Service Charge defined in Exhibit B for each month that remains in the Term of the Contract.

Facility Services Contract


MSNW – Proprietary Information Please Do Not Copy or
Distribute Without Consent



9. Contractor shall in no way be responsible for any failure to perform the Facility Services due to the act or negligence of the Client or any employee or other representative of the Client or due to strikes, lockouts, fire, flood, adverse weather conditions, unavoidable casualties, or by any other cause of any kind whatsoever beyond the control of the Contractor.
10. It is acknowledged and agreed that the Contractor is not an employee of the Client and is acting as an independent contractor.
11. Both parties agree to defend, protect, indemnify, and hold harmless one another and their respective directors, officers, employees, agents, and representatives, against and from any liabilities, loss, claims, acts or suits, including costs and reasonable attorneys' fees, arising from activities related to or regarding the services identified herein, including but not limited to those services provided by the Contractor and the Client and any other contractors, employees and agents on the Property. However, neither party shall be obligated to indemnify or hold the other harmless against liability for damages caused by or resulting from the sole negligence of that party and each party shall only be liable to defend and indemnify the other to the extent of its own negligence.
12. Contractor may increase the Service Charge on an annual basis to address cost of living, minimum wage updates, and healthcare reform expenses. The increase notification will be provided in writing from the Contractor to the Client.
13. All notices required by this Contract shall be in writing and shall be hand delivered, sent via electronic mail with a delivered receipt, or sent via the U.S. Mail (return receipt requested) with postage prepaid. Notices to Client shall be addressed to: pfenningp@canbyoregon.gov; notices to Contractor shall be addressed to: MSNW, Attn: Contracts Administrator, 2257 Northgate Spur, Ferndale, WA 98248 or sent via electronic mail to: accounting@msnwgroupp.com. The foregoing addresses may be changed by either party by providing the other party written notice of a new address. All notices sent pursuant to this paragraph shall be deemed to have been received by the recipient on the date of hand delivery, the date the electronic mail with delivery receipt was delivered or the third (3rd) business day following the mailing thereof.
14. This Contract shall be construed and enforced in accordance with the laws of the State of Washington, and the venue of any disputes hereunder shall be Whatcom County, Washington.
15. In the event a dispute arises between the parties hereunder, the prevailing party of any such dispute shall be entitled to recover its reasonable attorneys' fees and costs.
16. This Contract embodies the entire agreement of the parties with regard to the matters herein and no other agreement shall be deemed to exist except as entered into in writing by the parties to this Contract. If any part of this Contract is held or rendered invalid or illegal, the remaining provisions of the Contract shall continue to apply.

 10-23-23

City of Canby Date
By: Eileen Stein, Interim City Administrator

 12/04/2023

MSNW Group, LLC Date
By: Terell Weg, President & CEO



Exhibit A SERVICE LOCATIONS

Library/Civic Center
220-222 NE 2nd Ave
Canby, OR 97013

Police Department
1175 NW 3rd Ave
Canby, OR 97013

Transit Office
195 S Hazel Dell Way
Canby, OR 97013

Transit Kitchen/Restroom
100 N Ivy
Canby, OR 97013

Water Treatment Center
1480 NE Territorial Rd
Canby, OR 97013

Public Works (& heated bay restroom)
1470 NE Territorial Rd
Canby, OR 97013



**Exhibit B
SERVICE CHARGE**

Service Location	Days per Week	Monthly Rate
Library/Civic Center	3	\$ 4,800.00
Police Department	3	\$ 4,455.00
Transit Office	2	\$ 460.00
Transit Kitchen/Restroom	2	\$ 420.00
Water Treatment Center	2	\$ 1,090.00
Public Works (& heated bay restroom)	2	\$ 855.00
Total Monthly Rate		\$12,080.00

GENERAL JANITORIAL SPECIFICATIONS

GENERAL OFFICES/ COMMON AREAS	2-3/WK	WKLY	MTHLY
Trash containers - Empty and replace liners as needed. Spot Clean as needed. (Liners to be furnished by Client)	X		
Recycling - Handle recycling per client's instructions.	X		
Carpets - Vacuum high traffic patterns.	X		
Hard floors - Dust mop or vacuum.	X		
Hard floors - Spot mop to remove spills and stains.	X		
Dusting - Thoroughly dust horizontal surfaces including office equipment, files, windowsills, chairs, and tables.	X		
Dusting - Picture frames to height of six (6) feet.	X		
Dusting - Cleared desktops.	X		
Glass partitions - Spot clean to remove fingerprints/smudges.	X		
Water Fountains - Clean with a disinfectant solution, then polish.	X		
Entrance Doors - Clean/disinfect inside and out to remove fingerprints.	X		
Carpets - Thoroughly vacuum.		X	
Hard floors - Thoroughly damp mop with neutral cleaner.		X	
Disinfecting - Telephones, light switches, and door frames.		X	
Dusting - Baseboards and low vents.		X	
High Dusting - Ceiling vents and ledges to a height of twelve (12) feet.			X



