



CITY COUNCIL Agenda

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

SEPTEMBER 16, 2026

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

The meetings can be viewed on YouTube at:

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

The public may speak at the meeting virtually by contacting the City Recorder;
benhamm@canbyoregon.gov or call 503-266-0720. No pre-registration is required to speak in person.

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

REGULAR MEETING – 7:00 PM

1. CALL TO ORDER

- a. Invocation
- b. Pledge of Allegiance

2. ROLL CALL

3. STAFF INTRODUCTIONS

- a. Noelia Chihuahue-Cerriteno, Swim Program Coordinator
- b. Marcus McLean, Wastewater Maintenance Technician

4. CITIZEN INPUT, PUBLIC COMMENT ON NON-AGENDA ITEMS, & COMMUNITY ANNOUNCEMENTS:

This is an opportunity for audience members to address the City Council on items not on the agenda. If you are attending in person, please complete a testimony/comment card prior to speaking and hand it to the City Recorder. If you would like to speak virtually, please contact the City Recorder by 4:30 pm on September 16, 2026, with your name, the topic you'd like to speak on and contact information: benhamm@canbyoregon.gov or call 503-266-0720.

5. PROCLAMATIONS/ SPECIAL PRESENTATIONS

- a. POW/MIA Recognition Day Proclamation

Pg. 1

6. CONSENT AGENDA

- a. Consider Approval of the August 5, 2026, City Council Meeting Minutes.

Pg. 2

7. APPOINTMENTS

- a. Appoint Member Kelsey Campbell to the Heritage and Landmarks Commission with a term ending June 30, 2029.

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8. PUBLIC HEARING

You are welcome to speak in person. If you would like to speak virtually, please email or call the City Recorder by 4:30 pm on September 16, 2026, with your name and contact information: benhamm@canbyoregon.gov or call 503-266-0720. Once your information is received, you will be sent instructions to speak.

- a. Consider **Ordinance No. 1685**, An Ordinance Adopting for the Canby Urban Growth Boundary Expansion Amendment and Maps, UGB 26-01. Pg. 11

9. ORDINANCES & RESOLUTIONS

- a. Calendar of Second Readings
 - 1. Consider **Ordinance No. 1681**: An Ordinance Authorizing the Interim City Administrator to Purchase One (1) Police vehicle for the Canby Police Department in the Amount of \$54,665.49. (*Second Reading*) Pg. 207
 - 2. Consider **Ordinance No. 1682**: An Ordinance Authorizing the Interim City Administrator to execute Amendment No. 2 to the professional services agreement with Scott Edwards Architecture, LLP for the Canby Swim Center Remodel, increasing the current agreement by \$57,700, maintaining a cumulative project limit of \$249,999 for all SEA services, and extending the agreement through April 1, 2027. (*Second Reading*) Pg. 212
 - 3. Consider **Ordinance No. 1683**: An Ordinance Authorizing the Interim City Administrator to Execute a Construction Contract with In Line Commercial Construction, Inc., dba INLINE, for the Canby Swim Center Remodel in the Amount of \$1,244,837.44, and Declaring an Emergency. (*Second Reading*) Pg. 216
 - 4. Consider **Ordinance No. 1684**: An Ordinance Authorizing the Mayor to Enter into an Amended Employment Contract with the Interim City Administrator. (*Second Reading*) Pg. 238

10. OTHER BUSINESS

- a. E-Bike Update

11. CITY ADMINISTRATOR'S BUSINESS & STAFF REPORT

- a. Bi-Monthly Reports Pg. 248

12. MAYOR'S BUSINESS

- a. LOC Priorities Pg. 278

13. COUNCILOR COMMENTS & LIAISON REPORTS

14. CITIZEN INPUT, PUBLIC COMMENT ON NON-AGENDA ITEMS, & COMMUNITY ANNOUNCEMENTS

15. ACTION REVIEW

16. ADJOURNMENT

*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.



POW/MIA RECOGNITION DAY

WHEREAS, The United States of America has participated in many wars, calling upon its sons and daughters to fight for their country;

WHEREAS, American men and women have been held captive by hostile powers during their military service;

WHEREAS, Many American prisoners of war were subjected to harsh and inhumane treatment by their captors which often resulted in death;

WHEREAS, Americans are still listed as missing and unaccounted for, and the families and friends of these missing Americans, as well as their fellow veterans, still endure uncertainty concerning their fate;

WHEREAS, The sacrifices of Americans still missing are deserving of national recognition and support for continuing priority efforts to determine their fate; and

WHEREAS, the City of Canby is proud to join with other cities in the State of Oregon and nation in honoring those still missing.

