



**AGENDA
CANBY CITY COUNCIL
WORK SESSION – 6:00 PM
REGULAR MEETING – 7:00 PM**

November 2, 2022

**Hybrid/Virtual Meeting/Council Chambers
Council Chambers - 222 NE 2nd Avenue, 1st Floor**

Register here to attend the meetings virtually:
https://us06web.zoom.us/webinar/register/WN_Yn46abKvTH2Vim4k2V9J0Q

The meetings can be viewed on YouTube:
<https://www.youtube.com/channel/UCn8dRr3QzZYXoPUEF4OTP-A>

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

Mayor Brian Hodson

Councilor Christopher Bangs
Council President Traci Hensley
Councilor Art Marine

Councilor Greg Parker
Councilor Sarah Spoon
Councilor Shawn Varwig

WORK SESSION – 6:00 PM

- 1. CALL TO ORDER**
- 2. DISCUSS HOUSING NEED AND ECONOMIC OPPORTUNITY ASSESSMENT**
- 3. ADJOURN**

Pg. 1

REGULAR MEETING – 7:00 PM

- 1. CALL TO ORDER**
 - a. Invocation
 - b. Pledge of Allegiance
- 2. PROCLAMATION – SMALL BUSINESS SATURDAY**
- 3. NEW STAFF INTRODUCTIONS**
- 4. Update on Clackamas 800 Radio Group (C800) – Canby Police Chief Jorge Tro.**

Pg. 110

Pg. 111

5. Presentation of Accreditation Award to the Canby Police Department from Scott Hayes, Executive Director of the Oregon Accreditation Alliance.

6. 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. Each person will be given 3 minutes to speak. Staff and the City Council will make every effort to respond to questions raised during citizens input before the meeting ends or as quickly as possible thereafter. *****If you would like to speak virtually please email or call the Deputy City Recorder by 4:30 pm on November 2, 2022 with your name, the topic you'd like to speak on and contact information: benhamm@canbyoregon.gov or call 503-266-0720. Once your information is received, you will be sent instructions to speak.**

7. CONSENT AGENDA: This section allows the City Council to consider routine items that require no discussion and can be approved in one comprehensive motion. An item may be discussed if it is pulled from the consent agenda to New Business.

a. Approval of the August 31, 2022 Special Called City Council Minutes. Pg. 113

b. Appointment of Cara Hawkins to the Parks and Recreation Advisory Board for a term expiring June 30, 2024. Pg. 115

8. ORDINANCES

a. Consider **Ordinance No. 1586**: An Ordinance authorizing the City Administrator to enter into an Employment Contract between the City of Canby and Dave Conner. (*Second Reading*) Pg. 122

b. Consider **Ordinance No. 1587**: An Ordinance authorizing the City Administrator to approve an annual agreement with Microsoft and one-time migration project with ConvergeOne, Inc. for Microsoft Office 360 software. (*First Reading*) Pg. 130

c. Consider **Ordinance No. 1588**: An Ordinance authorizing the City Administrator to enter an agreement with Axon Enterprises in the amount of \$185,714.70 for the purchase of body worn cameras. (*First Reading*) Pg. 158

9. OLD BUSINESS

a. Dog Park Update

10. MAYOR'S BUSINESS

a. Request for Support from Oregon Mayor's Association for Partnership Needed to Solve Statewide Homelessness Emergency. Pg. 169

11. COUNCILOR COMMENTS & LIAISON REPORTS

12. CITY ADMINISTRATOR'S BUSINESS & STAFF REPORTS

13. CITIZEN INPUT

14. ACTION REVIEW

15. ADJOURN

*The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Maya Benham at 503-266-0720. A copy of this Agenda can be found on the City's web page at www.canbyoregon.gov.



CITY COUNCIL STAFF REPORT

Meeting Date: 11/2/2022

To: The Honorable Mayor Hodson & City Council

Thru: Scott Archer, City Administrator

From: Don Hardy, Planning Director & Jamie Stickel, Economic Development Director

Agenda Item: Housing and Economic Opportunity Assessment Work Session

Goal: Align resources to address future community growth

Objective: Complete the City's Housing Needs Analysis & Complete the City's Economic Needs Analysis

Summary

The City of Canby is completing a Housing Needs Analysis and Economic Opportunity Analysis as part of its long-range planning efforts. The City's consultants, 3J Consulting and FCS Group, presented their draft findings on October 19, 2022 at a joint Planning Commission/City Council work session. The Housing and Economic Opportunity Assessment will directly integrate into the planned Comprehensive Plan and Transportation System Plan updates, set to begin in early 2023, as well as the anticipated urban growth boundary expansion. The City Council requested to continue the discussions and review with staff at another work session that has been scheduled for November 2.

Background

Canby received three grants totaling \$150,000 from the State Department of Land Conservation and Development to complete Housing Needs Analysis, Housing Production Strategy, and Economic Opportunity Assessment. This work is nearly 70% complete. Input from the City Council regarding housing strategy recommendations, employment growth scenario preferences (Low, Medium, and High), Canby's vision statement, and economic opportunity objectives are needed. The Economic Opportunity Assessment advisory committee provided recommendations to staff which were discussed during the October 19, 2022 work session and staff will review these again during the work session.

Discussion

City Council had several questions during the October 19, 2022 joint work session. The November 2, 2022 council work session will provide for a question and answer session as well as discussion on council direction noted in the background section above.

Attachments

- FCS Group May 10, 2022 Canby Housing Needs Forecast
- FCS Group May 11, 2022 Canby Draft Housing Land Needs Reconciliation
- October 19, 2022 Power Point--Housing Needs Analysis and Economic Opportunity Analysis Draft Findings
- FCS Group October 20, 2022 Revised Draft Canby Housing Needs and Production Strategy Considerations
- FCS Group October 21, 2022 Canby Economic Opportunities Analysis (EOA): Economic Trends and Land Needs

- FCS Group October 21, 2022 Canby Economic Opportunities Analysis (EOA): Site Suitability Analysis (Task 5)
- FCS Group October 24, 2022, Canby EOA, Task 3: Community Economic Development Objectives (Deliverable #10)
- October 19, 2022 Economic Opportunity Analysis, Joint Planning Commission and City Council Work Session

Fiscal Impact

None

Options

The council work session will be a discussion format to provide general direction on housing strategy recommendations, employment growth scenario preferences (Low, Medium, and High), Canby's vision statement, and economic opportunity objectives.

Recommendation

None, however staff will review options and advisory group preferences identify during the October 19, 2022 work session.

Proposed Motion

None

To: Don Hardy and Jamie Stickel, City of Canby

Date: May 10, 2022

From: Todd Chase & Tim Wood; FCS GROUP

CC: Steve Faust, 3J Consulting

RE: Canby **Housing Needs Forecast**

INTRODUCTION

This Memorandum provides a housing needs forecast for long-range planning purposes. The housing needs forecast represents a 20-year projection from 2023 through year 2043. These technical findings are intended to be consistent with State of Oregon requirements for determining housing needs per Oregon land use planning Goals 10 and 14, OAR Chapter 660, Division 8, and applicable provision of ORS 197.296 to 197.314 and 197.475 to 197.490

METHODOLOGY

The methodology for projecting housing needs within the Canby includes consideration of demographic and socio-economic trends, housing market characteristics and long-range population growth projections.

Regional (Clackamas County) and local (City or Urban Growth Boundary) population, households, income, and market characteristics are described in this memorandum using data provided by the U.S. Census Bureau (Census and American Community Survey), the U.S. Department of Housing and Urban Development (HUD), Oregon Department of Housing and Community Services (OHCS), Portland State University (PSU) and the City of Canby. Where trends or long-range projections are provided by an identified data source, FCS GROUP has included extrapolations or interpolations of the data to arrive at a base year (2023 estimate) and forecast year (2043 projection). The result of this forecast translates population growth into households and households into housing need by dwelling type, tenancy (owner vs. renter) and affordability level.

DEMOGRAPHIC AND SOCIO-ECONOMICS

Population

The City of Canby attained a record-high population of 18,413 people in 2021 (July 1 estimate by PSU). Clackamas County, Oregon's third largest in terms of population had an estimated 425,316 year-round residents. Prior to 2010, Canby was growing over twice as fast as the county average. However, during the most recent decade (2010 to 2021) population growth in Canby slowed down considerably as remaining buildable land became less abundant (**Exhibit 1**).

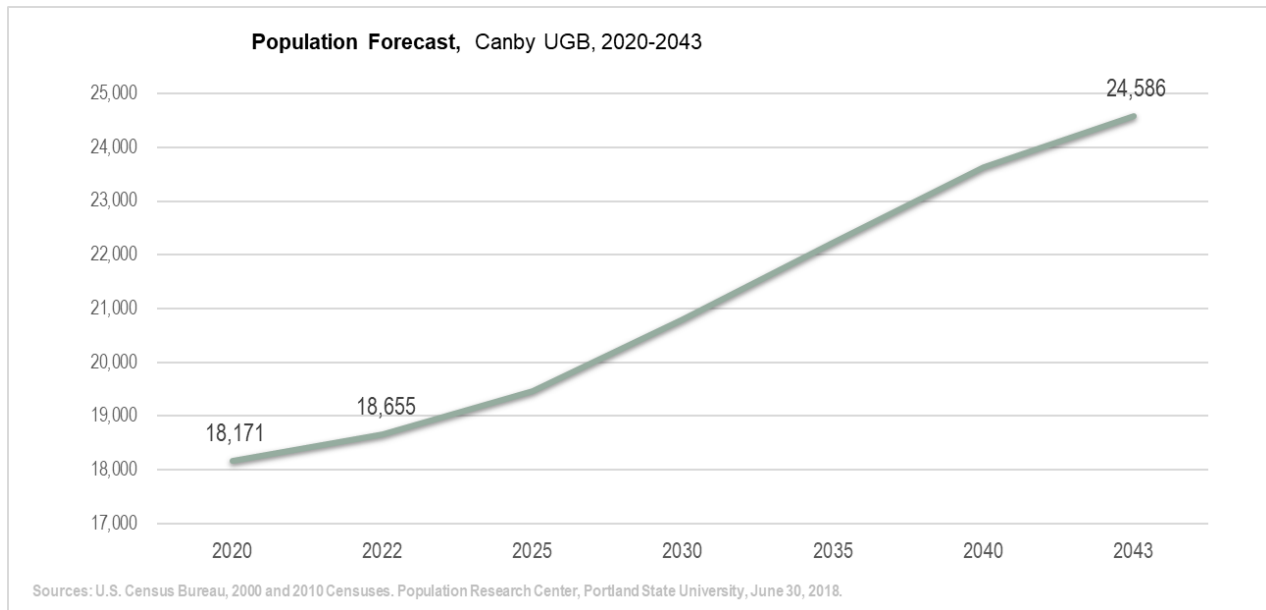
Exhibit 1: Population Trends (2000-2020)

Population Estimates, Clackamas and City of Canby , 2000-2021					Annual Growth Rate	
	2000	2010	2020	2021	2000-2010	2010-2021
Clackamas	338,391	375,992	422,185	425,316	1.06%	1.13%
Canby UGB	13,323	17,097	18,171	18,413	2.53%	0.68%
City of Canby	12,790	15,829	17,210	18,171	2.15%	1.26%

Sources : Population Research Center, Portland State University, April 15, 2020
U.S. Census Bureau, PL94-171 redistricting data files.

Long-range population forecasts prepared by PSU anticipate that 5,931 residents will be added to the Canby Urban Growth Boundary (UGB) by year 2043. This equates to a projected annual average growth rate (CAGR) of 1.3% for the UGB (see **Exhibit 2**).

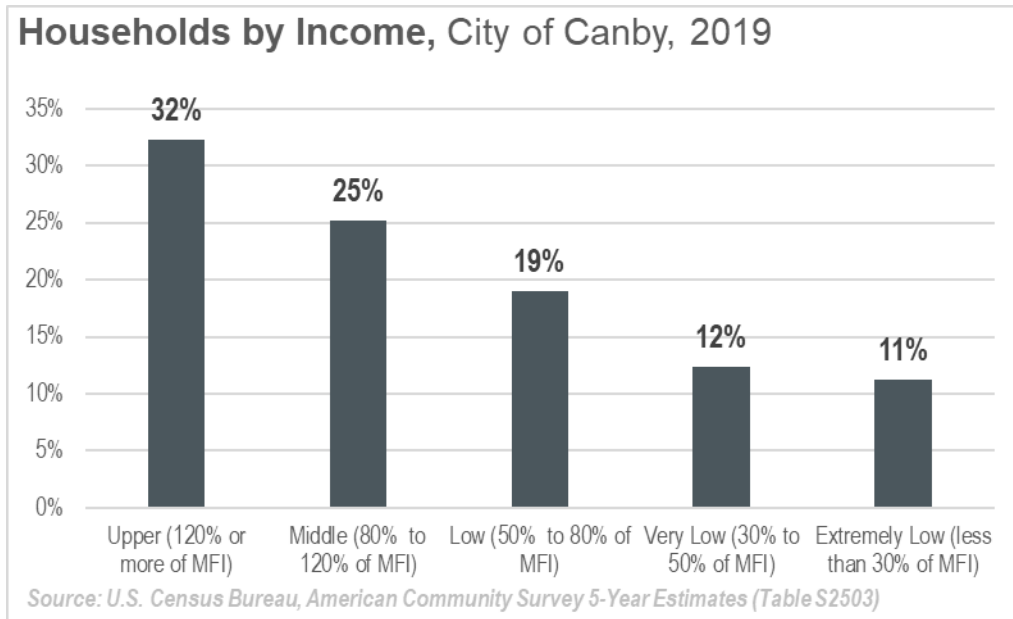
Exhibit 2: Canby UGB Population Forecast (2020-2043)



SOCIO-ECONOMIC CHARACTERISTICS

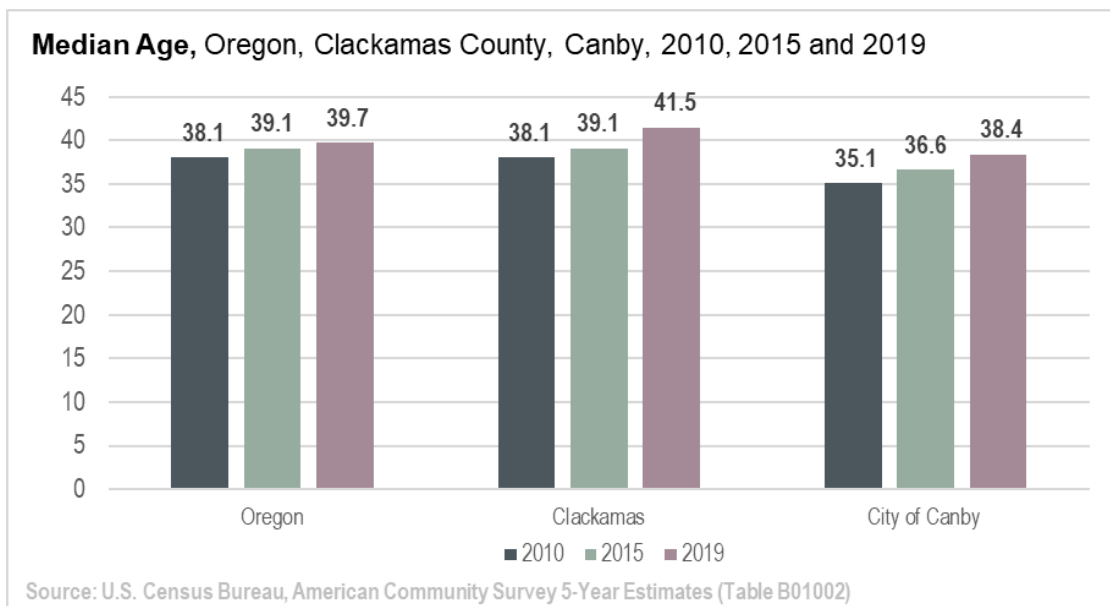
In 2019, the median family income (MFI) in Clackamas County was \$80,484. As shown below in **Exhibit 3**, nearly one third of the households in Canby earn over 120% of the MFI (\$96,581 or above).

Exhibit 3: Households by Income Level, 2015-2019



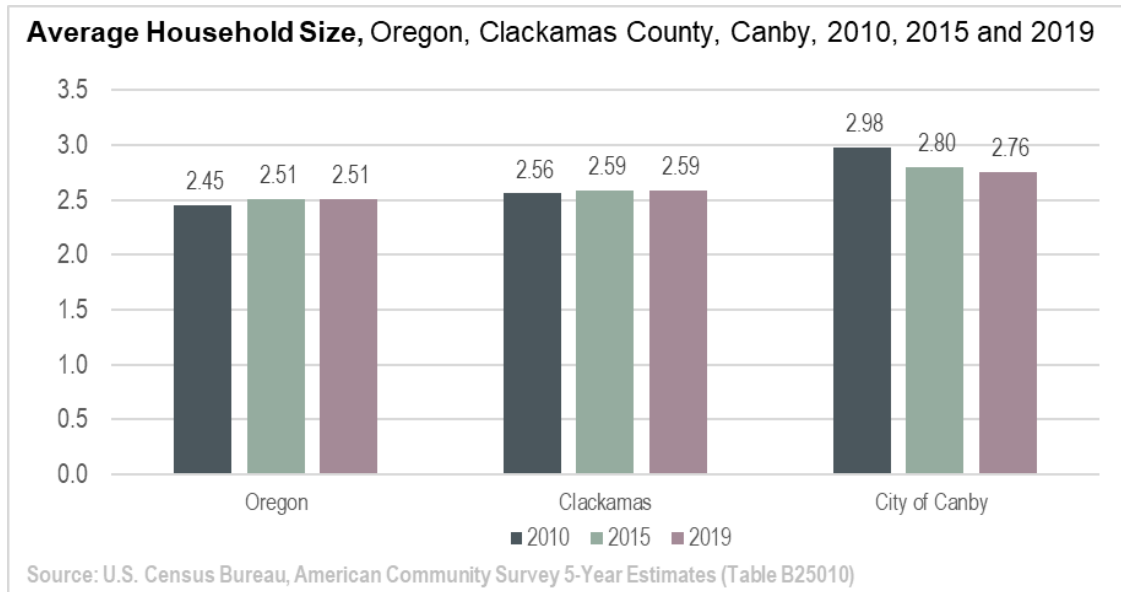
The median age in Canby (38.4) is below the Clackamas County average (41.5) and below the statewide average (39.7) as well (**Exhibit 4**).

Exhibit 4: Median Age, 2010-2019



Average household size in Canby has decreased slightly over the last two decades, from 2.98 in 2010 to 2.76 in 2019. This is well above the statewide average of 2.51 and above the countywide average of 2.59 (**Exhibit 5**).

Exhibit 5: City of Canby Average Household Size 2010-2019

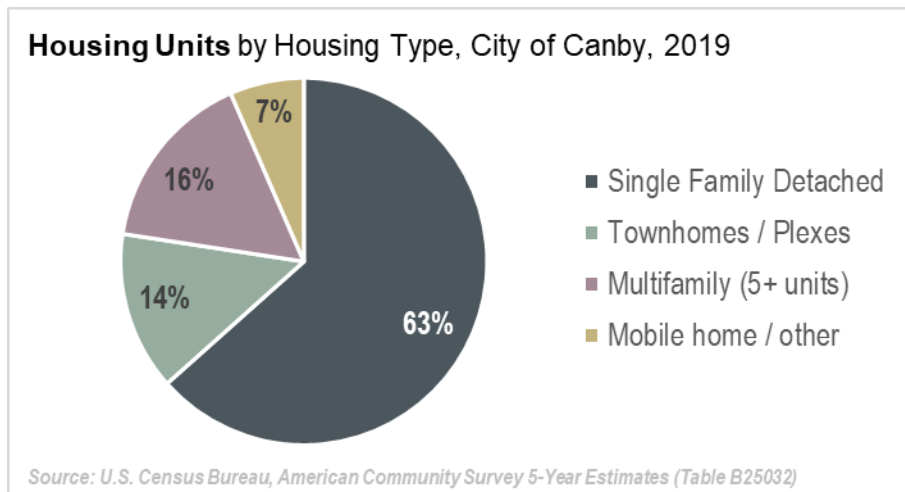


HOUSING INVENTORY AND TENANCY

Canby's existing housing inventory and tenancy sheds light on housing conditions and market demand preferences. In 2019, there were 6,608 housing units in Canby of which 6,383 units were classified as occupied and only 225 units were vacant.

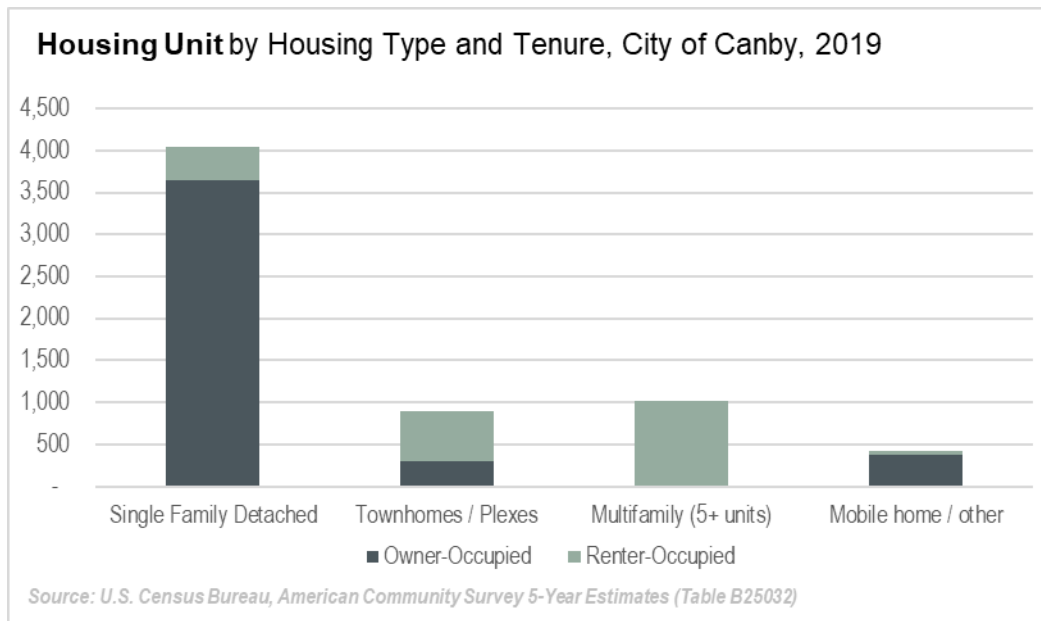
Like most cities with under 50,000 residents, single-family detached housing is the most prevalent housing type representing 63% of the housing stock. The remaining inventory in Canby includes multi-family (16%), townhomes/plexes (14%), and mobile homes (7%), as shown in **Exhibit 6**.

Exhibit 6: Existing Housing Inventory, 2019, City of Canby



Owner-occupied housing units represent 68% of the occupied housing inventory while renter-occupied units account for the other 32% of the inventory (**Exhibit 7**). Ownership is most prevalent among single-family detached and manufactured housing types while renters are more likely to favor townhomes, plexes, and multifamily units.

Exhibit 7: Existing Housing Tenancy, 2019, City of Canby



HOUSING MARKET CHARACTERISTICS

To help gauge housing attainability in Canby, local median family income (MFI) levels were evaluated using U.S. Housing and Urban Development (HUD) guidelines. By applying the assumptions shown in **Exhibit 8 and 9**, based on median family income (MFI) for Clackamas County (\$80,484), HUD guidelines indicate that upper-middle households (with 4 family members) earning 80% of the MFI should be able to afford monthly rents at \$1,610.

Exhibit 8: Canby Affordable Housing Analysis Assumptions

Assumptions		
Interest Rate (conventional)	4.00%	
Downpayment	5%	
Mortgage duration (Years)	30	
Income Affordability Target Level %	30%	of median income
Property Taxes	0.0125	% of sales price
Mortgage Insurance	0.0085	% of loan amt.
Home Insurance	0.0029	% of sales price

The rents shown in **Exhibit 9** are considered “attainable” if 30% of household income is allocated to housing.

Exhibit 9: Canby Affordable Housing Analysis: Renters

Clackamas County Median Family Income Level (2020)*			\$80,484
HUD Qualifying Income Level: Renters		Lower-end	Upper-End
Upper (120% or more of MFI)		\$96,581 or more	
Middle (80% to 120% of MFI)		\$64,387	\$96,581
Low (50% to 80% of MFI)		\$40,242	\$64,387
Very Low (30% to 50% of MFI)		\$24,145	\$40,242
Extremely Low (less than 30% of MFI)		\$24,145 or less	
Attainable Monthly Housing Cost: Renters		Lower-end	Upper-End
Upper (120% or more of MFI)		\$2,415 or more	
Middle (80% to 120% of MFI)		\$1,610	\$2,415
Low (50% to 80% of MFI)		\$1,006	\$1,610
Very Low (30% to 50% of MFI)		\$604	\$1,006
Extremely Low (less than 30% of MFI)		\$604 or less	

*Note, this analysis is generally consistent with 4-person household size.

** See assumptions provided in supporting table.

Source: analysis by FCS Group using Housing and Urban Development data.

Monthly housing costs are generally higher for homeowners than renters due to added costs associated with insurance and taxes. If 30% of income is allocated to mortgage interest and principal, using the assumptions stated on **Exhibit 10**, the expected housing cost for owners at 80% MFI level is \$2,211, which should be sufficient to afford a home priced at \$351,000 (**Exhibit 10**).

Exhibit 10: Canby Affordable Housing Analysis: Homeowners

Clackamas County Median Family Income Level (2020)*			\$80,484
Supportable Housing Price: Mortgage Principal &		Lower-end	Upper-End
Upper (120% or more of MFI)		\$526,000 or more	
Middle (80% to 120% of MFI)		\$351,000	\$526,000
Low (50% to 80% of MFI)		\$219,000	\$351,000
Very Low (30% to 50% of MFI)		\$132,000	\$219,000
Extremely Low (less than 30% of MFI)		\$132,000 or less	
Monthly Housing Costs for Owners: PIT & Insurance**		Lower-end	Upper-End
Upper (120% or more of MFI)		\$3,316 or more	
Middle (80% to 120% of MFI)		\$2,211	\$3,316
Low (50% to 80% of MFI)		\$1,382	\$2,211
Very Low (30% to 50% of MFI)		\$830	\$1,382
Extremely Low (less than 30% of MFI)		\$830 or less	
Min. Required Income Level: Owners		Lower-end	Upper-End
Upper (120% or more of MFI)		\$132,656 or more	
Middle (80% to 120% of MFI)		\$88,460	\$132,656
Low (50% to 80% of MFI)		\$55,262	\$88,460
Very Low (30% to 50% of MFI)		\$33,198	\$55,262
Extremely Low (less than 30% of MFI)			

*Note, this analysis is generally consistent with 4-person household size.

** See assumptions provided in supporting table.

Source: analysis by FCS Group using Housing and Urban Development data.

Canby home values have increased significantly in recent years. As indicated in **Exhibit 11**, median home sales prices in Canby increased to \$560,000 (as of December 2021), with annual average price increase of 13.9% over the past two years. Other cities in the region have experienced similar housing price increases (**Exhibit 11**).

Exhibit 11: Zillow Home Value Price Index in Select Markets

	Dec-19	Dec-20	Dec-21	Change %
City of Canby	\$432,000	\$463,000	\$560,000	13.9%
Aurora	\$362,000	\$393,000	\$479,000	15.0%
Wilsonville	\$470,000	\$503,000	\$606,000	13.6%
Oregon City	\$446,000	\$479,000	\$579,000	13.9%
Butteville	\$313,000	\$345,000	\$416,000	15.3%

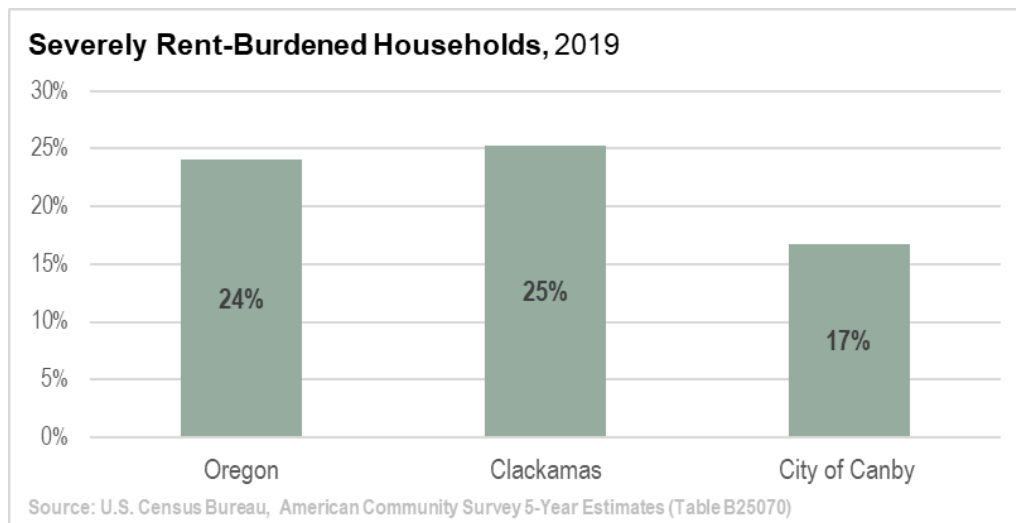
Source: Zillow.com; analysis by FCS 1/21/22

HOUSING COST BURDENS

According to U.S. Housing and Urban Development (HUD), households are “cost burdened” if they pay over 30% of their income on housing. Households are “severely cost burdened” when they pay over 50% of their income on housing.

As shown in Exhibit 12, about **17%** of the rental households in Canby were severely cost burdened in 2019, which compares favorably to Clackamas County (25%) and Oregon as a whole (24%).

Exhibit 12



Input received from stakeholder interviews suggests that rental housing construction in Canby is not keeping up with demand. An evaluation of housing inventory gaps indicates that there is a current shortfall or gap in available rental housing at the upper- and lower-price points (**Exhibit 13**). This is understandable at the lowest price points where there is always more demand than supply. The fact that there is more housing demand than supply for higher-priced rentals (affordable to those making at least 80% of the MFI) reflects an aging housing inventory and demonstrates strong “pent up” demand for market rate apartments that rent for over \$875 per month.

With favorable housing investment policies, it is likely that there could be near-term market activity for addressing the current estimated 317-unit gap in market rate rental apartments. In addition to this level of pent-up demand for market-rate rentals, it is estimated that at least 180 units of government subsidized housing are needed in the Canby area. If 25% of this demand is addressed through a mix of policy strategies and non-profit investments, the City would need to plan for another 45 units of government assisted affordable housing.

Exhibit 12 Rental Housing Gap Analysis, City of Canby

Median Household Income Range	Affordable Monthly Rent *	Renter-Occupied Households	Rental Units at this Rent Level	Housing Unit (Gap) or Surplus	Pent Up Demand	Capture Rate for Analysis	Housing Capture (units)
\$75,000 or more:	\$1,875	424	317	(107)	(317) market rate gap	50%	159
\$50,000 to \$74,999:	\$1,250-\$1,875	594	384	(210)			
\$35,000 to \$49,999:	\$875-\$1,250	298	785	487			
\$20,000 to \$34,999:	\$500-\$875	399	409	10			
Less than \$20,000:	Less than \$500	313	133	(180)	(180) subsidized housing gap	25%	45
Zero or Negative Income	Requires subsidy	19	19	-			
Total		2,047	2,047	-	(497)		204

Source: U.S. Census Bureau, American Community Survey 2010-2019; FCS GROUP.

* Calculated as 30% of income range based on HUD guidelines

HOUSING NEEDS FORECAST

Summary of Housing Needs

There is a linkage between demographic characteristics and housing choice. Housing needs change over a person's lifetime. Some factors that influence housing include:

- » Homeownership rates increase as income rises.
- » Single family detached homes are the preferred housing choice as income rises.
- » Renters are much more likely to choose multifamily housing options (such as apartments or plexes) than single-family housing.
- » Very low-income households (those earning less than 50% of the median family income) are most at-risk for becoming homeless if their economic situation worsens.

Based on the population projections described earlier and the most current household size estimates of 2.76 people per household, the total net new housing need within the Canby UGB over the next 20 years is approximately 2,211 housing units plus 35 people living in group quarters (see **Exhibit 13**). This *baseline housing need forecast* assumes that the current share of group quarters population (includes people residing in congregate care facilities and housing shelters) and housing vacancy rates remain constant.

Exhibit 13: Canby Housing Need Forecast

	2022	2043 forecast	Change
UGB Population	18,655	24,586	5,931
Less Group Quarters (0.6%)	111	146	35
Pop in Households	18,544	24,440	5,895
Avg. Household Size	2.76	2.76	
Households (year round)	6,719	8,855	2,136
Vacancy and Seasonal Adjustment	3.4%	3.4%	75
Growth-related Housing Demand (dwelling units)	6,956	9,167	2,211

Housing Demand by Dwelling Type and Tenancy

This baseline housing need forecast is generally consistent with the observed mix of housing types in Canby with increasing demand for more attainable middle housing types. Additional housing forecast scenarios may be considered during the planning process to anticipate impacts of new policy objectives, such as:

- Local policies aimed at incentivizing middle housing development, such as tax abatement and SDC scaling by home size.
- Changes in low density land use designations to create additional opportunities for middle housing types, such as duplexes and townhomes.
- Ability to provide adequate infrastructure (water, sewer, and road capacity) in a cost effective manner to accommodate new planned unit developments or single-family subdivisions.

The baseline housing forecast predicts a range in housing types to address market preferences. The housing demand forecast includes: 1,384 single-family detached homes (such as small lot and standard lot subdivisions); 319 townhomes/duplexes; 354 multifamily units (apartments); and 155 manufactured housing or cottage homes (**Exhibit 14**). There will also be demand for approximately 24 units of group quarters housing (such as congregate care, in-patient care, etc.).

Exhibit 14: Canby Baseline Housing Needs by Tenure & Housing Type

	Owner- Occupied Dwelling Units	Renter- Occupied Dwelling Units	Projected Housing Need (Units)
Housing Tenure Distribution:	67.9%	32.1%	
Single Family Detached			1,384
Townhomes / Plexes			319
Multi family (5+ units)			354
Mfg. home/other			155
Total percent			
Housing Units	1,502	709	2,211
Plus additional Group Quarters Pop.			35
Group Quarters Dwelling Units*			24
Total Housing Units			2,235

Analysis based on preceding tables.

* Category includes group quarters housing demand @1.5 persons per dwelling unit.

Exhibit 15 identifies the types of housing products that are most consistent with the projected housing needs for Canby.

Exhibit 15: Projected Housing Demand by Income Level, Canby UGB

Household Income Level	Owner Occupied Dwelling Units	Renter Occupied Dwelling Units	Total Dwellings	Attainable Housing Products
Upper (120% or more of MFI)	1,052	35	1,087	Standard Detached Homes
Upper Middle (80% to 120% of MFI)	345	203	548	Small Lot Homes, Townhomes, Apartments
Lower Middle (50% to 80% of MFI)	105	319	424	Townhomes, Cottage or Mfg'd. Homes, Plexes, Apartments
Low (less than 50% of MFI)	0	106	106	Govt. Assisted & Accessory Dwellings
Very Low (less than 30% of MFI)	0	45	45	Govt. Assisted Housing
Housing Units	1,502	709	2,211	
Plus Group Quarters Units	0	24	24	Transitional housing & congregate care
Total Dwelling Units	1,502	733	2,235	

Source: estimates based on prior tables and stated assumptions.

This housing needs forecast will serve as the basis for forecasting residential land needs for the Canby Urban Growth Boundary.

To: Don Hardy and Jamie Stickel, City of Canby

Date: May 11, 2022

From: Todd Chase & Tim Wood; FCS GROUP

CC: Steve Faust, 3J Consulting

RE Canby **Draft Housing Land Needs Reconciliation**

INTRODUCTION

This Memorandum summarizes the housing-related land needs forecast for long-range planning purposes. The housing land needs forecast represents a 20-year forecast from 2022 through year 2042. These technical findings are consistent with State of Oregon requirements for determining housing needs per Oregon land use planning Goals 10 and 14, OAR Chapter 660, Division 8, and applicable provision of ORS 197.296 to 197.314 and 197.475 to 197.490.

METHODOLOGY

The methodology for projecting housing land needs within the Canby UGB builds upon the residential housing needs forecast that was described in our prior Memorandum dated May 10, 2022. **Exhibit 1** identifies the housing types that are most consistent with the projected housing need for Canby.

Exhibit 1: Projected 20-year Housing Needs Forecast, Canby UGB

Dwelling Unit Type	20-Year Dwelling Unit Demand
Single Family Detached	1,384
Mfd. Homes & Cottages	155
Townhomes / Plexes	319
Multifamily (5+ units)*	378
Total	2,235

Source: Canby Residential Needs Analysis Memorandum, May 10, 2022.

* Category also includes group quarters housing demand.

This Memorandum compares the 20-year residential land needs (demand) relative to the residential buildable land inventory (BLI) that was developed by 3J Consulting. This provides a means of reconciling housing land demand with buildable land supply within the Canby UGB. The evaluation of UGB land requirements to accommodate the planned housing need included three steps.

Step 1 takes into account the forecasted number of dwelling units by housing type, including single family detached, townhomes and plexes, multifamily, and manufactured homes as well as group quarters population (see Exhibit 1).

Step 2 considers the amount of land required to accommodate the future housing demand based on the expected average development density for each general housing type (see **Exhibit 2**).

Step 3 includes a comparison (reconciliation) between the land need determined in Step 2 and the residential buildable land inventory presented in Section 3 of the HNA.