RESTROOMS	2-3/WK	WKLY	MTHLY
Stocking - Towels, tissue, seat covers, and hand soap. (To be furnished by Client)	X		
Empty Sanitary napkin receptacles and wipe with disinfectant.	X		
Trash containers - Empty containers and replace liners.	X		
Mirrors - Clean and polish.	X		
Disinfect - Dispensers, doorknobs, push plates.	X		
Toilets and urinals - Clean and disinfect inside and out.	X		
Toilet seats - Clean and disinfect on both sides.	X		
Sinks - Clean with a non-abrasive cleaner and disinfectant.	X		
Bright Work - Clean and polish.	X		
Partition walls - Spot clean with a detergent disinfectant solution.	X		
Partition tops - Dust.	X		
Walls - Spot clean to remove soap splashes, fingerprints/smudges.	X		
Hard floors - Sweep then mop with disinfectant.	X		
Dusting - Ceiling vents and ledges that can be reached from the floor.		X	
Floor drains - Add water and enzymes.			X

BREAKROOMS / COFFEE STATIONS	2-3/WK	WKLY	MTHLY
Trash containers - Empty containers and wipe before relining.	X		
Wipe wall behind garbage can.	X		
Recycling - Handle recycling per client's instructions.	X		
Stocking - Towels and hand soap. (To be furnished by Client)	X		
Sinks - wash with non-abrasive cleaner and disinfect.	X		
Bright Work - Clean and polish.	X		
Microwave - Clean inside and out, making sure to disinfect all touch surfaces.	X		
Refrigerator - Clean and disinfect front and handles.	X		
Countertops and cabinets - Clean and disinfect exposed surfaces and	X		
Tables and chairs - Clean and disinfect exposed surfaces.	X		
Hard floors - Sweep and damp mop with neutral cleaner.	X		
Countertops - Pull items out, clean, and disinfect behind easily movable		X	
Wall surfaces around light switches - spot clean		X	

ELEVATORS / STAIRWELLS	2-3/WK	WKLY	MTHLY
Elevator - Vacuum or damp mop floors.	X		
Elevator - Wipe clean and polish doors and walls.	X		
Elevator - Vacuum door tracks.	X		
Stairwells - Steps and landings - spot sweep or vacuum.	X		
Stairwells - Clean and disinfect handrails.	X		
Stairwells - Dust ledges.		X	



ANNUAL SERVICES

Carpet Cleaning Services

- Library/Civic Center
- Police Department
- Transit Office
- Public Works

Upholstery Cleaning Services

- Library/Civic Center (all public furniture)

Interior/Exterior Window Cleaning Services

- Library/Civic Center
- Police Department
- Waste Water Treatment Center (Main Bldg. only)



Exhibit C ADDITIONAL SERVICES

Janitorial Services	\$60 per hour
Construction Cleanup Services	\$85 per hour
HAZMAT Cleanup Services	\$95 per hour
Window Cleaning Services	\$75 per hour
Floor Strip and Wax - \$0.46 per square foot	\$250 minimum
Carpet Care Services - \$0.18 per square foot	\$250 minimum
Tile Maintenance \$1.60 per sq. foot	\$250 minimum
General Maintenance/Construction Services	\$85 per hour
Lighting Repair/Electrical Services by Licensed Electrician	priced per bid
HVAC Maintenance (scheduled filter replacements, oil & belt checks, etc.)	priced per bid
HVAC Repair (troubleshooting & repair services)	priced per bid
Major Plumbing Repair by Licensed Journeyman Plumber	priced per bid
Water Damage/Water Remediation Services	\$95 per hour
Water Damage/Water Extraction with truck mount unit	\$95 per hour
Landscaping Maintenance Services	\$85 per hour
Landscaping Installation/Project Services	\$85 per hour
Irrigation Installation and Repair Services	\$95 per hour
Pressure Washing with water reclamation	\$95 per hour
Snow Removal Services – pricing available by request	

Prices are subject to change at Contractor's discretion. Any Additional Services will be billed at a 2-hour minimum. Any emergency call-out (including after hours and holidays) will be billed at 1 ½ time's general hourly rate plus a \$75 emergency call out fee. Regular business hours are Monday through Friday, 8:00 am until 5:00 pm. Holidays Observed: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day

PERSONAL SERVICES AGREEMENT

THIS AGREEMENT is between the CITY OF CANBY (City) and MSNW GROUP, LLC (Contractor). The effective date of this Agreement is January 1, 2024 (“Effective Date”).