NOW, THEREFORE, I, Brian Hodson, by virtue of the authority vested in me as Mayor of the City of Canby, hereby proclaim September 18, 2026, as **POW/MIA Recognition Day** in Canby and encourage all citizens to join in this observance.

Given unto my hand this 16th day of September 2026.

Brian Hodson
Mayor

**CANBY CITY COUNCIL
MEETING MINUTES
AUGUST 5, 2026**

PRESIDING: Brian Hodson

STAFF PRESENT: Randy Ealy, Interim City Administrator; Chad Jacobs, City Attorney; Maya Benham, Administrative Director/ City Recorder; Jose Gonzalez, Interim Police Chief; James Murphy, Police Captain; Peter Wood, Human Resources Director; Denise LaRue, Finance Director; Todd Wood, Fleet/IT/Transit Director; Spencer Polack, Interim Public Works Director; Patrick Mahoney, Wastewater Treatment Plant Supervisor; Jessica Roberts, Court Supervisor; Don Hardy, Planning Director; Ryan Potter, Planning Manager; and Lucy Heil, City Prosecutor.

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

ROLL CALL: Councilor Padden, present; Councilor Maldonado present; Council President Hensley present; Mayor Hodson present; Councilor Davis, present; Councilor Stearns present; and Councilor Waterman, virtual.

STAFF INTRODUCTIONS: Jose Gonzalez, Interim Police Chief, introduced new Officer Steve Quesada, who was sworn in by Judge Grafe.

CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS: Greg Perez, Canby resident, addressed the Council regarding updates on Daphne Glen Park and when the work would be finished as well as questions on the realignment of the intersection near the fairgrounds and caboose.

Randy Ealy, Interim City Administrator, responded there would be information about the park during tonight's meeting regarding the soft and hard opening. He also met with a project management firm to kick off the Pine Street project.

PROCLAMATIONS/SPECIAL PRESENTATIONS: Heritage & Landmarks Commission Update Presentation – Carol Palmer, Heritage and Landmarks Commission Chair, requested the Council to help spread the news to the community about County Cultural Coalition grants. She updated Council on the National Register application for the former City Hall and shared photos of the old building. The final decision was expected in September. She announced on First Thursday they would be doing a historical ribbon cutting at Aura Salon and Oregon Texas Line Fitness for restoration of the historic facades.

ITEMS REMOVED FROM THE CONSENT AGENDA: None.

CONSENT AGENDA: **Council President Hensley moved to approve the Consent Agenda that included approval of the July 1, 2026, City Council Meeting minutes and the July 8, 2026, Special Called City Council Work Session minutes. Motion was seconded by Councilor Maldonado and passed 6-0.

APPOINTMENTS: **Council President Hensley moved to approve the appointment of Mark Johnson to the Bike and Pedestrian Committee for a term ending June 30, 2029, and the appointment of Mark White to the Traffic Safety Commission for a term ending June 30, 2027. Motion was seconded by Councilor Maldonado and passed 6-0.

PUBLIC HEARING: None.

ORDINANCES & RESOLUTIONS:

Resolution 1468 – Spencer Polack, Interim Public Works Director, said this resolution would officially name the new park on N Locust Street as Daphne Glen Park. Name submissions were given to the Parks and Recreation Advisory Board, and they thought this name fit Canby best. The property was once a nursery that grew Daphne plants. He explained they were working on the final closeouts with the construction company. The project had taken longer due to supply chain issues and trying to get the turf established.

Mayor Hodson read the resolution.

****Councilor Davis moved to adopt Resolution 1468, A RESOLUTION DESIGNATING THE NAME OF THE NEW PARK LOCATED ON NORTH LOCUST STREET AND NORTHWEST 20TH AS DAPHNE GLEN. Motion was seconded by Councilor Padden and passed 6-0.**

Calendar of Second Readings, Ordinances 1674 and 1675 – Council President Hensley requested removing Ordinance 1675 from the calendar of second readings to hear details from staff and consider it separately. There was Council consensus to remove it.