Housing Need Forecast

As discussed above, the forecasted housing mix for Canby includes 2,235 housing. This results in net new housing development as follows:

- » Single Family Detached: 1,384 dwellings (including standard and small lot single family detached housing)
- » Manufactured homes and Cottage housing clusters: 155 dwellings
- » Townhomes and Plexes: 319 dwelling units
- » Multifamily: 378 dwelling units (includes apartments and condominiums with 5+ units per structure as well as group quarters units).

Residential Land Need

The second step in the reconciliation of land needs estimates the amount of net buildable land area required to address the housing growth forecast. This step applies average density assumptions based on Canby local experience (dwellings per acre) to each of the general residential development categories listed in Step 1 to arrive at a total residential land need forecast.

As shown in **Exhibit 2**, the forecasted housing need of 2,355 total dwelling units is expected to require at least 416 net acres of buildable land area. The next step in the analysis includes adjusting the gross land area to net land area to account for future public facilities (25% factor used to account for roads, utilities and easements). This results in a total buildable land need of 520 acres for planned residential growth.

Exhibit 2: Canby Residential Classifications and Density Assumptions

Projected 20-year Land Need for Housing, City of Canby UGB								
Dwelling Unit Type	20-Year Dwelling Unit Demand	Applicable Plan Designation	Applicable Local Zones	Allowable Density (gross DU per Ac)	Avg. Development Density (net DU per Ac)	Net Buildable Land Requirement (net acres)	Gross Buildable Land Need (s acres)**	%
Single Family Detached	1,384	LDR	R-1, RRFF-5	3 to 10	4.0	346	433	62%
Mfd. Homes & Cottages	155	LDR	R-1, RRFF-5	3 to 10	9.0	17	21	7%
Townhomes / Plexes	319	MDR	R-1.5	6 to 12	10.0	32	40	14%
Multifamily (5+ units)*	378	HDR, RC	R-2, DC	12 to 36	18.0	21	26	17%
Total	2,235					416	520	100%

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

* Category also includes group quarters housing demand @1.5 persons per dwelling unit.

** Assumes 25% of site area required for future public facilities, roads, easements, etc.

UGB Sufficiency Analysis

As indicated in **Exhibit 3**, the Canby UGB buildable land inventory (BLI) includes 549 acres of gross buildable land area (after deducting constraints and exempt uses). Areas within the UGB that are designated as Low, Medium and High Density Residential, Residential Commercial and Downtown Commercial include approximately 374 gross buildable acres of residential and mixed-use land area.

Exhibit 3: Vacant Buildable Land Inventory by Land Use Designation, Canby UGB

Sum of Gross Vacant Land Area by Plan Designation (Acres)				
Plan Designation	Vacant	Part Vacant	Redevelopable	Total
HDR - High Density Residential	1	8	4	13
MDR - Medium Density Residential	5	58	0	63
LDR - Low Density Residential	51	243	2	296
RC - Residential Commercial	0	1	0	2
DC - Downtown Commercial	1	0	-	1
CM - Commercial/Manufacturing	4	3	2	9
HC - Highway Commercial	10	0	2	12
HI - Heavy Industrial	16	9	7	33
LI - Light Industrial	43	26	52	121
PR - Private Recreation	-	-	-	-
P - Public	-	-	-	-
FL - Flood Prone/Steep Slopes	-	-	-	-
Grand Total	131	348	70	549

374

Source: City of Canby Buildable Land Inventory; 3J Consulting

Since the current UGB includes 374 gross buildable acres of land supply and the future residential land need forecast is for 520 acres, there is a land area deficit for certain types of housing categories (see **Exhibit 4**). Key findings include:

- The most significant difference is in the single family land use designation (LDR) where the BLI inventory is projected to fall short by 158 acres.
- The multifamily land use designation (HDR) is also projected to fall short of demand by approximately 11.6 acres. Note, this finding assumes that 100% of the vacant downtown commercial land area (1 acre) is available for residential development.
- The medium density designation (MDR) will likely yield a surplus of land area of 23.1 acres. The city may wish to consider rezoning a portion of MDR to address the land shortages for the other lower and higher land use types.

The BLI findings indicate that the City will need to consider these and various other strategies to accommodate planned 20-year housing needs.

Exhibit 4: Reconciliation of Land Inventory by Land Use Designation, Canby UGB

Projected 20-year Land Sufficiency for Housing, Canby UGB				
Dwelling Unit Type	Applicable Plan Designation	Gross Buildable Land Requirement (gross acres)	Current Buildable Land Inventory (gross acres)	Net Buildable Land Surplus or Deficit (acres)
Single Family Detached	LDR	432.5	296.0	(158.0)
Mfd. Homes & Cottages	LDR	21.5		
Townhomes / Plexes	MDR	39.9	63.0	23.1
Multifamily (5+ units)*	HDR, RC	26.2	14.6	(11.6)
Total		520.1	373.6	(146.5)

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

* Category also includes group quarters housing demand.

Housing Needs Analysis and Economic Opportunities Analysis Draft Findings



October 19, 2022



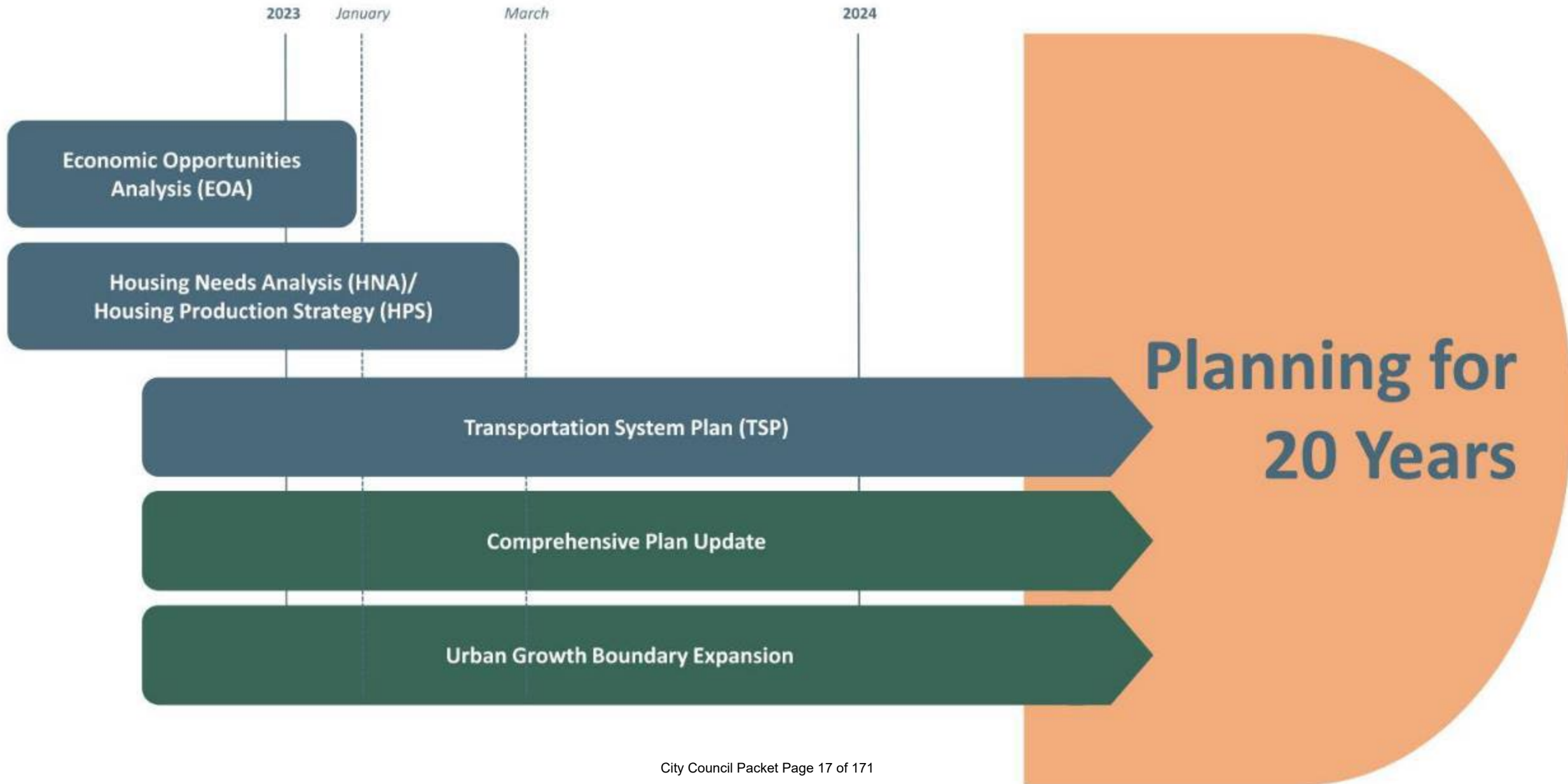
City of
Canby

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3J CONSULTING
COMMUNITY DEVELOPMENT • LANDSCAPE ARCHITECTURE • PLANNING • ENVIRONMENTAL

FCS GROUP
Solutions-Oriented Consulting





Agenda

PART 1: Community Input and Housing

- **Welcome**
- **Planning Overview**
- **Outreach Summary**
- **Draft Housing Needs Findings**
- **Housing Policy Options**

PART 2: Economy & Employment

- **Draft Economic Opportunities Analysis**
- **Economic Policy Discussion**
- **Next Steps**



Housing Needs Analysis Overview

Housing Needs Analysis

- Market trends and forecasts identify housing needs and determine if the buildable land supply is sufficient to accommodate the 20-year need.
- If residential land supply is insufficient, the city must consider “land efficiency measures” to increase the amount of allowed housing development on lands already within its UGB before looking to expand the UGB.

Housing Production Strategy

- Outline a list of specific tools, actions, and policies that the city plans to take to address the housing need identified in the HNA. This includes the city's plan and timeline for adopting and implementing each strategy.

Economic Opportunities Analysis Overview

Canby's vision for strengthening economy through economic policies that include **community development objectives** related to:

- Urban land requirements (land needs) for 20-year employment growth forecasts
- Buildable Land Inventory
- Equity & Inclusion: Priority Populations
- Community Participation
- Policy Goals and Objectives

Community Outreach Summary

Stakeholder Interviews Summary

Housing Producers

Lack of incentives and guidance for affordable housing – Incentives are needed for developers to produce smaller homes.

Overarching regulatory requirements create a barrier – The amount of roadway required, parking, SDC fees, design standards, and minimum lot width limit cost reducing options.

Existing Zoning Code, specifically Zone R-2, offers helpful flexibility – It is less limiting than R-1 in terms of lot size and locational variability.

Higher density housing centralized in the Downtown area – Look to the Dahlia Building and consider the lack of senior housing, and surplus of large rental units.

Stakeholder Interviews Summary

Housing Consumers

More housing types are desired – Housing should incorporate minimal maintenance, multi-modal accessibility, and connectivity.

Intergenerational housing, home equity, and senior housing are at the forefront of Canby residents' desires – Many live in Canby for the proximity to family, want to be able to own housing, and see a large need for affordable senior housing.

Rental housing rates are too high – People with \$40,000 annual income struggle to make rents in the \$1,200 to \$1,400 range, and most rents are closer to \$1,600.

The City should take actionable steps to aide in creating and attract affordable housing – Ideally through the purchase of land, rent control measures, and development code revisions.

Public Meeting Comments

- Mixed support for UGB expansion – concerns about density and preserving prime farmland; desire for the city to remain small and rural.
- Concern that income growth is not keeping up with the cost of housing.
- Concern that the city might rezone R-1 property to a higher density.
- Concern about out-of-area investors buying up single family detached homes in Canby.
- Desire for the City to allow cottage clusters.
- Consider using tax increment financing could be used to pay down SDCs for affordable housing.

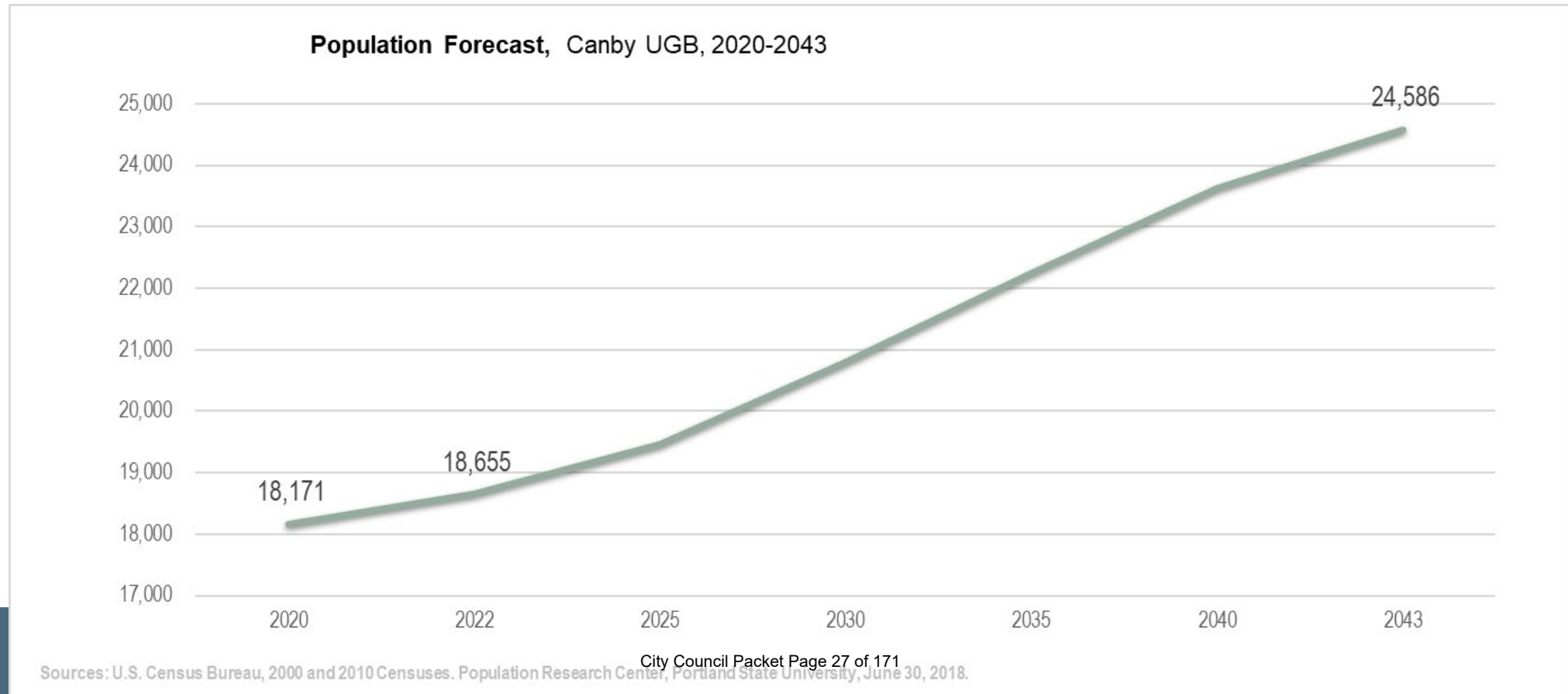
Residents are concerned about...

- Traffic congestion and anything that degrades quality of life.
- Lack of sidewalks and traffic control systems.
- Lack of attainable housing supply for workers.
- Lack of coordinated long term community master plan.
- Lack of quality design and landscaping standards.
- Warehousing and distribution businesses that pay low wages.
- Sprawl (low density development that is not pedestrian friendly).

Draft HNA Findings

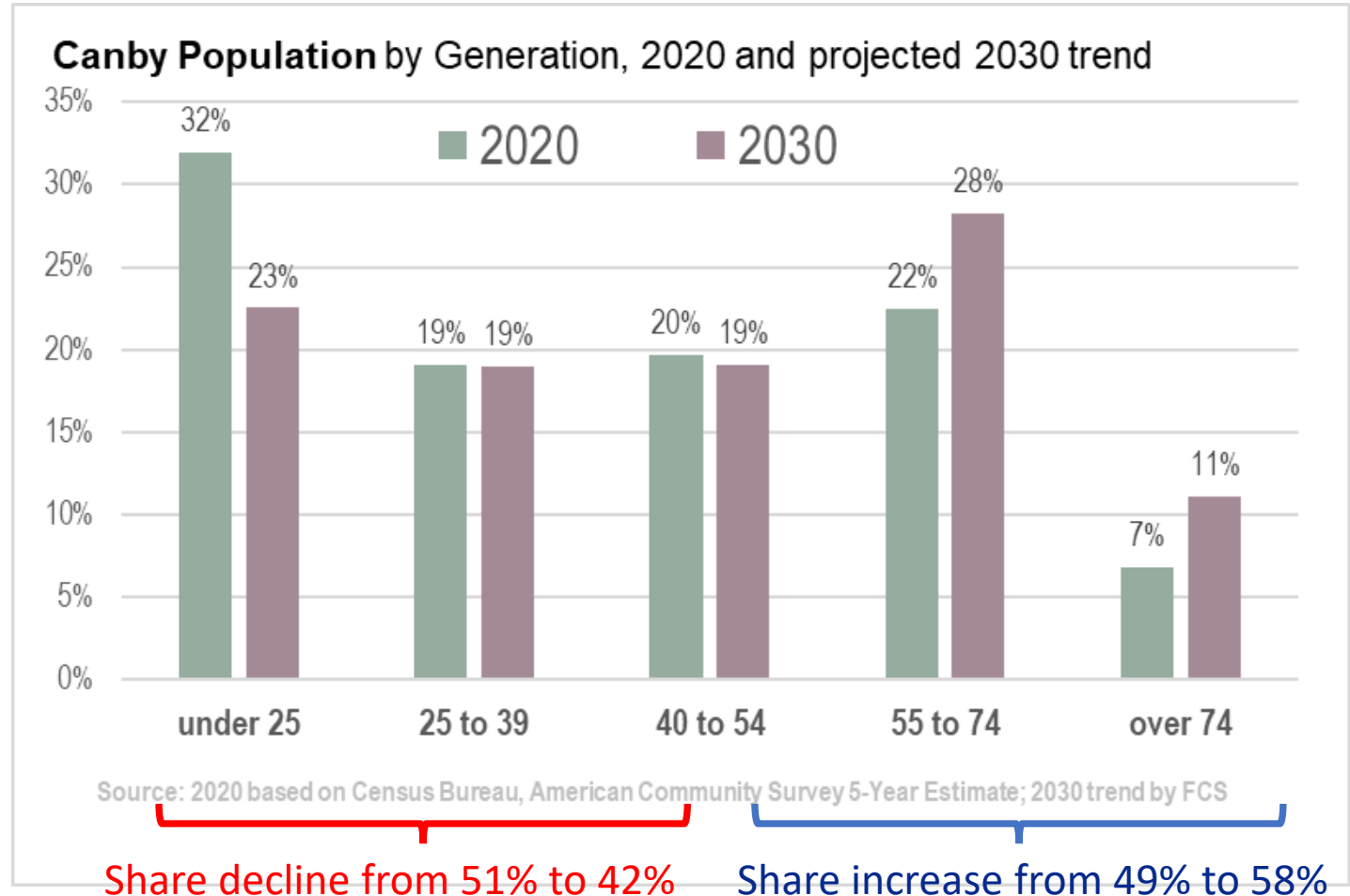
Population Growth Forecast

- Canby UGB is projected to add +/-5,931 people over next 20 years
- Housing need exceeds population growth rate as household size decreases



Population Trends by Age Cohort

- Without policies that support new “middle housing” Canby will be mostly attractive to older households
- Assumes residents age in place and new residents are primarily dual income households over age 45



Canby Housing Needs

- Canby should plan for at least 2,236 new dwellings over 20 years
- Market demand is strongest for detached homes
- Also apartments and “middle housing,” including cottage homes, accessory dwellings, plexes and townhomes.

Dwelling Unit Type	20-Year Dwelling Unit Demand	Applicable Plan Designation	Applicable Local Zones
Single Family Detached	1,384	LDR	R-1, RRFF-5
Mfd. Homes & Cottages	155	LDR	R-1, RRFF-5
Townhomes / Plexes	319	MDR	R-1.5
Multifamily (5+ units)*	378	HDR, RC	R-2, DC
Total	2,236		

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

* Category also includes group quarters housing demand @1.5 persons per dwelling unit.



Residential Land Sufficiency

If all development in the planning pipeline moves forward before HNA adoption, the Canby UGB would have a deficit of approx. 146 acres

Housing production measures can help mitigate the need & related costs associated with expanding the UGB

Projected 20-year Land Sufficiency for Housing, Canby UGB				
Dwelling Unit Type	Applicable Plan Designation	Gross Buildable Land Requirement (gross acres)	Current Buildable Land Inventory (gross acres)	Net Buildable Land Surplus or Deficit (acres)
Single Family Detached	LDR	432.5	296.0	(158.0)
Mfd. Homes & Cottages	LDR	21.5		
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Multifamily (5+ units)*	HDR, RC	26.2	14.6	(11.6)
Total		520.1	373.6	(146.5)

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

* Category also includes group quarters housing demand.

Housing Policy Considerations

Canby Housing Policy Considerations

- **Techniques** Local Governments can use to Support Housing Investments
- **Considerations** for Updating Zoning and Local Code
- **Reduces Barriers** to Development
- **Optimizes Public Investment** and Leverages Private Investment
- **Proactive** Strategies are better than Reactive/Passive Approach

Housing Policy Categories

Strategies to Meet Future Housing Need

Category A		Zoning and Code Changes
Category B		Reduce Regulatory Impediments
Category C		Financial Incentives
Category D		Financial Resources
Category E		Tax Exemption and Abatement
Category F		Land, Acquisition, Lease, and Partnerships
Category Z		Custom Options

Housing Policy Strategies

Category A



Zoning and Code Changes

Create New Development Opportunities

- **A-1: Develop Criteria & Process for Identifying Land to Up-zone****
- **A-2: Revise Development Code to Allow Duplexes***
- **A-3: Allow Cottage Clusters****
- A-4 Allow Tri/Quad Plexes in Single-Family Zones
- A-5: Develop a Form-Based Code
- A-6: Allow Courtyard Apartments (all zones)
- **A-7: Multifamily Residential Buildings in Downtown**
- **A-8: Expand Mixed-Use Zoning**
- A-9: Limit Single Family Detached Development in Higher-Density Zones
- A-10: Create a Minimum Density Standard
- A-11: Limits on Short Term Rentals (STRs)
- **A-12: Designs to Promote Aging in Place**



* Recently implemented by City

**Preliminary support by Advisory Committee and/or Community

Housing Policy Strategies

Category B



Reduce Regulatory Impediments

Remove Development Barriers

- B-1: Reduce Minimum Lot Size (all zones)
- **B-2: Reduce Minimum Lot Sizes in Single Family Zones (with design guidelines)**
- B-3: ADU Development Standards
- **B-4: Identify Opportunities to Streamline PUDs****
- B-5: Transferable Development Density on a Parcel with Constraints
- B-6: Remove Maximum Density Standards
- **B-7: Lower Off-street Parking Requirements****
- B-8: Allow Single-Room Occupancies
- B-9: Allow Live/Work Housing
- B-10: Streamline Infrastructure Funding Process
- B-11: Provide Pre-Approved Middle Housing Designs



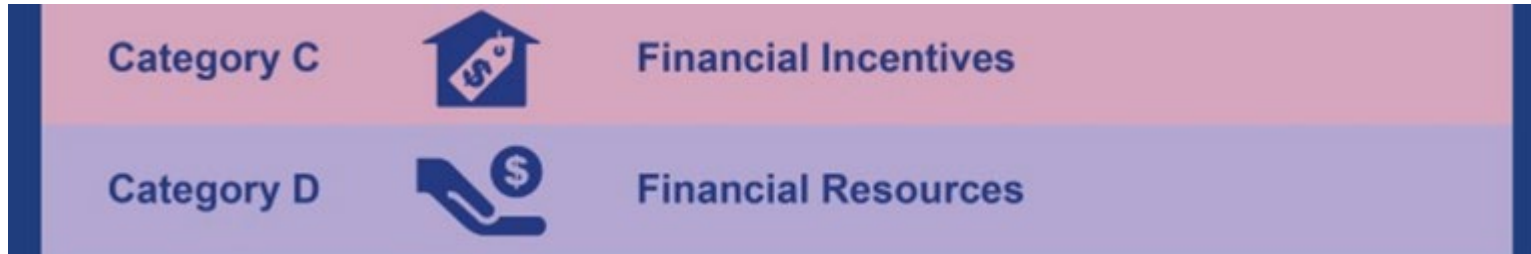
**Recently implemented by City*

***Preliminary support by Advisory Committee and/or Community*

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Housing Policy Considerations

Financial Strategies



C. Financial Incentives

- **C-1: Incentives that Encourage Developers to Build PUDs****
- **C-2: Identify High-Priority Infrastructure Projects***
- **C-3: Provide Density Bonuses for Affordable Housing**
- **C-4: Modify SDC Fee Schedules****

D. Financial Resources

- D-1: Ensure CIP Includes Funding Sources
- D-2: General Obligation Bonds for Affordable Housing Developments
- D-3: Create an Affordable Housing Fund
- D-4: Tax Increment Financing (TIF) Set Aside

* Recently implemented by City

**Preliminary support by Advisory Committee and/or Community

Incentives and Partnerships



E. Tax Exemption and Abatement

- E-1: Property Tax Exemptions for Certain Investments
- E-2: Multifamily Tax Exemptions
- E-3: Multiple Unit Property Tax Exemption (MUPTE)
- **E-4: Nonprofit Low-Income Rental Housing Exemption****

F. Land, Acquisition, Lease & Partnerships

- **F-1: Monitor Residential Land Supply & Housing Inventory***
- **F-2: Develop Partnerships with Nonprofits***
- F-3: Inclusionary Zoning (IZ)
- F-4: Preserve Existing Affordable Housing
- F-5: Public/Private Partnerships (P3)
- F-6: Housing on City/County Surplus Land

* Recently implemented by City

**Preliminary support by Advisory Committee and/or Community

Custom Housing Policy Considerations

Category Z



Custom Options

Custom Options

- **Z-1: Community Outreach (Housing Need Focused)***
- **Z-2: Update Housing Needs Periodically****
- Z-3: Conduct Fair Housing Audit
- **Z-4: Conduct Development Barriers Audit***
- **Z-5: Education for Property Owners/ Developers****
- Z-6: Explore Community Land Trusts
- **Z-7: Amend commercial zoning to permit mixed-use commercial/housing development****



* Recently implemented by City

**Preliminary support by Advisory Committee and/or Community

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Housing Policy Considerations

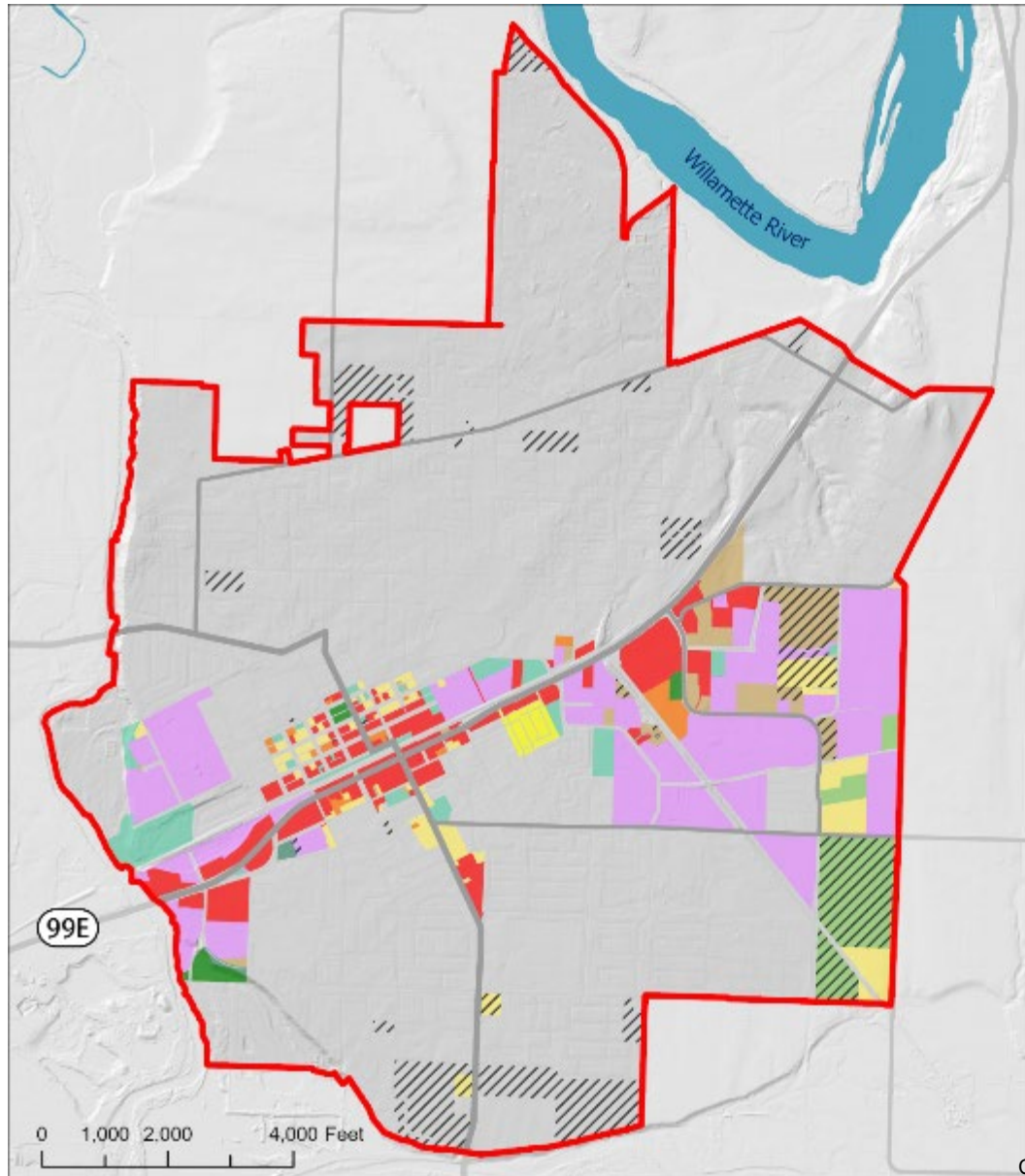
Discussion & Break

Draft EOA Findings

Pre-Development Pipeline Projects

There are several housing and business expansion projects now in process.

The BLI findings will need to be updated prior to adoption to reflect vacant lands that have been issued building permits



UGB (2018)
Pipeline Projects

Residential and Employment Land

Commercial
Industrial
Public
Education
Multi-Family
Manufactured Homes
Single Family
Road
Utilities
Open Space
Agricultural
Vacant

Land Base for EOA

Canby UGB Buildable Land Inventory for Employment, as of Oct. 12, 2022

Parcel Size Range: Zoning	<1 acre		1 to 5 acres		5 to 10 acres		>=10 acres		Total	
	Acres	Lots	Acres	Lots	Acres	Lots	Acres	Lots	Acres	Lots
CR - Residential Commercial	1	1	4	2	-	-	-	-	5	3
C1/DC - Downtown Commercial	1	11	-	-	-	-	-	-	1	11
C2 - Highway Commercial	2	9	10	3	-	-	-	-	12	12
Subtotal	5	21	14	5	-	-	-	-	18	26
CM - Commercial Manufacturing	7	23	5	4	-	-	-	-	12	27
M1 - Light Industrial	3	7	39	14	19	2	64	3	125	26
M2 - Heavy Industrial	3	4	12	4	13	2	-	-	27	10
Subtotal	12	34	56	22	32	4	64	3	165	63
Total	17	55	70	27	32	4	64	3	183	89

Source: Canby Buildable Land Inventory, Oct., 2022.

Employment Growth Scenarios

Low Growth Scenario (safe harbor)

- Overall job growth generally equates to projected **growth in housing**
- Assumes industrial job growth drops by 50%
- **Results in much slower job growth** than the past 10 years

Medium Growth Scenario

- Industrial job growth consistent with past 11-year avg. growth rate in Canby
- Retail and government sector growth consistent with *Oregon Emp. Dept.* forecast for tri-county region
- Service sector assumed to approach *Oregon Emp. Dept.* forecasts for the region
- **Most likely growth scenario** based on Canby history and emerging trends

High Growth Scenario

- Like Medium Scenario, but also **reflects aspirational objective aimed at optimizing family-wage jobs and service jobs with prime industrial sites and enhanced visitation & amenities**
- **Industrial sector assumed to add 300 more jobs** than Medium Scenario (with at least 1-3 additional large employers)
- **Service-sector** job growth rate equates to OED forecast for the Region (with **460 more jobs** than medium scenario).
- **Requires added attractions and amenities** (such as new hotel and a sportsplex)

Canby EOA Overall Land Needs

- Low, Medium or High Growth Scenario?
- Industrial shortfall: 437 buildable acres in medium scenario
- Commercial shortfall: 6 acres in medium scenario

Land Use Classification	Land Supply	Land Need (Demand)*			Net Land Need (Shortfall)		
		Low	Medium	High	Low	Medium	High
Commercial (DC, HC)	18	22	25	35	(4)	(6)	(16)
Industrial/Other Emp. (CM, LI, HI)*	165	245	602	638	(81)	(437)	(474)
Total Buildable Land (gross acres)	183	268	626	673	(85)	(444)	(490)

** excludes potential public land needs for new parks and schools.*

Community Input will inform Canby's Comprehensive Plan and Transportation System Plan update with new goals and policies regarding land use, transportation, infrastructure and community development.

Economic Policy Discussion

Community Development Aspirations

In 2013, Canby adopted aspirational focus areas that are still relevant today...

Key Themes for the next 20 years....

- ✓ Maintain Quality of Life for Residents
- ✓ Quality Job Creation*
- ✓ Improve Overall Tax Base
- ✓ Vital and Active Downtown
- ✓ Highway 99E Corridor Treatment
- ✓ Well-designed range of housing types
- ✓ Neighborhood safety & livability
- ✓ Improve pedestrian connections

**Quality jobs are those that pay above the current Clackamas County average wage and provide health care and other employee benefits.*

Draft Vision Statement

Community Development Vision Statement

Canby shall retain and enhance its unique sense of community and livable neighborhoods. Canby continues to be a great location for businesses to thrive and expand. Canby's downtown is inviting and safe, with innovative businesses that meet the community's needs. Canby's employment centers attract a diverse mix of businesses that offer quality jobs and benefits. The Highway 99E Corridor is designed as a safe and attractive gateway that invites visitors to explore Canby. The City of Canby proactively plans for and invests wisely in infrastructure and services that enable the community to manage growth in a sustainable manner.

**Quality jobs are those that pay above the current Clackamas County average wage and provide health care and other employee benefits.*

Economic Development Objectives

*Which objectives
would you like to
retain or change?*

DRAFT Economic Development Objectives

1. Enhance Canby's positive business environment.
2. Plan for Industrial expansion areas east and north of Mulino Rd.
3. Retain and attract businesses that provide quality jobs with high levels of employment per acre.
4. Provide incentives for targeted job creation and major private investment.
5. Support expansion in health services.
6. Support workforce training and development.
7. Expand lodging options.
8. Fund roads and infrastructure using innovative techniques.
9. Support arts & visitation, including agri- and bicycle-tourism.
10. Attract downtown redevelopment with integrated mixed-use buildings.
11. Update design standards and provide incentives for building renovations.

Discussion and Recommendations

- ☐ Low, Medium or High Growth Scenario Preference?
- ☐ New Canby Community Development Vision Statements
- ☐ New Economic Development Objectives
- ☐ EOA Adoption as part of UGB expansion process

Thank You



October 19, 2022

To: Don Hardy, City of Canby
From: Todd Chase and Tim Wood; FCS GROUP
CC: Steve Faust; 3J Consulting
Date: October 20, 2022
RE Revised Draft Canby Housing Needs and Production Strategy Considerations

INTRODUCTION

The City of Canby is in the process of updating its Housing Needs Analysis (HNA) that identifies the long-range land needs for accommodating 20-years of population growth. In addition to adopting the HNA in 2023, the City will be preparing a **Housing Production Strategy** once the HNA is completed.

This Memorandum is intended to set the stage for a community discussion of near-term land use and development policies that the City should consider for guide future development.

Community Input

As part of the HNA process, the consultant team conducted interviews with a cross-section of local “stakeholders” including developers, residents, and representatives from non-profits. This input was mainly focused on discussion of regulatory and market barriers, buildable land inventory, and housing affordability. Input from these interviews will be combined with broad-based community wide survey input to understand key issues that the City should address through new policies and techniques to foster desired housing creation.

A summary of public input that has been received to date includes:

Regulatory Observations

- **There is a lack of incentives and guidance for development of affordable housing** – Incentives are needed for developers to produce smaller homes and/or income-restricted rental housing.
- **Overarching regulatory requirements create a barrier** – Items such as future roadway right-of-way and design standards, SDC fees, and minimum lot width regulations were cited as issues that increase developments costs in Canby.
- **Existing Zoning Code, specifically Zone R-2, offers helpful flexibility** – The R-2 Zone is considered more marketable since it has fewer restrictions than R-1 in terms of lot size and locational variability.
- **Additional housing is desired in the Downtown area**– Positive feedback was received over the design and density of the Dahlia Building. Downtown redevelopment is desired to address a mix of demand for senior housing and market rate rental housing.
- **Canby has recently adopted new regulations to abide by HB 2001**. Housing unit growth estimates have been adjusted for allowance for middle housing development due to HB 2001 requirement. The Canby HNA analysis assumes that 3% of the future housing need for townhomes, plexes & cottage homes is addressed through recently approved Canby regulations

that allow middle housing in low density zones. This assumption results in 14 additional middle housing dwelling units on land that is classified by the Canby Buildable Land Inventory (2022) as “developed” within the Canby UGB.