- A. City requires services which Contractor is capable of providing, under terms and conditions hereinafter described.
- B. Contractor is able and prepared to provide such services as City requires, under those terms and conditions set forth.

The Parties Agree a Follows:

- 1. Scope of Services. Contractor’s services under this Agreement are set forth in Exhibit “A”, attached hereto and incorporated by reference. Terms and conditions in this Agreement will take precedence over any conflicting term or condition in an exhibit to this Agreement, including Exhibit A.
- 2. Contractor Identification. Contractor shall furnish to City its employer identification number as designated by the Internal Revenue Service, or Contractor’s Social Security Number, as City deems applicable. **Contractor understands it is required to obtain a City of Canby Business License for conducting business in the City. Contractor agrees to obtain a Canby Business License prior to commencing work under this contract.**
- 3. Compensation:
 - A. City agrees to pay Contractor according to the proposed rate schedule submitted with the Contractor’s proposal. See Exhibit “A” attached hereto. Contractor agrees that \$144,960.00 is the not to exceed price of this contract, without prior written approval from the City.
 - B. City agrees to pay Contractor within 30 days after receipt of Contractor’s itemized statement reporting completed work. Amounts disputed by the City may be withheld pending settlement.
 - C. City certifies that sufficient funds are available and authorized for expenditure to finance costs of the Agreement.
- 4. Contractor is Independent Contractor.
 - A. Contractor’s services shall be provided under the general supervision of the City Administrator. Contractor shall be an independent contractor for all purposes and shall be entitled to no compensation other than the compensation provided for under Paragraph #3 of this Agreement.
 - B. Contractor certifies that it is either a carrier-insured employer or a self-

insured employer as provided in Chapter 656 of the Oregon Revised Statutes.

- C. Contractor hereby represents that no employee of the City, or any partnership or corporation in which a City Employee has an interest, will or has received any remuneration of any description from Contractor, either directly or indirectly, in connection with the letting or performance of this contract, except as specifically declared in writing.
- D. Contractor expressly acknowledges that as an independent contractor, Contractor is not entitled to indemnification by City or the provision of a defense by City under the terms of ORS 30.285.

5. **Subcontractors and Assignment. Contractor shall neither subcontract any of the work, nor assign any rights acquired hereunder, without obtaining prior written approval from City. City, by this Agreement, incurs no liability to third persons for payment of any compensation provided herein to Contractor. Any subcontract between Contractor and subcontractor shall require the subcontractor to comply with all terms and conditions of this agreement as well as applicable OSHA regulations and requirements.**

6. Work is Property of City. All work performed by Contractor under this Agreement shall be the property of the City. City agrees that the Contractor may use its work in other assignments if all City of Canby data and references are removed.

7. Term.

- A. This Agreement will run from the Effective Date until December 31, 2024. If the term ends on a specific date, the Agreement will terminate at 5pm on that date.
- B. This Agreement may be terminated by:
 - 1. Mutual written consent of the parties.
 - 2. Either party, upon thirty (30) days written notice to the other, delivered by certified mail or in person.
 - 3. City, effective upon deliver of written notice to Contractor by certified mail, or in person, under any of the following:
 - a. If Contractor fails to provide services called for by this Agreement within the time specified or any extension thereof.
 - b. If Contractor fails to abide by the terms of this Agreement.
 - c. If services are no longer required.

8. Professional Standards and Compliance with Laws. Contractor shall be responsible to the level of competency presently maintained by others practicing the same type of work in City's community, for the professional and technical soundness, accuracy and adequacy of all work and materials furnished under this authorization.

By entering into this agreement, the Contractor represents and warranties that they have complied with the tax laws of the State of Oregon and the City of Canby. Further, for the duration of this contract, Contractor promises to continue to comply with said State and local tax laws. Any failure to comply with tax laws will be considered a default of this contract and could result in the immediate termination of this agreement and/or other sought damages or other such relief under applicable law.

Without limiting its obligation to comply with all applicable laws, Contractor will comply with the following laws, which the State of Oregon requires to be expressly incorporated into this Agreement: ORS 279B.220; ORS 279B.230; and ORS 279B.235.