Ordinance 1674 – ****Council President Hensley moved to adopt Ordinance 1674, AN ORDINANCE AUTHORIZING THE INTERIM CITY ADMINISTRATOR TO ENTER AN AGREEMENT EFFECTIVE UNTIL JUNE 30, 2029, WITH A NOT-TO-EXCEED AMOUNT OF \$437,192.95 BETWEEN CITY OF CANBY AND LUCY HEIL, CITY PROSECUTOR. Motion was seconded by Councilor Maldonado and passed 6-0 by roll call vote.**

Ordinance 1675 – Jose Gonzalez, Interim Police Chief, and James Murphy, Police Captain, presented. They said at the first reading of the ordinance, there were questions they wanted to address. These included required helmets for youth up to 17 years of age, pictures of different E-bikes (types 1, 2 and 3 all with pedals) as well as an E-motorcycle (no pedals), how the age brackets were determined by the state for legal riding of these vehicles and ages for citations, why Canby should adopt a statute to fit the community's concerns, how electric scooters for disabilities were exempt, how bicycles were covered in a different City ordinance, how the goal was not to write citations but to educate, community events for education, how electric bicycles were not allowed on sidewalks, expediting the process of authorizing the ordinance, and enforcing the ordinance.

Tim Gustafson, local insurance professional, noted there were no insurance requirements for electric bikes. When it came to liability, it would be personal liability for any injuries, not the City's.

There was discussion regarding the speeds these vehicles could reach, liability, educating the public, targeting patrol in complaint areas, how operation of electric bicycles, mobility devices, and scooters would be allowed on the Logging Road Trail but there would be regulations for those vehicles, feedback from City committees, how this was a safety issue more than an enforcement issue, what the maximum speed should be, requiring adults to wear helmets, and community education opportunities.

Heather Doern, Canby resident, spoke about concerns that the ordinance was being passed by people who had never ridden E-bikes. She did not think the law was keeping up with technology. She questioned the different classifications between pegs and pedals. She would like to see the focus on rider safety and not classification of the E-bikes.

Sara Brown, Canby resident, walked the Logging Road Trail daily and was concerned about the number of E-bikes and scooters on the trail, especially the speed at which they were traveling. They didn't let pedestrians know when they were passing. She was also concerned about E-bikes and scooters on the sidewalk going at high speeds.

Luke Burgon, Canby resident, was 12 and had owned an E-bike for a year. He had stopped riding because he wasn't sure where he could ride or if he could ride. The laws were changing fast and there needed to be clarity and education regarding E-bikes.

Brian Haines, Canby resident, thought there should be a solution where everyone had a little bit of enjoyment. The kids liked working on the bikes as much as they liked riding them. Riding was a big part of his childhood, and he hoped there was a way for kids today to ride.

Trent Doern, Canby resident, said since buying his E-bike, he had made many new friends around the City. He didn't have to wait for his parents to meet up with friends and they worked on their bikes and rode them. He thought there should be an E-bike driving test to allow kids to ride if they were safe drivers.

Sarah Broyles, Canby resident, was glad to hear the ordinance was based on State law but questioned why an ordinance was needed if it was already state law. She thought the public education should include the differences and that the ordinance could wait until January when it would be in line with the state.

Jennifer Hoesly, Canby resident, spoke about her kids making friends and doing social activities that they would not be able to do without E-bikes. She gave alternative ideas like a safety class that kids took to get a certificate, a path with designated space for E-bikes, regulations for speed and safety, and getting injury data for the community.

Danielle Mendez, Canby resident, urged Council to pause their vote due to her belief that it was a much bigger picture. Canby had a unique landscape and potential areas that could be created as a safe space for kids to use these bikes. They should be able to use the new technology and were passionate about it. They needed to figure out how to educate the public and not polarize the community.

Chief Gonzales and Captain Murphy explained the difference between the state statute and the City's ordinance. These included the definitions of the E-bike types and general operating regulations. They clarified the age limits on E-bike riders were a state regulation. The reason they asked for adoption now instead of January was the statistics on injuries and the direction from Council to address it. If it didn't pass, they would not have the tools to address the behavior within parks and accountability for parents. It would also extend the helmet requirements to the age of 17.

****Council President Hensley moved to extend the meeting to 9:30 p.m. Motion seconded by Councilor Maldonado and passed 6-0.**

Chad Jacobs, City Attorney, said reckless riding provisions had also been tailored for Canby in the ordinance. The reason they had these provisions that mirrored state law was to round out the ordinance so it could be enforced.

Councilor Padden stated the need for the ordinance came from the numerous complaints in the community regarding E-bike activity. He did not think they should wait because they had to start somewhere and not delay it.