Market Observations

- **More diverse housing types are desired** – There is support for a mix of single family detached, townhomes and multifamily apartments and condos. Additionally, new housing should incorporate minimal maintenance, accessibility and pedestrian connectivity.
- **Intergenerational housing, home equity, and senior housing are at the forefront of Canby residents’ desires** – Many who live in Canby would like housing that appeals to all age groups, from young residents (renters and first time homebuyers), as well as middle-aged households (detached for sale housing) and seniors who require affordable senior housing options.
- **There is significant market demand for attainably-priced rental housing**– There is a very limited existing supply of rental housing in Canby. This has resulted in many renters paying 40%+ of their income on housing. Hence, local service workers with \$40,000 in annual income struggle to make rents in the \$1,200 to \$1,400 range, and most rents are closer to \$1,600 per month.
- **The City should take actionable steps to incentivize private and non-profit developer investment in affordable housing** – Ideally through the purchase of land for public/private developments, development code revisions (such as bonus densities for provision of affordable housing), and SDCs that are scaled based on home size.

Housing Needs Analysis Findings

Key findings contained in the draft 2022 Canby Housing Needs Analysis include:

- Over the next 20 years, the Canby UGB is projected to require 2,235 net new housing units to keep pace with population growth. The projected housing demand mix includes 1,384 single-family detached units, 319 townhomes/plexes (with 2 to 4 units per structure), 378 multifamily units (with 5 or more units per structure) and 155 manufactured homes or cottages.
- After accounting for additional middle housing infill that is allowed due to HB 2001 and related local code changes (as mentioned above), the adjusted housing demand that will need to be accommodated on vacant buildable land equates to 2,222 dwellings over 20 years.
- This housing forecast takes into account demographic shifts such as changing needs of an aging population, as well as affordability issues observed in Canby.
- Based on current zoning and remaining buildable land area within the existing UGB, the HNA findings indicate that there is a residential land need of 518 buildable acres in the Canby UGB. The current land shortfall is particularly acute within lower density residential zones (157 acres) as well as the higher-density zones which has a projected shortfall of 12 acres.
- There is a current housing capacity surplus for buildable land within medium-density zones of 24 acres.
- Before considering a UGB expansion, the City will need to consider and adopt policy measures that increase the capacity of remaining vacant buildable land within the current UGB boundary.

Exhibit 1 Canby Land Needs

Projected 20-year Land Need for Housing, City of Canby UGB								
Dwelling Unit Type	Adjusted 20-Year Housing Need ¹	Applicable Plan Designation	Applicable Local Zones	Allowable Density (gross DU per Ac)	Avg. Development Density (net DU per Ac)	Net Buildable Land Requirement (net acres) ⁴	Gross Buildable Land Need (acres) ⁵	%
Single Family Detached	1,384	LDR	R-1, RRFF-5	3 to 6.2	4.0	346	433	62%
Mfd. Homes & Cottages	150		³	3 to 10	9.0	17	21	7%
Townhomes / Plexes	309	MDR	R-1.5	6 to 12	10.0	31	39	14%
Multifamily (5+ units) ²	378	HDR, RC	R-2, DC	14 to 36	18.0	21	26	17%
Total	2,222					415	518	100%

Source: derived from Canby Housing Needs Forecast Memorandum; and interpretation of current zoning code and housing development/market conditions.

¹ Analysis assumes HB 2001 safe harbor assumption that 3% of middle housing demand (cottages, townhomes and plexes) is addressed through infill and redevelopment in existing developed areas.

² Category also includes group quarters housing demand @1.5 persons per dwelling unit.

³ Manufactured housing is allowed in all residential zones.

⁴ Land inventory assumes that all developments in the planning pipeline will have building permits issued prior to adoption.

⁵ Assumes 25% of site area required for future public facilities, roads, easements, etc.

Projected 20-year Land Sufficiency for Housing, Canby UGB				
Dwelling Unit Type	Applicable Plan Designation	Gross Buildable Land Requirement (gross acres)	Buildable Land Inventory (gross acres) ³	Buildable Land Surplus or Deficit (acres)
Single Family Detached	LDR	433	296	(157)
Mfd. Homes & Cottages	¹	21		
Townhomes/Plexes (2-4 units)	MDR	39	63	24
Multifamily (5+ units) ²	HDR, RC	26	15	(12)
Total		518	374	(145)

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

¹ Manufactured housing is allowed in all residential zones.

² Category also includes group quarters housing demand.

³ Land inventory assumes that all developments in the planning pipeline will have building permits issued prior to adoption.

Policy Strategies to Increase Housing types within the existing UGB

To help increase the overall housing supply within the Canby UGB and to address the capacity shortfall for higher-density housing, the consultant team has identified a list of potential strategies or actions the City might consider.

Generally, the policy strategies can be separated into seven categories:

- A. Zoning and Code Changes
- B. Reduce Regulatory Impediments
- C. Financial Incentives
- D. Financial Resources
- E. Tax Exemption and Abatement
- F. Land Acquisition, Lease, and Partnerships
- Z. Custom Options

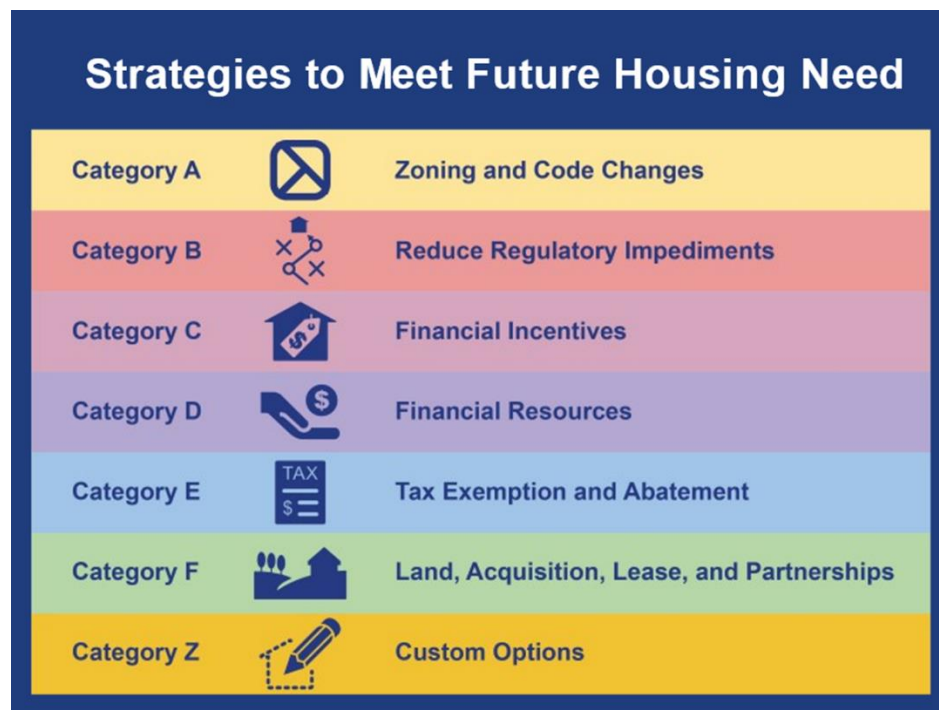


Exhibit 2 identifies and describes various housing policy strategies that have been utilized in cities throughout Oregon. **Preliminary consultant/staff recommendations are identified with an asterisk.** It is recommended that the Canby HNA and HPS planning efforts continue to obtain community input as the City evaluates which of these policies it should implement.

*Policy actions that have generally been implemented by the City or identified by the Canby Housing Advisory Committee for additional consideration are denoted with an * asterisk.*

Exhibit 1: Canby Housing Policy Considerations

Action Number	Description	Category	Notes & Sources
A-1: Develop Criteria & Process for Identifying Land to Up-zone*	Develop criteria and a process for identifying land to up-zone (or rezone) to meet the deficit of land for multifamily development. The criteria may include considerations of location, transportation access, access to and capacity of infrastructure, site size, development constraints, and other relevant criteria.	Category A: Zoning and Code Changes	
A-2: Revise Development Code to Allow Duplexes*	Revise Development Code to allow duplexes where single-family dwellings are allowed	Category A: Zoning and Code Changes	HB 2001 requirement for cities with population between 10,000 and 25,000
A-3: Allow Cottage Clusters*	Allow cottages to be developed in clusters with shared central amenities (such as open spaces) to allow for the development of small single-family detached housing clustered on a lot in the R-1, R-5, RM-10, and RM-20 zones.	Category A: Zoning and Code Changes	City of the Dalles Housing Strategy Report, April 2017
A-4 Allow Tri/Quad Plexes in Single Family Zones	Allow triplexes and quadplexes in single-family zones, possibly using a form-based code approach to regulate the development of these units.	Category A: Zoning and Code Changes	HB 2001 requirement for cities with population greater than 25,000
A-5: Develop a Form-Based Code	Adopt a form-based code approach to regulate the development of small apartments, cottages, tiny houses, and desired multifamily housing types in more zones.	Category A: Zoning and Code Changes	Downtown Bend

Action Number	Description	Category	Notes & Sources
A-6: Allow Courtyard Apartments (all zones)	Allow courtyard apartments in single family and/or medium density zones.	Category A: Zoning and Code Changes	
A-7: Multifamily Residential Buildings in Downtown*	Create development standards that allow development of multifamily residential buildings in downtown. These buildings could be exclusively residential, or they may include a small amount of commercial space.	Category A: Zoning and Code Changes	
A-8: Expand Mixed-Use Zoning*	Identify opportunities to rezone commercial land to commercial mixed-use to support multifamily housing development, if the City has more commercial land than needed to accommodate growth over the next 20-years.	Category A: Zoning and Code Changes	City of Forest Grove
A-9: Limit Single Family Detached Development in Higher-Density Zones	Limit amount of single family detached homes in medium and high density zones. Limitation can be established as a percentage of the total land area or in total dwelling units.	Category A: Zoning and Code Changes	Morrow County HNA, 2017
A-10: Create a Minimum Density Standard	Create a minimum density standard in all residential zones. Example: minimum density standard of at least 70% of maximum density permitted in any residential zone.	Category A: Zoning and Code Changes	Morrow County HNA, 2017
A-11: Limits on Short Term Rentals (STRs)	Require permits for STRs, and consider enforcing a minimum length of stay for at least 30 days.	Category A: Zoning and Code Changes	City of Newport, City of Dundee
A-12: Designs to Promote Aging in Place	Ensure that design standards allow for developments appropriate for seniors to live in. Examples include properties without yards or single story developments.	Category A: Zoning and Code Changes	

Action Number	Description	Category	Notes & Sources
B-1: Reduce Minimum Lot Size (all zones)	Amend lot characteristic standards, such as setback requirements, lot size averaging, etc. to remove barriers to the development of a wider range of housing.	Category B: Reduce Regulatory Impediments	
B-2: Reduce Minimum Lot Sizes in Single Family Zones*	Evaluate reducing the minimum lot size in the Single-Family Residential zones.	Category B: Reduce Regulatory Impediments	
B-3: ADU Development Standards	Evaluate changing development standards for accessory dwelling units, including changing the size limit from 40% to 60% of the primary structure, but retaining the 800 square foot maximum size limit.	Category B: Reduce Regulatory Impediments	City of the Dalles Housing Strategy Report (2017)
B-4: Identify Opportunities to Streamline PUDs*	Identify opportunities to streamline the process and standards for designing and approving planned developments	Category B: Reduce Regulatory Impediments	Local Housing Solutions
B-5: Transferable Development Density on a Parcel with Constraints	Allow housing clusters on a parcel with constraints that prohibit or limit development, such as floodplains or wetlands. This would allow the transfer of density to unconstrained portion of the parcel to be developed at a higher density than the underlying zone, leaving the constrained portion of the parcel undeveloped.	Category B: Reduce Regulatory Impediments	
B-6: Remove Maximum Density Standards	Evaluate removing maximum density standards and allowing building height limitation, lot coverage standard, and parking requirement to limit density.	Category B: Reduce Regulatory Impediments	
B-7: Lower Off-street Parking Requirements*	Evaluate reductions to off-street parking requirements for multifamily housing, including housing serving seniors and other populations that may have lower car ownership.	Category B: Reduce Regulatory Impediments	City of Tigard, Statewide Climate Friendly Community requirements

Action Number	Description	Category	Notes & Sources
B-8: Allow Single-Room Occupancies	Allow single-room occupancies (SROs) for the development or conversion of structures with multiple bedrooms and shared common spaces (i.e., shared kitchens and bathrooms), with the intention of allowing more than six unrelated persons to live in the same unit.	Category B: Reduce Regulatory Impediments	
B-9: Allow Live/Work Housing	Evaluate developing a policy and development standards to allow live/work housing (buildings that include both housing and areas for work) in limited circumstances in commercial and light industrial areas.	Category B: Reduce Regulatory Impediments	
B-10: Streamline Infrastructure Funding Process	Evaluate land use processing & infrastructure funding requirements. Land use permit process streamlining would cut down on developer time and cost. Clarity should be provided on infrastructure cost reimbursement. These would be incentives for developers to more quickly get through the land use review process with assurance of reimbursement for off-site public improvements with broader public benefit.	Category B: Reduce Regulatory Impediments	
B-11: Provide Pre-Approved Middle Housing Designs	Providing a pre-approved set of plans for middle housing typologies (ex. Cottage clusters, townhomes, and ADUs). The plans would be highly efficient, designed for constrained lots and low-cost solutions, and would allow for streamlined permitting.	Category B: Reduce Regulatory Impediments	
C-1: Incentives to Encourage Developers to Build PUDs*	Provide incentives to encourage developers to build planned developments with a variety of housing types, including incentives to support the development of income-restricted housing. Examples include use of TIF for funding off-site infrastructure, bonus density allowances, SDC discounts, etc.	Category C: Financial Incentives	

Action Number	Description	Category	Notes & Sources
C-2: Identify High-Priority Infrastructure Projects*	Identify areas of high priority for improving infrastructure to support new residential development, focusing on opportunities for new development in higher density zones.	Category C: Financial Incentives	
C-3: Provide Density Bonuses for Affordable Housing*	Density bonuses for development of deed-restricted affordable housing.	Category C: Financial Incentives	
C-4: Modify SDC Fee Schedules*	Create SDC fee schedule that is tied to dwelling unit size. Consider per square foot fees rather than per dwelling.	Category C: Financial Incentives	City of Newport
D-1: Ensure CIP Includes Funding Sources	Ensure that the City's Capital Improvement Plan includes funding for infrastructure improvements and maintenance necessary to support residential development.	Category D: Financial Resources	
D-2: General Obligation Bonds for Affordable Housing Development	Following the passage of Measure 102 Oregon local governments, including cities and counties, can now issue voter approved general obligation bonds to provide direct funding for construction and other capital costs associated with the development and construction of affordable housing.	Category D: Financial Resources	City of Portland
D-3: Create an Affordable Housing Fund	Create affordable housing fund, by considering a construction excise tax/dedication of city bed tax.	Category D: Financial Resources	City of Newport, Hood River, Bend
D-4: Tax Increment Financing (TIF) Set Aside	Create a TIF set-aside for affordable housing development programs within designated Urban Renewal Areas (URAs). Target could be to begin setting aside funds for affordable housing projects as a medium-term action,	Category D: Financial Resources	City of Portland

Action Number	Description	Category	Notes & Sources
E-1: Property Tax Exemptions	Property tax options. Provide limited property tax exemption for low-income housing developments and single unit housing in distressed areas.	Category E: Tax Exemption and Abatement	
E-2: Multifamily Tax Exemptions	Provide limited multifamily tax exemptions to incentivize the development of higher density housing	Category E: Tax Exemption and Abatement	
E-3: Multiple Unit Property Tax Exemption (MUPTE)	This strategy can be used to incentivize production of multifamily housing with particular features or at particular price points by offering qualifying developments a partial property tax exemption over the course of several years.	Category E: Tax Exemption and Abatement	See Oregon Revised Statute, Chapter 307.600
E-4: Nonprofit Low-Income Rental Housing Exemption*	This tool can provide a simplified way for affordable housing owned and operated by a nonprofit or Community Land Trusts to qualify for a property tax exemption.	Category E: Tax Exemption and Abatement	See Oregon Revised Statute, Chapter 307.540
F-1: Monitor Residential Land Supply & Housing Inventory*	Develop and implement a system to monitor the supply of residential land every two years. This includes monitoring residential development (through permits) as well as land consumption (e.g., development on vacant or redevelopable lands).	Category F: Land Acquisition, Lease, and Partnerships	
F-2: Develop Partnerships with Nonprofits*	Partnering with housing non-profits. A partnership with a housing nonprofit can be established to acquire naturally occurring affordable housing such as foreclosures and expansion of the City's vacant property registration program for housing rehabilitation or purchase.	Category F: Land Acquisition, Lease, and Partnerships	

Action Number	Description	Category	Notes & Sources
F-4: Preserve Existing Affordable Housing	Preventing displacement and preserving "naturally occurring" affordable housing (such as mobile home parks) through acquisition by non-profits, low-interest loans/revolving loan fund for preservation, and/or code enforcement.	Category F: Land Acquisition, Lease, and Partnerships	OHCS Mfd Dwelling Parks Program
F-5: Public/Private Partnerships (P3)	Partnerships between government and private developers and/or nonprofits have the potential to leverage financial resources with limited public investment in infrastructure or conveyance of land or development rights.	Category F: Land Acquisition, Lease, and Partnerships	
F-6: Housing on City/County Surplus Land	Local agencies may designate surplus property for housing and mixed use development that includes an affordable element.	Category F: Land Acquisition, Lease, and Partnerships	City of Bend
Z-1: Community Outreach	Conduct public meetings and develop materials to provide information to the community about local housing needs and various policies that encourage new development.	Category Z: Custom Options	
Z-2: Update Housing Needs Periodically*	Reevaluate housing needs and land sufficiency every eight years as required by House Bill 2003, or sooner.	Category Z: Custom Options	
Z-3: Conduct Fair Housing Audit	Conduct a Fair Housing audit of the City's development processes and Development Code. An audit would look at existing definitions, restrictions, standards that trigger conditional use permits, and disparate impacts of policies on protected classes.	Category Z: Custom Options	
Z-4: Conduct Development Barriers Audit*	Conduct a broader audit of local zoning code and development processes to identify barriers to residential development and identify alternatives for lowering or eliminating the barriers.	Category Z: Custom Options	

Action Number	Description	Category	Notes & Sources
Z-5: Education for Property Owners/ Developers*	Provide information and FAQs to local developers and property owners to help them understand how to navigate the land use permitting process.	Category Z: Custom Options	
Z-6: Explore Community Land Trusts	Consider the formation of a community land trust (A non profit corporation) which will act as a steward for land intended for the development of affordable housing	Category Z: Custom Options	
Z-7: Amend Commercial zoning to allow mixed use development*	Provides more flexibility by allowing mixed-use buildings with residential flats above ground floor commercial.	Category Z: Custom Options	

**Denotes preliminary consultant/staff recommendation to be refined during Housing Production Strategy and Comprehensive Plan update pending additional community input.*

To: Don Hardy, Jamie Stickel & Ryan Potter, City of Canby

Date: October 21, 2022

From: Todd Chase & Tim Wood, FCS GROUP

CC: Steve Faust 3J Consulting; and Kelly Reid, Oregon DLCD

RE: Canby Economic Opportunities Analysis (EOA): Economic Trends and Land Needs

This memorandum includes an analysis of economic trends and local competitive advantages that shall be considered during the Canby EOA update.

ECONOMIC OVERVIEW

As the U.S. recovers from the global health pandemic and 2020 recession caused by the Coronavirus (COVID-19) disease, Canby is planning for the “new economic normal” that is shaping local and regional economies.

National Economic Indicators

According to a Federal Reserve Bank report released in June 2022, U.S. economic growth as measured by the annual change in real gross domestic product (GDP equates to the value of goods and services produced in the U.S.A after adjusting for inflation) is expected to slow down during 2022-2024. Slower growth is expected due to increasing interest rates, rising consumer prices, and historically low levels of unemployment (see **Exhibit 1**).

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Exhibit 1: Change in Real GDP, United States, 2017-2024

	2017	2018	2019	2020	2021	2022	2023	2024
Actual	2.7%	2.3%	2.6%	-2.3%	5.5%			
Forecast								
Upper end @70% Confidence Interval						3.2%	3.6%	4.2%
Median						1.7%	1.7%	1.9%
Lower end (@70% Confidence Interval)						0.2%	-0.2%	-0.4%

Source : Federal Reserve Bank, June 15, 2022.

It is not clear how global and national trends will affect the long-term outlook for Canby. It is very likely that urban residents (from major cities such as Portland, Seattle and San Francisco) will be more inclined to move to outlying urban areas, such as Canby; drawn by high-speed internet, access to markets and less overall population density. As in-migration and household formations occur, Canby will see an increase in aggregate household income, which will support new housing and demand for services, as well as growth in business-to-business supply chains.

Population Trends

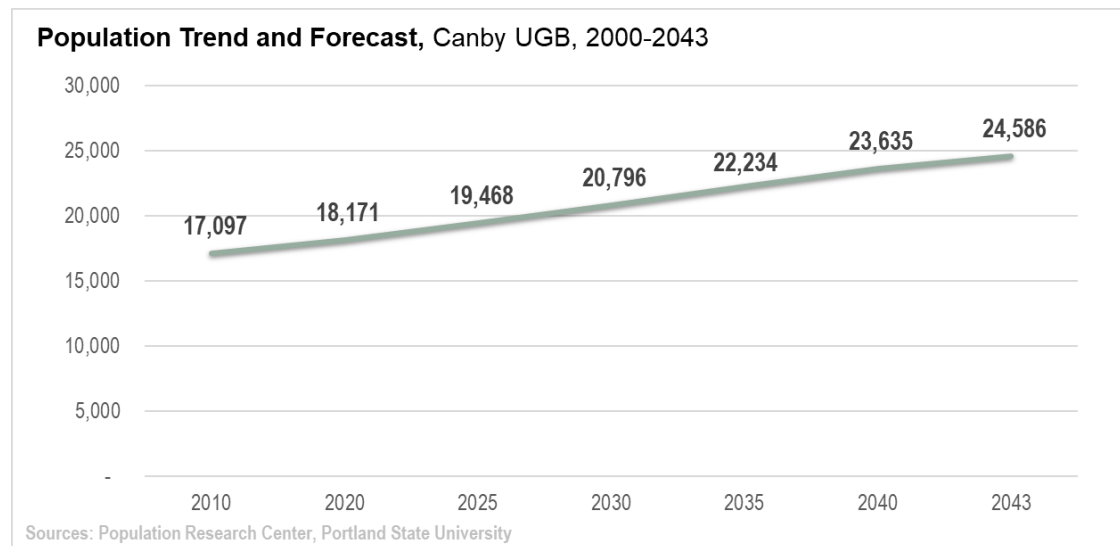
Population continues to increase within Canby and Clackamas County as a whole. Over the last 21 years, Canby’s population increased 42%, from about 12,790 residents in 2000 to 18,171 in 2021 (estimate provided by the Portland State University Population Research Center). During the same timeframe, population in Clackamas County increased from 340,000 in 2000 to 425,316 in 2021 (an increase of 86,925 or 26%) (**Exhibit 2**).

Long-term forecasts by the PRC expect a similar increase in population over the next twenty years, with population in the Canby urban growth area (UGA) of the county expected to increase by 32%. **Exhibit 2** reflects the projected

Canby Economic Opportunities Analysis: Economic Trends

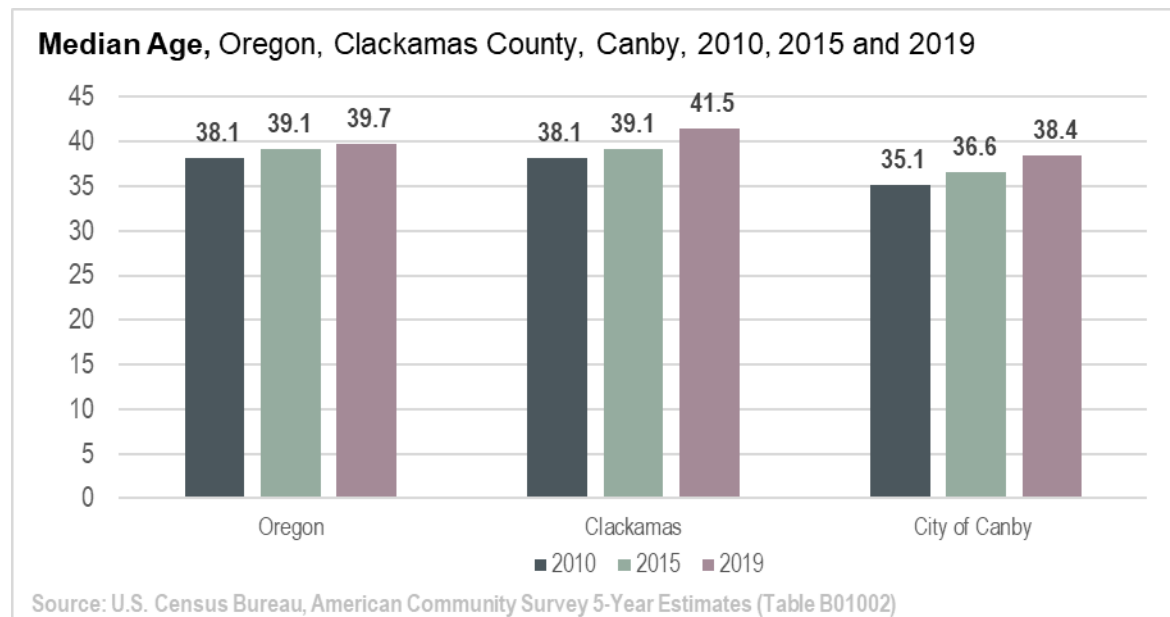
change in Canby UGA population between 2022 and 2043. During that timeframe, PRC's projection expects Canby to add 5,931 residents within the City/UGA boundaries.

Exhibit 2: Population Trends and Forecast, 2000-2043



Canby's population growth is being fueled in part by younger families moving to the city. As indicated in **Exhibit 3** the median age in Canby has been increasing but is still noticeably younger than Oregon and Clackamas County.

Exhibit 3: Median Age of Population, 2010, 2015 and 2019



Income

Income levels in Canby are below those of Clackamas County but well above the state. Between 2010 and 2020, median household and family incomes for residents of Canby increased measurably but were outpaced slightly by growth rates observed statewide and in Clackamas County (**Exhibit 4**).

Canby Economic Opportunities Analysis: Economic Trends

Median household income in 2020 within Canby was much higher for owner-occupied households (\$91,523) than for renter households (\$49,677).

Exhibit 4: Income Trends, 2010-2020

Median Household Income			
	2010	2020	AGR
Canby	\$57,427	\$74,825	2.7%
Clackamas County	\$62,007	\$82,911	2.9%
Oregon	\$49,260	\$65,667	2.9%
Median Family Income Trends			
	2010	2020	AGR
Canby	\$67,370	\$87,173	2.6%
Clackamas County	\$74,905	\$100,172	2.9%
Oregon	\$60,402	\$80,630	2.9%

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Table B2 and Table B10113).

AGR: average annual growth rate.

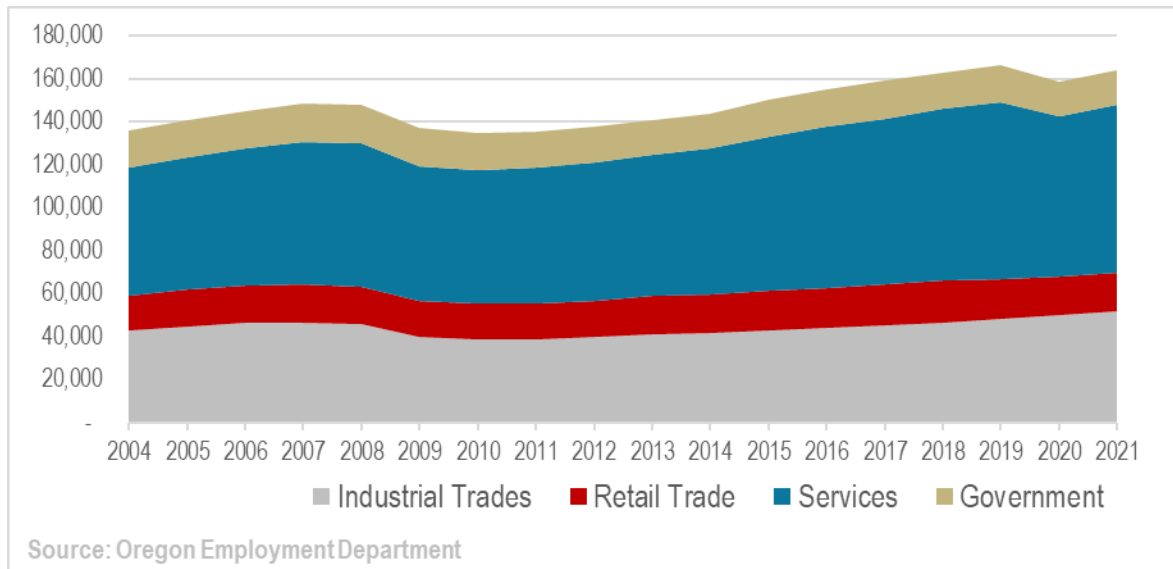
Employment and Unemployment

Prior to the pandemic, employment was on a relatively steady upwards trajectory in Clackamas County and the greater Portland Region. Unemployment rates reached a historic low of 3.5% in March 2020, but have fluctuated since, spiking to 13.3% in April 2020 before coming down to 3.6% in May 2022 (most recent data available at this time).

Because the unemployment rate is a measure of the percentage of workers age 20+ that are actively looking for a job, it does not reflect factors regarding labor participation rates and under-employment (workers that have accepted low paying jobs since other jobs are not available locally). Overall, labor force participation rates within Clackamas County during 2014-2019 were at 65% of the working age population age 16 and over, which is slightly above the national average (63.3%).

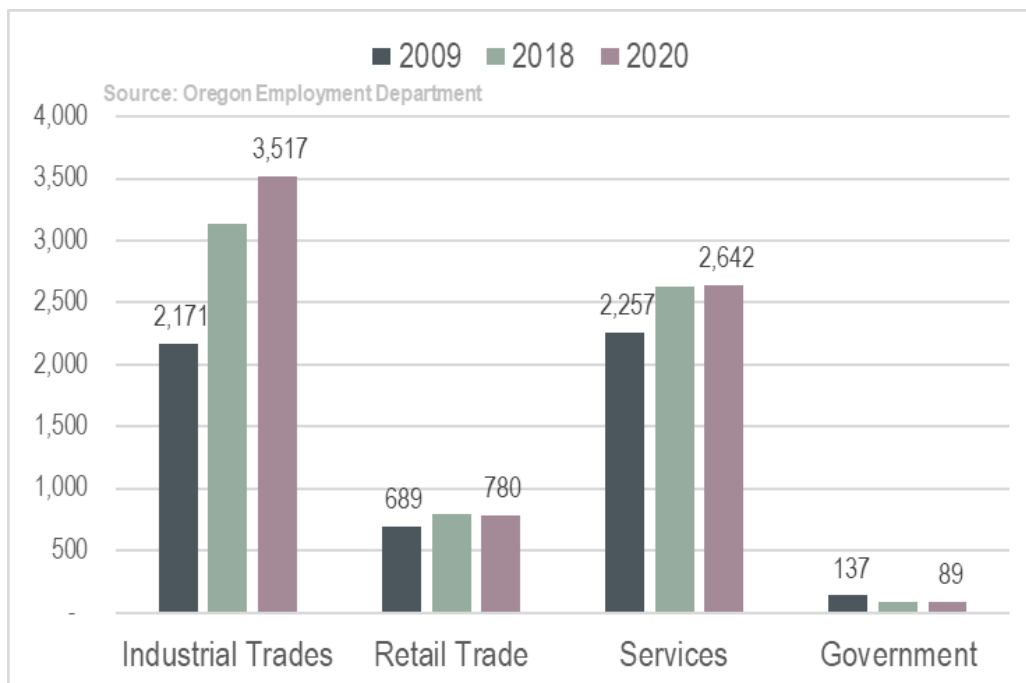
In 2021, the total at-place-of-work employment within Clackamas County recorded 164,593 workers (nonfarm workers). Within Clackamas County, the services sector (professional business services, leisure and hospitality and financial activities) accounts for 48% of the employment. Industrial trades and retail trades are next with 31% and 11% of the jobs, and the government sector accounted for 10% of the employment base (**Exhibit 5**).

Canby Economic Opportunities Analysis: Economic Trends

Exhibit 5: Employment Trends by Sector in Clackamas County, 2004-2021*

**Note, the job estimates shown above may tend to understate the total number of employees that work in Clackamas County since Oregon Employment Data only includes nonfarm workers that are covered by unemployment insurance. Hence, the OED estimates tend to exclude smaller home-based businesses and part-time workers that do not pay workers compensation insurance.*

Employment in Canby has increased significantly in recent years with overall employment reaching 7,028 jobs up from 6,718 in 2018. Half of Canby's employment is in the strong and growing industrial sector which added 1,348 jobs between 2014 and 2020. The services sector accounts for 38% of employment in the city, followed by retail trade sector with 11% of the jobs (**Exhibit 6**).

Exhibit 6: Employment Trends by Sector in Canby, 2009-2018

Canby Economic Opportunities Analysis: Economic Trends

Canby's top employers include a wide range of business types, as shown in **Exhibit 7**.

Exhibit 7: Canby's Top Private Employers, 2020

	Description	Annual GDP (\$M)	Emp. Range
Larusso Concrete Inc.	Masonry Contractors	\$ 13.6 to \$ 17.0	100-125
Marquis Companies I Inc.	Assisted Living Facilities for the Elderly	\$ 11.8 to \$ 14.1	125-150
Wilson Construction Co.	Power and Communication Line Construction	\$ 17.0 to \$ 20.4	125-150
Shimadzu USA Manufacturing Inc.	Analytical Laboratory Instrument Manufacturing	\$ 24.7 to \$ 28.2	175-200
Kendal Floral Supply LLC	Flower, Nursery Stock, and Florists' Supplies	\$ 22.8 to \$ 26.0	175-200
MEC Northwest	Printed Circuit Assembly Manufacturing	\$ 24.7 to \$ 28.2	175-200
JMJ Construction LLC	New Single-Family Housing Construction	\$ 27.1 to \$ 30.5	200-225
Johnson Controls Battery Group Inc.	Storage Battery Manufacturing	\$ 28.2 to \$ 31.7	200-225
Fred Meyer	Warehouse Clubs and Supercenters	\$ 21.3 to \$ 23.4	250-275
Colima Construction LLC	Drywall, Plaster Work & Building Insulation	\$ 40.7 to \$ 47.5	300-350
Columbia Distributing	Beverage Merchant Wholesalers	\$ 40.7 to \$ 47.5	300-350

Source: Clackamas County Economic Landscape analysis by FCS GROUP, 2022.

Note: Data represents employment in 2020

Canby has been successful at adding employers of all sizes. Between 2009 and 2020 the number of establishments in Canby increased from 481 to 616 (over 12 per year on average). Significant growth has occurred in small, medium and very large business categories, as shown in **Exhibit 8**.

Exhibit 8: Canby's Employers by Number of Workers per Establishment, 2009-2020

Employee Count per Establishment	Number of Establishments				
	2009	2020	2009 Dist.	2020 Dist.	% Change
0-1	166	227	35%	37%	37%
2-10	209	256	43%	42%	22%
11-25	63	76	13%	12%	21%
26-49	18	28	4%	5%	56%
50-100	17	17	4%	3%	0%
101+	8	12	2%	2%	50%
Total	481	616	100%	100%	28%

Source: Oregon Employment Department.

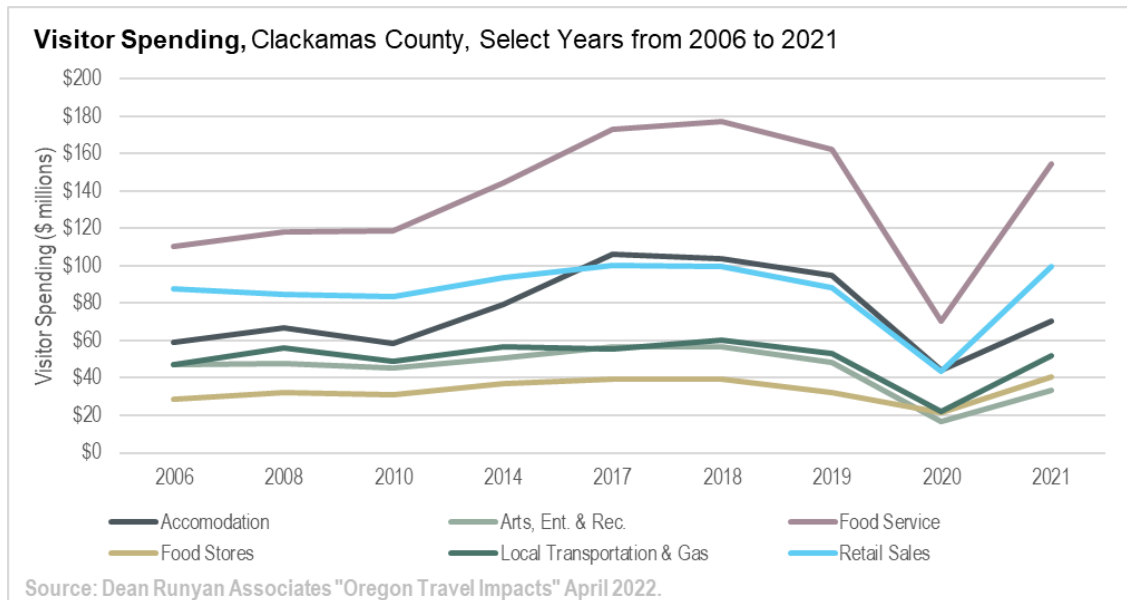
Recreation and Tourism

The recreation and visitation industry has long been a bright spot within Clackamas County. County residents and visitors enjoy access to abundant recreational opportunities afforded by the Clackamas River, Mount Hood National Forest, wineries, breweries, skiing on Mount Hood, agritourism and other activities.