9. Insurance. Insurance shall be maintained by the Contractor with the following limits:

A. For Comprehensive General Liability Insurance, Contractor shall provide a Certificate of Insurance naming the City of Canby as an additional named insured showing policy limits of not less than \$2,000,000 Combined Single Limit for Bodily Injury/Property Damage on an occurrence basis.

B. For Automobile Insurance, Contractor shall provide a Certificate of Insurance naming the City of Canby as an additional named insured showing policy limits of not less than \$2,000,000 Combined Single Limit for Bodily Injury/Property Damage on an occurrence basis for any vehicle used for City business or use otherwise related to this contract.

C. ~~For Professional Liability—errors and omissions—a \$2,000,000 Combined Single Limit for Bodily Injury/Property Damage limit. (Required for Architects, Appraisers, Attorneys, Consultants, Engineers, Planners, Programmers, etc.).~~ For purposes of professional liability, Contractor shall provide proof of a Certificate of Insurance naming the City of Canby as a Certificate Holder. Professional liability not required as a part of this agreement.

D. For Worker's Compensation, Contractor shall provide a Certificate of Insurance naming the City of Canby as a Certificate Holder showing Worker's Compensation Insurance with statutory limits of coverage. Procuring of such required insurance at the above-stated levels shall not be

construed to limit the Contractor's liability hereunder. The coverage provided by insurance required under this Agreement shall be primary, and any other insurance carried by City shall be excess. Notwithstanding said insurance, Contractor shall be obligated for the total amount of any damage, injury, loss, expense or related costs caused by or related to Contractor's negligence or neglect connected with this Agreement, and Contractor shall indemnify, defend and hold the City of Canby harmless from and against such damages, injuries, losses, expenses or costs.

10. Legal Expense. In the event legal action is brought by City or Contractor against the other to enforce any of the obligations hereunder or arising out of any dispute concerning the terms and conditions hereby created, the losing party shall pay the prevailing party such reasonable amounts for attorneys' fees, costs, and expenses as may be set by the court both at trial and all appeals there from.
11. Modifications. Any modification of the provisions of this Agreement shall be in writing and signed by the parties.
12. Notices. Any notice, bills, invoices, reports, or other documents required by this Agreement shall be sent by the parties by United States mail, postage paid, electronically, faxed, or personally delivered to the address below. All notices shall be in writing and shall be effective when delivered. If mailed, notices shall be deemed effective forty-eight (48) hours after mailing unless sooner received.
13. Applicable Law and Venue. The laws of the State of Oregon govern this Agreement, without regard to conflict of laws principles. Any dispute arising out of or related to this Agreement between the parties will be resolved in the Circuit Court of the State of Oregon, Clackamas County. The parties agree to the personal jurisdiction of Clackamas County Circuit Court.
14. Entire Agreement. This Agreement contains the entire understanding of the parties regarding the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement.
15. Savings Clause. Should any provision of this Agreement be found to be in conflict with any federal or Oregon state law, or final controlling decision of any Court of competent jurisdiction, or ruling or decision of any controlling administrative agency, all other provisions of this Agreement shall remain in full force and effect.
16. Records. Contractor shall retain all books, documents, papers, and records that are directly pertinent to this Agreement for at least three (3) years after City makes final payment on this Agreement and all other pending matters are closed. In addition, Contractor shall allow City (or any of its authorized representatives) to audit, examine, copy, take excerpts from or transcribe any books, documents, papers, or records that are subject to the foregoing

retention requirement.

- 17. Third-Party Beneficiaries. The only parties to this Agreement are the City of Canby and the Contractor. No third-parties are intended to benefit from this Agreement, by implication or otherwise.
- 18. No Waiver. A waiver of any provision of this Agreement will only be effective if it is made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

CITY: Eileen Stein, Interim City Administrator
 City of Canby
 PO Box 930
 Canby, OR 97013

CONTRACTOR: Terell Weg, President & CEO
 MSNW Group, LLC
 2257 Northgate Spur
 Ferndale, WA 98248

**Please submit invoices to: Attn: Accounts Payable
 City of Canby
 PO Box 930
 Canby, OR 97013
 ap@canbyoregon.gov**

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly appointed officers.