Councilor Waterman stated as a City, they could do a better job getting ahead of this. The Bike and Pedestrian Committee and Traffic Safety Committee were resources for information for the community. The City needed to provide more historical context when announcing on social media so people could get information ahead of time.

Councilor Stearns thought they should look into changing the age restrictions for riders of the bikes. He also thought the first citation should have the ability to be waived as a warning.

Mayor Hodson thanked everyone for coming and noted the ordinance could be changed if there were portions of it that were not working.

Councilor Padden discussed setting speed limits in parks and thought the Bike and Pedestrian and Traffic Safety Committees should weigh in on the decision. He suggested getting the contact information of the people present to work with them on the decision as well.

****Councilor Padden moved to adopt Ordinance 1675, AN ORDINANCE OF THE CITY OF CANBY, OREGON, AMENDING TITLE 10 OF THE CANBY MUNICIPAL CODE TO ADD CHAPTER 10.13 REGULATING THE OPERATION OF ELECTRIC ASSISTED BICYCLES, MOTOR ASSISTED SCOOTERS OR E-SCOOTERS, ELECTRIC PERSONAL ASSISTIVE MOBILITY DEVICES, AND VEHICLES MANUFACTURED FOR OFF-ROAD USE; DECLARING AN EMERGENCY. Motion was seconded by Councilor Davis and passed 6-0 by roll call vote.**

Resolution 1469 – Maya Benham, Administrative Director/ City Recorder, said the Council's policies and guidelines had been adopted in November 2025. Since then, the subcommittee met to update the language and give better clarity on items, including the order of the agenda. Other items included all resolutions and ordinances needed to be reviewed by the City Attorney and to let the Mayor and City Recorder know if a Councilor would be absent 24 hours in advance if possible.

****Councilor Davis moved to adopt Resolution 1469, A RESOLUTION REPEALING THE CANBY CITY COUNCIL’S POLICIES & OPERATING GUIDELINES ADOPTED IN NOVEMBER OF 2025 AND ADOPTING AN UPDATED VERSION OF NEW POLICIES & OPERATING GUIDELINES IN AUGUST OF 2026. Motion was seconded by Council President Hensley and passed 5-0-1 with Councilor Maldonado abstaining.**

****Councilor Padden moved to extend the Council Meeting to 9:45 p.m. Motion seconded by Council President Hensley and passed 6-0.**

OTHER BUSINESS: Middle Housing Oregon Home Rule Changes – Don Hardy, Planning Director, said the Department of Land Conservation and Development put together a set of proposed rules that were an outcome of HB 2258. A number of cities had concerns as well as the League of Oregon Cities. The state was trying to frame a statewide planning framework for all of Oregon which would have significant implementation issues and would go against the framework Canby was doing for their Comprehensive Plan goals and policies, specifically for housing. Staff had drafted a letter to DLCD for the Mayor to sign stating the City’s opposition and suggestions for changes.

****Council President Hensley moved to approve the Mayor to sign the letter to DLCD regarding middle housing home rule change. Motion was seconded by Councilor Davis and passed 6-0.**

CITY ADMINISTRATOR’S BUSINESS & STAFF REPORTS: Mr. Ealy provided several updates including a letter of support for local nonprofit grants, staff leadership positions, Walnut Street extension project bids, upcoming meetings, updating the policies for boards and commissions, grand opening for Daphne Glen Park on August 18, working on scheduling a joint meeting with the Council and School District and tours of water treatment plants, working on how to deal with closed record hearings, drawings on the final Urban Renewal project, meeting with a consultant on a pedal park, and working on Pine Street.

Mr. Hardy said there was an Urban Growth Boundary Summit on August 11.

MAYOR’S BUSINESS: None

COUNCILOR COMMENTS & LIAISON REPORTS: None

CITIZEN INPUT, PUBLIC COMMENT ON NON-AGENDA ITEMS, & COMMUNITY ANNOUNCEMENTS: None

ACTION REVIEW:

1. Approved the Consent Agenda.
2. Adopted Ordinances 1674 and 1675.
3. Adopted Resolutions 1468 and 1469.
4. Authorized the Mayor to sign the Middle Housing Oregon Home Rule Changes Letter.

Mayor Hodson adjourned the meeting at 9:47 p.m.