Exhibit 9 depicts trends in visitor spending within Clackamas County between 2006 and 2021. Visitor spending reached a record level in 2018 at \$537 million, a total which declined measurably during the pandemic in 2020 before recovering in 2021 to \$451 million. In 2021 the leading sector for visitor spending was food service establishments followed by accommodation, retail spending, local transportation and gas, arts, entertainment and recreation and food stores.

Canby Economic Opportunities Analysis: Economic Trends

Exhibit 9: Visitor Spending in Millions (2012-2021)



Retail Market Potential

FCS GROUP conducted an analysis of retail sales data to identify existing retail trade flows within the Canby market area. The analysis examines the consumer retail demand and existing estimated sales within a 15, 30- and 45-minute drive time of Canby (to/from downtown).

The retail trade flow analysis measures the difference between local buying power from resident demand within the footprint of the analysis area and the actual sales in the same area. The retail trade analysis summary shown in **Exhibit 10** indicates that Canby retail and food service establishments attract a significant amount of retail inflow (local sales are far greater than local buying power).

Based on the analysis of individual store groups there is also a retail outflow which means most Canby's residents currently travel outside the area to make purchases in the following store group categories:

- Building Materials, Garden Equipment & Supply Stores
- Electronics and Appliance Stores
- Motor vehicle sales, auto parts and supply stores

Exhibit 10: Canby Retail Market Trade Area Profile, 2020

	15 Minutes	30 Minutes	45 Minutes
Population	82,389	683,585	1,435,758
Households	31,525	263,114	569,834
Aggregate Income	\$3,233,438,694	\$28,456,276,380	\$56,534,407,008
Total Demand and Sales (Supply) within Trade Area			
Demand	\$1,070,657,334	\$9,677,982,953	\$18,957,694,917
Supply	\$1,286,857,770	\$10,621,285,989	\$19,600,993,128
Retail Trade Outflow/(Inflow)	\$216,200,436	\$943,303,036	\$643,298,211
Food and Drink Demand and Sales (Supply) within Trade Area			
Demand	\$115,970,767	\$1,064,867,750	\$2,111,201,777
Supply	\$101,291,611	\$1,030,244,223	\$2,480,737,818
Retail Trade Outflow/(Inflow)	(\$14,679,156)	(\$34,623,527)	\$369,536,041

Source: ESRI Business Analyst Online

Canby Economic Opportunities Analysis: Economic Trends

JOB GROWTH FORECAST

The Oregon Employment Department prepares employment forecasts for “regions” throughout Oregon. Canby’s region includes Clackamas, Multnomah and Washington counties. As shown in **Exhibit 11**, the tri-county region is projected to experience positive growth over the next 10 years across all job sectors. The sectors that are projected to add the most net new jobs include: transportation and warehousing, professional, scientific & tech services, health care and social assistance, construction and educational services.

Exhibit 10: Projected Job Growth Rates by Industry for Clackamas, Multnomah and Washington Counties 2020-2030

Sector	2020	2030	Change in Jobs	% Change	AAGR Trend
Industrial Trades	254,400	285,100	30,700	12%	1.15%
Retail Trade	87,700	97,100	9,400	11%	1.02%
Services	542,400	663,900	121,500	22%	2.04%
Government	112,000	123,800	11,800	11%	1.01%
Total	996,500	1,169,900	173,400	17%	1.62%

Source: Oregon Employment Department. Includes Clackamas, Multnomah & Washington counties.

Target industries

Location quotient (LQ) analysis is a method of determining which business sectors are clustered in the City of Canby in comparison to the Oregon state average. LQ analysis reveals what makes the local economy “unique” in comparison to a broader geography. The LQ analysis indicates existing and potential emerging business clusters present in Canby based on their size (as measured by employment) and projected growth potential. The data used for the cluster analyses were derived from the Oregon Employment Department 2020 wage and salary employment statistics and the Clackamas, Multnomah, and Washington County job growth projections described previously applied to City of Canby current employment estimates.

Business clusters in Canby with high LQs include arts, entertainment and recreation, wholesale trade, manufacturing, construction, utilities, information, retail trade and other services.

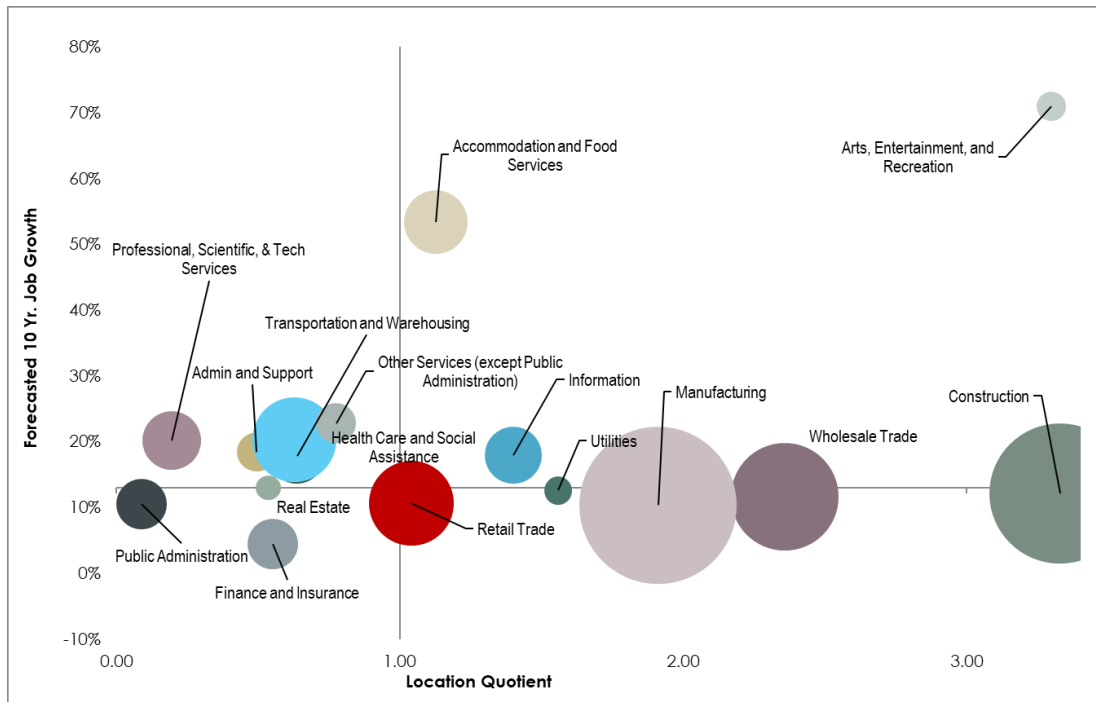
For example, the wholesale trade sector, a cluster which includes Kendal Floral Supply and American Metals, has an LQ of 2.65 which signifies that this business cluster is more than twice as concentrated in Canby than the statewide average (**Exhibit 12**).

Clusters with less than 1.0 LQ may represent a business cluster with either a competitive disadvantage (e.g., from lack of access to key markets) or business clusters with pent-up demand. Clusters with pent-up demand may represent “emerging” opportunities if the job growth rate is projected to be higher than average. For example, the health care cluster has a 0.62 LQ and a high job growth forecast (20% projected growth between 2020 and 2030) so it may now be in position to expand if local employment sites and workforce training opportunities are provided locally.

The preliminary list of target industries for Canby includes several existing and emerging clusters including:

- **Advanced Manufacturing: metals and machinery**
- **High tech Manufacturing & Testing: electrical components, battery storage, etc.**
- **Construction trades**
- **Wholesale trade**
- **Health services**

Canby Economic Opportunities Analysis: Economic Trends

Exhibit 12. Industry Cluster Location Quotients and Forecasted Growth, Canby Area

Compiled by FCS Group based on Oregon Employment Department data from 2020.

During the EOA planning process, FCS conducted meetings with the project advisory committee, and the public, and interviewed local business stakeholders to ascertain local business expansion plans and relative market advantages Canby has for attracting and retaining various types of businesses. The input from those meetings combined with the analysis of growth trends suggests that Canby could have a high degree of success in attracting the following types of industries to its commercial and industrial lands, as summarized in **Exhibit 13**.

In addition to these target industries, the Canby is likely to attract additional demand for commercial retail, professional and business services, entertainment/recreation and business-to-business supply chains, as well as warehousing and distribution entities.

Canby Economic Opportunities Analysis: Economic Trends

Exhibit 13 Potential Target Industries for Canby

Target Industry Category	Market Potential	Relative Wage Rates	Potential Job Creation	Target Industry	Example Businesses
Advanced Manufacturing	●	●	●	<input checked="" type="checkbox"/>	
Energy Systems	●	●	●	<input checked="" type="checkbox"/>	Johnson Controls
Electronic Component Manufacturing	●	●	●	<input checked="" type="checkbox"/>	MEC Northwest
Fabricated Metal Product Manufacturing	●	●	●	<input checked="" type="checkbox"/>	JV Northwest
Navigational, Measuring, Electromedical, and Control Instruments	●	●	●	<input checked="" type="checkbox"/>	Shimadzu USA, FLIR
Composit Materials and Product Manufacturing	●	●	●	<input type="checkbox"/>	Larusso Concrete
Construction related	●	●	●	<input type="checkbox"/>	Colima Construction, JMJ Construction, Wilson
Food/Beverage Processing	●	●	●	<input checked="" type="checkbox"/>	Puddin' River Chocolates, Cutsforth's
Transportation and Distribution	●	●	●	<input type="checkbox"/>	Kendal Floral, Amazon
Health Care	●	●	●	<input checked="" type="checkbox"/>	Providence
Legend: Good: ● Fair: ● Poor: ○					

Source: FCS GROUP.

EMPLOYMENT LAND NEEDS

In light of the trends and opportunities identified above, FCS prepared three alternative employment growth forecasts for the Canby UGB (see **Exhibit 14**).

Low Growth Forecast Scenario: this scenario assumes Canby's overall employment growth reflects a *Safe Harbor* assumption ties the overall average annual job growth rate (1.79%) to be generally consistent with the projected housing growth rate over the next 20 years. Overall job growth in Canby would increase by 3,270 jobs from 7,665 jobs currently to 14,205 in 20 years.

Medium Growth Forecast Scenario: this scenario reflects the level of job growth anticipated based on actual historic job growth rates for major sectors including industrial, retail, services and government. Historic growth rates were derived from 2009-2020 trends in covered employment within the City of Canby using Oregon Employment Department estimates for the industrial, retail and service sectors. Government sector growth rates are assumed to reflect the long-term population growth rate for the Canby UGB. This scenario would result in an

Canby Economic Opportunities Analysis: Economic Trends

average annual employment growth rate of 3.2%. Overall job growth in Canby would increase by 6,778 jobs from 7,665 jobs currently to 14,443 in 20 years.

High Growth Forecast Scenario: this scenario is consistent with the medium growth forecast but includes the local aspirational objective to attract additional living wage jobs into Canby. This scenario assumes that there are adequate sites to accommodate the addition of 300 industrial jobs and 460 service sector jobs above the assumptions shown in the medium scenario. The rationale for the net additional industrial job growth assumes the City provides at least three additional 10 acre sites for large employers compared with the medium scenario. The rationale for the additional service job growth assumes that the City's annual rate of growth in this sector (2.04%) equates to the long-range forecast for the Region (includes Clackamas, Multnomah and Washington Counties) per Oregon Employment Department's long range job growth forecast. This scenario would result in an overall average annual employment growth rate of 3.5%. Overall job growth in Canby would increase by 7,576 jobs from 7,665 jobs currently to 15,241 in 20 years.

Exhibit 14 Employment Growth Forecast, Canby UGB

Sector				Annual Growth Rates		Proj. Canby Growth Rate			20-Year Job Growth Forecast		
	2009	2020	2023 Est.	Canby Trend	Regional Forecast	Low	Medium	High	Low	Medium	High
Industrial Trades	2,171	3,517	4,012	4.48%	1.15%	2.24%	4.48%	4.64%	2,238	5,632	5,932
Retail Trade	689	780	807	1.13%	1.02%	1.02%	1.13%	1.32%	182	204	243
Services	2,257	2,642	2,758	1.44%	2.04%	1.32%	1.44%	2.04%	829	914	1,374
Government	137	89	89	-3.85%	1.01%	1.01%	1.32%	1.32%	20	27	27
Total	5,254	7,028	7,665	2.68%	1.62%	1.79%	3.22%	3.50%	3,270	6,778	7,576

Source: Oregon Employment Department (historic trend and regional forecast) and stated assumptions.

Employment Land Needs Assessment

The employment land need for the Canby UGB is calculated using the following steps:

1. Allocating the growth forecasts into building types based on each sector's typical space needs for office, general government, retail/service, general industrial, flex/business park and warehousing/distribution.
2. Applying an average job density (floor area square feet per job) based on the building types listed above;
3. Applying a work-at-home assumption for the various building types
4. Allocating building absorption among two categories: refill/redevelopment demand (jobs added into existing buildings); and vacant land demand (jobs requiring building expansions or new buildings on vacant or part-vacant lands)
5. Applying a net-to-gross land area factor of 1.25 to account for public roadways and utilities required to serve new development on vacant and part-vacant lands.

Employment density assumptions for forecasting land needs are illustrated in **Exhibit 15** and detailed calculations are provided in the **Appendix B**.

Refill/Redevelopment and Work at Home Assumptions

To keep employment land needs forecasts conservative, the vacant land need factors out work-at-home assumptions and includes separate calculations for building refill/redevelopment assumptions. People that work at home and jobs added within existing buildings through infill/redevelopment would not require any vacant land.

This analysis assumes that the amount of building refill that is expected to occur in existing buildings reduces net new development requirements by 15,000 to 24,000 SF of floor area for commercial buildings; and 3,000 to 4,000 SF for government buildings (detailed calculations shown in **Appendix B**).

Canby Economic Opportunities Analysis: Economic Trends

Exhibit 15 Employment Land Needs Forecast, Canby UGB

	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse/ Dist.	Retail/ Service
Refill Job Allocation ¹	5%	20%	0%	0%	0%	5%
Jobs Needing Vacant Land Allocation ²	83%	80%	90%	95%	100%	95%
Building SF Per Job ²	250	750	550	1,000	1,500	500
Floor-Area-Ratio ²	0.35	0.20	0.25	0.25	0.20	0.35
Public Facility Net:Gross Adjustment ³	1.25	1.25	1.25	1.25	1.25	1.25
Work at Home Adjustment ⁴	12%	0%	10%	5%	0%	0%

* assumptions are intended to reflect a long-term average and current local observations.

1/ Adjusts for building refill & vacancy allowances.

2/ Building density consistent with local observations.

3/ Allowances take into account land dedicated to public/utility easements.

4/ Allowance based on local business license data; and is generally consistent with statistics by Oregon Emp. Dept.

Source: assumptions reflect local observations.

The assumptions used for estimating refill and work-at-home jobs results in an adjusted (lower) number of total jobs that require vacant land and new buildings than would otherwise occur. As shown in **Exhibit 16**, the Canby EOA assumes that 418 to 936 future jobs would not require vacant land or new buildings as a result of stated refill and work-at-home assumptions.

Mixed Use Development Assumptions

The analysis of employment land needs assumes that all buildable mixed use land zoned land in Canby is developed with 1 ground floor level of commercial and housing above. As such, the Canby buildable land assumptions include the mixed-use zoned tax lots in both the employment land and residential land inventory counts.

Exhibit 16 Canby Jobs Requiring Vacant Land

	Low	Medium	High
Industrial	2,238	5,632	5,932
Retail	182	204	243
Services	829	914	1,374
Government & Education	20	27	27
Total Job Growth	3,270	6,778	7,576
Proj. Jobs not requiring vacant land*	418	815	936
Proj. Jobs on Vacant Land	2,852	5,963	6,640

* reflects jobs accommodated through refill in existing buildings and home-based workers.

Vacant Land Needs

The resulting employment land needs for the Canby UGB range from 268 to 673 acres of gross buildable (unconstrained land area). As shown in **Exhibit 17**, the employment land needs by general land use type range from 245 to 638 acres for industrial (includes land zoned CM, LI or HI); 22 to 35 acres for commercial (land zoned CD, HC or Mixed Use). These land demand forecasts assumed 2 acres for government facilities (excludes parks and schools).

Canby Economic Opportunities Analysis: Economic Trends

Exhibit 17 Employment Land Needs Forecast, Canby UGB

General Land Use	Low	Medium	High
Commercial (CD, HC)	22	25	35
Industrial (CM, LI, HI)	244	599	636
Public & Education (excl. schools & parks)	2	2	2
Total Land Need (unconstrained acres)	268	626	673

Source: findings based on preceding assumptions.

NEXT STEPS

The economic trends and recommended target industries may be refined based on input received during the Canby EOA planning process. The next steps in the EOA process include community outreach on draft findings regarding the types of jobs that are most desired and a discussion of the land needs scenarios and related local land use policy considerations.

Citizen outreach is being conducted through a variety of formats including public meetings and local surveys. Business outreach is being obtained through these meetings/surveys and interviews with major employers and business representatives. A key element of the EOA outreach strategy includes outreach to potentially disadvantaged population segments, including minorities, and small disadvantaged businesses.

The community engagement process will inform how Canby's overall economic development goals and objectives shall be redefined to address economic and community development needs, issues, and emerging trends and development opportunities.

Canby Economic Opportunities Analysis: Economic Trends

Appendix A. Regional Employment Growth Forecast

Industry Employment Projections, 2020-2030
Clackamas, Multnomah, and Washington Counties

	2020	2030	Change	% Change
Total employment	996,500	1,169,900	173,400	17%
Total payroll employment	937,000	1,105,400	168,400	18%
Total private	825,000	981,600	156,600	19%
Natural resources and mining	10,200	10,900	700	7%
Mining and logging	600	600	0	0%
Construction	55,100	61,800	6,700	12%
Construction of buildings	15,800	17,700	1,900	12%
Residential building construction	8,200	9,500	1,300	16%
Nonresidential building construction	7,600	8,200	600	8%
Heavy and civil engineering construction	3,800	4,200	400	11%
Specialty trade contractors	35,500	39,900	4,400	12%
Manufacturing	99,100	109,400	10,300	10%
Durable goods	75,000	82,700	7,700	10%
Wood product manufacturing	2,100	2,100	0	0%
Primary metal manufacturing	4,500	5,100	600	13%
Fabricated metal product manufacturing	10,000	11,400	1,400	14%
Machinery manufacturing	7,900	9,000	1,100	14%
Computer and electronic product manufacturing	33,900	35,900	2,000	6%
Semiconductor and electronic component mfg.	28,000	29,700	1,700	6%
Electronic instrument manufacturing	4,200	4,700	500	12%
Transportation equipment manufacturing	5,800	6,900	1,100	19%
Nondurable goods	24,000	26,700	2,700	11%
Food manufacturing	10,800	12,300	1,500	14%
Paper manufacturing	1,700	1,700	0	0%
Trade, transportation, and utilities	177,700	200,100	22,400	13%
Wholesale trade	46,200	51,600	5,400	12%
Merchant wholesalers, durable goods	24,500	26,600	2,100	9%
Merchant wholesalers, nondurable goods	17,400	20,200	2,800	16%
Electronic markets and agents and brokers	4,300	4,800	500	12%
Retail trade	87,700	97,100	9,400	11%
Motor vehicle and parts dealers	10,600	12,400	1,800	17%
Building material and garden supply stores	6,900	7,400	500	7%
Food and beverage stores	19,000	20,700	1,700	9%
Clothing and clothing accessories stores	7,200	9,000	1,800	25%
Sporting goods, hobby, book and music stores	4,100	4,500	400	10%
General merchandise stores	16,900	17,500	600	4%
Transportation, warehousing, and utilities	43,700	51,400	7,700	18%
Transportation and warehousing	41,500	48,900	7,400	18%
Truck transportation	8,600	9,300	700	8%
Couriers and messengers	9,000	10,900	1,900	21%
Warehousing and storage	12,500	14,900	2,400	19%
Information	21,100	24,900	3,800	18%
Publishing industries, except Internet	10,100	11,500	1,400	14%
Software publishers	9,000	10,600	1,600	18%
Telecommunications	2,500	1,800	-700	-28%
Financial activities	61,600	66,700	5,100	8%
Finance and insurance	35,900	37,500	1,600	4%
Credit intermediation and related activities	15,300	15,900	600	4%
Insurance carriers and related activities	16,600	16,900	300	2%
Real estate and rental and leasing	25,700	29,200	3,500	14%
Real estate	23,000	26,000	3,000	13%
Professional and business services	155,400	186,300	30,900	20%
Professional and technical services	65,600	78,900	13,300	20%
Legal services	7,400	7,400	0	0%
Architectural and engineering services	12,600	14,700	2,100	17%
Computer systems design and related services	12,900	16,400	3,500	27%
Management of companies and enterprises	37,300	45,100	7,800	21%
Administrative and waste services	52,500	62,400	9,900	19%
Administrative and support services	49,800	59,000	9,200	18%
Employment services	21,700	26,900	5,200	24%
Business support services	5,500	5,200	-300	-5%
Services to buildings and dwellings	12,400	14,500	2,100	17%
Private educational and health services	140,000	168,600	28,600	20%
Private educational services	19,500	23,600	4,100	21%
Health care and social assistance	120,500	145,000	24,500	20%
Ambulatory health care services	43,700	54,200	10,500	24%
Hospitals	25,000	27,000	2,000	8%
Nursing and residential care facilities	22,700	27,000	4,300	19%
Social assistance	29,100	36,800	7,700	26%
Leisure and hospitality	72,400	113,100	40,700	56%
Arts, entertainment, and recreation	10,000	17,100	7,100	71%
Amusement, gambling, and recreation	6,800	12,000	5,200	76%
Accommodation and food services	62,500	95,900	33,400	53%
Accommodation	5,400	10,200	4,800	89%
Food services and drinking places	57,100	85,800	28,700	50%
Restaurants and other eating places	51,100	74,400	23,300	46%
Other services	32,400	39,800	7,400	23%
Membership associations and organizations	13,100	14,900	1,800	14%
Government	112,000	123,800	11,800	11%
Federal government	14,500	14,600	100	1%
Federal government post office	3,500	3,600	100	3%
State government	8,200	8,800	600	7%
Local government	89,300	100,400	11,100	12%
Local education	45,600	50,800	5,200	11%
Self-employment	59,500	64,500	5,000	8%

Source: Oregon Employment Department, Workforce and Economics Research Division.

Canby Economic Opportunities Analysis: Economic Trends

Appendix B. Employment Land Needs Assumptions

Canby UGB Net New Employment Forecast: 2023-2043*

	Low	Medium	High
Industrial	2,238	5,632	5,932
Retail	182	204	243
Services	829	914	1,374
Government & Education	20	27	27
Total Job Growth	3,270	6,778	7,576
Proj. Jobs not requiring vacant land*	418	815	936
Proj. Jobs on Vacant Land	2,852	5,963	6,640

* reflects jobs accommodated through refill in existing buildings and home-based workers.

Canby UGB Job Growth Capture Rates: 2023-2043

	Scenario A	Scenario B	Scenario C
Industrial	100%	100%	100%
Retail	100%	100%	100%
Services	100%	100%	100%
Government & Education	100%	100%	100%

Canby UGB Job Growth Forecast: 2023-2043

	Low	Medium	High
Industrial	2,238	5,632	5,932
Retail	182	204	243
Services	829	914	1,374
Government & Education	20	27	27
Total	3,270	6,778	7,576

Source: Derived from prior tables

Employment Sectors to Building Type Assignment Assumptions

	Building Types						
Employment Sectors	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Retail	0%		10%	0%	0%	90%	100%
Services	50%		20%	0%	0%	30%	100%
Industrial			30%	55%	15%	0%	100%
Government/Education/Other Public		100%		0%	0%		100%

Source: reflects local assumptions by FCS GROUP.

Net New Employment Forecast by Building Type, Scenario A Forecast

Employment Sectors	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Retail	-	-	18	-	-	164	182
Services	415	-	166	-	-	249	829
Industrial	-	-	671	1,231	336	-	2,238
Government/Other Public	-	20	-	-	-	-	20
Total	415	20	856	1,231	336	413	3,270

Net New Employment Forecast by Building Type, Scenario B Forecast

Employment Sectors	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Retail Trades	-	-	20	-	-	184	204
Services	457	-	183	-	-	274	914
Industrial	-	-	1,690	3,098	845	-	5,632
Government/Other Public	-	27	-	-	-	-	27
Total	457	27	1,893	3,098	845	458	6,778

Source: FCS GROUP based on local market assumptions.

Net New Employment Forecast by Building Type, Scenario C Forecast

Employment Sectors	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Retail Trades	-	-	24	-	-	218	243
Services	687	-	275	-	-	412	1,374
Industrial	-	-	1,780	3,263	890	-	5,932
Government/Other Public	-	27	-	-	-	-	27
Total	687	27	2,079	3,263	890	631	7,576

Source: FCS GROUP based on local market assumptions.

Canby Economic Opportunities Analysis: Economic Trends

Building Type to Land Needs Assumptions*

	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse/ Dist.	Retail/ Service
Refill Job Allocation ¹	5%	20%	0%	0%	0%	5%
Jobs Needing Vacant Land Allocation ²	83%	80%	90%	95%	100%	95%
Building SF Per Job ²	250	750	550	1,000	1,500	500
Floor-Area-Ratio ²	0.35	0.20	0.25	0.25	0.20	0.35
Public Facility Net-Gross Adjustment ³	1.25	1.25	1.25	1.25	1.25	1.25
Work at Home Adjustment ⁴	12%	0%	10%	5%	0%	0%

* assumptions are intended to reflect a long-term average and current local observations.

1/ Adjusts for building refill & vacancy allowances.

2/ Building density consistent with local observations.

3/ Allowances take into account land dedicated to public/utility easements.

4/ Allowance based on local business license data; and is generally consistent with statistics by Oregon Emp. Dept.

Source: assumptions reflect local observations.

Net New Refill Building Space Requirements (Floor Area Sq.Ft.)

	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Low	5,000	3,000	-	-	-	10,000	18,000
Medium	5,000	4,000	-	-	-	11,000	20,000
High	8,000	4,000	-	-	-	16,000	28,000

Net New Building Floor Area Development on Vacant Lands (Floor Area) - 20 Year Forecast

	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Low	76,000	12,000	381,000	1,111,000	504,000	196,000	2,280,000
Medium	83,000	16,000	843,000	2,796,000	1,267,000	218,000	5,223,000
High	125,000	16,000	926,000	2,945,000	1,335,000	300,000	5,647,000

Vacant Land Need (gross buildable acres) - 20 Year Forecast

	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Low	6.2	1.7	43.7	127.5	72.3	16.1	267.6
Medium	6.8	2.3	96.8	320.9	181.8	17.9	626.5
High	10.2	2.3	106.3	338.0	191.5	24.6	673.0

Building to Land Use Assignment Assumptions

Land Use Classification	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail
Commercial (retail, office, lodging)	100%	0%	0%	0%	0%	100%
Mixed Use	0%	0%	0%	0%	0%	0%
Public	0%	100%	0%	0%	0%	0%
General Industrial & Flex	0%	0%	100%	100%	100%	0%
Total	100%	100%	100%	100%	100%	100%

Assumptions by FCS GROUP and City staff based on local observations.

Vacant Land Needs Forecast by Zoning Classification, Scenario A Forecast

Land Use Classification	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Commercial (retail, office, lodging)	6.2	-	-	-	-	16.1	22.3
Mixed Use	-	-	-	-	-	-	-
Public	-	1.7	-	-	-	-	1.7
General Industrial & Flex	-	-	43.7	127.5	72.3	-	243.6
Total	6.2	1.7	43.7	127.5	72.3	16.1	267.6

Vacant Land Needs Forecast by Zoning Classification, Scenario B Forecast

Land Use Classification	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Commercial (retail, office, lodging)	6.8	-	-	-	-	17.9	24.7
Mixed Use	-	-	-	-	-	-	-
Public	-	2.3	-	-	-	-	2.3
General Industrial & Flex	-	-	96.8	320.9	181.8	-	599.5
Total	6.8	2.3	96.8	320.9	181.8	17.9	626.5

Vacant Land Needs Forecast by Zoning Classification, Scenario C Forecast

Land Use Classification	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Commercial (retail, office, lodging)	10.2	-	-	-	-	24.6	34.8
Mixed Use	-	-	-	-	-	-	-
Public	-	2.3	-	-	-	-	2.3
General Industrial & Flex	-	-	106.3	338.0	191.5	-	635.9
Total	10.2	2.3	106.3	338.0	191.5	24.6	673.0

Canby UGB Land Needs for Employment (gross buildable acres)

General Land Use	Low	Medium	High
Commercial (CD, HC)	22	25	35
Industrial (CM, LI, HI)	244	599	636
Public & Education (excl. schools & parks)	2	2	2
Total Land Need (unconstrained acres)	268	626	673

Source: findings based on preceding assumptions.

To: Don Hardy, Jamie Stickel & Ryan Potter, City of Canby
Date: October 21, 2022
From: Todd Chase & Tim Wood, FCS GROUP
CC: Steve Faust 3J Consulting; and Kelly Reid, Oregon DLCD
RE: Canby Economic Opportunities Analysis (EOA): Site Suitability Analysis (Task 5).

This memorandum includes a summary of the Canby EOA Buildable Land Inventory (BLI) and a site suitability analysis to ensure that Canby's Urban Growth Boundary (UGB) can accommodate the projected 20-year job growth forecast.

BUILDABLE LAND INVENTORY

The BLI findings for the Canby UGB were documented by 3J Consulting and updated as of October 21, 2022. The BLI findings reflect all vacant and part-vacant land within the Canby UGB that has not yet been developed nor has been issued a building permit.

The BLI findings reflect current zoning categories that are intended to permit employment uses. This includes land that is currently zoned CR, C1, C2, CM, M1 and M2. As shown in **Exhibit 1** (with supporting BLI methodology provided in Appendix A), the total remaining BLI includes 145 acres of industrial land within 48 separate tax lots, and 17 acres of commercial land within 24 separate tax lots.

Exhibit 1: Summary of Vacant, Part Vacant and Redevelopable Employment Land, Canby UGB

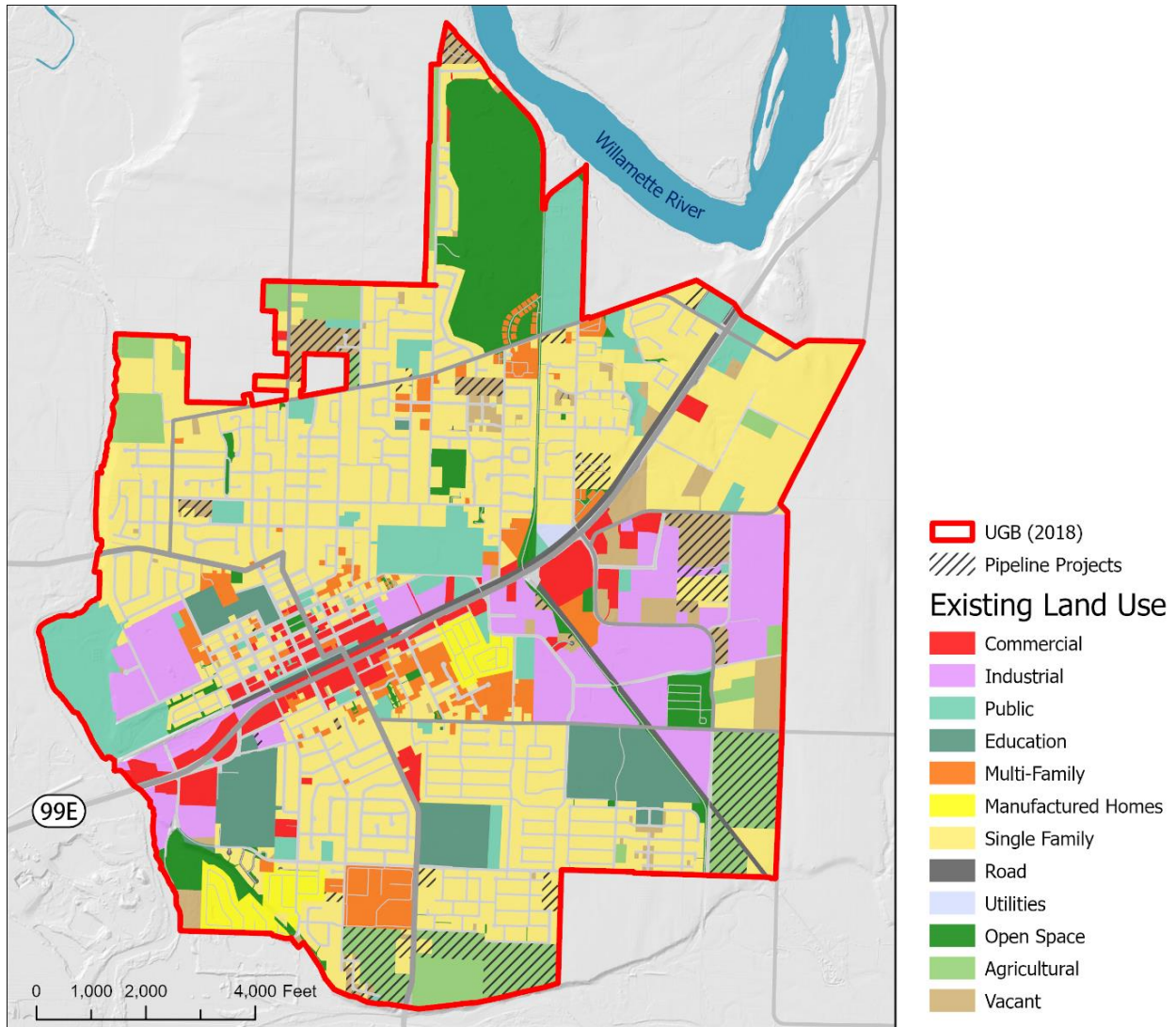
Zoning	Parcel Size Range:		<1 acre		1 to 5 acres		5 to 10 acres		>=10 acres		Total	
	Acres	Lots	Acres	Lots	Acres	Lots	Acres	Lots	Acres	Lots	Acres	Lots
CR - Residential Commercial	1	1	4	2	-	-	-	-	4	3		
C1/DC - Downtown Commercial	1	9	-	-	-	-	-	-	1	9		
C2 - Highway Commercial	2	9	5	3	-	-	-	-	12	12		
Subtotal	4	19	9	5			-	-	17	24		
CM - Commercial Manufacturing	5	17	2	2	-	-	-	-	7	19		
M1 - Light Industrial	2	6	19	8	23	4	68	3	112	21		
M2 - Heavy Industrial	2	3	1	1	22	4			26	8		
Subtotal	9	26	23	11	45	8	68	3	145	48		
Total	13	45	31	16	45	8	68	3	162	72		

Source: Canby Buildable Land Inventory, reflects all land within UGB that does not have a building permit as of Oct. 21, 2022.

As shown in **Exhibits 2 and 3**, most of the remaining vacant commercial tax lots are located along Highway 99E and in downtown.

The majority of the remaining commercial land supply is concentrated in tax lots that have less than 5 acres of unconstrained land area. The commercial inventory includes 5 tax lots with 1-5 acres each, and 19 tax lots within less than 1 acre of buildable land area. Approximately 83% of the commercial land area is classified as vacant and the remainder is classified as redevelopable.