CONTRACTOR: **CITY OF CANBY**

By: 

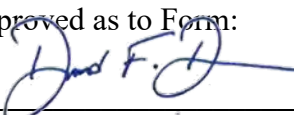
By:

Date: 12/04/2023

Date:

Subcontractors will be used Yes No (If Yes, please complete List of Subcontractors attached to this Agreement)

Approved as to Form:



 David Doughman, Interim City Attorney

8/4/23

SIGNATURE CERTIFICATE



REFERENCE NUMBER

5E3F8C3A-D9DF-4E99-AABB-090BB1B80712

TRANSACTION DETAILS

Reference Number
5E3F8C3A-D9DF-4E99-AABB-090BB1B80712

Transaction Type
Packager

Sent At
12/04/2023 17:03 EST

Executed At
12/04/2023 17:39 EST

Identity Method
email

Distribution Method
email

Signed Checksum
e3a730056f4acba099e1f99abf0ea1469b6fe53a28a8eb337413db47906aeeaf

Signer Sequencing
Disabled

Document Passcode
Disabled

DOCUMENT DETAILS

Document Name
Beth Pons

Filename
Exhibit_A_-_MSNW_Group_COC_FacilityServicesContract-citysigned.pdf


Pages
14 pages

Content Type
application/pdf

File Size
2.55 MB

Original Checksum
bf1ec899edb4149ddebd69c30fff3e504be7e6af7e18f0e823f3ce274df71b72

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
<p>Name Terell Weg</p> <p>Email t.weg@msnwgroupe.com</p> <p>Components 4</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum d43b9394e22d741214d1ce4d119a0bdf98e5bde3b3e58babc833334cce32db05</p> <p>IP Address 74.220.255.142</p> <p>Device Microsoft Edge via Windows</p> <p>Drawn Signature </p> <p>Signature Reference ID 612E59A5</p> <p>Signature Biometric Count 2</p>	<p>Viewed At 12/04/2023 17:38 EST</p> <p>Identity Authenticated At 12/04/2023 17:39 EST</p> <p>Signed At 12/04/2023 17:39 EST</p>

AUDITS

TIMESTAMP	AUDIT
12/04/2023 17:03 EST	Megan Pen (m.pen@msnw.org) created document 'Beth_Pons.pdf' on Chrome via Windows from 68.117.121.171.
12/04/2023 17:03 EST	Terell Weg (t.weg@msnwgroupe.com) was emailed a link to sign.
12/04/2023 17:38 EST	Terell Weg (t.weg@msnwgroupe.com) viewed the document on Microsoft Edge via Windows from 74.220.255.142.
12/04/2023 17:39 EST	Terell Weg (t.weg@msnwgroupe.com) authenticated via email on Microsoft Edge via Windows from 74.220.255.142.
12/04/2023 17:39 EST	Terell Weg (t.weg@msnwgroupe.com) signed the document on Microsoft Edge via Windows from 74.220.255.142.



CITY COUNCIL Staff Report

Meeting Date: 11/6/2024

To: The Honorable Mayor Hodson & City Council
Thru: Eileen Stein, City Administrator
From: Eileen Stein, City Administrator
Agenda Item: Consider Ordinance 1635: An Ordinance Authorizing the City Administrator to enter into a Contract between the City of Canby and Beery, Elsner and Hammond, LLP for City Attorney Services. (*First Reading*)
Goal: Promote Financial Stability/Align Resources to Address Future Community Growth

Summary

Consider Ordinance 1635: An Ordinance Authorizing the City Administrator to enter into a Contract between the City of Canby and Beery, Elsner and Hammond, LLP (BEH) for City Attorney services.

Background

The City of Canby contracted with BEH for interim City Attorney services in the recent past. The City Council assessed the City's cost of legal services and decided it wanted to contract out for this service on a permanent basis. Upon this decision, the City of Canby undertook a process to secure competitive proposals from legal firms. The City received four proposals, however the City Council decided to interview BEH as a first round interview process.

The interview occurred on October 9, 2024, and on October 23, 2024, the Council voted to appoint BEH as the permanent City Attorney. The Council then directed the City Administrator to develop a contract for Council consideration. A Personal Services Agreement (PSA) is attached as Exhibit A. It is envisioned to roll over from year to year, but also provides that the Council can terminate the agreement for any reason at any point consistent with the expectations in a professional relationship.

In accordance with our Canby City Charter, any expenditure over \$50,000 must be authorized by ordinance. This PSA is expected to exceed \$50,000 over the life of the professional relationship between the City and BEH.

Attachments

1. Ordinance No. 1635
2. Exhibit A - Personal Services Agreement

Fiscal Impact

This ordinance will allow for expenditure beyond \$50,000, but the City will be billed monthly for time served on the City's legal issues. Staff will continue to track BEH's monthly costs and report these to the City Council on a monthly basis.