Maya Benham, CMC
City Recorder

Brian Hodson
Mayor

Assisted with Preparation of Minutes – Susan Wood

DRAFT



CITY COUNCIL Staff Report

Meeting Date: 9/16/2026
To: The Honorable Mayor Hodson & City Council
Thru: Randy Ealy, Interim City Administrator
From: Maya Benham, Administrative Director/ City Recorder
Agenda Item: Appointment for Heritage and Landmarks Commission

Summary

There is currently one vacancy and one student position vacancy on the Heritage and Landmarks Commission. Both vacancies have been advertised on the City's website.

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

An interview was held on August 31, 2026. After interviewing, it was recommended to appoint Kelsey Campbell to the Heritage and Landmarks Commission.

Attachments

Kelsey Campbell's Application

Fiscal Impact

None

Recommendation

1. Appoint Kelsey Campbell to the Heritage and Landmarks Commission with a term ending June 30, 2029.
2. Take no action.

Proposed Motion

"I move to approve the appointment of Member Kelsey Campbell to the Heritage and Landmarks Commission with a term ending June 30, 2029."

EMPLOYMENT APPLICATION



CITY OF CANBY
222 NE 2nd Ave
Canby, Oregon, 97013
503-266-4021
<http://www.canbyoregon.gov>

Campbell, Kelsey Person ID: 40614514
2022-HLC HERITAGE & LANDMARK
COMMISSIONER

Received: 8/17/26, 8:39 AM

For Official Use Only:

QUAL:

DNQ: _____

☐ Experience

☐ Training

☐ Other: _____

PERSONAL INFORMATION

POSITION TITLE: HERITAGE & LANDMARK COMMISSIONER	EXAM ID#: 2022 HLC
NAME: (Last, First, Middle) Campbell, Kelsey	SOCIAL SECURITY NUMBER: XXX XX
ADDRESS: (Street, City, State/Province, Zip/Postal Code) [REDACTED] Canby, Oregon, 97013	EMAIL ADDRESS: [REDACTED]
HOME PHONE: [REDACTED]	NOTIFICATION PREFERENCE: Email

PREFERENCES

Nothing Entered For This Section

EDUCATION

Nothing Entered For This Section

WORK EXPERIENCE

Nothing Entered For This Section

CERTIFICATES AND LICENSES

Nothing Entered For This Section

SKILLS

Nothing Entered For This Section

ADDITIONAL INFORMATION

Nothing Entered For This Section

REFERENCES

Nothing Entered For This Section

Job Specific Supplemental Questions

- What are your community interests (committees, organizations, special activities)?**
I would love to be apart of the heritage and landmarks committee
- What are your major interests or concerns in the City's programs?**
Being able to give back to my community
- Why are you interested in this volunteer position?**
Historical information about the town and being help to help with that.
- Please share your experience and educational background.**
I have a bachelor's in Film and Media.
- Please list any other City or County positions on which you serve or have served.**
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N/A

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

Tyler Ni er

The following terms were accepted by the applicant upon submitting the online application:

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.

This application was submitted by Kelsey Campbell on 8/17/26, 8:39 AM

Signature _____**Date** _____



City Council Staff Report

Meeting Date: 9/16/2026

To: The Honorable Mayor Hodson & City Council
Thru: Randy Ealy, Interim City Administrator
From: Don Hardy, Planning Director
Agenda Item: Consider Urban Growth Boundary Expansion Hearing, UGB 26-01

Summary

UGB Expansion Need and Recommendations

The following addresses the proposed housing, park and employment needs for the proposed urban growth boundary which also is described above.

Include a portion of Subareas 1a (residential and park), 1b and 1c (employment lands). Areas 1a, 1b, 1c are Exception Lands and therefore the first priority for being brought into the urban growth boundary of Canby.

Include Subarea 7, 8 and the majority of Subarea 9 (employment land), excluding the southern portion that is within the 100-year floodplain.

Do not include Subarea 2, 3 4, 5, 6, 10 and 1d as part of this proposed UGB expansion.

UGB Expansion Recommendation

- Total land need up to 541.7 acres.
- UGB Recommendation up to 512.3 gross acres and 488.4 unconstrained acres (assuming all 98.8 acres of land from Subarea 1a come into the UGB, 73.1 acres of residential required and up to 25.6 acres of park land). This assumes that there will be no neighborhood commercial designated land in Subarea 1a.