Canby Economic Opportunities Analysis: Site Suitability Analysis

Exhibit 2. Canby UGB Existing Land Use

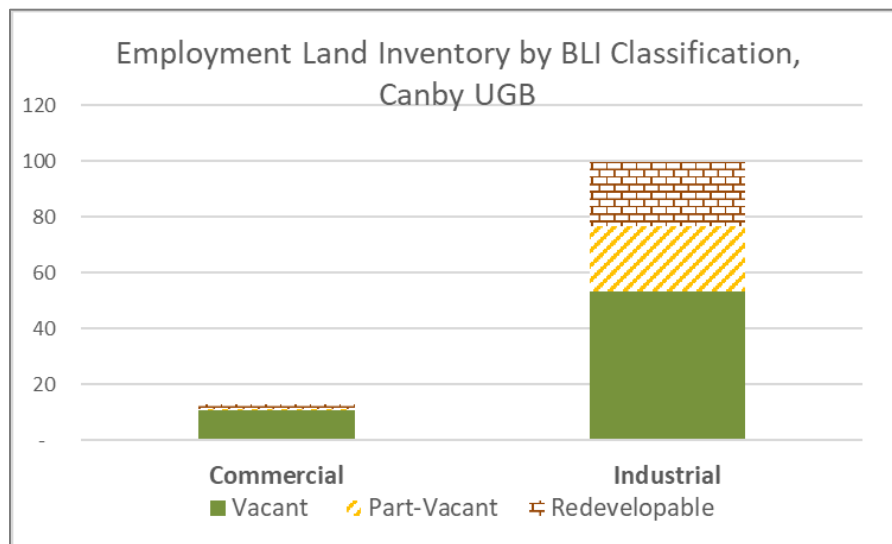
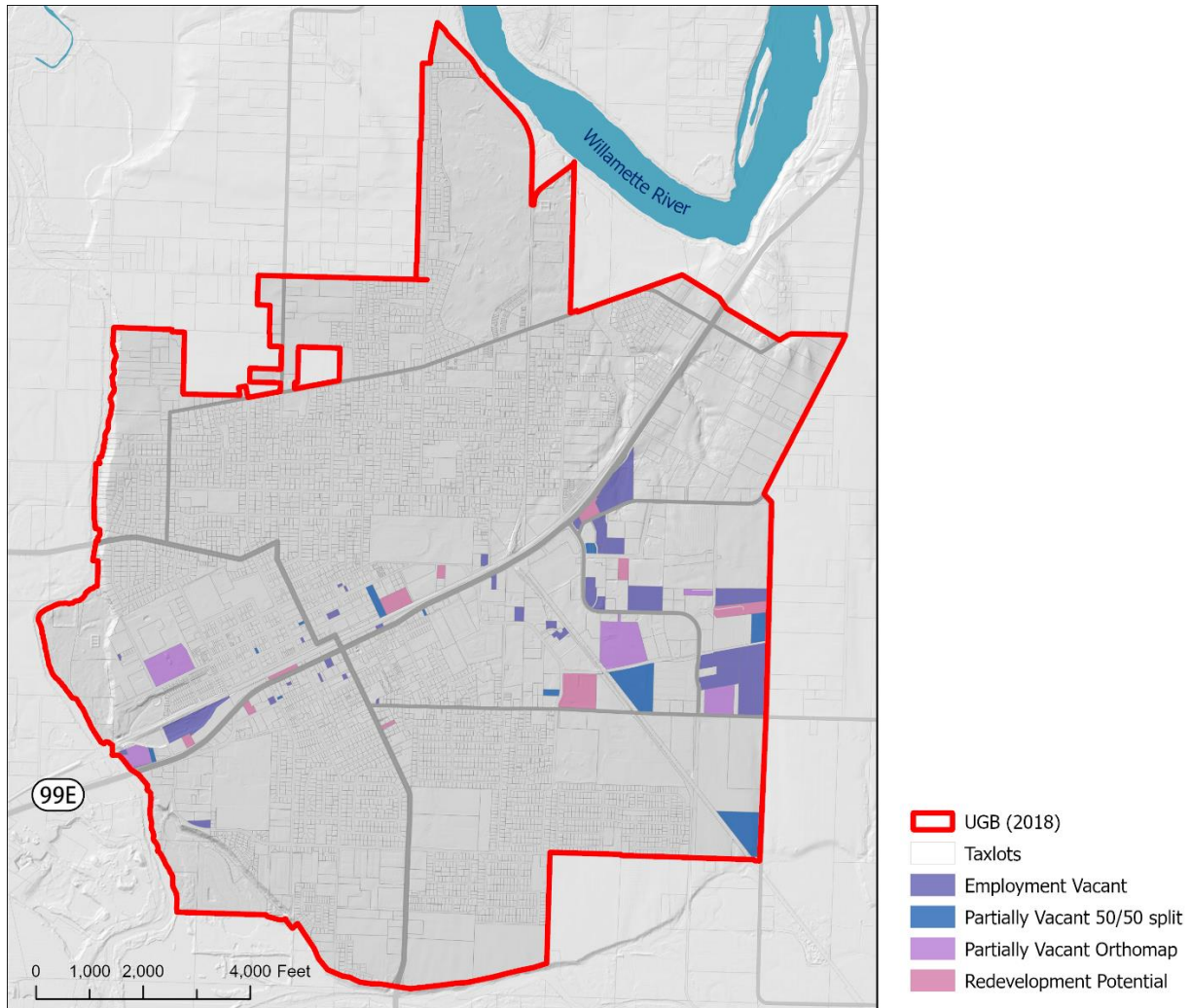
Most of the remaining industrial land inventory is concentrated in the Pioneer Business Park. There are also a few vacant industrial tax lots located north of Highway 99E.

At present there are three (3) remaining vacant industrial tax lot with over 10 acres each of unconstrained land area; and eight (8) tax lots each with between 5 and 10 acres of land area. There are an additional 11 tax lots each with 1 to 5 acres of land area; and 26 tax lots with under 1 acre of land area.

Approximately half of the remaining industrial land inventory is classified as vacant and unconstrained; 25% is classified as part-vacant; and 25% is classified as redevelopable (see **Exhibit 3**).

Canby Economic Opportunities Analysis: Site Suitability Analysis

Exhibit 3. Canby UGB Buildable Employment Land Inventory



Canby Economic Opportunities Analysis: Site Suitability Analysis

SITE SUITABILITY ANALYSIS

The site suitability analysis compares the remaining buildable land inventory to the projected employment land needs based on market factors that were ascertained in the trends analysis.

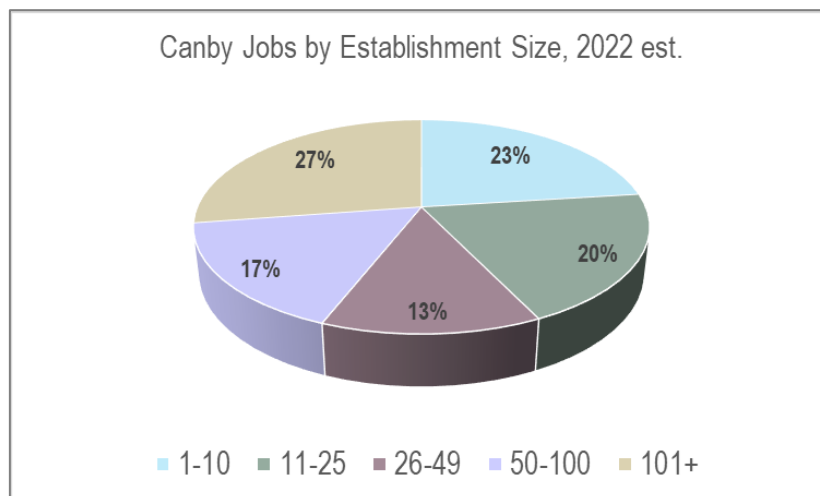
As part of the EOA update, it has been determined that all remaining vacant employment lands within the Canby UGB can reasonably be served by planned investments in public and private facilities and services, such as roads, water, sewer, storm, power and telecommunications.

To help inform the site suitability analysis, FCS evaluated trends in employment added to Canby over the past 11 years (2009 to 2020) by establishment size. The findings indicate that the total number of employment establishments in Canby increased from 481 to 616 during this period. The most significant growth has occurred in the medium (26 to 49 workers per establishment) and large (101 or more workers per establishment) employment categories (**Exhibit 4**). This analysis indicates that the City of Canby has added approximately 12 to 16 net new employment establishments annually over the past decade and that the City will need to plan for a mix of small, medium and large employment sites to address future employment growth forecasts.

Exhibit 4: Employer Establishments by Size, City of Canby, 2009-2020

Employee Count per Establishment	Number of Establishments				
	2009	2020	2009 Dist.	2020 Dist.	% Change
0-1	166	227	35%	37%	37%
2-10	209	256	43%	42%	22%
11-25	63	76	13%	12%	21%
26-49	18	28	4%	5%	56%
50-100	17	17	4%	3%	0%
101+	8	12	2%	2%	50%
Total	481	616	100%	100%	28%

Source: Oregon Employment Department.



The Economic Trends Analysis for the Canby EOA identified a range in employment land needs for a low, middle and high growth scenario (**Exhibit 5**).

Canby Economic Opportunities Analysis: Site Suitability Analysis

The commercial land use demand is derived from retail, service and office jobs that require new floor area on buildable land zoned CD or HC). The industrial land use demand forecast will be derived from jobs in manufacturing, construction, wholesale trade, transportation, distribution and utilities sectors on land zoned CM, LI or HI).

Exhibit 5: Canby Employment Land Need Forecast

Land Use Classification	Land Supply	Land Need (Demand)*			Net Land Need (Shortfall)		
		Low	Medium	High	Low	Medium	High
Commercial (DC, HC)	17	22	25	35	(5)	(8)	(18)
Industrial/Other Emp. (CM, LI, HI)*	145	245	602	638	(101)	(457)	(494)
Total Buildable Land (gross acres)	162	268	626	673	(106)	(465)	(511)

* excludes potential public land needs for new parks and schools.

During the EOA planning process, several target industries were identified. As shown in **Exhibit 6**, these targeted industries include the following categories:

- Advanced Manufacturing
- Composite Materials and Product Manufacturing
- Food and Beverage Processing & Distribution
- Health Care Services

There are also other employment sectors that are not considered to be a target industry but still represent strong growth potential. These sectors include construction, wholesale trade, transportation and distribution, business and personal services, leisure and hospitality and entertainment.

Exhibit 6: Target Industries for Canby EOA

Target Industry Category	Market Potential	Relative Wage Rates	Potential Job Creation	Target Industry	Example Businesses
Advanced Manufacturing	●	●	●	<input checked="" type="checkbox"/>	
Energy Systems	●	●	●	<input checked="" type="checkbox"/>	Johnson Controls
Electronic Component Manufacturing	●	●	●	<input checked="" type="checkbox"/>	MEC Northwest
Fabricated Metal Product Manufacturing	●	●	●	<input checked="" type="checkbox"/>	JV Northwest
Navigational, Measuring, Electromedical, and Control Instruments	●	●	●	<input checked="" type="checkbox"/>	Shimadzu USA, FLIR
Composite Materials and Product Manufacturing	●	●	●	<input type="checkbox"/>	Larusso Concrete
Construction related	●	●	●	<input type="checkbox"/>	Colima Construction, JMJ Construction, Wilson
Food/Beverage Processing	●	●	●	<input checked="" type="checkbox"/>	Puddin' River Chocolates, Cutsforth's
Transportation and Distribution	●	●	●	<input type="checkbox"/>	Kendal Floral, Amazon
Health Care	●	●	●	<input checked="" type="checkbox"/>	Providence
Legend:					
Good: ● Fair: ● Poor: ○					

Source: FCS GROUP.

Canby Economic Opportunities Analysis: Site Suitability Analysis

Site location, size and infrastructure requirements are important factors to consider when addressing the employment land needs. **Exhibit 7** identifies most likely site requirements under the middle and high employment growth scenarios.

Site Size Requirements



	Very Small Users	Small Users	Medium Users	Large Users	Site Needs & Considerations
Industrial Uses Distribution Advanced Tech. Manufacturing Food & Beverage Processing Flex Industrial Users (misc. light industrial)	Building tenants, expansion on part-vacant lots, and new development on small vacant lots under 2 acres		3 to 9 acres per user	10 to 20 acres per user	Within 1 mile of Highway 99E, 3-phase power, fiber optics, rail spur is a plus
Office Uses Professional & Tech. Services Corp. Headquarters Financial Services Health Care	Building tenants or part vacant or redev. sites or home based		1-3 acres per user	3 to 5 acres per user	Fiber optics, access to business services and transit, adequate parking, skilled workforce
Retail and Misc. Services	Downtown & Hwy. 99E Corridor redevelopment, plus two 6-8 acre sites for a Neighborhood Center and a Lifestyle Center, plus 1-2 new hotels and sports/entertainment facilities				Highway visibility with access to all modes of travel

Exhibit 7: Employment Site Requirements, Middle and High Growth Scenarios

	Very Small Users	Small Users	Medium Users	Large Users	Total
Assumed Jobs On Site (annual average)	<i>Less than 9</i>	<i>10 to 25</i>	<i>26 to 99</i>	<i>100 to 200+</i>	
Proj. Avg. Jobs per Establishment	<i>7 jobs</i>	<i>15 jobs</i>	<i>80 jobs</i>	<i>185 jobs</i>	
Proj. Distribution of Job Growth Capture	<i>24%</i>	<i>21%</i>	<i>27%</i>	<i>28%</i>	100%
<i>Proj. Jobs on Vacant Land: Middle Scenario</i>	<i>1,431 jobs</i>	<i>1,252 jobs</i>	<i>1,610 jobs</i>	<i>1,670 jobs</i>	5,963 jobs
<i>Proj. Jobs on Vacant Land: High Scenario</i>	<i>1,594 jobs</i>	<i>1,394 jobs</i>	<i>1,793 jobs</i>	<i>1,859 jobs</i>	6,640 jobs
Avg. Site Size per Estab. (net acres)	0.25	1.75	8	15	
<i>Proj. Vacant Land: Middle Scenario (acres)</i>	51.1	146.1	161.0	135.4	494
<i>Proj. Vacant Land: High Scenario</i>	56.9	162.7	179.3	150.7	550
Proj. Distribution of Land Needs	20%	20%	35%	25%	100%
Total Sites Needed: Middle Scenario (sites)	204	83	20	9	317
Total Sites Needed: High Scenario (sites)	228	93	22	10	353
Industrial Capture (sites)	10%	90%	95%	95%	
Industrial Sites Needed: Middle Scenario	20	75	19	9	123
Industrial Sites Needed: High Scenario	23	84	21	10	137
Commercial Capture (sites)	90%	10%	5%	5%	
Commercial Sites Needed: Middle Scenario	184	8	1	0	194
Commercial Sites Needed: High Scenario	205	9	1	1	216

Canby Economic Opportunities Analysis: Site Suitability Analysis

Commercial and Office Land Need Requirements

With a long-term land demand forecast of 22 to 35 acres for commercial retail and office land needs (middle and high growth scenarios) and with a buildable land supply of 17 acres of commercial zoned land inside the existing UGB, Canby should explore new strategies to plan and annex appropriate locations for office and retail development.

Canby's short-term buildable land supply should be adequate in meeting market demand over the next 12 months. However, over the long-term, the City may need approximately 5 to 18 acres of additional land area for commercial and office development.

Possible long-term strategies include completing master planning on adjacent planning areas, such as the Area J planning area for a combination of office, commercial and housing development. A portion of the Area J planning area will be needed to address Canby's long-term employment land need.

In light of the fact that the remaining land supply within the City is primarily comprised of smaller tax lots (only 5 vacant commercial tax lots exist with over 1 acre in size), the City should explore strategies that support "special site" preferences for strategic uses, such as a new neighborhood shopping center, lifestyle center, hotel(s), and a medical/health campus that typically require sites ranging from 4-8 acres in size.

A forecast of site needs for commercial-zoned land in Canby is provided in **Exhibit 8**.

Exhibit 8: Commercial Site Requirements, Middle and High Growth Scenarios

Commercial	Very Small Users	Small Users	Medium Users	Large Users	Total
<i>Jobs on Site (average)</i>	7 jobs	15 jobs	80 jobs	185 jobs	
<i>Range in Site Size (net buildable acres)</i>	Less than 1.0	1 to 3	3 to 10	11 to 20	
<i>Avg. Site Size (net buildable acres)</i>	0.25	1.75	8	15	
Land Supply (Sites or Tax Lots)	19	5	0	0	24
Total Land Demand (Sites or Tax Lots)					
Middle Growth Forecast Scenario	184	8	1	0	194
High Growth Forecast Scenario	205	9	1	1	216
Difference: Site Surplus or (Shortfall)*					
Middle Growth Forecast Scenario (sites/tax lots)	(179)	(3)	(1)	(0)	
High Growth Forecast Scenario (sites/tax lots)	(200)	(4)	(1)	(1)	
Total Building Floor Area Needed					
Middle Growth Forecast Scenario	- 451,000 SF	- 44,000 SF	- 28,000 SF	- 29,000 SF	- 552,000 SF
High Growth Forecast Scenario	- 502,000 SF	- 49,000 SF	- 31,000 SF	- 33,000 SF	- 615,000 SF

* Number of sites reflects 20-year demand by individual establishments or tenants.

Industrial and Other Land Need Requirements

The Canby EOA indicates that the total long-term demand for industrial and other employment uses is expected to range from 245 to 638 acres of gross buildable land area. While the City appears to have an adequate short-term industrial/other land supply to meet demand, the long-term needs under all growth forecast scenarios would require the City to consider designating some land within the current UGB for employment and/or evaluating additional reserves for UGB expansion.

It is recommended that the EOA policies consider whether special site requirements are needed over the long-term that would require additional land area to be annexed in locations to accommodate large industrial uses that cannot be located on existing or planned industrial areas. A forecast of site needs for commercial-zoned land in Canby is provided in **Exhibit 9**.

Canby Economic Opportunities Analysis: Site Suitability Analysis

Exhibit 9: Industrial Site Requirements, Middle and High Growth Scenarios

Industrial	Very Small Users	Small Users	Medium Users	Large Users	Total
<i>Jobs on Site (average)</i>	<i>7 jobs</i>	<i>15 jobs</i>	<i>80 jobs</i>	<i>185 jobs</i>	
<i>Range in Site Size (buildable acres)</i>	Less than 1.0	1 to 3	3 to 10	11 to 20	
<i>Avg. Site Size (net buildable acres)</i>	0.25	1.75	8	15	
Land Supply (Sites or Tax Lots)	26	11	8	3	48
Land Demand (Sites or Tax Lots)					
Middle Growth Forecast Scenario	20	75	19	9	123
High Growth Forecast Scenario	23	84	21	10	137
Difference: Site Surplus or (Shortfall)*					
Middle Growth Forecast Scenario (sites/tax lots)	6	(64)	(11)	(6)	
High Growth Forecast Scenario (sites/tax lots)	3	(73)	(13)	(7)	

* Number of sites reflects 20-year demand by individual establishments or tenants.

These draft findings may be refined as additional community input is obtained during the EOA planning process.

APPENDIX A

BUILDABLE LAND INVENTORY METHODOLOGY

In accordance with OAR 660-008-0005 (2) and OAR 660-009-0015 (3), an estimate of buildable land inventory (BLI) within Canby's Urban Growth Boundary (UGB) has been created to determine the amount of land available to meet housing and employment needs. The BLI analysis uses the most current Geographic Information Systems (GIS) data provided available for the Canby UGB.

The objective of the BLI is to determine the amount of developable land available for future residential housing and economic development within the UGB. The steps taken to perform this analysis are as follows:

1. Calculate gross acres by plan designation, including classifications for fully vacant and partially-vacant parcels. This step entails "clipping" all of the tax lots that are bisected by the current UGB to eliminate land outside current UGB from consideration for development at this time. City staff input was provided to provide a level of quality assurance to review output is consistent with OAR 660-008-0005(2) and OAR 660-009-0015 (3).
2. Calculate gross buildable acres by plan designation by subtracting land that is constrained from future development, such as such as existing public right-of-way, parks and open space, steep slopes, and floodplains. Canby's Comprehensive Plan call for an additional reduction for wetlands from the buildable land.
3. Calculate net buildable acres by plan designation, by subtracting future public facilities such as roads, schools and parks from gross buildable acres.
4. Determine total net buildable acres by plan designation by taking into account potential redevelopment locations and mixed-use development opportunity areas.

The detailed steps used to create the land inventory are described below.

Economic Land Base for Employment Lands

The economic land base reflects current Canby Comprehensive Plan land use designations. Properties that are within the economic land base include the following base zone classifications:

Economic Land Use Classifications

- Private Recreation (PR)
- Residential Commercial (RC)
- Light Industrial (LI)
- Heavy Industrial (HI)
- Commercial/Manufacturing (CM)
- Highway Commercial (HC)
- Downtown Commercial (DC)

Zoning Categories

- Residential Commercial (CR)
- Light Industrial M1I)
- Heavy Industrial (M2)
- Commercial/Manufacturing (CM)
- Highway Commercial (C2)

Canby Economic Opportunities Analysis: Site Suitability Analysis

- Downtown Commercial (C1)

These classifications have been kept consistent throughout the analysis.

Canby Buildable Land Categories EOA

Vacant land: Properties with no structures or have buildings with very little value. For purpose of the BLI, employment lands with improvement value less than \$5,000 are considered vacant and the improvement value is 5% or less than the land value. These lands were also subjected to review using satellite imagery via Google Earth; and if the land is in a committed use such as a parking lot, an assessment has been made to determine if it is to be classified as vacant, part vacant or developed.

Partially vacant land: Properties that are occupied by a use (e.g., a home or building structure with value over \$5,000) but have enough land to be subdivided without the need for rezoning. This determination is made using tax assessor records and satellite imagery. For lots with structures that are in value 40% below their land value, it is assumed that half the lot is developed and the other half is vacant. Commercial inventory for partially-vacant land includes lots of at least one acre in size and one half-acre of unimproved land. The partially-vacant industrial land inventory includes lots that have at least five acres of unimproved land.

Redevelopment Potential: Occupied properties with a higher land value than the on-site structure. Properties must be at least 20,000sqft to be considered of interest for redevelopment. Commercial inventory for redevelopment land includes lots of at least one acre in size and one half-acre of unimproved land. The redevelopable industrial land inventory includes lots that have at least five acres of unimproved land

Developed: Properties unlikely to yield additional employment opportunities for one of two reasons: they possess existing structures that are unlikely to redevelop over the planning period; or they include parcels with Comprehensive Land Use Plan designations that do not permit commercial or industrial development.

Other: Properties which are regarded as unlikely to be developed because they are restricted by existing uses such as: public parks, schools, ballfields, roads and public right-of-way (ROW); common areas held by Homeowners Associations, cemeteries, power substations, and constrained by more than 85% of its area.

These tax lot classifications were validated using satellite imagery, street view, building permit data, and assessor records. Preliminary results were refined based on City staff and public input received during the Housing Needs Analysis (HNA) planning process.

Development Constraints

The BLI methodology for identifying and removing development constraints is consistent with state guidance on buildable land inventories per OAR 660-008-0005(2) and OAR 660-009-0015 (3), as well as 660-038-0070 and 660-038-0130. By definition, the BLI is intended to include land that is “suitable, available, and necessary for residential and economic uses.” “Buildable Land” includes residential and economic designated land within the UGB, including vacant, part vacant and land that is likely to be redeveloped; and suitable, available and necessary for residential and economic uses. Public-owned land is generally not considered to be available for new growth unless the underlying zoning permits it. It should be noted that “available” in this context does not mean that the land is

Canby Economic Opportunities Analysis: Site Suitability Analysis

presently on the market. It is assumed in this analysis that such land is expected to come on the market within the 20-year timeframe of this study.

Land is considered to be “suitable for new development” unless it is:

- Is severely constrained by natural hazards as determined by the Statewide Planning Goal 7;
- Is subject to natural resource protection measures determined under Statewide Planning Goals 5, 6, 15, 16, 17 or 18;
- Has slopes over 25 percent;
- Is within the 100-year flood plain; or
- Cannot be provided or served with public facilities

Based on state guidelines and data provided by the City, the following constraints have been deducted from the residential lands inventory.

- Open water of at least one-half acre in size.
- Land within the 100-year floodplains. This includes lands in flood-hazard areas as identified by the Flood Prone classification of Canby’s Comprehensive Plan.
- Wetlands identified by the City and identified in the Comprehensive Plan as a barrier for future development.
- Land identified as parks, open space, outdoor recreation or conservation. This includes school land, parks, natural areas, cemeteries, homeowner association-owned land used for common space, trail parcels, golf courses, utility easements, etc.
- Land in public ownership with no development potential.
- Land with slopes greater than 25%.

Economic land is slightly differently treated by state guidelines.

The following constraints have been used for the economic lands inventory.

- Open water of at least one-half acre in size.
- Wetlands identified by the City and identified in the Comprehensive Plan as a barrier for future development.
- Land designated for parks, open space, outdoor recreation or conservation. This includes school land, parks, natural areas, cemeteries, homeowner association-owned land used for common space, trail parcels, golf courses, utility easements, etc.
- Land in public ownership with no development potential (such as the County’s fairgrounds).
- Lands in flood-hazard areas as identified by the Flood Prone classification of Canby’s Comprehensive Plan.
- Land within floodways is 100% constrained.
- Economic land within the 100-year floodplain is reduced by 50%.
- Industrial Land with slopes greater than 10% and all other commercial land with slopes greater than 25%.

To: Don Hardy and Jamie Stickel, City of Canby **Date:** October 24, 2022
From: Todd Chase and Tim Wood, FCS GROUP
CC: Steve Faust, 3J Consulting; and Kelly Reid, Oregon DLCD
RE: Canby EOA, Task 3: Community Economic Development Objectives (Deliverable #10)

INTRODUCTION AND BACKGROUND

Community development in Canby has been guided for decades by an established vision statement with goals and objectives. In March and April 2022, the Canby City Council revisited the City values and goals that were established in 2017. Canby's prior 2017 economic development goal statements are summarized below.

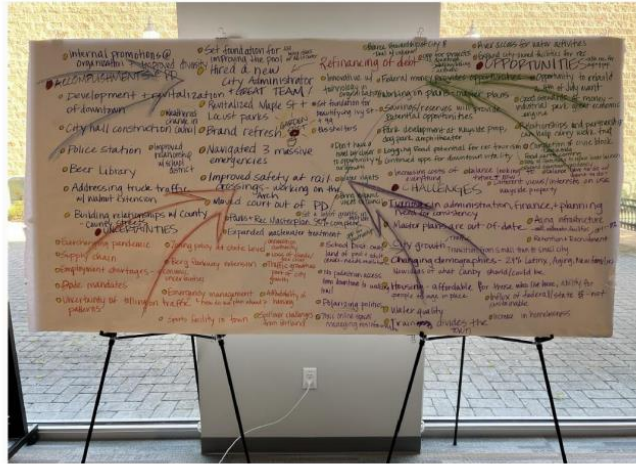


The Canby EOA for 2022 includes a new DRAFT vision statement and current community development objectives. The current statements, objectives and actions were drafted by the EOA project advisory committee after reviewing prior adopted goals, city accomplishments, and community and business input obtained during the EOA planning process.

2022 City Council Goal Setting

City Council goal setting underway

- Refresh community vision
- Refocus economic development programs
- Identify new opportunities



The City Council vision work sessions in March and April of 2022 identified current challenges, opportunities and recent accomplishments as listed below.

Challenges

- Managing growth and expectations as the City increases from a “small town” to “small city”
- Need to update various land use and public facility plans, including housing, economy, transportation and other elements which are now outdated
- Desire to create more opportunities for workforce housing within Canby
- Funding for new infrastructure, such roads, bicycle/pedestrian facilities, water, sewer and storm systems
- Potential community and transportation impacts from major employers that are contemplating significant investments in the Pioneer Business Park.

Opportunities

- Vacant land within the Pioneer Business Park is expected to attract small, medium and large businesses to Canby in the near term.
- Adequate water and wastewater treatment capacity and ability to address residential and business growth
- Several housing and business developments currently in the planning and approval pipeline.
- Recent accomplishments with Downtown revitalization, including new library/city hall, streetscapes, and commercial and mixed use developments (like the Dahlia building).
- Interest and potential for lodging and tourism/visitation
- Increase in federal funding for infrastructure

Accomplishments

- Diligence and experience of planning and engineering staff
- Parks and Recreation Plan adoption
- Railroad crossing safety improvements
- Recent wastewater treatment plant expansion
- Success with public/private developments that helped attract significant private investment in the Dahlia building and the Beer Library projects
- Amendments to local city code to help address HB 2001 requirements, including permitting plexes (2 to 4 units per structure) in all low density residential zones in the City.

VISION AND DEVELOPMENT OBJECTIVES

As part of this EOA planning process, the City and consultant team conducted a communitywide survey, community and business stakeholder interviews and public meetings and a City Council work session. Three separate meetings were conducted with the Canby EOA project advisory committee to obtain input and feedback on interim work products. This outreach resulted in input from a wide range of perspectives—community residents, local businesses, workforce training specialists, and policy officials.

A summary of community feedback is included in **Appendix A**.

Going forward it is recommended that a new Economic Development Mission be adopted along with current aspirations to build a stronger local economy for all residents, employers, and employees. The following statements will be subject to community review and refinement during the EOA adoption process, and subsequently incorporated into a new Comprehensive Plan for Canby during 2023.

Community Development Mission Statement (DRAFT)

Canby shall retain and enhance its unique sense of community and livable neighborhoods. Canby continues to be a great location for businesses to thrive and expand. Canby's downtown is inviting and safe, with innovative businesses that meet the community's needs. Canby's employment centers attract a diverse mix of businesses that offer quality jobs and benefits.¹ The Highway 99E Corridor is designed as a safe and attractive gateway that invites visitors to explore Canby. The City of Canby proactively plans for and invests wisely in infrastructure and services that enable the community to manage growth in a sustainable manner.

¹ Quality jobs are hereby defined to include businesses that pay annual wages that are above the Clackamas County average with health benefits provided to their workers.

Community Development Objectives (DRAFT example)

- 1. Enhance Canby's positive business environment with adequate commercial, industrial and mixed-use sites to address future growth opportunities.**
 - Develop local plans to support the "medium growth scenario" as described in the Canby EOA
 - Foster a positive business environment and permitting process
- 2. Plan for Industrial expansion areas east and north of Mulino Rd.**
 - Plan for Industrial Expansion Areas adjacent to the industrial park. Adjust UGB and modify boundary of the Pioneer Business Park as part of a UGB expansion alternatives analysis.
 - Identify and construct transportation and infrastructure improvements that serve Business Park expansion
- 3. Retain and attract businesses that provide quality jobs with high levels of employment per acre**
 - Consider methods to advance public financing and funding for off-site infrastructure improvements needed to support business expansion for businesses that provide at least 8 jobs per acre
- 4. Provide incentives for targeted job creation and major private investment**
 - Support reasonable business incentive programs, offered by Business Oregon such as the Strategic Investment Program that provides limited tax abatement for major private investments
 - Sponsor annual business summit meetings and events held by the Canby Chamber of Commerce
- 5. Support expansion in health services**
 - Work with local and regional health care providers to ensure that additional outpatient treatment facilities are available as the local population expands
- 6. Support workforce training and development**
 - Work with the Clackamas Workforce Partnership to connect workforce training opportunities and programs with local community residents and businesses
- 7. Expand opportunities for the development of workforce housing**
 - Update Canby's Housing Needs Analysis and conduct a Housing Production Strategy during 2023.
 - Evaluate and implement code amendments that lower the barrier to the development of middle housing types, such as plexes, courtyard apartments and accessory dwelling units.
- 8. Expand lodging options**
 - Identify potential locations for a future hotel along Highway 99W
 - Help facilitate partnerships between landowners and hotel operators
- 9. Fund roads and infrastructure using innovative techniques**
 - Update local system development charges to fully fund capacity expansion projects
 - Implement equitable transportation utility revenue generation that fully captures the impacts created by various business and industrial types and their impacts on local streets and related

maintenance costs

- Explore and create special assessments, such as local improvements districts to recapture the value created by major public or private investments in infrastructure.

10. Support arts & visitation, including agri- and bicycle-tourism

- Implement master plan projects that include trails, pathways, parks, river access, and camping/RV facilities
- Work with community partners, such as the Canby Parks and Recreation Advisory Board and the Canby School District and other organizations to explore feasibility for a new sports complex
- Evaluate feasibility for a new amphitheater
- Expand funding resources and attract state grants

11. Attract downtown redevelopment with integrated mixed-use buildings

- Ensure downtown Canby remains visually and functionally attractive
- Evaluate opportunities to incentivize vertical mixed-use developments using techniques such as public parking, advance financing of off-site infrastructure and limited multifamily tax abatement.

12. Update design standards and provide incentives for building renovations

- Implement effective design standards in core area and along Highway 99W
- Create development codes which promote attractive highway commercial development servicing the needs of the community.
- Use the anticipated comprehensive plan and transportation system plan to establish goals to be used in creating future development code standards that will promote business consistent with design standards.

NEXT STEPS

The draft framework reflected in this Memorandum shall be refined based on the input during the 2022-2023 Canby EOA and Comprehensive Plan development process. Please send your questions and comments regarding Canby's economic development vision and related objectives to Don Hardy at hardyd@canbyoregon.gov.

APPENDIX A

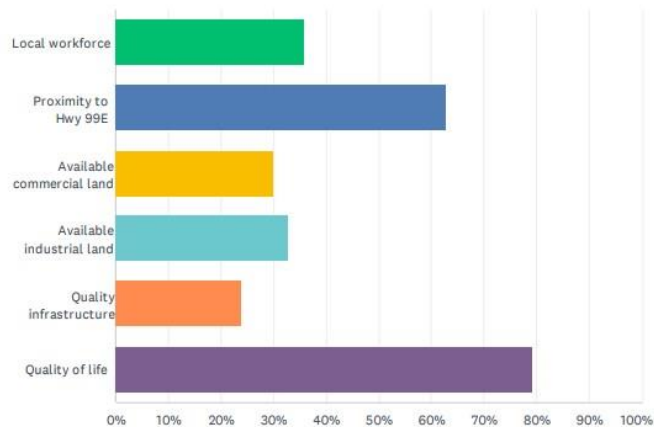
Excerpts from Canby Community Survey, Fall 2022

Businesses Like...

Q6 What are the top three advantages to doing business in Canby?

Answered: 67 Skipped: 7

1. Quality of Life
2. Hwy 99E
3. Local workforce
4. Available sites

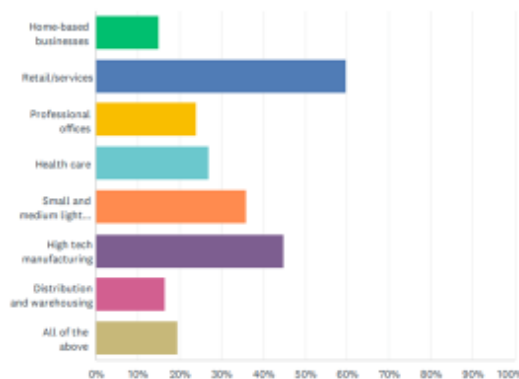


Types of businesses or jobs needed...

Q7 What are the top three business and jobs you think Canby needs the most?

Answered: 67 Skipped: 7

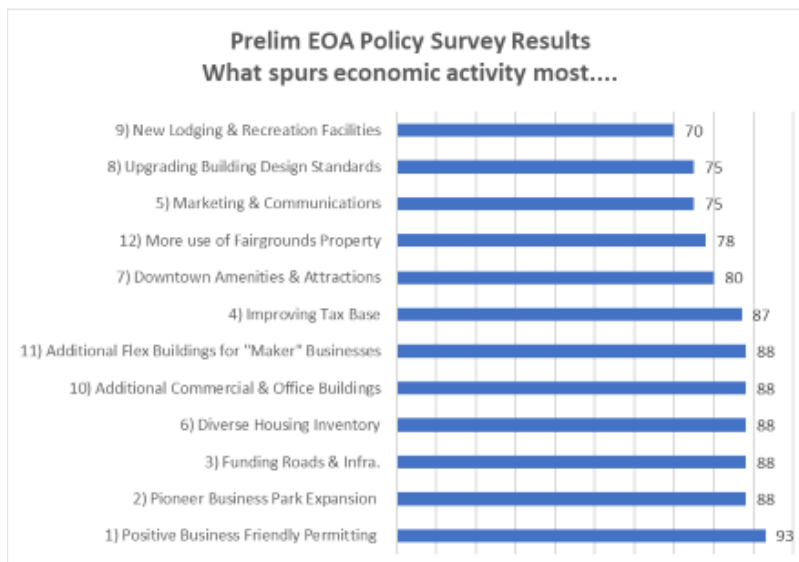
1. Retail/services
2. High tech jobs
3. Small & medium light industrial (flexible buildings)
4. Health services
5. Prof. Offices
6. Lodging
7. Recreational amenities



Community dislikes...