Options

1. Authorize Ordinance 1635 and PSA with Beery, Elsner and Hammond, LLP.
2. Reject Ordinance 1635 and PSA with Beery, Elsner and Hammond, LLP.

Proposed Motion

“I move to approve Ordinance 1635, An Ordinance Authorizing the City Administrator to enter into a Contract between the City of Canby and Beery, Elsner and Hammond, LLP for City Attorney Services to a second reading on November 20, 2024.”

ORDINANCE NO. 1635

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A CONTRACT BETWEEN THE CITY OF CANBY AND BEERY, ELSNER AND HAMMOND, LLP FOR CITY ATTORNEY SERVICES.

WHEREAS, the City of Canby has contracted with Beery, Elsner and Hammond for interim City Attorney services in the recent past;

WHEREAS, the City Council subsequently decided to contract out its legal services on a permanent basis;

WHEREAS, the City of Canby undertook a process to secure competitive proposals from legal firms for city attorney services;

WHEREAS, the City of Canby chose Beery, Elsner and Hammond to serve in the role of permanent city attorney and directed the City Administrator to develop a contract for Council consideration; and

WHEREAS, this contract is expected to exceed \$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 is hereby authorized on behalf of the City to enter into a Personal Services Agreement with Beery, Elsner and Hammond to serve as City Attorney for the City of Canby. A copy of the Agreement is attached hereto as Exhibit "A."

Section 2. The effective date of this Ordinance shall be December 20, 2024.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, November 6, 2024, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, November 20, 2024, 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 20th day of November 2024, by the following vote:

YEAS _____

NAYS _____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder

PERSONAL SERVICES AGREEMENT

**CITY OF CANBY
and
BEERY, ELSNER & HAMMOND, LLP**

THIS PERSONAL SERVICES AGREEMENT (“Agreement”) is made and entered into as of the last date of signature below, by and between the City of Canby, an Oregon municipal corporation (“CITY”), and Beery, Elsner & Hammond, LLP, an Oregon limited liability partnership (“ATTORNEY”).

WHEREAS, CITY has need for legal services with the particular training, ability, knowledge and experience possessed by ATTORNEY; and

WHEREAS, CITY has determined that ATTORNEY is qualified and capable of performing the professional services as CITY does hereinafter requires, under these terms and conditions set forth below.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. LEGAL SERVICES

ATTORNEY will provide legal advice upon request of the City Manager, City Council, Mayor or other consultants representing CITY. Additional terms of engagement are provided in Exhibit A, which is incorporated into this Agreement.

2. ATTORNEY IDENTIFICATION

ATTORNEY shall furnish CITY with its employer identification number, as designated by the Internal Revenue Service.

3. COMPENSATION

A. Payment will be made to the ATTORNEY for the services identified based upon a detailed monthly billing showing work performed. Payment will be made within 30 days of CITY’S receipt of the detailed monthly billing from ATTORNEY.

B. Hourly rates:

Partners and Of Counsel	\$305.00
Senior Associates	\$285.00
Associates	\$265.00
Paralegals	\$185.00

Legal Assistants	\$160.00
Law Clerk	\$100.00

It is understood that the above rates may be adjusted or changed by ATTORNEY on not more than a yearly basis with not less than 60 days written notice to CITY.

- C. CITY shall reimburse ATTORNEY for out-of-pocket expenses at ATTORNEY’S direct cost without additional markup.

4. INDEPENDENT CONTRACTOR

ATTORNEY shall be an independent contractor for all purposes and shall be entitled to no compensation other than the compensation provided for under paragraph 3 of this Agreement.

5. TERM AND TERMINATION

At any time with or without cause, CITY or ATTORNEY shall have the right to terminate this Agreement. If CITY terminates the Agreement, it shall deliver full payment to ATTORNEY for services rendered to the date of termination.

6. INDEMNITY AND INSURANCE

A. Indemnity: ATTORNEY shall defend, indemnify, and hold the CITY, its officers, and employees harmless from any third-party claims that result in liability, loss, or expenses to the CITY, provided that such duty is limited to the proportional extent that the liability, loss or expense results from the negligence or willful misconduct of ATTORNEY in the performance of its services under this agreement. Notwithstanding the foregoing, CITY acknowledges that ATTORNEY while performing legal services is acting in its capacity as City Attorney as an Officer and an Agent of the City, and therefore CITY agrees to be responsible under the terms of the Oregon Tort Claims Act (ORS 30.260 to 30.300) for defending, saving harmless and indemnifying ATTORNEY while it is acting within the professional scope of its engagement for the performance of legal services as City Attorney.