Planning Commission UGB Expansion August 24, 2026 Deliberation and Hearing Recommendation

The planning commission recommended unanimous approval of the urban growth boundary with the full amount of park land permitting in Subarea 1a, 25.7 acres and the full amount of neighborhood commercial acreage in Subarea 1a, 3.7 acres. The planning commission also recommended that the proposed Subareas 1b, 1c, 7, 8 and 9 be included in the urban growth boundary.

City Council UGB Expansion September 2, 2026 Work Session

The city council reviewed the UGB Expansion and based on discussions is in general support of including all the 73.1 acres of residential and 25.7 acres of parks in Subarea 1a. They are also supportive of including Subareas 1b, 1c, 7, 8 and 9.

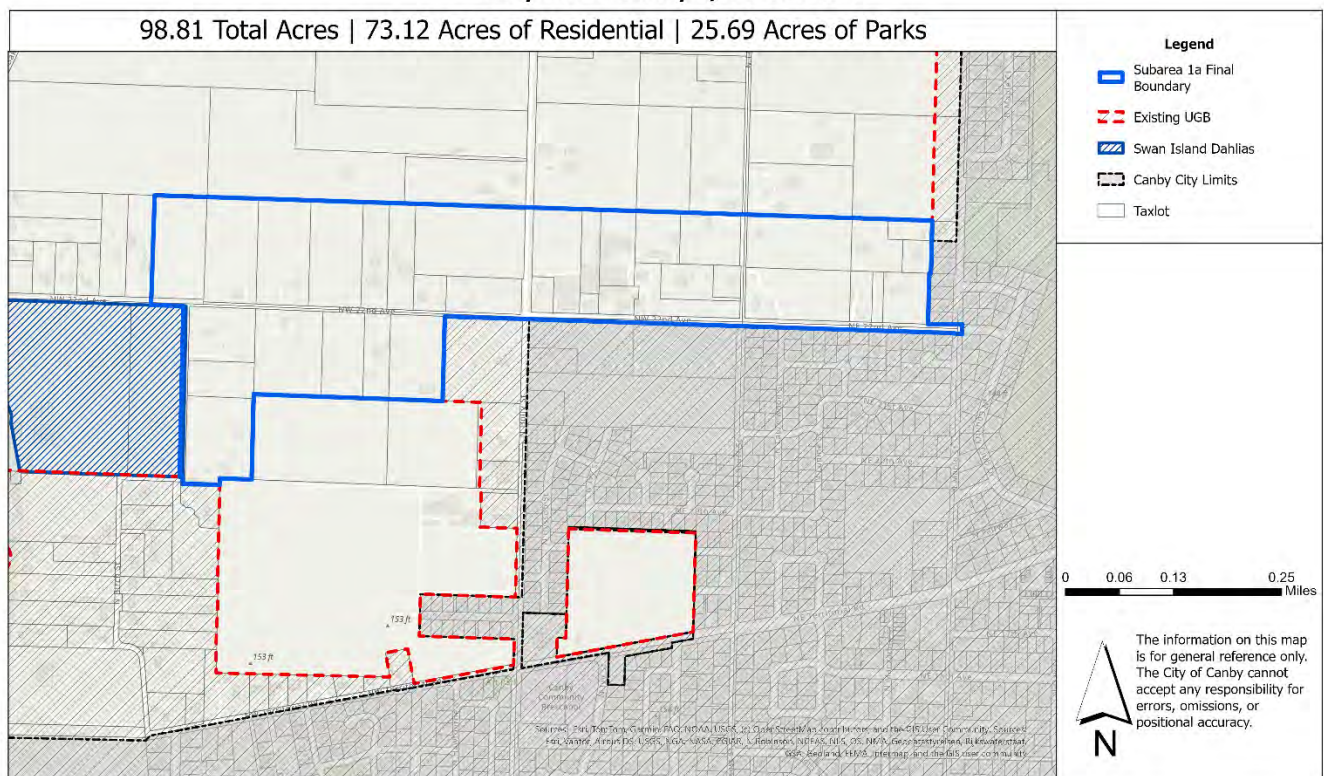
City Council UGB Expansion September 16, 2026 Deliberation and Hearing Recommendation