1. Traffic congestion and anything that degrades quality of life
2. Lack of sidewalks & traffic control systems
3. Lack of attainable housing supply for workers
4. Lack of coordinated long term community master plan
5. Lack of quality design & landscaping standards
6. Warehousing & distribution businesses that pay low wages
7. Sprawl (low density development that is not pedestrian friendly)

EOA Advisory Committee Priorities



*Objectives
that will help
promote local
economic
development*



Canby
the garden spot

Economic Opportunities Analysis

Joint Planning
Commission/City Council
Work session

October 19, 2022

Todd Chase, AICP, LEED

FCS GROUP
Solutions-Oriented Consulting

1



Agenda

1. Economic Opportunities Analysis (EOA) Draft Findings
2. Site Suitability Discussion
3. Draft Community Economic Development Vision & Objectives
4. Next Steps

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Slide 2

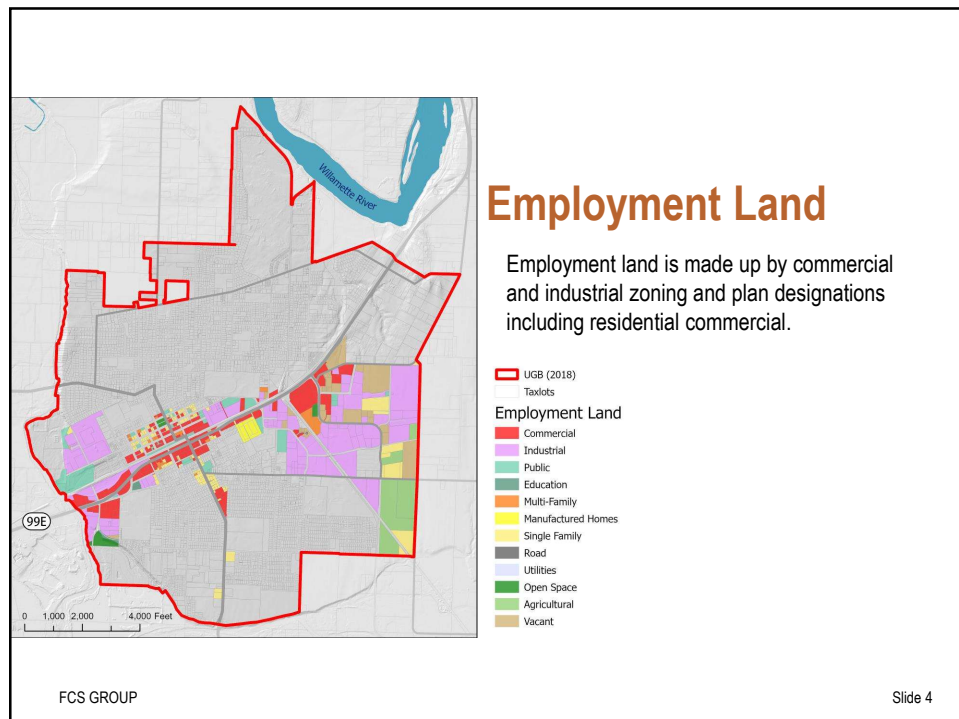
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Buildable Land Inventory

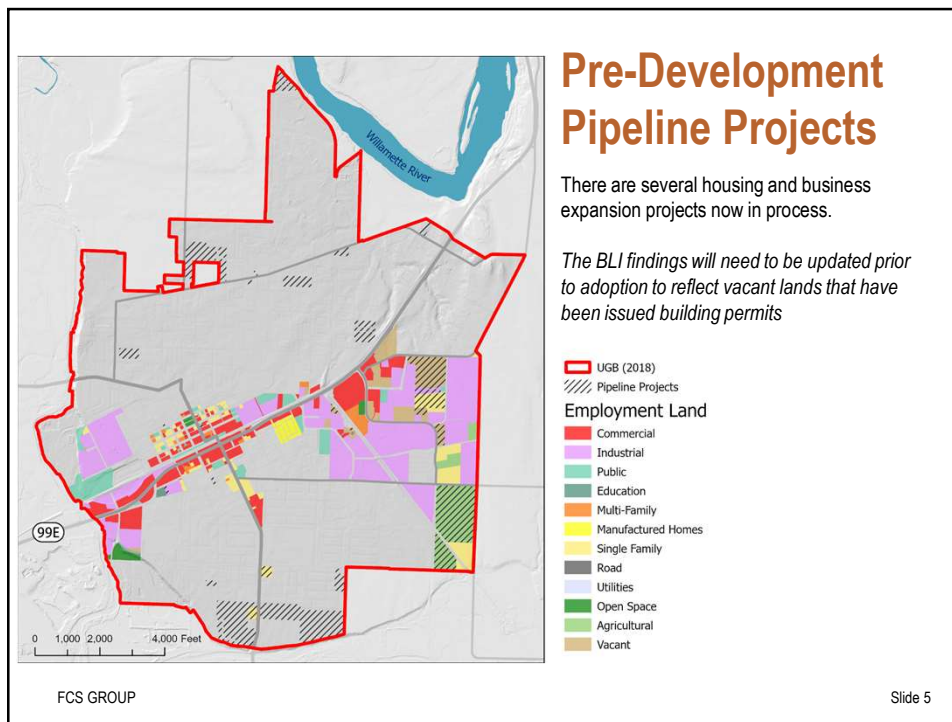
FCS GROUP

Slide 3

3



4



5

Land Base for EOA

Canby UGB Buildable Land Inventory for Employment, as of Oct. 12, 2022

Zoning	Parcel Size Range: <1 acre		1 to 5 acres		5 to 10 acres		>=10 acres		Total	
	Acres	Lots	Acres	Lots	Acres	Lots	Acres	Lots	Acres	Lots
CR - Residential Commercial	1	1	4	2	-	-	-	-	5	3
C1/DC - Downtown Commercial	1	11	-	-	-	-	-	-	1	11
C2 - Highway Commercial	2	9	10	3	-	-	-	-	12	12
Subtotal	5	21	14	5	-	-	-	-	18	26
CM - Commercial Manufacturing	7	23	5	4	-	-	-	-	12	27
M1 - Light Industrial	3	7	39	14	19	2	64	3	125	26
M2 - Heavy Industrial	3	4	12	4	13	2	-	-	27	10
Subtotal	12	34	56	22	32	4	64	3	165	63
Total	17	55	70	27	32	4	64	3	183	89

Source: Canby Buildable Land Inventory, Oct., 2022.

Discussion

FCS GROUP

Slide 6

6

Land Needs Analysis

FCS GROUP

Slide 7

7



Targeted Industries Discussion

Target Industry Category	Market Potential	Relative Wage Rates	Potential Job Creation	Target Industry	Example Businesses
Advanced Manufacturing	●	●	●	<input checked="" type="checkbox"/>	
Energy Systems	●	●	●	<input checked="" type="checkbox"/>	Johnson Controls
Electronic Component Manufacturing	●	●	●	<input checked="" type="checkbox"/>	MEC Northwest
Fabricated Metal Product Manufacturing	●	●	●	<input checked="" type="checkbox"/>	JV Northwest
Navigational, Measuring, Electromedical, and Control Instruments	●	●	●	<input checked="" type="checkbox"/>	Shimadzu USA, FLIR
Composit Materials and Product Manufacturing	●	●	●	<input type="checkbox"/>	Larusso Concrete
Construction related	●	●	●	<input type="checkbox"/>	Colima Construction, JMJ Construction, Wilson
Food/Beverage Processing	●	●	●	<input checked="" type="checkbox"/>	Puddin' River Chocolates, Cutsforth's
Transportation and Distribution	●	●	●	<input type="checkbox"/>	Kendal Floral, Amazon
Health Care	●	●	●	<input checked="" type="checkbox"/>	Providence
Legend:					
Good: ● Fair: ● Poor: ○					

FCS GROUP

Source: FCS GROUP.

Slide 8

8

Employment Growth Scenarios

- **Low Growth Scenario**
 - » Overall job growth generally equates to projected **growth in housing**
 - » Assumes industrial job growth drops by 50%
 - » **Results in much slower job growth** than the past 10-years
- **Medium Growth Scenario**
 - » Industrial job growth consistent with past 11-year avg. growth rate in Canby
 - » Retail and government sector growth consistent with *Oregon Emp. Dept.* forecast for the tri-county region
 - » Service sector assumed to approach Oregon Emp. Dept. forecasts for the region
 - » **Most likely growth scenario** based on Canby history and emerging trends
- **High Growth Scenario**
 - » Like Medium Scenario, but also **reflects aspirational objective aimed at optimizing family-wage jobs and service jobs with prime industrial sites and enhanced visitation & amenities**
 - » **Industrial sector assumed to add 300 more jobs** than Medium Scenario (with at least 1 to 3 additional large employers)
 - » **Service-sector** job growth rate equates to OED forecast for the Region (with **460 more jobs** than medium scenario).
 - » **Requires added attractions and amenities** (such as new hotel and a sportsplex)

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Slide 9

9

Canby Employment Land Needs

- Low, **Medium** and High Growth Scenarios
- 3,270 to 7,576 jobs over next 20 years
- Most growth in industrial and service sectors
- Employment land needs range from 268 to 673 acres

EOA Advisory
Committee
Recommendation

Canby "Covered Employment" Growth Forecast: 2020 to 2043

Sector	2023			Annual Growth Rates		Proj. Canby Growth Rate			20-Year Job Growth Forecast		
	2009	2020	Est.	Canby	Regional	Low	Medium	High	Low	Medium	High
Industrial Trades	2,171	3,517	4,012	4.48%	1.15%	2.24%	4.48%	4.64%	2,238	5,632	5,932
Retail Trade	689	780	807	1.13%	1.02%	1.02%	1.13%	1.32%	182	204	243
Services	2,257	2,642	2,758	1.44%	2.04%	1.32%	1.44%	2.04%	829	914	1,374
Government	137	89	89	-3.85%	1.01%	1.01%	1.32%	1.32%	20	27	27
Total	5,254	7,028	7,665	2.68%	1.62%	1.79%	3.22%	3.50%	3,270	6,778	7,576

Source: Oregon Employment Department (historic trend and regional forecast) and stated assumptions.

Net Land Need

Land Use Classification	Land Supply	Land Need (Demand)*			Net Land Need (Shortfall)		
		Low	Medium	High	Low	Medium	High
Commercial (DC, HC)	18	22	25	35	(4)	(6)	(16)
Industrial/Other Emp. (CM, LI, HI)*	165	245	602	638	(81)	(437)	(474)
Total Buildable Land (gross acres)	183	268	626	673	(85)	(444)	(490)

* excludes potential public land needs for new parks and schools.

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Site Size Requirements



	Very Small Users	Small Users	Medium Users	Large Users	Site Needs & Considerations
Industrial Uses Distribution Advanced Tech. Manufacturing Food & Beverage Processing Flex Industrial Users (misc. light industrial)	Building tenants, expansion on part-vacant lots, and new development on small vacant lots under 2 acres		3 to 9 acres per user	10 to 20 acres per user	Within 1 mile of Highway 99E, 3-phase power, fiber optics, rail spur is a plus
Office Uses Professional & Tech. Services Corp. Headquarters Financial Services Health Care	Building tenants or part vacant or redev. sites or home based		1-3 acres per user	3 to 5 acres per user	Fiber optics, access to business services and transit, adequate parking, skilled workforce
Retail and Misc. Services	Downtown & Hwy. 99E Corridor redevelopment, plus two 6-8 acre sites for a Neighborhood Center and a Lifestyle Center, plus 1-2 new hotels and sports/entertainment facilities				Highway visibility with access to all modes of travel

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Canby EOA Overall Land Needs

- Low, **Medium** or High Growth Scenario?
- Industrial shortfall: 437 buildable acres in medium scenario
- Commercial shortfall: 6 acres in medium scenario

Land Use Classification	Land Supply	Land Need (Demand)*			Net Land Need (Shortfall)		
		Low	Medium	High	Low	Medium	High
Commercial (DC, HC)	18	22	25	35	(4)	(6)	(16)
Industrial/Other Emp. (CM, LI, HI)*	165	245	602	638	(81)	(437)	(474)
Total Buildable Land (gross acres)	183	268	626	673	(85)	(444)	(490)

* excludes potential public land needs for new parks and schools.

Discussion

Community Input will inform Canby's
Comp. Plan and Transportation System
Plan update with new goals and policies
regarding land use, transportation,
infrastructure and community development

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Commercial Site Needs

- Canby should plan to add 552,000+ SF of commercial floor area
- Support for downtown infill & redevelopment
- Potential new neighborhood center w/ grocery store
- At least one hotel and recreational attractions

Site Needs: Medium and High Growth Forecast Scenarios

Commercial	Very Small Users	Small Users	Medium Users	Large Users	Total
<i>Jobs on Site (average)</i>	<i>7 jobs</i>	<i>15 jobs</i>	<i>80 jobs</i>	<i>185 jobs</i>	
<i>Range in Site Size (net buildable acres)</i>	<i>Less than 1.0</i>	<i>1 to 3</i>	<i>3 to 10</i>	<i>11 to 20</i>	
<i>Avg. Site Size (net buildable acres)</i>	<i>0.25</i>	<i>1.75</i>	<i>8</i>	<i>15</i>	
Land Supply (Sites or Tax Lots)	21	5	0	0	26
Total Land Demand (Sites or Tax Lots)					
Middle Growth Forecast Scenario	184	8	1	0	194
High Growth Forecast Scenario	205	9	1	1	216
Difference: Site Surplus or (Shortfall)*					
Middle Growth Forecast Scenario (sites/tax lots)	(179)	(3)	(1)	(0)	
High Growth Forecast Scenario (sites/tax lots)	(200)	(4)	(1)	(1)	
Total Building Floor Area Needed					
Middle Growth Forecast Scenario	- 451,000 SF	- 44,000 SF	- 28,000 SF	- 29,000 SF	- 552,000 SF
High Growth Forecast Scenario	- 502,000 SF	- 49,000 SF	- 31,000 SF	- 33,000 SF	- 615,000 SF

* Number of sites reflects 20-year demand by individual establishments or tenants.

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Industrial Site Needs

- Canby should plan for a variety of site sizes
- Net new demand :
 - » 53-63 small sites (1-3 acres)
 - » 15-17 medium sites (3-10 acres)
 - » 6-7 large sites (11+ acres)

Site Needs: Medium and High Growth Forecast Scenarios

Industrial	Very Small Users	Small Users	Medium Users	Large Users	Total
<i>Jobs on Site (average)</i>	<i>7 jobs</i>	<i>15 jobs</i>	<i>80 jobs</i>	<i>185 jobs</i>	
<i>Range in Site Size (buildable acres)</i>	<i>Less than 1.0</i>	<i>1 to 3</i>	<i>3 to 10</i>	<i>11 to 20</i>	
<i>Avg. Site Size (net buildable acres)</i>	<i>0.25</i>	<i>1.75</i>	<i>8</i>	<i>15</i>	
Land Supply (Sites or Tax Lots)	34	22	4	3	63
Land Demand (Sites or Tax Lots)					
Middle Growth Forecast Scenario	20	75	19	9	123
High Growth Forecast Scenario	23	84	21	10	137
Difference: Site Surplus or (Shortfall)*					
Middle Growth Forecast Scenario (sites/tax lots)	14	(53)	(15)	(6)	
High Growth Forecast Scenario (sites/tax lots)	11	(62)	(17)	(7)	

* Number of sites reflects 20-year demand by individual establishments or tenants.

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Canby EOA Community Survey & Stakeholder Input

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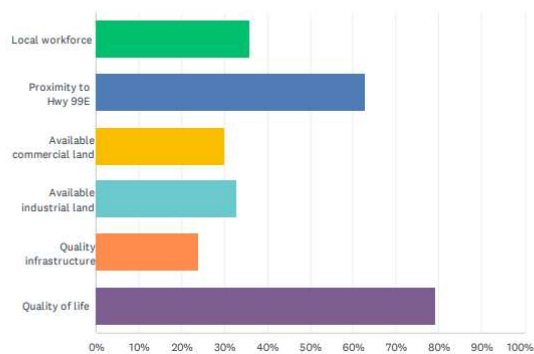
15

Businesses Like...

Q6 What are the top three advantages to doing business in Canby?

Answered: 67 Skipped: 7

1. Quality of Life
2. Hwy 99E
3. Local workforce
4. Available sites



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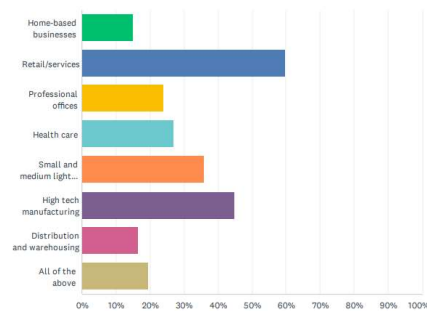


Types of businesses or jobs needed...

1. Retail/services
2. High tech jobs
3. Small & medium light industrial (flexible buildings)
4. Health services
5. Prof. Offices
6. Lodging
7. Recreational amenities

Q7 What are the top three business and jobs you think Canby needs the most?

Answered: 67 Skipped: 7



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Community dislikes...

1. Traffic congestion and anything that degrades quality of life
2. Lack of sidewalks & traffic control systems
3. Lack of attainable housing supply for workers
4. Lack of coordinated long term community master plan
5. Lack of quality design & landscaping standards
6. Warehousing & distribution businesses that pay low wages
7. Sprawl (low density development that is not pedestrian friendly)

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Canby EOA Vision & Policy Objectives

Draft for Discussion

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Community Development Aspirations

- In 2013, Canby adopted aspirational focus areas that are still relevant today...

Key Themes for the next 20 years....

- ✓ Maintain Quality of Life for Residents
- ✓ Quality Job Creation*
- ✓ Improve Overall Tax Base
- ✓ Vital and Active Downtown
- ✓ Highway 99E Corridor Treatment
- ✓ Well-designed range of housing types
- ✓ Neighborhood safety & livability
- ✓ Improve pedestrian connections

Discussion

**Quality jobs are those that pay above the current Clackamas County average wage and provide health care and other employee benefits.*

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Draft Vision Statement

Community Development Vision Statement

Canby shall retain and enhance its unique sense of community and livable neighborhoods. Canby continues to be a great location for businesses to thrive and expand. Canby's downtown is inviting and safe, with innovative businesses that meet the community's needs. Canby's employment centers attract a diverse mix of businesses that offer quality jobs and benefits. The Highway 99E Corridor is designed as a safe and attractive gateway that invites visitors to explore Canby. The City of Canby proactively plans for and invests wisely in infrastructure and services that enable the community to manage growth in a sustainable manner.

**Quality jobs are those that pay above the current Clackamas County average wage and provide health care and other employee benefits.*

Discussion

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Economic Development Objectives

DRAFT Economic Development Objectives

Discussion

1. Enhance Canby's positive business environment
2. Plan for Industrial expansion areas east and north of Mulino Rd.
3. Retain & attract businesses that provide quality jobs with high levels of employment per acre
4. Provide incentives for job creation and major private investment
5. Support expansion in health services
6. Support workforce training and development
7. Expand lodging options
8. Fund roads and infrastructure using innovative techniques
9. Support arts & visitation, including agri- and bicycle-tourism
10. Attract downtown redevelopment with integrated mixed-use buildings
11. Update design standards and provide incentives for building renovations

Which objectives would you like to retain or change?

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Discussion & Recommendations

- ☐ Low, Medium or High Growth Scenario Preference?
- ☐ New Canby Community Development Vision Statements
- ☐ New Economic Development Objectives

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Thank you!



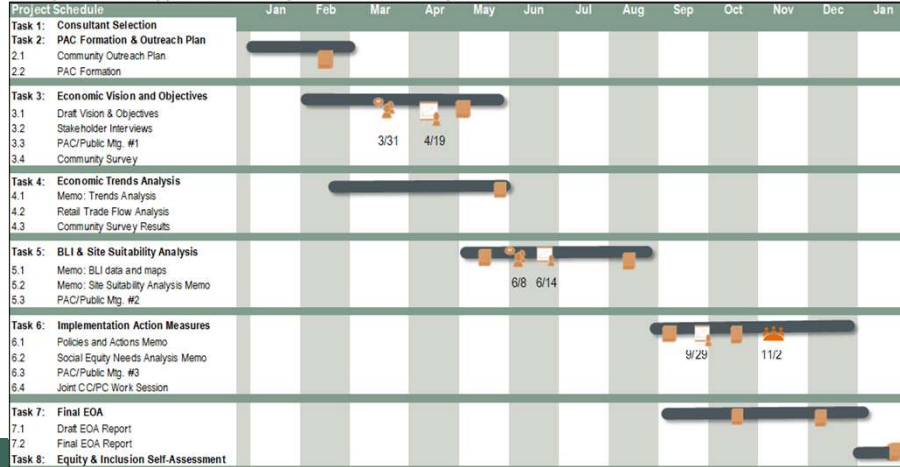
24



Next Steps

Canby Economic Opportunities Analysis

as of Aug. 17, 2022



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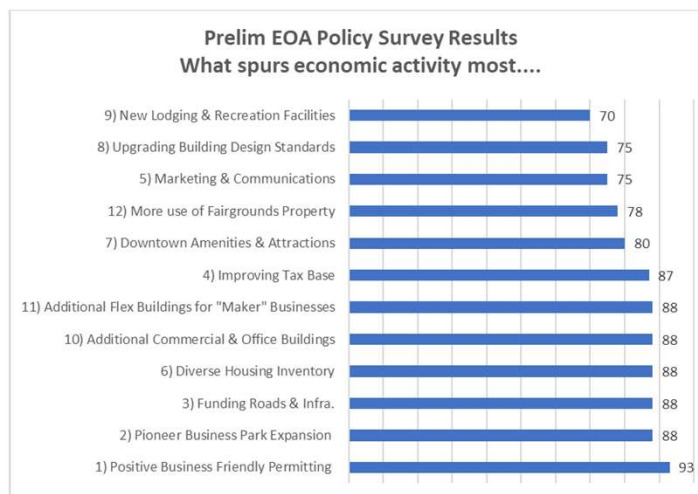
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Economic Development Objectives

Discussion

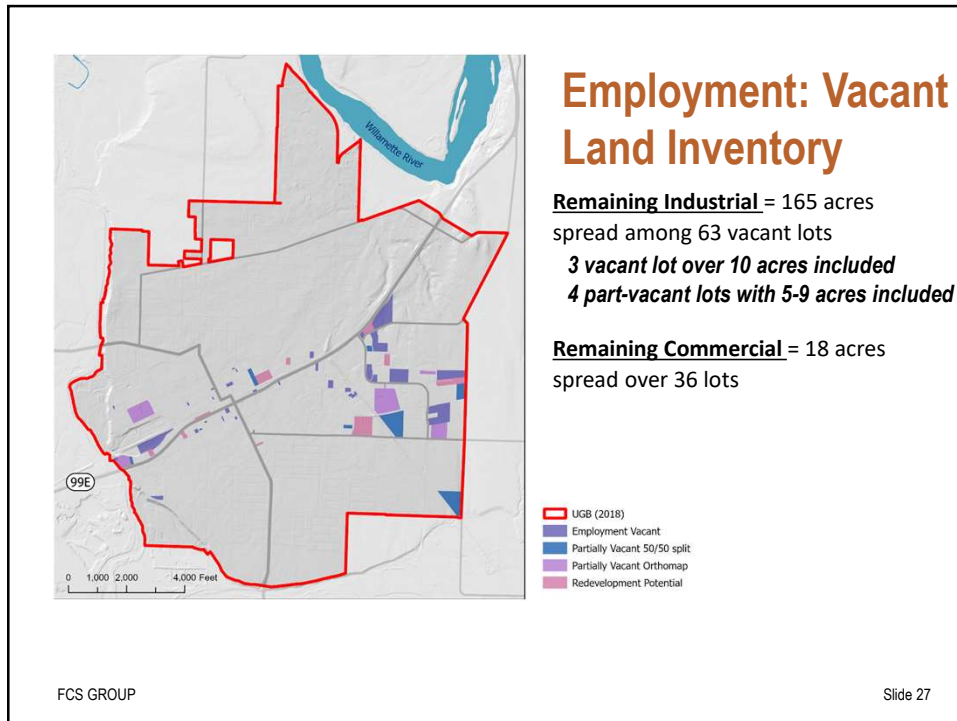


What objectives help promote local economic priorities?

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PROCLAMATION

Proclamation Declaring the Saturday after Thanksgiving, November 26, 2022 as “Small Business Saturday”

Whereas, the City of Canby, celebrates our local small businesses and the contributions they make to our local economy and community;

Whereas, according to the United States Small Business Administration, there are 32.5 million small businesses in the United States, small businesses represent 99.7% of firms with paid employees, small businesses are responsible for 62% of net new jobs created since 1995, and small businesses employ 46.8% of the employees in the private sector in the United States;

Whereas, 79% of consumers understand the importance of supporting the small businesses in their community on Small Business Saturday®, 70% report the day makes them want to encourage others to Shop Small®, independently-owned retailers, and 66% report that the day makes them want to Shop Small all year long;

Whereas, 58% of shoppers reported they shopped online with a small business and 54% reported they dined or ordered takeout from a small restaurant, bar, or café on Small Business Saturday in 2021;

Whereas, the City of Canby supports our local businesses that create jobs, boost our local economy, and preserve our communities; and

Whereas, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

Now, Therefore, I, Mayor Hodson, Mayor of the City of Canby do hereby proclaim, November 26, 2022, as

SMALL BUSINESS SATURDAY

And urge the residents of our community, and communities across the country, to support small businesses and merchants on Small Business Saturday and throughout the year.

Given unto my hand this 2nd day of November, 2022 in the City of Canby, Oregon.

Brian Hodson
Mayor



CITY COUNCIL STAFF REPORT

Meeting Date: 11/2/2022

To: The Honorable Mayor Hodson & City Council
Thru: Scott Archer, City Administrator
From: Jorge Tro, Police Chief
Agenda Item: Clackamas C800 Radio Group Update
Goal: N/A
Objective: N/A

Summary

Several months ago, I alerted City Administrator Scott Archer of financial issues that the Clackamas 800 Radio Group is facing due to cost overruns in the build out of the Bond funded Digital Radio Project in Clackamas County. Scott Archer subsequently shared this information with Mayor Hodson and the City Council, noting that we would provide further updates as available. The purpose of this report is to provide you an update on the financial status of the project. I am currently the Chair of the C800 Radio Group.

Background

- C800 is an intergovernmental agency, established in the 1990's under ORS 190.
- There are 19 Member Agencies sharing the costs, proportionately, based on the agency's number of radios in service. In all, more than 2600 first responders are active on the C800 radio system.
- In 2015, Clackamas County voters passed a \$59 million bond to replace the failing analog radio system with a state-of-the-art digital radio system. The bond had a premium attached that generated an additional \$7 million for the project.
- In April 2022, the C800 Executive Board was notified by the then C800 project manager that the unfinished project was over budget an estimated \$2.6 million.

Discussion

The C800 Executive Board immediately established a workgroup to determine the extent of the cost overruns, and to ensure the project reached completion. Initiatives included examinations of all financial statements and information, a review of all Board decisions since 2014, a review of more than 70 contracts for service, and a review of bond expenditures.

C800 Board Findings:

- The project stands at 95% completion, and the digital radio system has performed well since it was turned on in January 2022.
- The true cost overruns amounted to more than \$4.4 million, well above the \$2.6 estimated by Project manager.

- The board did not find any criminality, but did find a lack of financial oversight coupled with mismanagement of the project over 6 years were to blame for some of the cost overruns.
- Other contributing factors to the cost overruns included: Covid, supply chain issues, delays in obtaining permits, unanticipated construction costs, 2020 Riverside Fire, 2021 Ice Storm, and inflation.

C800 Board Actions:

- Member agencies have been billed for radio and fire station alerting systems that were originally supposed to be bond funded. To date, almost \$1 million had been collected.
- The Project manager's contract was not renewed and services are now contracted from the Washington County Consolidated Communications Agency (WCCCA).
- WCCCA is working with C800 to finish the project by end of summer 2023.
- Grant options and Oregon State Emergency Legislative funding were explored in cooperation with Clackamas County, however efforts did not result in additional funding support.
- \$2 million in ARPA funds were approved for expenditure by the Clackamas County Board of Commissioners towards the completion of the project.

Future Planned C800 Actions:

- The Board is in active discussions with Columbia County 911 to sell communications towers and radio equipment that was originally intentioned for Lake Oswego and back up mobile site capabilities. Value has a rough estimate of \$800 thousand.
- Member Agencies will be billed proportionality in spring of 2023 for any outstanding cost overruns.

Fiscal Impact

City of Canby's estimated share of the shortfall is expected to be approximately \$100 thousand dollars. Staff is prepared to make recommendations to cover the City's portion of the cost, pending Council discussion and direction.

**CANBY CITY COUNCIL
SPECIAL CALLED MEETING MINUTES
August 31, 2022**

PRESIDING: Mayor Brian Hodson

COUNCIL PRESENT: Traci Hensley, Shawn Varwig, Sarah Spoon, Greg Parker, Art Marine, and Christopher Bangs.

STAFF PRESENT: Scott Archer, City Administrator; Joseph Lindsay, City Attorney/Assistant City Administrator; and Melissa Bisset, HR Director/City Recorder.

CALL TO ORDER: Mayor Hodson called the Special Called Meeting to order at 6:00p.m. in the Council Chambers.

DISCUSSION REGARDING GOALS, PRIORITIES, AND TIMELINES:

Scott Archer, City Administrator, gave a status report on the goals and objectives. The first goal was Promote Financial Stability.

There was discussion regarding how frequently to engage with the Budget Committee and deadline for Budget Reserve Study, funding the Behavioral Health Specialist position, ARPA funds, and which URA programs to continue once the District closed.

There was consensus to meet mid-year with the Budget Committee, with a goal of meeting quarterly.

The second goal was Align Resources to Address Future Community Growth.

There was discussion regarding expansion of the Canby Area Transit circulator and ridership statistics, golf course designation and Urban Growth Boundary expansion, Inclusionary Zoning, denying development based on failing intersections, Walnut Street extension, wastewater treatment plan and water treatment plant expansion, and water rights.

The third goal was Plan a Transportation System that eased the Impacts of Growth.

There was no discussion about this goal.

The fourth goal was Develop a more Robust Parks and Recreation Program Aligned with the Parks Master Plan.

There was discussion regarding meeting with the School District and holding an Executive Session about the adult center/swim center property, Parks Master Plan and Parks and Recreation Advisory Board recommendations in one list, adding park land acquisition to the goals, use of SDCs, and making a list of park land the City already owned and options for what could be done with the land.

The last goal was Enhance Engagement and Communications that Represent Broad Perspectives.

There was discussion regarding reviewing and advocating legislation and contracting with a lobbyist, work session on legislative priorities, including the creation of a Youth Council in the DEI work, citizen engagement, and hiring a Communications Specialist.

Mr. Archer reviewed the additional initiatives that staff was currently working on.

There was discussion regarding the classification and compensation study, adding Community Park and dog park into Goal 4 and DEI Strategic Plan included in Goal 5, and contracting with a project manager for upcoming projects.

Mr. Archer discussed the next steps and future actions.

There was discussion regarding the process for new and prioritizing items. There was consensus for staff to set the priority list and time frame and bring it back to Council for review. The next goal setting would be in January/February 2023.

Mayor Hodson said there was consensus that hiring a Communications Specialist was priority. He reviewed the Work Sessions and Executive Sessions that needed to be scheduled.

DISCUSSION REGARDING POSSIBLE CANCELLATION OF OCTOBER 5th CITY COUNCIL MEETING

The Council thought they should cancel the October 5 meeting as they would be at the League of Oregon Cities Conference.

The meeting was adjourned at 8:30 p.m.

Melissa Bisset
City Recorder

Brian Hodson
Mayor

Assisted with Preparation of Minutes - Susan Wood



CITY COUNCIL STAFF REPORT

Meeting Date: 11/2/2022

To: The Honorable Mayor Hodson & City Council
Thru: Scott Archer, City Administrator
From: Maya Benham, Deputy City Recorder
Agenda Item: Parks and Recreation Advisory Board Appointment
Goal: N/A
Objective: N/A

Summary

Jim Davis resigned from the [Parks and Recreation Advisory Board](#) creating a vacancy. A Parks and Recreation Advisory Board position was advertised and two applicants were received and interviews were conducted. Chair Barry Johnson, Mayor Hodson, and Staff Liaison Ryan Potter held interviews on Thursday, October 20, 2022.

Background

The City has [11 various Boards, Commissions and Committees](#): Bike and Pedestrian Committee, Budget Committee, Canby Utility Board, Heritage and Landmark Commission, Library Board, Parks and Recreation Advisory Board, Planning Commission, Public Transit Advisory Committee, Traffic Safety Commission, Urban Renewal Agency and the Urban Renewal Budget Committee. Each Board, Commission and Committee has members that are appointed by the City Council and the term lengths are established through the Canby City Charter or the City Code.

Discussion

Jim Davis resigned in August. His term was set to expire on June 30, 2024. Chair Barry Johnson, Mayor Hodson, and Staff Liaison Ryan Potter recommend appointing Cara Hawkins to the Parks and Recreation Advisory Board.

Attachments

Cara Hawkin's Application
Eric Jaroch's Application

Fiscal Impact

None

Options

1. Appoint Cara Hawkins to the Parks and Recreation Advisory Board.
2. Take no action.

Proposed Motion

"I move to approve the appointment of Cara Hawkins to the Parks and Recreation Advisory Board with a term expiring June 30, 2024."

EMPLOYMENT APPLICATION



City of Canby
222 NE 2nd Ave

Canby, Oregon - 97013
<http://www.canbyoregon.gov>
Hawkins, Cara, Louise
Committee, Board, Commission Member

Received: 5/9/22 12:14 PM
For Official Use Only:

QUAL: _____
DNQ: _____

- Experience
- Training
- Other: _____

PERSONAL INFORMATION

POSITION TITLE:
Committee, Board, Commission Member

NAME: (Last, First, Middle)
Hawkins, Cara, Louise

Former Last Name:
Collum

ADDRESS: (Street, City, State, Zip Code)

Canby, OR 97013

Job Number:
VOL - 2022

PERSON ID:

HOME PHONE:
(_____) _____

ALTERNATE PHONE:

EMAIL ADDRESS:

NOTIFICATION PREFERENCE:
Email

PREFERENCES

SHIFTS YOU WILL ACCEPT:
Day , Evening , Weekends , On Call (as needed)

WHAT TYPE OF JOB ARE YOU LOOKING FOR?

TYPES OF WORK YOU WILL ACCEPT:

OBJECTIVE:
Budget committee

Agency - Wide Questions

Nothing Entered For This Section
Job Specific Supplemental Questions

1. If employed, who is your employer and what is your position?

20+ years to current with Clackamas County District Attorney as a Victim Advocate.

2. Which Board, Commission, or Committee are you applying to serve on?

BUDGET COMMITTEE

What are your community interests (committees, organizations, special activities)?

3. I am a victim advocate professionally. I am the president of our HOA and I manage a group called Friends of Canby Parks.

What are your major interests or concerns in the City's programs?

4. I have loved Canby since I was 12 years old and visiting while showing my dog and pig at the fairgrounds. I love our small town feel, community events and our green spaces.

5. Why are you interested in this volunteer position?

I am nearing retirement and am interested in developing more volunteer opportunities.

Please share your experience and educational background.

6. I graduated from Molalla HS in 1980. I attended CCC for a year until I got married and turned my focus to being a homemaker and mom. I have held many volunteer positions over the years including my children's schools and Willamette Falls Hospital.

7. Please list any other City or County positions on which you serve or have served.

None

8. If you were referred by someone, please list.

By clicking the Accept & Submit button, I hereby certify that every statement I have made in this application is true and complete to the best of my knowledge.

Additional Information for Employment Applications:

I understand this application does not represent a contract for employment. I understand that an acceptance of an offer for employment does not create a contractual obligation upon the City of Canby to continue to employ me for any period of time in the future. I understand that no representative from the City has any authority to enter into any special agreement with me to promise and/or guarantee my employment for any specific time period or to promise me a promotion or transfer, etc. either prior to commencement of employment or after I have become employed, or to assure me of any benefits or terms and conditions of employment, or to make any agreement contrary to the aforementioned.

I hereby represent that each answer to questions incorporated into this application and all other information otherwise furnished by me shall be true, complete, and correct. I understand that incorrect, incomplete, false or misleading statement/answer/information furnished by me either verbally, or in writing will subject my application to disqualification from further consideration and/or if already employed by the City, when the aforementioned is detected, I will be subject to discipline up to and including discharge, for falsifying a City record/document, regardless of how much time has elapsed since the date I was employed. In the event that I am employed by the City, I agree to comply with all its orders, rules, regulations, safety policies, and performance standards. Upon hire, I will provide proof as required on the US Government, I-9 form that I am legally eligible for employment in the United States. If I cannot provide such proof in accordance with Federal Law, I understand that my employment will be terminated.

I have read and understand all of the provisions of this acknowledgement. By signing this application, I hold the City of Canby harmless for any result of the City questioning the references provided in this application. If I am selected for further consideration, I hereby authorize and release from liability all former employers, landlords, educational institutions, law enforcement agencies, and/or other government agencies to provide/release information regarding my employment, education, criminal conviction record, credit history, driver's license violations and motor vehicle records, which may be in their possession to the City of Canby and/or its agents. I understand that I will not receive and am not entitled to know the contents of confidential reports received, and I further understand that these reports may be privileged. An offer of employment is conditional upon a background investigation, and if relevant, a pre-employment medical exam and drug screen test (safety sensitive positions).

EQUAL EMPLOYMENT OPPORTUNITY: We are an Equal Opportunity/Affirmative Action Employer. We are

dedicated to a policy of nondiscrimination in employment on the basis of race, color, religion, sex, gender identity, sexual orientation, pregnancy, status as a parent, national origin, age, or mental and/or physical disability.

BACKGROUND: Finalists for City jobs must successfully pass a background investigation and may be required to pass a pre-employment medical exam as a final condition of the job offer. Finalists for safety sensitive positions must also successfully pass a pre-employment drug-screening test.

PROBATIONARY PERIOD: New employees or employees changing job positions will be considered Trial service employees for at least six (6) months before attaining regular status.

IMMIGRATION LAW: In accordance with the Immigration Reform and Control Act of 1986 (IRCA), all newly hired employees will be required to complete and sign an Employment Eligibility Verification Form and present documentation verifying identity and employment eligibility. 10/20

This application was submitted by Hawkins, Cara, Louise

Signature_____

Date_____

EMPLOYMENT APPLICATION



City of Canby
222 NE 2nd Ave

Canby, Oregon - 97013
http://www.canbyoregon.gov
(http://www.canbyoregon.gov)

Jaroch, Eric
Parks & Recreation Advisory Board Member

Received: 9/5/22 10:47 AM
For Official Use Only:

QUAL: _____

DNQ: _____

☐ Experience

☐ Training

☐ Other: _____

PERSONAL INFORMATION

POSITION TITLE:

Parks & Recreation Advisory Board Member

Job Number:

2022-PRV

NAME: (Last, First, Middle)

Jaroch, Eric

PERSON ID:

██████████

ADDRESS: (Street, City, State, Zip Code)

██████████
Canby, OR 97013

HOME PHONE:

██████████

EMAIL ADDRESS:

██████████

NOTIFICATION PREFERENCE:

Email

PREFERENCES

SHIFTS YOU WILL ACCEPT:

Day , Evening , Night , Rotating , Weekends , On Call (as needed)

WHAT TYPE OF JOB ARE YOU LOOKING FOR?

Regular

TYPES OF WORK YOU WILL ACCEPT:

Full Time, Part Time, Per Diem

OBJECTIVE:

To use the leadership experiences I've gained from my management roles in state government, previous volunteer roles and owning my own business, to assist the City of Canby Parks and Recreation Advisory Board meet its Duties and Responsibilities to the City of Canby and its citizens.

Agency - Wide Questions

Nothing Entered For This Section

Job Specific Supplemental Questions

1. What are your community interests (committees, organizations, special activities)?

I'm interested in any opportunities that relate to the subjects listed in the next question.

2. What are your major interests or concerns in the City's programs?

Opportunities for walking, hiking, and experiencing nature in and around Canby.

3. Why are you interested in this volunteer position?

Having recently moved to Canby, my wife and I have already explored most of the walking areas in the city. In doing so, I was intrigued by the Eco Park and Willamette Wayside area in particular, since I only live a half mile from them. They remind me of Graham Oaks in Wilsonville and Savannah Oaks in West Linn, both of which I've lived next to over the past 20 years. This prompted me to go to the City's website where I found information about the Willamette Wayside Master Plan. This in turn led me to the Parks and Recreation Board where I saw this position available. I feel this position would give me the opportunity to assist with the long-term planning and development of parks, trails, and recreational opportunities in the city. I believe my unique combination of management experience in state government, business ownership, and volunteer roles would be an asset to this Board.