B. Liability Insurance: ATTORNEY shall maintain professional liability insurance insuring ATTORNEY against errors or omissions in the amount and on the conditions required by the Professional Liability Fund of the Oregon State Bar. ATTORNEY shall also maintain commercial general liability insurance covering Bodily Injury, Property Damage, and Personal Injury for at least \$1,000,000 per occurrence and at least \$2,000,000 in the aggregate per project.

C. Workers Compensation Coverage: ATTORNEY hereby certifies that ATTORNEY has qualified for State of Oregon Worker’s Compensation coverage either as a carrier-insured employer or as a self-insured employer.

7. NOTICES

All notices shall be made in writing and may be given by email or by mail, addressed as follows:

CITY: Eileen Stein, City Administrator
City of Canby
222 NE 2nd Ave.
Canby, OR 97013-3709
Email: steine@canbyoregon.gov

ATTORNEY: Ashley Driscoll, Partner
Beery, Elsner & Hammond, LLP
1804 NE 45th Ave.
Portland, OR 97213-1416
Email: ashley.driscoll@behlaw.com

8. BAR MEMBERSHIP:

ATTORNEY is responsible for maintaining professional standing, as members of the Oregon State Bar Association, of all its attorneys providing services pursuant to this contract.

9. WORK IS CITY PROPERTY

All work, including, but not limited to documents, drawings, papers, electronic media, and photographs, performed or produced by ATTORNEY under this Agreement, shall be the property of CITY.

10. SUCCESSORS AND ASSIGNMENTS

A. ATTORNEY shall not assign any of its obligations hereunder without the prior consent of CITY.

B. ATTORNEY may, with CITY'S consent, subcontract services provided under this agreement when a specialized need for legal services arises.

11. MODIFICATION

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

12. 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.

13. COMPLIANCE WITH LAWS

ATTORNEY shall comply with all applicable Federal, State and local laws, codes, ordinances and regulations applicable to the work in this contract. All provisions of ORS 279B.220 through ORS 279B.235 and ORS 279C.500 through ORS 279C.870 are incorporated herein to the extent applicable to services contracts. Unless otherwise specified, ATTORNEY shall obtain all permits necessary to perform the work.

14. FORCE MAJEURE

Neither ATTORNEY nor CITY shall be held responsible for delay or default caused by an act beyond their reasonable control including but not limited to fire, riot, acts of God, war or pandemic. The party whose performance is delayed or is in default shall make all reasonable efforts to remove or eliminate the cause of the delay or default, and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this contract.

15. INTEGRATION

This Agreement contains the entire agreement between the parties and supersedes all prior written or oral discussions or agreements regarding the same subject. If any provision of this contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

IN WITNESS WHEREOF, CITY has caused this Agreement to be executed by its duly authorized undersigned agents and ATTORNEY has executed this Agreement effective as of the date last signed below.

CITY OF CANBY

BEERY, ELSNER & HAMMOND, LLP

By: _____
Title: Eileen Stein, City Administrator

By: 
Title: Ashley Driscoll, Partner

Date: _____

Date: 10/29/24

EXHIBIT A

TERMS OF ENGAGEMENT

Thank you for selecting our firm to represent your organization. We are pleased to serve you and look forward to a successful professional relationship.

We explain our client service practices and billing procedures below. These practices and procedures will apply to your account unless you have reached a different written understanding with us. We encourage you to discuss them with our attorneys at the start of an engagement and whenever you have any questions during that engagement.

GENERAL PHILOSOPHY AND CONCEPT OF REPRESENTATION

The firm operates as a team. While the firm assigns an attorney to serve as the primary contact for each client, we share work and will involve whichever lawyers and personnel as circumstances warrant are best suited to serve your legal needs. While we can never guarantee a particular outcome, our goal is to see that your legal needs are met in the most cost-effective and efficient manner possible, and this team approach permits us to achieve that goal. Please do not hesitate to reach out to your primary contact or a partner at the firm with any concerns about a lawyer or firm personnel working on a matter for you.

COMMUNICATION PRACTICES

Our firm will communicate with authorized representatives of your entity regarding the work we are asked to perform on your behalf. We typically use standard means of professional communication, including telephone discussions, videoconferencing and e-mail communications, although there are times we may use less standard forms of communications such as text messaging. In today's world of technology of viruses and hacking, there is some risk that third parties may intercept or otherwise gain access to confidential communications between our firm and your authorized representatives. We believe the benefits of using these forms of communication outweigh the risk of accidental or malicious disclosure. But we will use whatever means of communication that you prefer if you inform us of your preferences. Nonetheless, we recommend that your authorized representatives avoid using computers or other communication tools that are owned, controlled, or accessible by others, such as public Wi-Fi networks or shared public computers when communicating with our office. Use of any computer, device, or account that is accessible by others increases the risk of disclosure of confidential information. Any devices used to communicate with our firm should be password protected.