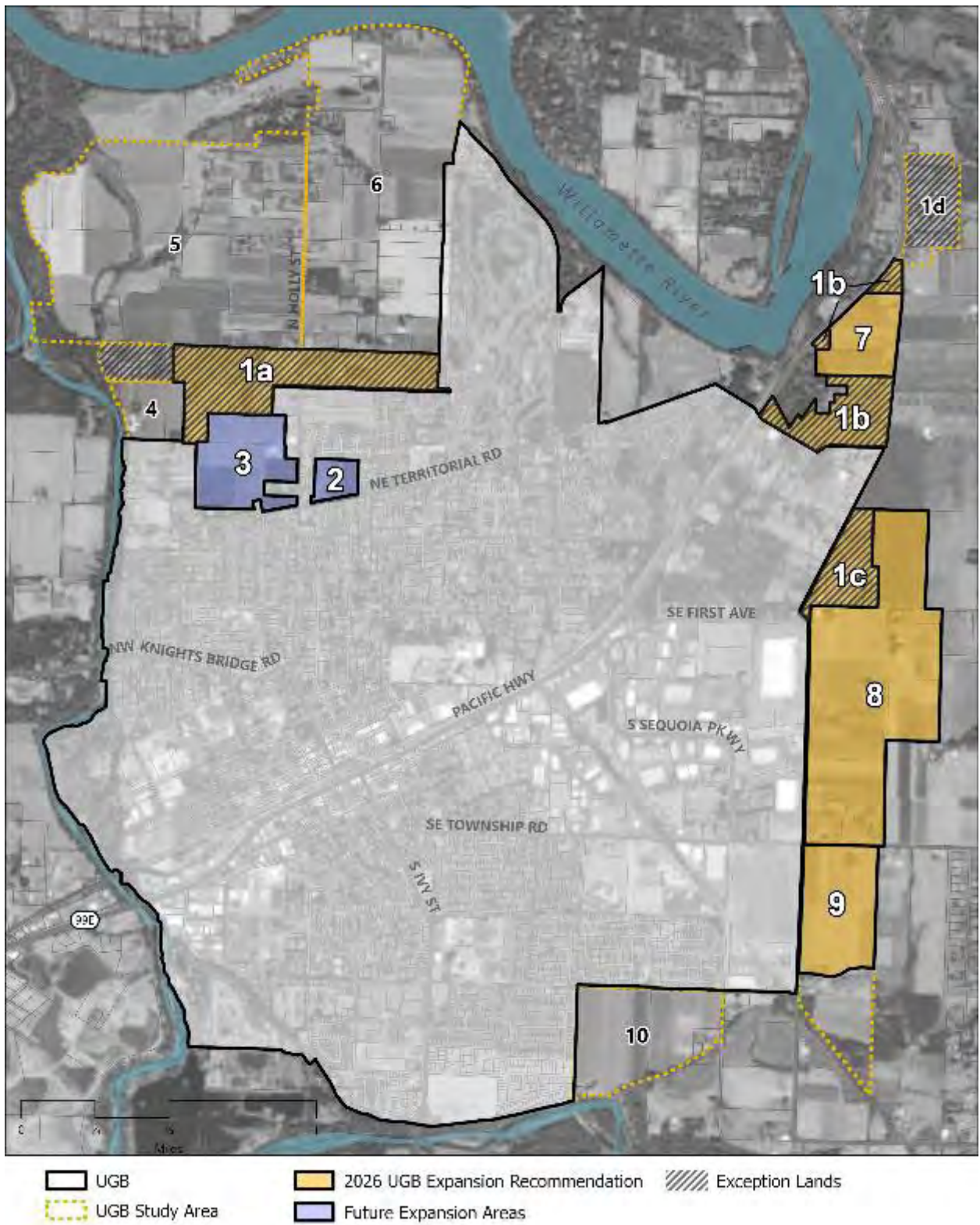
Based on the September 2, 2026 city council work session, staff reviewed the Subarea 1a boundary acreage and is recommending 73.1 acre of residential and 25.7 acres of park as part of this area and no neighborhood commercial land. These acreages include right-of-way that needs to be part of the total acreage. Staff is recommending that no neighborhood commercial land be included in Subarea 1a, as no property owners have come forth recommending that their property have a neighborhood commercial designation, staff has received a community member email who owns property is Subarea 1a opposed to placing neighborhood commercial in Subarea 1a and there has been some raised concerns by residents during the August 11 Community Summit regarding the land use impacts of neighborhood commercial in Subarea 1a.

The underlying designation for all of Subarea 1a will be residential and a park land overlay will be placed as an overlay during the UGB Concept Planning. If park land areas do not develop out as parks, they will be permitted to be developed as residential presuming property owners wish to annex property into Canby.

The graphics below show the proposed Subarea 1a urban growth boundary and the other proposed Subarea growth boundaries, 1b, 1c, 7, 8 and 9.