4. Please share your experience and educational background.

I have a BS in Geology from Purdue University. I was a deputy sheriff for 12 years between the Pima County Sheriff's Office in Tucson, AZ and the Marion County Sheriff's Office in Salem, Oregon. I've owned two small businesses, one in Tucson and one in Tigard. I am currently an administrator for the Oregon Department of Corrections.

I have served in numerous volunteer leadership roles to include advisory committees in my church, various roles with the Knights of Columbus (including Treasurer), various roles with Catalyst Partnerships Northwest (including Treasurer), and various roles with Girl Scouts of Oregon and SW Washington (including Cookie Coordinator for approximately 700 girls).

5. Please list any other City or County positions on which you serve or have served.

N/A

6. If you were referred by someone, please list

N/A

By clicking the Accept & Submit button, I hereby certify that every statement I have made in this application is true and complete to the best of my knowledge.

Additional Information for Employment Applications

I understand this application does not represent a contract for employment. I understand that an acceptance of an offer for employment does not create a contractual obligation upon the City of Canby to continue to employ me for any period of time in the future. I understand that no representative from the City has any authority to enter into any special agreement with me to promise and/or guarantee my employment for any specific time period or to promise me a promotion or transfer, etc. either prior to commencement of employment or after I have become employed, or to assure me of any benefits or terms and conditions of employment, or to make any agreement contrary to the aforementioned.

I hereby represent that each answer to questions incorporated into this application and all other information otherwise furnished by me shall be true, complete, and correct. I understand that incorrect, incomplete, false or misleading statement/answer/information furnished by me either verbally, or in writing will subject my application to disqualification from further consideration and/or if already employed by the City, when the aforementioned is detected, I will be subject to discipline up to and including discharge, for falsifying a City record/document, regardless of how much time has elapsed since the date I was employed. In the event that I am employed by the City, I agree to comply with all its orders, rules, regulations, safety policies, and performance standards. Upon hire, I will provide proof as required on the US Government, I 9 form that I am legally eligible for employment in the United States. If I cannot provide such proof in accordance with Federal Law, I understand that my employment will be terminated.

I have read and understand all of the provisions of this acknowledgement. By signing this application, I hold the City of Canby harmless for any result of the City questioning the references provided in this application. If I am selected for further consideration, I hereby authorize and release from liability all former employers, landlords, educational institutions, law enforcement agencies, and/or other government agencies to provide/release information regarding my employment, education, criminal conviction record, credit history, driver's license violations and motor vehicle records, which may be in their possession to the City of Canby and/or its agents. I understand that I will not receive and am not entitled to know the contents of confidential reports received, and I further understand that these reports may be privileged. An offer of employment is conditional upon a background investigation, and if relevant, a pre-employment medical exam and drug screen test (safety sensitive positions).

EQUAL EMPLOYMENT OPPORTUNITY: We are an Equal Opportunity/Affirmative Action Employer. We are dedicated to a policy of nondiscrimination in employment on the basis of race, color, religion, sex, gender identity, sexual orientation, pregnancy, status as a parent, national origin, age, or mental and/or physical disability.

BACKGROUND: Finalists for City jobs must successfully pass a background investigation and may be required to pass a pre-employment medical exam as a final condition of the job offer. Finalists for safety sensitive positions must also successfully pass a pre-employment drug-screening test.

PROBATIONARY PERIOD: New employees or employees changing job positions will be considered Trial service employees for at least six (6) months before attaining regular status.

IMMIGRATION LAW: In accordance with the Immigration Reform and Control Act of 1986 (IRCA), all newly hired employees will be required to complete and sign an Employment Eligibility Verification Form and present documentation verifying identity and employment eligibility. 10/20

This application was submitted by Jaroch, Eric

Signature _____

Date _____



CITY COUNCIL STAFF REPORT

Meeting Date: 11/2/2022

To: The Honorable Mayor Hodson & City Council

Thru: Scott Archer, City Administrator

From: Joseph Lindsay, City Attorney/ Assistant City Administrator

Agenda Item: Ordinance 1586, An Ordinance Authorizing the City Administrator to enter into an Employment Contract between the City of Canby and Dave Conner (*Second Reading*)

Goal: Promote Financial Stability

Objective: N/A

Summary

Should the City contract with its Waste Water Services Manager for the next two years following his official retirement with PERS?

Background and Discussion

Our current Waste Water Services Manager, Dave Conner, has worked for Canby in his position for the last 3 years. Dave Conner has worked for the City of Canby as an employee in good standing for 30 years. He currently remains in good standing, however, he wishes to officially retire from the PERS system on December 31, 2022. He has offered to continue working for Canby as WWTP Services Manager for the amount of time that PERS currently allows for PERS retirees (a law which currently expires December 31, 2024). He would like to take advantage of these recent changes in PERS that will allow him to retire, yet work back in his position until December 31, 2024, without affecting his PERS retirement. He would even want to possibly work more if the law changes in the future.

He is therefore offering to officially retire under PERS, but he wishes to keep his standing and accrual rates consistent in this work back. During this time, the City won't have to pay the employee portion of the PERS IAP (currently set at 6%), so the City will save by not having to pay that six (6) percent.

Attachments

Ordinance 1586

Exhibit A—Employment Contract Agreement for Dave Conner.

Fiscal Impact

The City will realize a six (6%) percent PERS IAP (based off salary) savings as compared to the continued employment for the same amount of time. This is about \$6000 per year. Front-loading 40 hours of vacation won't cost upfront because of a provision that disallows the selling of it in the first year. The value of the vacation front-load is approximately \$2000. This contract saves approximately \$10000 over the two years.

Options

Authorize the contract

Reject the contract

Recommendation

Staff recommends the Council authorize the contract by passing the ordinance.

Proposed Motion

"I move to adopt Ordinance 1586, An Ordinance Authorizing the City Administrator to enter into an Employment Contract between the City of Canby and Dave Conner."

ORDINANCE NO. 1586

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN EMPLOYMENT CONTRACT BETWEEN THE CITY OF CANBY AND DAVE CONNER

WHEREAS, the City of Canby currently employs Dave Conner as Services Manager at the Wastewater Treatment Plant;

WHEREAS, Dave Conner has been and continues to be in good standing with the City of Canby for 30 years;

WHEREAS, Dave Conner wants to officially retire in the Oregon PERS system as of December 31, 2022; and

WHEREAS, the City of Canby would like Dave Conner to work back as WWTP Services Manager until December 31, 2024 under current PERS rules.

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 an Employment Contract Agreement with Dave Conner to continue as WWTP Services Manager for the City. A copy of the Agreement is attached hereto as Exhibit "A."

Section 2. The effective date of this Ordinance shall be December 2, 2022.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, October 19, 2022, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, November 2, 2022, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Melissa Bisset, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 2nd day of November 2022, by the following vote:

YEAS _____

NAYS _____

Brian Hodson
Mayor

ATTEST:

Melissa Bisset, CMC
City Recorder

Contract / Agreement for Employment between the City of Canby and Dave Conner

This Agreement for employment is entered into between the City of Canby, Oregon, an Oregon municipal corporation (City), and Dave Conner.

RECITALS

- A. Dave Conner is presently employed with the City as a regular, full-time Waste Water Services Manager.
- B. Dave Conner has indicated his intent to retire from employment with the City effective December 31, 2022.
- C. Dave Conner desires to return to employment with the City after retirement as a contract employee, and the City is willing to allow Dave Conner to return to employment as provided in this agreement.

AGREEMENT

Now, therefore, in consideration of the foregoing and the mutual covenants and obligations set forth in this Agreement, it is hereby agreed to as follows:

- 1. Upon his retirement from employment with the City (currently aiming to be effective December 31, 2022), the City agrees to employ Dave Conner and Dave Conner agrees to work for the City in the same position, retaining his appointment as Waste Water Services Manager, with the same duties of that position in which he was employed at the time of his retirement, and shall perform such other duties as may, from time to time, be assigned. Dave Conner will retain his current level of seniority and classification for purposes of pay and vacation accrual. No probationary period will apply.
- 2. The term of this Agreement is currently intended to be for 2 years, beginning December 31, 2022, and ending December 31, 2024; however, if Oregon laws regarding PERS retirees extend the term of eligibility for such employment, the parties will have to mutually agree to any extended period beyond December 31, 2024, in writing. During

the term of his employment, Dave Conner will serve “at will” and either party may terminate this agreement at any time. If Dave Conner resigns or the City elects to terminate this agreement, at least thirty (30) days’ notice will be given to the other party. In the event of termination for cause, crime, or indictment, this notice will not apply.

3. In the event employment is terminated during such time that Dave Conner is willing and able to perform the duties under this Agreement, the City shall pay Dave Conner a lump sum cash amount equal to two (2) months aggregate base salary, including any actual cost of individual health coverage over that time. In the event Dave Conner’s employment is terminated for just cause, because of an indictment for an illegal act, or convicted of a crime involving moral turpitude, the City shall have the right to terminate Dave Conner’s employment and this Agreement immediately without the obligation to pay any severance pay as designated in this paragraph. Provided, that after Indictment for an illegal act, Dave Conner is acquitted of all charges or if all charges are dismissed with prejudice within six (6) months of the Indictment, the City shall pay the severance amount to Dave Conner. Severance amounts shall be paid within thirty (30) days of the date of termination, unless mutually agreed upon in writing.

4. At the commencement of his employment under this agreement, Dave Conner will receive a bi-weekly gross salary equal to his salary at the time of his retirement (and will be subject to regular withholding and payroll taxes). In addition, Dave Conner will receive the same merit increases, incentives and annual cost of living adjustments as all City of Canby, non-represented employees. Dave Conner may work a Monday through Friday schedule, a 5/8 or 4/10 forty (40) hours work week, subject to approval by the City Administrator.

5. Dave Conner will also be entitled to the following benefits:
 - a. Dave Conner will retain his current rate of accrual for any/all Administrative and Personal Leave as allowed by City Policy.
 - b. Dave Conner will start with forty (40) hours of accrued Vacation Leave and will be entitled to be paid/credited for any unused Vacation Leave upon termination of his employment. Dave Conner can use but not cash out his gifted bank of forty (40) hours of Vacation Leave until he has successfully completed one year under this contract. Otherwise, the selling back of time will be as allowed by the City’s

Policy for non-represented management employees. Dave Conner will retain his current rate of accrual for any/all Vacation Leave.

- c. Dave Connor will start with eighty (80) hours of accrued Sick Leave and will be immediately entitled to use this according to City Policy without any waiting period. Dave Conner will retain his current rate of accrual for any/all Sick Leave. As a contract employee, Dave Conner will not be able to cash out or sale any unused Sick Leave.
6. The City agrees to offer Dave Conner the same coverage and pay the same premium rate/schedule portion for the City's health, dental and vision insurance, life insurance and long term disability plan as provided for regular, full-time, non-representative, management employees (as that in which he was employed at the time of his retirement).
7. The City and Dave Conner acknowledge that Dave Conner will be a retired public employee receiving benefits under the Oregon Public Employee Retirement System (PERS), and is subject to the laws, rules and regulations governing employment of PERS retirees.
8. Dave Conner will, at all times during his employment under this agreement, meet and maintain compliance with all licensing and other standards required by the City for the position in which he is employed.
9. This is a Contract Agreement for employment under and subject to the City's Policy and Procedures, other than those exceptions noted in this Agreement, and Dave Conner is subject to those policies and procedures; to include any amendments that may occur from time to time.
10. Integration: This Agreement supersedes and incorporates all prior agreements between the parties and constitutes the entire agreement between the parties. No other agreement, promise or understanding between the parties that is not set forth herein shall be binding or enforceable.

This Contract / Agreement is effective January 1, 2023.

As representative witnesses with the City of Canby, Oregon, the following individuals have executed this Agreement:

By: _____

City Administrator

Scott Archer

Waste Water Services Manager

Dave Conner

Date: _____

Date: _____



CITY COUNCIL STAFF REPORT

Meeting Date: 11/2/2022

To: The Honorable Mayor Hodson & City Council

Thru: Scott Archer, City Administrator

From: Danny Smith, Library & IT Director

Agenda Item: Consider Ordinance No. 1587, Authorizing the City Administrator to approve an annual agreement with Microsoft and one-time migration project with ConvergeOne, Inc. for Microsoft Office 360 software. *(First Reading)*

Goal: Implement a Secure, Highly Available, Cohesive Communication Platform

Objective: Approval of Staff Recommendation – Microsoft O365 Government Migration

Summary

The City of Canby IT Department manages two Microsoft Exchange Email Servers on site: City of Canby and Canby Police Department. In order to take advantage of improved security, availability, maintenance resources, and additional features/services the IT Dept. submitted a Request for Quote to migrate our Exchange Mail Server and Microsoft Office Productivity Software from an On-Premise Server to a Cloud Base Service.

Background

The City of Canby is using an On-Premise Email Server to manage internal and external electronic mail communications. Currently, communications features such as Email, Calendaring, Chat, Video Conference, Intranet Website (I.E. The Garden), and Digital File Management with MS OneDrive have been implemented using multiple vendor solutions or are not currently available. These multiple vendor solutions require in-house hardware, software and IT Staff hours to implement, maintain and support. These multiple solutions also require additional training for end users learning different software environments. A combined cloud solution will be more efficient and effective.

Discussion

Over 1 Million US Government workers across all 50 states are using Microsoft Office 365. Local entities such as the City of Salem, City of Tualatin, City of Tigard, City of Happy Valley, and Willamette Parks and Recreation District use Microsoft Office 365 to name a few.

Historically the City of Canby would purchase hardware, software, and licensing approximately every three to five years for email servers and supporting technologies. This would also include work hours to plan and upgrade/migrate to new software versions/hardware.

The city is currently using Microsoft Exchange 2016 as its Email Server and MS Office 2013 for its Office Suite. Special software for Email Archiving is required. Email Servers are backed up locally and copied to offsite cloud storage. The Web Mail access for Exchange 2016 does not provide MultiFactor authentication for secure access. The Garden internal staff website is running on a dedicated server using WordPress and requires separate maintenance and management. Network Files can only be accessed by staff while on-site or connected to the City of Canby network with a VPN on a laptop/Desktop. There is currently no internal dedicated video call/conference solution for City Staff.

Microsoft Office 365 Government will provide a solution for each of the items addressed in the above paragraph under one solution.

Cooperative Procurement via qualified vendor ConvergeOne has been chosen for this project. This Statement of Work (SOW) and the applicable Solution Summary; as related to Professional Services for Installation (and any documents attached thereto and incorporated therein by reference) (collectively, this Order) is between ConvergeOne, Inc (SELLER), Inc and City of Canby (CUSTOMER or CITY) as of the date of the last signature (Effective Date). This SOW is made subject to and governed by the terms of Region 14 ESC and the National Cooperative Purchasing Alliance (NCPA) for Advanced Technology Solutions Aggregator awarded to TD SYNnex Contract No. 01-97 (of which, CONVERGEONE, INC is an authorized reseller, (collectively the agreement). The order of precedence shall be as follows for the professional installation services: (i) NCPA 01-97, (ii) Region 14 ESC RFP, (iii) this SOW agreement, (iv) this Order in reference to the professional installation.

1. Cloud-Based Solutions

Since Office 365 runs entirely in the cloud, migrating to the platform will reduce costs, challenges, and risks for the City of Canby. IT staff no longer need to devote time and resources for managing local email servers. Instead, employees can connect to Office 365 for Outlook email and OneDrive file storage, plus get instant access to all of the apps they rely on, such as Word, Excel, and PowerPoint.

As the cloud vendor, Microsoft is responsible for ensuring the uptime of the Office 365 platform. This helps reduce staff time on maintenance and support freeing up time to focus on new forward-looking projects that will provide value to the community and improve internal efficiency. Staff access to city documents, email, chat, and video call communications will be uninterrupted during any local disaster or emergency as long as they have access to the internet.

2. Flexible Scaling

With Office 365, the city's cloud usage and subscription status can be scaled to align with the growth of its staff. No additional servers or networking equipment needs to be purchased when new teams and employees are brought on board. Rather, IT staff simply need to adjust the Office 365 subscription plan to account for all end users and the services they require.

3. New Tools and Apps

Office 365 features new tools and applications that are unavailable on other platforms or early versions of the Microsoft Office suite. For instance, the OneDrive tool allows for fast and simple file sharing between users in an organization. Files can be moved right from a local computer and accessed anywhere through the OneDrive web interface.

The Office 365 suite also includes the latest version of MS Teams, which allows companies and teams to communicate in real-time over instant messaging or video conferencing. MS Teams is available as desktop apps, mobile apps, or within the O365 web interface.

4. Easy Migration and Updates

Microsoft offers a wide range of support options for companies looking to migrate services from a legacy environment into the Office 365 cloud platform. Microsoft Gold Certified experts at ConvergeOne will help transfer data between systems and prepare our user base for the change to Office 365.

The City of Canby will always have the latest versions of Microsoft Office including new features and security updates.

5. Secure and Reliable Data

Some organizations may be hesitant to switch to Office 365 because it means moving the location of their data away from their own facilities. However, Office 365 features data protection and backup services that meet CJIS and IRS 1075 standards, DFARS, and DISA Level 2 Security Requirements Guidelines.

All cloud data is backed up on a regular basis and replicated nationally so that outages will not affect end users or risk data loss. IT staff can control all security settings of their Office 365 apps, which means that data remains private to only the people designated to work with it.

Attachments

Ordinance No. 1587

Microsoft Office 365 Licensing Quote

Microsoft 365 Gov Cross Agency Collaboration Datasheet

Microsoft 365 Gov Security Datasheet

ConvergeOne Migration for MS O365 Quote

Fiscal Impact

Current Services:

Our Current Annual costs for just MS Exchange Mail Server, MailStore Archive MS Office Suite are: **\$23,275**

New Services:

Microsoft O365 Mail, One Drive File Storage, MS Teams, SharePoint, and MS Office Suite:

One-Time Start-up Costs: **\$57,212**

Annual Cost: **\$32,417**

Recommendation

Staff recommends that the Council authorize the City Administrator to approve an annual license agreement with Microsoft for a cost of \$32,417 and a one-time project agreement with ConvergeOne for a one-time migration cost of \$24,795. This is to migrate the City of Canby from On-Premise Email Servers, upgrade MS Office Suite and add MS Teams Communications Platform, OneDrive File Storage, and SharePoint Intranet and Automation.

Staff recommends approval of the one-time cost of Twenty Four Thousand, Seven Hundred and Ninety-Five dollars (\$24,795), and the annual cost of Thirty Two Thousand, Four Hundred and Seventeen dollars and Seventy-Five cents (\$32,417).

Proposed Motion

"I move to pass Ordinance No. 1587: An Ordinance Authorizing the City Administrator to approve an annual agreement with Microsoft and one-time migration project with ConvergeOne for Microsoft Office 365 software for the City of Canby to come up for a second reading on November 16, 2022."

ORDINANCE NO. 1587

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO APPROVE AN ANNUAL AGREEMENT WITH MICROSOFT AND ONE-TIME MIGRATION PROJECT WITH CONVERGEONE FOR MICROSOFT OFFICE 365 SOFTWARE FOR THE CITY OF CANBY

WHEREAS, the City of Canby desires to update and consolidate its communications and productivity software;

WHEREAS, an update to the Microsoft Office 365 software suite will remedy several current technical issues in the City as well as align the City of Canby with numerous comparative neighboring municipalities; and

WHEREAS, the City of Canby believes that the implementation of the Microsoft Office 365 software suite will increase productivity and efficiency in the administration of City services.

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 an annual agreement with Microsoft and a one-time migration project with ConvergeOne for Microsoft Office 365 software. A copy of the Agreement is attached hereto as Exhibit "A."

Section 2. The effective date of this Ordinance shall be December 15, 2022.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, November 2, 2022, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, November 16, 2022, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Melissa Bisset, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 16th day of November 2022, by the following vote:

YEAS_____

NAYS_____

Brian Hodson
Mayor

ATTEST:

Melissa Bisset, CMC
City Recorder

Solution Summary

City of Canby Microsoft O365 Migration OP-000691884

Customer: City of Canby OR	Primary Contact: Danny Smith
Ship To Address: 222 NE 2ND AVE CANBY, OR 97013	Email: smithd@canbyoregon.gov
Bill To Address: 222 NE 2ND AVE CANBY, OR 97013	Phone: 503-266-0655
Customer ID:	National Account Manager: Brian Larson
Customer PO:	Email: BLarson@convergeone.com
	Phone: +15037484824

Solution Summary	Current Due	Next Invoice	Due	Remaining	Total Project
Software	\$32,417.46		One-Time		\$32,417.46
Project Subtotal	\$32,417.46				\$32,417.46
Estimated Tax	NOT INCLUDED				
Estimated Freight	NOT INCLUDED				
Project Total	\$32,417.46				\$32,417.46

This Solution Summary summarizes the documents(s) that are attached hereto and such documents are incorporated herein by reference (collectively, this "Order"). Customer's signature on this Order (or Customer's issuance of a purchase order in connection with this Order) shall represent Customer's agreement with each document in this Order and acknowledgement that such attached document(s) are represented accurately by this Solution Summary.

Unless otherwise specified in this Order, this Order shall be subject to the following terms and conditions (the "Agreement"): (i) the Master Sales Agreement or other applicable master agreement in effect as of the date hereof between ConvergeOne, Inc. and/or its subsidiaries and affiliates (collectively, "C1" or "ConvergeOne" or "Seller") and Customer; or (ii) if no such master agreement is currently in place between C1 and Customer, the Online General Terms and Conditions currently found on the internet at: <https://www.convergeone.com/online-general-terms-and-conditions/> . If Customer's Agreement is a master agreement entered into with one of ConvergeOne, Inc.'s predecessors, affiliates and/or subsidiaries ("Legacy Master Agreement"), the terms and conditions of such Legacy Master Agreement shall apply to this Order, subject to any modifications, located at: <https://www.convergeone.com/online-general-terms-and-conditions/> . In the event of a conflict between the terms and conditions in the Agreement and this Order, the order of precedence shall be as follows: (i) this Order (with the most recent and specific document controlling if there are conflicts between the Solution Summary and any applicable supporting document(s) incorporated into this Order), (ii) Attachment A to the Agreement (if applicable), and (iii) the main body of the Agreement.

This Order may include the sale of any of the following to Customer: (a) any hardware, third party software, and/or Seller software (collectively, "Products"); (b) any installation services, professional services, and/or third party provided support services that are generally associated with the Products and sold to customers by Seller (collectively, "Professional Services"); (c) any Seller-provided vendor management services, software release management services, remote monitoring services and/or, troubleshooting services (collectively, "Managed Services"); and/or (d) any Seller-provided maintenance services ordered by Customer to maintain and service Supported Products or Supported Systems at Supported Sites to ensure that they operate in conformance with their respective documentation and specifications (collectively, "Maintenance Services"). For ease of reference only, Professional Services, Managed Services and Maintenance Services may be referred to collectively as "Services." Unless otherwise defined herein, capitalized terms used herein will have the same meanings as set forth in the Agreement.

Notwithstanding anything to the contrary stated above, this Order is subject to the terms and conditions of the Public Sector Contract referenced herein, and such Public Sector Contract supersedes all references to a Master Sales Agreement, the Online General Terms and Conditions, and/or a Legacy Master Agreement referred above

Products and/or Services not specifically itemized are not provided hereunder. This Order will be valid for a period of thirty (30) days following the date hereof. Thereafter, this Order will no longer be of any force and effect. Due to rapidly changing prices in the market for third party Products and/or Services, after the expiration of the foregoing 30 day period, Seller reserves the right to adjust offerings and/or prices accordingly prior to issuing any new Order(s).

This Order is a configured order and/or contains software.

ACCEPTED BY:

BUYER: _____ DATE: _____ SELLER: _____ DATE: _____

TITLE: _____ TITLE: _____

Solution Quote

#	Item Number	Description	Public Sector Contract	Term	Qty	Unit List Price	Extended List	% Disc	Unit Price	Extended Price
1	CSP-ELIT-E129CE6E2C06-12MO	Office 365 G1 GCC	NCPA 01-97		70	\$105.60	\$7,392.00	11.62 %	\$93.33	\$6,533.10
2	CSP-ELIT-D54F7A54CE8E-12MO	Office 365 G3 GCC	NCPA 01-97		109	\$264.00	\$28,776.00	11.11 %	\$234.67	\$25,579.03
3	DLT-CSS	DLT Confirmed Stateside Support.	Open Market		1	\$0.00	\$0.00	0.00 %	\$305.33	\$305.33
						Total:	\$36,168.00		\$633.33	\$32,417.46

Coordinate with stakeholders across departments in a shared workspace

Microsoft 365 Government

Centralize communication and coordination

- Create a central hub to coordinate documents, initiatives, incidents without the need for lengthy IT involvement
- Open lines of communication and make participation easier through chat, calls, meetings, and shared files in one place
- Simplify co-creation and reviews of memoranda, joint initiatives, regulations, public announcements
- Make informed decisions and report to leaders with a common set of real-time data

Connect to people and information from anywhere

- Access, update and submit reports, audits, notes from the field with mobile access
- Save time and stay connected with the team through chat, meetings, and calls on mobile
- Connect on any device

Securely share and protect sensitive information

- Adhere to the enhanced compliance standards required of the US Government
- Help protect confidential information
- Retain and discover chat messages and documents to respond to audits and FOIA requests or review past decisions



Protecting your agency against cyberattacks

Microsoft 365 Government

The rapid pace of innovation and societal changes presents new challenges for protecting government agencies.

- ✓ Volume of attacks is outpacing resources
- ✓ Difficulty recruiting and retaining top security talent
- ✓ Need to comply with a growing array of regulations



The stakes are high.

Why are governments increasingly being targeted?

- ✓ Amassed citizen data and mission critical information
- ✓ Nation states seeking to erode confidence in political institutions and public trust
- ✓ Reactive spending on security technology and long procurement cycles



Help secure your agency from cyberattacks with Microsoft 365 Government.

Microsoft 365 Government includes the tools you need to help secure your agency from targeted cyberattacks and empower your IT security teams to be more impactful.

- ✓ Protect, detect and respond to cyberattacks
- ✓ Reduce burden on your team with automated remediation and investigation
- ✓ Meet the enhanced compliance requirements for US government including FedRAMP Moderate, CJIS, IRS 1075 and DISA SRG L2.



Save time with Office 365 Advanced Threat Protection.

Gain greater visibility into the organization and remediation.

- ✓ 89.3 % reduction in investigation and remediation times*
- ✓ 94% better protect users*
- ✓ 96% better understand risks*



Learn more:

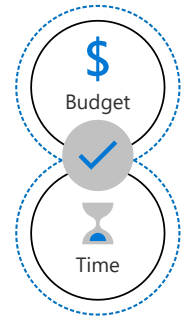
- > [Office 365 Government trial](#)
- > [Microsoft 365 Government](#)

*Forrester Research *The Total Economic Impact of Microsoft Office 365 Threat Intelligence*, September 2018

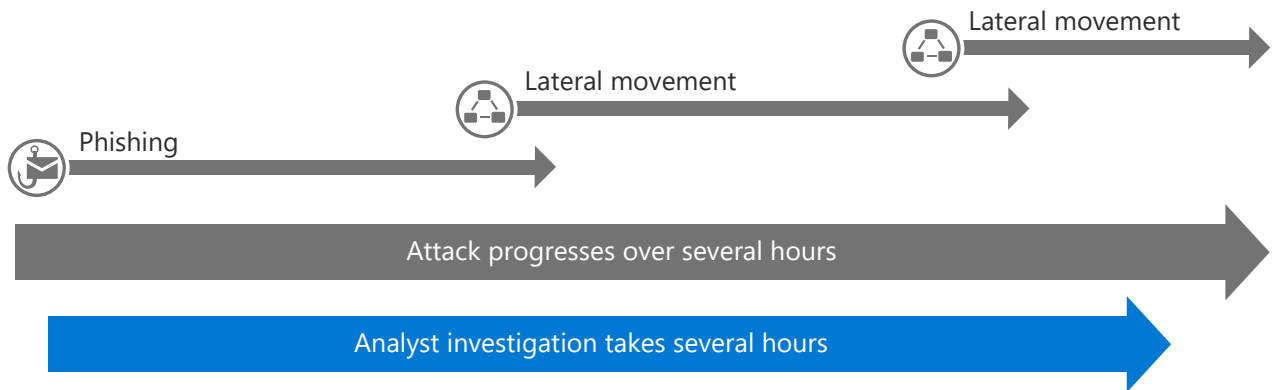


Automated remediation and investigation.

Today's security teams must have visibility and awareness of the entire threat spectrum, from the initial threat alerts to an ultimate and effective response. We understand the steps SecOps teams take. Reduce the burden on your team with greater visibility and automated investigation and remediation capabilities through this process.

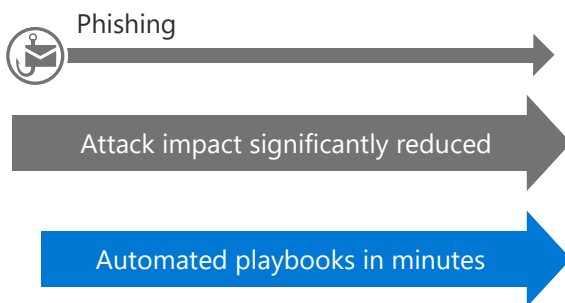


Traditional SOC



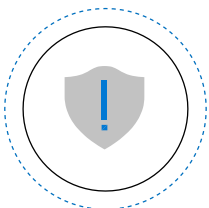
VS

Modern SOC



Automation can save analyst time +
reduce risk by limiting the attack impact.

Alert



Alerts from the
Microsoft Intelligent
Security Graph

Analyze



URL
Detonation

Investigate



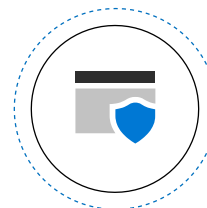
Automated
investigation
playbook

Assess impact



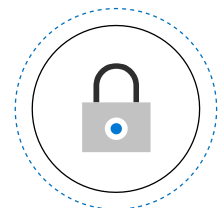
Automated
branch
investigations

Contain



Automated
and integrated
containment

Respond



Automated
and integrated
remediation



City of Canby Microsoft O365 Migration

PREPARED FOR: City of Canby OR

PREPARED BY: Brian Larson
Senior National Account Mngr
BLarson@convergeone.com

Cory Ostroski
Solutions Architect
COstroski@convergeone.com

REFERENCE: Opportunity: OP-000691884
Quote(s): QU-000441963

DATE: August 5, 2022

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1. SCOPE OF WORK - TERMS AND CONDITIONS

This Statement of Work (SOW) and the applicable Solution Summary; as related to Professional Services for Installation (and any documents attached thereto and incorporated therein by reference) (collectively, this Order) is between ConvergeOne, Inc (SELLER), Inc and City of Canby (CUSTOMER or CITY) as of the date of the last signature (Effective Date). This SOW is made subject to and governed by the terms of Region 14 ESC and the National Cooperative Purchasing Alliance (NCPA) for Advanced Technology Solutions Aggregator awarded to TD SYNnex Contract No. 01-97 (of which, CONVERGEONE, INC is an authorized reseller, (collectively the agreement). The order of precedence shall be as follows for the professional installation services: (i) NCPA 01-97, (ii) Region 14 ESC RFP, (iii) this SOW agreement, (iv) this Order in reference to t professional installation.

Customers signature on this Order (or Customers issuance of a purchase order in connection with this Order) shall represent Customers agreement with each document in this Order.

This Order may include the sales of any of the following to Customer: (a) any hardware, third party software, and/or Seller software (collectively, "Products"); any installation services, professional services, and/or third party provided support services that are generally associated with the Products and sold to customers by Seller ("Professional Services"); any Seller-provided vendor management services, software release management services, remote monitoring services and/or, troubleshooting services (collectively, "Managed Services"); and/or any Seller-provided maintenance services ordered by Customer to maintain and service Supported Products or Supported Systems at Supported Sites to ensure that they operate in conformance with their respective documentation and specifications ("Maintenance Services"). For ease of reference only, Professional Services, Managed Services and Maintenance Services may be referred to collectively as "Services." Unless otherwise defined herein, capitalized terms used herein will have the same meanings as set forth in the Agreement.

Any dates and/or time intervals listed in this Order are approximate and for planning purposes only. ConvergeOne will use commercially reasonable efforts to accommodate any requested dates; provided however, projects milestones will be fully discussed and mutually agreed upon between ConvergeOne and Customer after project kickoff.

Products and/or Services not specifically itemized are not provided herein. Any additional applications, technologies, integrations, or other Products and/or Services not specified herein, are not included in this SOW, and may result in additional charges at any time during the project.

Unless signed, this Order will be valid for a period of thirty (30) days following the date hereof. Due to rapidly changing prices in the market for third party Products and/or Services, after the expiration of the foregoing 30 day period, Seller reserves the right to adjust offerings and/or prices accordingly prior to issuing any new Order(s). Thereafter, this Order will no longer be of any force and effect.

The outline of deliverables for this Order follows below.

2. PROJECT TIMELINE EXPECTATIONS

Approximately 5 business days after signed acceptance of this SOW, ConvergeOne will assign a project manager that will make contact and start planning a project kick-off meeting. The project kick-off may not take place immediately. Project start times depend on the availability of ConvergeOne and Customer resources.

The expected duration of this project has been budgeted at four (4) weeks from the time of kick-off to completion. If the project exceeds this timeframe, a project change order may be required to extend the engagement, resulting in additional fees.

3. PROJECT OVERVIEW

Thank you for the opportunity to work with you on the City of Canby Microsoft O365 Migration project. This document describes the work to be performed during this engagement and covers the assumptions as the basis for this agreement, the responsibilities of ConvergeOne personnel, and the responsibilities of the Customer.

The City of Canby has two Forests (City & PD), with On-Premise 2016 Exchange environments, and would like to migrate to 1 GCC Microsoft 365 Exchange Online tenant. They have 35 PD and 150 City mailboxes total for the migration. They have SMTP relays for intranet webforms and copiers. Microsoft Azure Multi-Factor Authentication (MFA) will be enabled, and Microsoft 365 Security defaults turned on to add a layer of protection to accounts. The Customer uses Proofpoint for email filtering and will continue to utilize that after the migration to Microsoft 365 Exchange Online.

- 3.1.** This statement of work is written with the assumption the customer will provide unfettered/direct access to both the Office 365 tenant and any related on-prem infrastructure to ConvergeOne during the length of this project. Should that not be the case, a Change Request can be completed to account for the estimated 50% increase in time required to successfully complete this project.

4. PROJECT SCOPE OF SERVICES

This section identifies the work that will be performed as part of this project. Below is an initial, high-level list of tasks and assumptions for the project. This schedule may change depending on the Customer's business requirements and other factors. Also, depending on the schedule finally agreed upon at the kickoff meeting, the days worked may not be contiguous. ConvergeOne will conduct a

meeting with the Customer to review and finalize the technical approach, constraints and project schedule. This meeting is intended to ensure that all parties are working with consistent expectations for the project.

4.1. Microsoft

Active Directory

Discovery / Assessment

- Active Directory High Level Health validation on both the City and PD Forests
 - Verify Domain and Forest configuration/functional level
 - Verify Routable UPN
 - Identify Server for AD Connect Express installation
 - Issue remediation recommendations
- GCC Deployment Readiness
 - Verify Authentication requirements for GCC Licensing and Activation
 - Run IDFix to ensure environment is ready for O365 / Azure AD Connect to handle both environments
 - Issue remediation recommendations

Plan and Design

- Gather Technical and Business Requirements for Azure Tenant Build
- Plan how both the City and the PD will connect to the AD Connect
- Prepare for Azure AD Connect Express installation
- Verify Azure Identity configuration requirements to ensure clients will be able to communicate with O365 in order to validate licensing upon deployment

Implementation and Test

- Enable new Azure Tenant and default security configuration based upon Technical and Business Requirements captured above
- Configure Azure AD Connect with password sync utilizing Express configuration
- Create Test user account and validate synchronization
 - Assign license to user and test synchronization

Knowledge Transfer

Provide up to four (4) hours of operations knowledge transfer with the following agenda via online Meeting (Teams, Skype for Business, or WebEx) and record for distribution. Knowledge Transfer is an informal conference or in-person session(s) wherein ConvergeOne presents and reviews the overall solution and addresses Customer questions regarding the completed design. During the Planning and Design phase of the project, ConvergeOne and the Customer will determine a Knowledge Transfer session(s) schedule, content and participants.

- Active Directory Administration Tools
- Vendor Documentation
- Logging and Troubleshooting
- Patching and Maintenance
- Moves, Adds, Changes
- Top Support Issues

NOTE: Knowledge Transfer is not a formal training class that would otherwise be delivered by a certified vendor learning partner. ConvergeOne can recommend official training classes at Customer's request.