BILLING PRACTICES

We bill monthly throughout the engagement for a particular matter, and our periodic bills are due when rendered. Our bills contain a concise summary of each matter for which legal services are rendered and a fee is charged. We bill in one-tenth hourly (six-minute) increments. Payment is due within 30 days of mailing, and the firm retains the right to charge interest on overdue bills at an annual rate of 9%. Please review your bills upon receipt. If you do not object to a bill within

30 days, the bill is deemed final. Please do not hesitate to contact us if you have a concern about a fee or billing issue.

COSTS AND EXPENSES

We strive to serve you through the most cost-effective and efficient support systems available. Our internal charges typically include such items as courier services, certain charges for legal research, engagement of outside contractors and charges for photocopying materials. We may request an advance cost deposit when we expect that we will be required to incur substantial advanced costs on your behalf. We pass along out-of-pocket expenses at cost. Travel time is billed at our hourly rates and mileage is billed at current IRS rates.

RATE CHANGES

We adjust our standard rates and chargeable costs from time to time but not more than yearly. Such adjusted rates will be charged for time spent only after the effective date of the adjustment. We will provide you with at least 60 days' notice of any rate change. If you have any questions or concerns regarding billing matters or our rates, please contact us.

CONFLICTS OF INTEREST

We have checked a list of our other clients to see whether representing you would create a conflict of interest. We are not aware of any such conflicts. Please inform us immediately if you become aware of any actual or potential conflict of interest that may arise.

PRIVACY/CONFIDENTIALITY POLICY

Attorneys have been and continue to be bound by professional standards of confidentiality that are even more stringent than other privacy laws. We have always protected each client's right to privacy and will continue to do so. We want you to know that all information that we receive from a client is held in confidence, and is not released to people outside the firm, except as agreed by the client, or as required under applicable law. To accomplish this, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

TERMINATION OF SERVICES

We retain the right to stop performing legal services and to terminate our legal representation for any reason consistent with the applicable ethical rules, including unanticipated conflicts of interest or unpaid legal fees and expenses. You retain the right to discharge the firm for any reason at any time. You agree that if you discharge the firm or we terminate our legal representation as provided above, you remain liable for all fees, costs, and expenses actually incurred under this contract, which may include work we are required to perform on your behalf after you transition to another attorney, and that you will make payment in full.

CHOICE OF LAW/VENUE

This agreement shall be considered to have been negotiated, signed, and delivered, and to be wholly performed, in the state of Oregon in the United States, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with, and governed by, the laws of the state of Oregon without giving effect to that state's or any other state's or country's choice-of-law principles. You further agree that any claim or dispute you may have against the firm will be resolved by a state or federal court located in Multnomah County, Oregon. You agree to submit to the personal jurisdiction of the courts located within Multnomah County, Oregon, for the purpose of litigating any and all such claims or disputes. Each party shall be responsible for its own costs and attorney fees for any claim, action, suit or proceeding, including any appeal.

FILE RETENTION

We securely store our electronic files either on a local server, a remote backup server or using a cloud service. Physical files, of which there are not many, are stored securely at the firm's offices or an offsite storage facility. Email communications are stored in the cloud unless and until they are downloaded to a local server. We believe your files and information are secure using these methods, however, if you have any concerns about the security of your files, please let us know and we will take reasonable and appropriate steps to alleviate your concerns. Upon termination, we will return any requested files to you. Unless otherwise required by law to be kept for a longer period of time, electronic and physical files will be destroyed after 10 years. Collection and returning of files is charged at our then in-place billable rates.

MARKETING

Our firm will, on occasion, publicize the clients with which we work. For example, we generally list the names of clients on our website or refer to them in proposals for new clients. Any information we share about clients includes only that which is publicly available. We will assume that by engaging the services of our firm, you consent to our firm using your entity's name and any publicly available information in such marketing. You may withdraw this consent at any time by providing written notice to our office manager.

QUESTIONS

We take pride in delivering legal services effectively and efficiently and in providing accurate and understandable billings. Please direct any questions about our services or billing practices to the lawyer responsible for your account. Any questions regarding the billing or payment status of your account should be promptly directed to the primary attorney on your matter or to Yen Huynh at (503) 226-7191.