Azure

Multi-Factor Authentication (MFA) for Microsoft 365

- Validate licensing
- Define testing group
- Define production rollout group(s)
- Define up to two (2) conditional access policies
- Create conditional access policies and assign to testing group
- Define triggers for Multi-Factor Authentication (MFA)
- Create trigger for conditional access policy
- Validate MFA configuration with test group
- Modify policies as needed
- Customer to assign conditional access policies to production rollout group(s) to enable MFA

Exchange

Table 4-1

Exchange	
Number of user mailboxes	185
Number of total mailboxes	185
Number of Public Folders to be migrated	21
Number of Exchange Servers to deploy/configure	2
Which migration tool will be used	Hybrid
Number of mailboxes to be migrated	185
Number of small user migration events (less than 500 seats)	2
Number of legacy servers to decommission	2

- Perform an Exchange Online Readiness Assessment to identify potential solution blockers and recommended remediation actions. Customer is responsible for implementing recommended remediation actions discovered during assessment. ConvergeOne may assist with remediation upon completion of a project change order if required.
 - Validate all Office 365 prerequisites
 - Identify UPNs that may need to be changed to match email address
 - Identify mailboxes that are not set to match email address policy
 - Identify AD privileged accounts that are subject to AdminSDHolder configuration
 - Identify accounts with non-routable email domains, or domains that are not used or owned
- Conduct Exchange design sessions covering the following topics:
 - Exchange architecture, features
 - Review 3rd party tool integration (ProofPoint)
 - Infrastructure and network requirements
 - Client support
 - Operational support/management processes
 - Coexistence
 - Mail flow
 - Mailboxes
 - Domain validation
 - MX/SPF/DKIM/DMARC configuration
 - Distribution lists

- Exchange Online Protection (EOP)
 - Calendar delegation
 - Resource mailboxes
 - Compliance and retention requirements
 - Mobile devices and policies
- Build Exchange Server(s)
- Configure Office 365 tenant
 - Domain validation
 - MX, SPF, DNS TTL, and secure mail flow configuration
 - Configure Exchange Online
 - Configure Hybrid integration
 - SSL certificate request(s)
 - Validate send/receive connector(s)
 - Validate calendar federation organization relationship
 - Create archiving and retention policies
 - Verify Office 365 licensing
- Configure and validate Exchange components as required based on approved design:
 - Up to one (1) Exchange Online tenant(s)
 - Up to one (1) Exchange Site(s). Exchange site is defined as any location where Exchange Server/Components are installed. Configuration and validation of an Exchange Site includes:
 - up to 2 Exchange Servers (any role)
- Configure Exchange Online Protection (EOP)
 - EOP Bypass
 - Configuring
 - Anti-Spoofing
 - Anti-Phishing
 - Malware
- Cut over Exchange Client Access Services (CAS)
 - Includes one (1) cutover event
 - Cut over may be performed during a maintenance window outside normal business hours

- Production mailbox migration
 - Provide tier-3 support escalation to the support team for up to 1-day after each user cutover event
- Migrate Public Folders
 - Public Folders will be migrated after all mailboxes are migrated.
 - Provide tier-3 support escalation to the support team for up to 1-day after public folder cutover event
- Decommission legacy Exchange server(s)
- Validate and cleanup any Active Directory attribute related to Exchange
- Validate and cleanup any Azure AD Connect attributes related to Exchange

Knowledge Transfer

Provide up to four (4) hours of operations knowledge transfer. Knowledge Transfer is an informal conference or in-person session(s) wherein ConvergeOne presents and reviews the overall solution and addresses Customer questions regarding the completed design. During the Planning and Design phase of the project, ConvergeOne and the Customer will determine a Knowledge Transfer session(s) schedule, content and participants.

- Exchange Administration Tools
- Vendor Documentation
- Logging and Troubleshooting
- Patching and Maintenance
- Moves, Adds, Changes
- Top Support Issues

NOTE: Knowledge Transfer is not a formal training class that would otherwise be delivered by a certified vendor learning partner. ConvergeOne can recommend official training classes at Customer's request.

Security

Additional Security Tasks

Implement Role Based Access Controls (RBAC) to separate the City and PD administrative teams as required

- Workshop with the City and PD to identify who on the administrative team should be able to access which items in the tenant
- Create or assign administrative roles based on the outcome of the workshopping

- Test and validate access upon completion

Knowledge Transfer

Provide up to four (4) hours of operations knowledge transfer with the following agenda via online Meeting (Teams, Skype for Business, or WebEx) and record for distribution.

Knowledge Transfer is an informal conference or in-person session(s) wherein ConvergeOne presents and reviews the overall solution and addresses Customer questions regarding the completed design. During the Planning and Design phase of the project, ConvergeOne and the Customer will determine a Knowledge Transfer session(s) schedule, content and participants.

- Security Administration Tools
- Vendor Documentation
- Logging and Troubleshooting
- Patching and Maintenance
- Moves, Adds, Changes
- Top Support Issues

NOTE: Knowledge Transfer is not a formal training class that would otherwise be delivered by a certified vendor learning partner. ConvergeOne can recommend official training classes at Customer's request.

Out of Scope

- Configuration changes to third-party systems not listed in this proposal.
- Placement of endpoint devices.
- End-user training is not included in this scope
- Troubleshooting issues related to the core deployments of Active Directory, Exchange, existing Lync/Skype for Business infrastructure, Office 365 tenant, and underlying hardware and storage is out of scope of this proposal and will be billed separately on a time and materials basis.
- Troubleshooting issues related to the network infrastructure is out of scope for this proposal and will be billed separately on a time and materials basis.
- Configuration, firmware updates, or troubleshooting of devices purchased through a vendor other than ConvergeOne will be billed separately on a time and materials basis.
- Data Loss Protection (DLP)
- Azure Information Protection - formerly Information Rights Management (IRM)

Active Directory

- Setting up a Network connection to Azure AD Connect.

Exchange

- Mobile Device Management (MDM)/Intune
- Migration of Personal Storage Table (.pst) files
- Configuration of Third-Party multi-factor authentication (MFA).
- Migration of mail archived using a third-party solution
- Configuration of firewall rules for the purposes of email routing and/or user access
 - Configuring Proofpoint with Exchange Online

Deliverables

The following table describes the deliverables included as part of this proposal:

- Project Plan & Schedule - Describes the project tasks dependencies and timeline for a completion of milestone

Azure

- Azure Tenant Design Document - Document with Admin account details and configuration notes
- Azure AD Connect Design Document - Azure AD Connect Documentation

Exchange

- Mailbox Migration Results Report - Excel Workbook documenting the per user results of a mailbox migration event.

Microsoft Modern Workplace Specific Customer Responsibilities

- Verify and complete forms and questionnaires from ConvergeOne consultants or engineers in a timely fashion.
- If requested, provide comprehensive documentation for existing network and system deployments, including physical and logical schematics, prior to service commencement.
- Customer to assist with making changes to Active Directory, ADFS, AAD Connect, Azure Active Directory and the global Office 365 tenant in a timely manner as requested to facilitate ConvergeOne responsibilities based on agreed upon schedule.

- If requested, designate ConvergeOne as the Microsoft Claiming Partner of Record (CPOR) for Office 365 and/or Azure services in scope with this Statement of Work.
- Purchase or provide all required SSL certificates based on approved design, including public certificates where required
- Configuration of multi-function printers (MFPs) and monitoring systems
- Configuration of DNS, MX, mail relay or inbound/outbound mail flow
- Provide server resources for Azure AD Connect computer.
- Provide resource to configure customer's enterprise firewall(s) to rule(s) for mail routing and/or user access to mailboxes.

Microsoft Modern Workplace Specific Technical Assumptions

- Microsoft Active Directory is healthy and configured per Microsoft best practice.

5. PROJECT MANAGEMENT

ConvergeOne will provide Project Management Services to help you effectively manage the project and control risks in the deployment. ConvergeOne will designate a Project Manager who will act as the single point of accountability for all ConvergeOne contract deliverables for the duration of the Project. ConvergeOne follows the Project Management Body of Knowledge (PMBOK) for project delivery. The PMBOK is an adaptable approach that enables technology project success by aligning business and technology goals. Key elements include an iterative delivery process, clear project metrics, proactive risk management, and effective response to change.

5.1. Project Manager

ConvergeOne will designate a Project Manager (PM) responsible for overseeing the project. Once the contract is signed and accepted by ConvergeOne, this individual will act as the Customers single point of contact for all planning and issues related to solution delivery. The ConvergeOne PM will work closely with the Customer to guide the implementation and work on a mutually agreed-upon schedule. The ConvergeOne Project Manager is responsible for the following:

- Conduct internal (ConvergeOne) and joint ConvergeOne/Customer meetings.
- Develop a project plan, including activities, milestones, roles, and responsibilities.
- Schedule and manage required ConvergeOne resources and partners.
- Conduct Issue and Risk Management.
- Provide agenda and meeting notes.
- Track Customer and ConvergeOne project deliverables.

- Manage change orders and any associated billing with the Customer.
- Manage project closeout process, punch list, and Customer acceptance.

6. CHANGE ORDER PROCESS

Despite good project planning, design, and review, project plans often require some degree of change at some point. These changes are handled using change order requests, which must be agreed upon by all parties to the contract before such work can be performed.

Either ConvergeOne or the Customer may initiate a change order for any deliverable, work requirement, assumption, or dependency that is part of the project. All requests must be in writing and handled by the ConvergeOne Project Manager. ConvergeOne will review the change and provide pricing as applicable before proceeding. The ConvergeOne Project Manager may also engage project team members to assess the impact of the change. Agreed changes must be approved in writing by an authorized representative of the Customer, via email, or modified purchase order.

7. MILESTONE AND/OR PROJECT ACCEPTANCE

Upon completion of the services described in this SOW, ConvergeOne shall provide Customer with an Acceptance Form. Upon delivery of the Acceptance Form, Customer has five (5) working days to review and accept. Failure to respond within the designated five (5) day period, signifies the completion of the milestone or project. To refuse acceptance, Customer must both indicate non-acceptance with written notification to ConvergeOne within the five (5) day period noted above and describe why it was not accepted. ConvergeOne shall have up to ten (10) days after the receipt of such notice to correct the error given it is within ConvergeOne scope and control to do so. The period to correct the error may be extended by mutual consent.

8. CUSTOMER RESPONSIBILITIES

8.1. Provide a single point of contact that will be responsible for:

- Understanding the business process impact and technical requirements and who has the authority to make binding decisions on Customer's behalf.
- Working with ConvergeOne Project Manager to develop mutually agreed project schedule, including outside of Normal Business Hours test and cutover windows (if applicable).
- Ensuring all Customer responsibilities are completed in accordance with the project schedule.

- Reasonable notification of schedule and changes for the installation work.
- Attending all project status meetings.

8.2. Ensure availability of appropriate Customer resources that will:

- Assist in the development and execution of applicable test plans.
- Provide accurate documentation for all existing systems and networks.
- Provide all necessary IP addresses, subnet masks, and default gateways.
- Provide a qualified Network Administrator with working knowledge of Customer requirements.
- Provide information on planned changes in the network.

9. PROFESSIONAL SERVICES ASSUMPTIONS

The following assumptions were made to create this Statement of Work. Should any of these assumptions prove to be incorrect or incomplete then ConvergeOne may modify the price, scope of work, or milestones. Any such modifications shall be managed by the Change Order Procedure.

9.1. General Assumptions

- Unless explicitly stated otherwise, all services will be delivered remotely
- All non-service impacting work described in this scope will be performed during U.S. normal business hours defined as 8:00 AM to 5:00 PM local time; Monday through Friday, excluding ConvergeOne designated holidays. "Cutover" for the sites will be completed during business hours unless otherwise stated in this scope of work.
- The Customer must identify any specific requirements for maintenance windows and change control. The Customer retains overall responsibility for any business process impact and any Customer-internal change management procedures and communications.
- All services, documentation, and project deliverables will be provided in English only.
- ConvergeOne will install specific software versions agreed upon at the time of project kickoff. Upgrades to the software are not included in the SOW. ConvergeOne may choose to install an upgrade if required by the manufacturer or to resolve a problem.
- The Customer is responsible for the underlying data infrastructure including network and virtualization. Systems must be capable of supporting the proposed solution. ConvergeOne can supply consulting and remediation services to ensure successful implementation, if not included in this scope, through a change order and billed at an additional fee.
- The Customer is responsible for all communications and scheduling of any contractors or vendors not managed by the ConvergeOne Project Manager.

- Any product or service delivery dates communicated outside of this SOW or the Project Plan, are not to be considered valid or binding.
- If the project extends beyond the timeline specified in the Project Plan due to delays caused by parties other than ConvergeOne and its subcontractors, ConvergeOne may invoice for service performed to date.
- The Customer is responsible to verify and arrange the installation of all applicable network connections and provide a functional network for application deployment.
- Projects requiring multiple site visits and/or intervals of inactivity between events must be noted as such prior to acceptance of this SOW.
- The Customer is responsible for relocation, removal, and disposal of any previously installed Customer-owned equipment or cabling unless specifically agreed otherwise herein.
- The Customer is responsible to notify ConvergeOne if the site requires any specialized access for personnel and/or Union trades for any tasks associated with this SOW. Notification of requirements must take place prior to the quote. Any and all additional costs for post-quote changes or additional site restrictions requiring specialized training or Union Labor shall be chargeable to the Customer.
- The Customer is responsible for managing all 3rd Parties not outlined in this SOW.
- Services not specifically called out in this SOW will be deemed out of scope.
- VPN access will be provided to ConvergeOne resources to allow for work to be accomplished remotely when applicable. If unfettered remote access to the Customer network cannot be provided additional charges will be required.

9.2. Technical Assumptions

- Unless specifically called out, above, no IP address changes are included in the SOW. If requested, additional charges may apply.
- The Customer is responsible to have current licensing, maintenance, and support on the components of the servers, database, storage, and network infrastructure including hardware, software (including operating systems), and any associated costs.
- The Customer is responsible for any operating system patches and anti-virus software installation and support.
- The Customer is responsible to ensure the existing network is free of layer 3 protocol and broadcast errors.
- The Customer is responsible for the cost and acquisition of any 3rd party security certificates necessary for successful deployment. ConvergeOne can provide services for Security Audits and Certificate deployment which can be billed at an additional fee.

- The Customer is responsible for resolving interoperability issues with other vendors not acting as a sub-contractor to ConvergeOne.
- The Customer is responsible for any firmware updates to re-used circuit packs, media modules, or cards not specifically identified within this SOW. ConvergeOne can provide services for the firmware updates through a change order and billed at an additional fee.

10. PROFESSIONAL SERVICES PRICING AND BILLING SCHEDULE

Billing terms for this project supersede any MSA in place and are only applicable to the services stated in this scope of work. Invoices are due within thirty (30) days from the date of the invoice unless otherwise previously agreed between Customer and ConvergeOne credit department. Any change to the Project Pricing and Payment schedule will be managed through the Change Order procedures specified herein. All stated prices are exclusive of any taxes, fees and duties or other amounts, however designated, and including without limitation value added and withholding taxes which are levied or based upon such charges, or upon this SOW (other than taxes based on the net income of ConvergeOne). The Customer shall pay any taxes related to services purchased or licensed pursuant to this SOW or the Customer shall present an exemption certificate acceptable to the taxing authorities. Applicable taxes shall be billed as a separate item on the invoice.

10.1. Project Price and Milestone Billing Schedule

The fixed fee price for this services engagement is below and will be billed with the following milestone schedule:

Total Price: \$24,795.00

- Milestone 1 (50%) - Project Initiation - Kick Off Meeting, Resource Assignment, Design Completion
- Milestone 2 (50%) - Final Customer Acceptance of the Project

10.2. Project Expenses:

There are no anticipated project related expenses expected for this project above the price included in this SOW. In the event that the need for additional expense arise, a Change Order will be presented by the Project Manager for approval by the Customer in advance. ConvergeOne will make reasonable effort to minimize expenses and will ensure sufficient time is built into the project schedule to maximize efficiency when scheduling site visits.

11. CUSTOMER AUTHORIZATION TO PROCEED

The use of signatures on this SOW is to ensure agreement and understanding on project objectives and assumptions, and the work and deliverables to be performed by ConvergeOne. By signing below, the duly authorized Customer representative signifies their commitment to proceed with the project as described in this SOW.

Customer's Authorized Representative:

Signature

Printed Name

Title

Date

PO Number



CITY COUNCIL STAFF REPORT

Meeting Date: 11/2/2022

To: The Honorable Mayor Hodson & City Council

Thru: Scott Archer, City Administrator

From: Jorge Tro, Police Chief

Agenda Item: **Ordinance No. 1588:** An Ordinance Authorizing the City Administrator to Enter Into a Contract with Axon Enterprises in the amount of \$185,714.70 for the Purchase of Body Worn Cameras, Equipment, Software, and Services. *(First Reading)*

Goal: Enhance Engagement & Communications that represents broad perspectives

Objective: N/A

Summary

The City of Canby Police Department is requesting funds to purchase Body Worn Cameras (BWC), equipment, and software for officers.

Background

The Canby Police Department have been using in car video cameras for about 10 years. We would like to enhance the use of cameras to capture additional police contacts by purchasing body worn cameras for every patrol officer. Officers will be required to record encounters beginning when the officer develops reasonable suspicion or probable cause to believe that a crime or violation has occurred.

Discussion

Body-worn cameras provide officers with a reliable and compact tool to systematically and automatically record their field observations and encounters. They can be used for documentation purposes, to include interactions with victims, witnesses, suspects and others during police-public encounters; arrests; and critical incidents.

Police staff have researched several BWC companies and have concluded that Axon BWC's are the best cameras that fit the needs of our department.

Attachments

Axon Enterprises 5 year contract quote for the purchase of Body Worn Cameras.

Fiscal Impact

Total cost over five years is \$185,714.70. First year cost is \$58,276.30. \$10,000 of the first year cost will be reimbursed from an approved grant through City-County Insurance Services (CIS). Years 2-5 will cost \$31,859.60 per year. \$50,000 is budgeted in the 22/23 budget.

League of Oregon Cities has awarded Axon Enterprises a contract following the public purchasing rules and regulations of the State of Oregon.

Options

Approve the contract to implement body worn cameras for every patrol officer for the next 5 years.

Do not purchase and continue not to have body worn cameras for officers.

Recommendation

Staff recommends the execution of the contract with Axon Enterprises to purchase body worn cameras.

Proposed Motion

"I move to pass **Ordinance No. 1588**: An Ordinance Authorizing the City Administrator to enter into a Contract with Axon Enterprises in the amount of \$185,714.70 for the Purchase of Body Worn Cameras, Equipment, Software, and Services to a second reading on November 16, 2022."

ORDINANCE NO. 1588

AN ORDINANCE AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO A CONTRACT WITH AXON ENTERPRISES IN THE AMOUNT OF \$185,714.70 FOR THE PURCHASE OF BODY WORN CAMERAS, EQUIPMENT, SOFTWARE, AND SERVICES

WHEREAS, the City of Canby currently does not have Body Worn Cameras (BWCs) for its patrol officers;

WHEREAS, the City of Canby would like to implement BWCs for all of its patrol officers;

WHEREAS, the City of Canby believes that the implementation and use of BWCs will provide better evidence to support and protect the citizens of Canby as well as the patrol officers in their duties;

WHEREAS, the League of Oregon Cities has awarded a contract to Axon Enterprises through the State of Oregon public procurement process;

WHEREAS, the City of Canby wishes to piggyback on that public procurement process; and

WHEREAS, the City of Canby Police Department tried out and evaluated three different companies' BCWs to analyze which offering best suited their needs.

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 Contract with Axon Enterprises to purchase Body Worn Cameras, other equipment, software and other services for a five-year period. A copy of the Agreement is attached hereto as Exhibit "A."

Section 2. The effective date of this Ordinance shall be December 16, 2022.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, November 2, 2022, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, November 16, 2022, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Melissa Bisset, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 16th day of November 2022, by the following vote:

YEAS _____

NAYS _____

Brian Hodson
Mayor

ATTEST:

Melissa Bisset, CMC
City Recorder

Exhibit A



Axon Enterprise, Inc.
 17800 N 85th St.
 Scottsdale, Arizona 85255
 United States
 VAT: 86-0741227
 Domestic: (800) 978-2737
 International: +1.800.978.2737

Q-355452-44854.822JR

Issued: 10/20/2022

Quote Expiration: 11/30/2022

Estimated Contract Start Date: 01/01/2023

Account Number: 110469

Payment Terms: N30

Delivery Method: Fedex - Ground

SHIP TO	BILL TO
Business/Delivery/Invoice: 1175 NW 3rd Ave 1175 NW 3rd Ave Canby, OR 97013-3436 USA	Canby Police Dept - OR 1175 NW 3rd Ave Canby, OR 97013-3436 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Jared Romain Phone: Email: jromain@axon.com Fax:	Doug Kitzmiller Phone: (503) 266-1104 Email: kitzmiller@canbypolice.com Fax: (503) 266-9316

Quote Summary

Program Length	60 Months
TOTAL COST	\$185,714.70
ESTIMATED TOTAL W/ TAX	\$185,714.70

Discount Summary

Average Savings Per Year	\$6,064.96
TOTAL SAVINGS	\$30,324.80

Payment Summary

Date	Subtotal	Tax	Total
Dec 2022	\$54,151.30	\$0.00	\$54,151.30
Jan 2023	\$4,125.00	\$0.00	\$4,125.00
Dec 2023	\$31,859.60	\$0.00	\$31,859.60
Dec 2024	\$31,859.60	\$0.00	\$31,859.60
Dec 2025	\$31,859.60	\$0.00	\$31,859.60
Dec 2026	\$31,859.60	\$0.00	\$31,859.60
Total	\$185,714.70	\$0.00	\$185,714.70

Quote Unbundled Price: \$216,039.50
 Quote List Price: \$202,966.70
 Quote Subtotal: \$185,714.70

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
BWCamMBDTAP	Body Worn Camera Multi-Bay Dock TAP Bundle	3	60	\$66.31	\$29.50	\$29.50	\$5,310.00	\$0.00	\$5,310.00
BWCamSBDTAP	Body Worn Camera Single-Bay Dock TAP Bundle	1	60	\$12.70	\$9.00	\$9.00	\$540.00	\$0.00	\$540.00
BWCamTAP	Body Worn Camera TAP Bundle	25	60	\$32.15	\$28.00	\$28.00	\$42,000.00	\$0.00	\$42,000.00
A la Carte Hardware									
AB31BD	AB3 1-Bay Dock Bundle	1			\$200.00	\$200.00	\$200.00	\$0.00	\$200.00
AB3C	AB3 Camera Bundle	25			\$699.00	\$699.00	\$17,475.00	\$0.00	\$17,475.00
AB3MBD	AB3 Multi Bay Dock Bundle	3			\$1,538.90	\$1,538.90	\$4,616.70	\$0.00	\$4,616.70
A la Carte Software									
73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	1000	60		\$0.40	\$0.40	\$24,000.00	\$0.00	\$24,000.00
73449	RESPOND DEVICE LICENSE	25	60		\$5.00	\$5.00	\$7,500.00	\$0.00	\$7,500.00
73618	CITIZEN FOR COMMUNITIES USER LICENSE	25	60		\$9.00	\$6.50	\$9,748.00	\$0.00	\$9,748.00
73478	REDACTION ASSISTANT USER LICENSE	25	60		\$9.00	\$0.00	\$0.00	\$0.00	\$0.00
Pro license	Pro License Bundle	30	60		\$39.00	\$39.00	\$70,200.00	\$0.00	\$70,200.00
A la Carte Services									
85144	AXON STARTER	1			\$4,125.00	\$4,125.00	\$4,125.00	\$0.00	\$4,125.00
Total							\$185,714.70	\$0.00	\$185,714.70

Delivery Schedule

Hardware

Bundle	Item	Description	QTY	Estimated Delivery Date
AB3 1-Bay Dock Bundle	71104	NORTH AMER POWER CORD FOR AB3 & T7 1-BAY DOCK/DATA/PORT	1	12/01/2022
AB3 1-Bay Dock Bundle	74211	AXON BODY 3 - 1 BAY DOCK	1	12/01/2022
AB3 Camera Bundle	11534	USB-C to USB-A CABLE FOR AB3 OR FLEX 2	28	12/01/2022
AB3 Camera Bundle	73202	AXON BODY 3 - NA10 - US - BLK - RAPID LOCK	25	12/01/2022
AB3 Camera Bundle	74020	MAGNET MOUNT, FLEXIBLE, AXON RAPID LOCK	28	12/01/2022
AB3 Multi Bay Dock Bundle	70033	WALL MOUNT BRACKET, ASSY, EVIDENCE COM DOCK	3	12/01/2022
AB3 Multi Bay Dock Bundle	71019	NORTH AMER POWER CORD FOR AB3 8-BAY, AB2 1-BAY / 16-BAY DOCK	3	12/01/2022
AB3 Multi Bay Dock Bundle	74210	AXON BODY 3 - 8 BAY DOCK	3	12/01/2022
Body Worn Camera Multi-Bay Dock TAP Bundle	73689	MULTI-BAY BWC DOCK 1ST REFRESH	3	06/01/2025
Body Worn Camera Single-Bay Dock TAP Bundle	73313	1-BAY DOCK AXON CAMERA REFRESH ONE	1	06/01/2025
Body Worn Camera TAP Bundle	73309	AXON CAMERA REFRESH ONE	25	06/01/2025
Body Worn Camera Multi-Bay Dock TAP Bundle	73688	MULTI-BAY BWC DOCK 2ND REFRESH	3	12/01/2027
Body Worn Camera Single-Bay Dock TAP Bundle	73314	1-BAY DOCK AXON CAMERA REFRESH TWO	1	12/01/2027
Body Worn Camera TAP Bundle	73310	AXON CAMERA REFRESH TWO	25	12/01/2027

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Pro License Bundle	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	90	01/01/2023	12/31/2027
Pro License Bundle	73746	PROFESSIONAL EVIDENCE.COM LICENSE	30	01/01/2023	12/31/2027
A la Carte	73449	RESPOND DEVICE LICENSE	25	01/01/2023	12/31/2027
A la Carte	73478	REDACTION ASSISTANT USER LICENSE	25	01/01/2023	12/31/2027
A la Carte	73618	CITIZEN FOR COMMUNITIES USER LICENSE	25	01/01/2023	12/31/2027
A la Carte	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	1000	01/01/2023	12/31/2027

Services

Bundle	Item	Description	QTY
A la Carte	85144	AXON STARTER	1

Warranties

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
Body Worn Camera Multi-Bay Dock TAP Bundle	80465	EXT WARRANTY, MULTI-BAY DOCK (TAP)	3	01/01/2023	12/31/2027
Body Worn Camera Single-Bay Dock TAP Bundle	80466	EXT WARRANTY, SINGLE-BAY DOCK (TAP)	1	01/01/2023	12/31/2027
Body Worn Camera TAP Bundle	80464	EXT WARRANTY, CAMERA (TAP)	25	01/01/2023	12/31/2027

Payment Details

Dec 2022						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Hardware	AB31BD	AB3 1-Bay Dock Bundle	1	\$200.00	\$0.00	\$200.00
	AB3C	AB3 Camera Bundle	25	\$17,475.00	\$0.00	\$17,475.00
Hardware	AB3MBD	AB3 Multi Bay Dock Bundle	3	\$4,616.70	\$0.00	\$4,616.70
Year 1	73449	RESPOND DEVICE LICENSE	25	\$1,500.00	\$0.00	\$1,500.00
Year 1	73478	REDACTION ASSISTANT USER LICENSE	25	\$0.00	\$0.00	\$0.00
Year 1	73618	CITIZEN FOR COMMUNITIES USER LICENSE	25	\$1,949.60	\$0.00	\$1,949.60
Year 1	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	1000	\$4,800.00	\$0.00	\$4,800.00
Year 1	BWCamMBDTAP	Body Wom Camera Multi-Bay Dock TAP Bundle	3	\$1,062.00	\$0.00	\$1,062.00
Year 1	BWCamSBDTAP	Body Wom Camera Single-Bay Dock TAP Bundle	1	\$108.00	\$0.00	\$108.00
Year 1	BWCamTAP	Body Wom Camera TAP Bundle	25	\$8,400.00	\$0.00	\$8,400.00
Year 1	ProLicense	Pro License Bundle	30	\$14,040.00	\$0.00	\$14,040.00
Total				\$54,151.30	\$0.00	\$54,151.30

Jan 2023							
Invoice Plan		Item	Description	Qty	Subtotal	Tax	Total
Invoice Upon Fulfillment		85144	AXON STARTER	1	\$4,125.00	\$0.00	\$4,125.00
Total					\$4,125.00	\$0.00	\$4,125.00

Dec 2023							
Invoice Plan		Item	Description	Qty	Subtotal	Tax	Total
Year 2		73449	RESPOND DEVICE LICENSE	25	\$1,500.00	\$0.00	\$1,500.00
Year 2		73478	REDACTION ASSISTANT USER LICENSE	25	\$0.00	\$0.00	\$0.00
Year 2		73618	CITIZEN FOR COMMUNITIES USER LICENSE	25	\$1,949.60	\$0.00	\$1,949.60
Year 2		73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	1000	\$4,800.00	\$0.00	\$4,800.00
Year 2		BWCamMBDTAP	Body Wom Camera Multi-Bay Dock TAP Bundle	3	\$1,062.00	\$0.00	\$1,062.00
Year 2		BWCamSBDTAP	Body Wom Camera Single-Bay Dock TAP Bundle	1	\$108.00	\$0.00	\$108.00
Year 2		BWCamTAP	Body Wom Camera TAP Bundle	25	\$8,400.00	\$0.00	\$8,400.00
Year 2		ProLicense	Pro License Bundle	30	\$14,040.00	\$0.00	\$14,040.00
Total					\$31,859.60	\$0.00	\$31,859.60

Dec 2024							
Invoice Plan		Item	Description	Qty	Subtotal	Tax	Total
Year 3		73449	RESPOND DEVICE LICENSE	25	\$1,500.00	\$0.00	\$1,500.00
Year 3		73478	REDACTION ASSISTANT USER LICENSE	25	\$0.00	\$0.00	\$0.00
Year 3		73618	CITIZEN FOR COMMUNITIES USER LICENSE	25	\$1,949.60	\$0.00	\$1,949.60
Year 3		73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	1000	\$4,800.00	\$0.00	\$4,800.00
Year 3		BWCamMBDTAP	Body Worn Camera Multi-Bay Dock TAP Bundle	3	\$1,062.00	\$0.00	\$1,062.00
Year 3		BWCamSBDTAP	Body Worn Camera Single-Bay Dock TAP Bundle	1	\$108.00	\$0.00	\$108.00
Year 3		BWCamTAP	Body Worn Camera TAP Bundle	25	\$8,400.00	\$0.00	\$8,400.00
Year 3		Prolicense	Pro License Bundle	30	\$14,040.00	\$0.00	\$14,040.00
Total					\$31,859.60	\$0.00	\$31,859.60

Dec 2025						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 4	73449	RESPOND DEVICE LICENSE	25	\$1,500.00	\$0.00	\$1,500.00
Year 4	73478	REDACTION ASSISTANT USER LICENSE	25	\$0.00	\$0.00	\$0.00
Year 4	73618	CITIZEN FOR COMMUNITIES USER LICENSE	25	\$1,949.60	\$0.00	\$1,949.60
Year 4	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	1000	\$4,800.00	\$0.00	\$4,800.00
Year 4	BWCamMBDTAP	Body Worn Camera Multi-Bay Dock TAP Bundle	3	\$1,062.00	\$0.00	\$1,062.00
Year 4	BWCamSBDTAP	Body Worn Camera Single-Bay Dock TAP Bundle	1	\$108.00	\$0.00	\$108.00
Year 4	BWCamTAP	Body Worn Camera TAP Bundle	25	\$8,400.00	\$0.00	\$8,400.00
Year 4	Pro license	Pro License Bundle	30	\$14,040.00	\$0.00	\$14,040.00
Total				\$31,859.60	\$0.00	\$31,859.60

Dec 2026						
Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Year 5	73449	RESPOND DEVICE LICENSE	25	\$1,500.00	\$0.00	\$1,500.00
Year 5	73478	REDACTION ASSISTANT USER LICENSE	25	\$0.00	\$0.00	\$0.00
Year 5	73618	CITIZEN FOR COMMUNITIES USER LICENSE	25	\$1,949.60	\$0.00	\$1,949.60
Year 5	73683	10 GB EVIDENCE.COM A-LA-CART STORAGE-	1000	\$4,800.00	\$0.00	\$4,800.00
Year 5	BWCamMBDTAP	Body Worn Camera Multi-Bay Dock TAP Bundle	3	\$1,062.00	\$0.00	\$1,062.00
Year 5	BWCamSBDTAP	Body Worn Camera Single-Bay Dock TAP Bundle	1	\$108.00	\$0.00	\$108.00
Year 5	BWCamTAP	Body Worn Camera TAP Bundle	25	\$8,400.00	\$0.00	\$8,400.00
Year 5	Pro license	Pro License Bundle	30	\$14,040.00	\$0.00	\$14,040.00
Total				\$31,859.60	\$0.00	\$31,859.60

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract League of Oregon Cities (fka NPP) Contract No. PS20270 is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at www.axon.com/legal/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature

Date Signed

10/20/2022





To convene, network, train, and empower Mayors

MEMORANDUM

To: Mayors and Chief Executive Officers of Region 2
From: The Oregon Mayors Association
Date: October 18, 2022
Re: Partnership Needed to Solve Statewide Homelessness Emergency

This past May, the Oregon Mayors Association (OMA) formed a Taskforce on Homelessness. Twenty-five mayors, representing cities of all sizes from around the state, studied Oregon's homelessness crisis. And while the crisis may seem insurmountable, given that the symptoms and solutions look different between urban and rural communities and vary based on a city's size, geography and available service providers, local government leaders have developed a solution to Oregon's crisis of the unhoused.

The OMA Homelessness Taskforce's plan to humanely and timely address the homelessness crisis in Oregon is a partnership between the State of Oregon and its 241 cities. This partnership will allow for the establishment and expansion of local, community-based responses that provide immediate shelter, needed services, and secure safety for unhoused Oregonians. During the 2023 Legislative session, the OMA will *propose* two separate, yet parallel, budget proposals: (1) a budget package which provides direct allocation to cities for homelessness response and prevention services; and (2) a budget package that provides capital improvement funding for cities.

Direct Allocation

A direct allocation of funding from the state to each incorporated city in Oregon for cities to use in their homelessness response and prevention services is being proposed by the OMA.

- It is proposed that each city will be allocated funds in an amount equal to \$40 per resident, in accordance with the latest official population estimates from Portland State University.
- The proposal requires that in no instance will an incorporated city receive less than \$50,000 in direct funding.
- OMA's proposal provides cities the ability to elect to use the funds for their own homelessness response and prevention services, or to redirect their funds to community partners who are required to use the funds for homelessness response and prevention services.

OMA's proposal states that funds must be used for homelessness response and prevention services, which may include:

- Abatement/clean-up
- Environmental mitigation
- Affordable housing
- Capital construction or improvement costs related to homelessness or affordable housing measures
- Community resource officers
- Education and outreach
- Food bank assistance
- Shelter and/or transitional housing
- Hygiene stations
- Operation costs
- Outreach workers
- Prevention

With a \$50,000 guarantee for all cities, and a \$40.00 per resident multiplier in place, based on the April 19, 2022, PSU population estimates, the total amount requested would equal \$123,575,800.00 annually.

For cities located in Region 2, a \$40 per resident allocation equates to an annual allocation of the dollar amounts denoted below:

- Banks - \$73,360
- Barlow - \$50,000
- Beaverton - \$3,892,720
- Canby - \$750,160
- Cornelius - \$539,920
- Durham - \$78,000
- Estacada - \$200,560
- Fairview - \$417,840
- Forest Grove - \$1,049,680
- Gaston - \$50,000
- Gladstone - \$481,320
- Gresham - \$4,574,440
- Happy Valley - \$1,029,520
- Hillsboro - \$4,326,160
- Johnson City - \$50,000
- King City - \$207,360
- Lake Oswego - \$1,632,040
- Maywood Park - \$50,000
- Milwaukie - \$849,400
- North Plains - \$137,840
- Oregon City - \$1,509,480
- Portland - \$26,350,920
- Rivergrove - \$50,000
- Sandy - \$514,760
- Sherwood - \$819,840
- Tigard - \$2,234,160
- Troutdale - \$652,760
- Tualatin - \$1,116,400
- West Linn - \$1,098,080
- Wilsonville - \$1,087,7740
- Wood Village - \$179,120

Capital Allocation

In addition to the direct allocations, the Taskforce's proposal requires a meaningful allocation from the State for coordinated capital construction investments for specific shelter and transitional housing projects, statewide. It is expected that a final dollar amount for needed capital construction investments will equal between \$125 to \$175 million. The OMA is seeking information from Oregon cities about any needs they may have for capital construction investments from the state in their local responses to addressing the homelessness crisis.

Request for Support

The OMA Homelessness Taskforce and the OMA Board of Directors seek the support of Oregon's 241 cities for the above-described proposal. In an effort to present the legislature and Oregon's next governor with a truly coordinated and collaborative proposal, the OMA hopes to submit its legislative request with as many city partners as possible.

To explain the statewide nature of this crisis, the League of Oregon Cities (LOC), in partnership with the OMA, has secured the services of a communications specialist to work directly with cities interested in supporting the OMA proposal. The communications specialist will work directly with interested cities to develop a one-page document that outlines a city's unique experience with homelessness, and how the funding proposed by the OMA would help the city respond to, or even prevent, homelessness in their community. Work performed by the consultant in support of the OMA proposal will be paid for by the LOC.

Oregon's mayors are leading the on-the-ground response on homelessness, and the prevention thereof, but cities cannot do so alone and need joint leadership from state government to support cities and our county partners. The OMA Taskforce has called on Oregon's next governor and legislature to fund the services and housing needed to make an impact on Oregon's homelessness crisis; the support of Region 2 cities will go a long way to expressing the importance and impact of this proposal.

If your city is interested in supporting the proposal, please contact any of the LOC staff persons listed below as soon as possible, ideally cities wishing to provide support to the proposal should make contact no later than November 4th.

- Patty Mulvihill, LOC Interim Executive Director – pmulvihill@orcities.org
- Ariel Nelson, LOC Housing & Land Use Lobbyist – anelson@orcities.org
- Angela Speier, Projects & Affiliates Manager – aspeier@orcities.org