City of Canby | Area 1A





Background
 The urban growth boundary process has been occurring over the last three years and has involved substantial community involvement.

Discussion

Staff is recommending adoption of the UGB Expansion as noted above.

Attachments

UGB Expansion Ordinance

Draft September Urban Growth Boundary Report

UGB Expansion Tax Lot List

September 16, 2026 City Council Full Staff Report and Recommendation

September 2, 2026 Public Testimony Email from Susan Myers

September 16, 2026 Public Testimony Email from Ethan Manuel

April 29, 2024 Canby Urban Growth Boundary Expansion Madrona Lane Site Evaluation

September 6, 2023 City Council Packet

August 19, 2026, DCLC letter

Fiscal Impact

No fiscal impacts will occur

Options

Approve based on staff recommendation or modify the acreages in Subarea 1a and in Subareas 1b, 1c, 7, 8 and 9.

Recommendation

Staff is recommending 98.8 acres as part of Subarea 1a and Subareas 1b, 1c, 7, 8 and 9 be included in the urban growth boundary.

Proposed Motion

"I move to approve Ordinance No. 1685, An Ordinance Adopting for the Canby Urban Growth Boundary Expansion Amendment and Maps, UGB 26-01, to a second reading on October 7, 2026."

ORDINANCE NO. 1685

**AN ORDINANCE ADOPTING FOR THE CANBY URBAN GROWTH BOUNDARY
EXPANSION AMENDMENT AND MAPS, UGB 26-01**

WHEREAS, City has completed extensive community outreach over three years for the Urban Growth Boundary Expansion including community visioning; and

WHEREAS, the Urban Growth Boundary Expansion is consistent with City, Clackamas County and Oregon State procedural requirements; and

WHEREAS, the Urban Growth Boundary is consistent with adopted Housing Needs and Economic Opportunity Analysis community growth needs over the next 20-years; and

WHEREAS, the planning commission recommended unanimous approval of the comprehensive plan and comprehensive plan during their August 24, 2026 hearing.

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

The city council hereby adopts The City of Canby Urban Growth Boundary Expansion and maps.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, September 16, 2026 ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, October 7, 2026 commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Maya Benham, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 7th day of October, by the following vote:

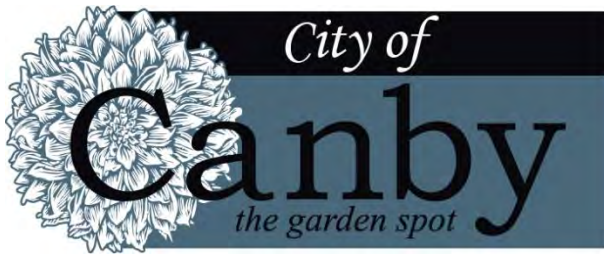
YEAS_____

NAYS_____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder



September 16, 2026 City Council Hearing Full Staff Report and Recommendation, UGB Expansion Amendment, UGB 26-01

Summary

The City of Canby proposes an expansion of the City's current Urban Growth Boundary (UGB). This includes subareas: 1a, 1b, 1c, 7, 8, 9. Alternatives for the subarea 1a showing residential, parks and neighborhood commercial were shown during the August 24 planning commission hearing along with a summary of the August 11 UGB and UGB Concept Planning community summit and the planning commission unanimously recommended the full amount of park land in Subarea 1a, 25.7 acres and the full amount of neighborhood commercial acreage in Subarea 1a, 3.7 acres. The planning commission also recommended that the proposed Subareas 1b, 1c, 7, 8 and 9 be included in the urban growth boundary. Based on their recommendation to city council, the total boundary expansion with all the subareas included would be 516 gross acres and 492.1 unconstrained acres, to accommodate the residential and nonresidential growth projected for Canby over the next 20 years.

The City Council had work session on September 2 to discuss the proposed urban growth boundary and based on this work session, please see staff's urban growth boundary recommendation at the end of this staff report.

The act of updating a city's UGB is a heavily regulated process dictated by state law and the proposed boundary amendment has been crafted using the appropriate policy framework. Evaluation details of the proposed UGB expansion area are provided in the August 2026 Urban Growth Boundary Expansion Report, included with the Clackamas County pre-application submittal. As noted in the report, Canby has also enrolled in the Sequential Method for UGB expansion process, Oregon Administrative Rule (OAR) 660-025-0185 and Oregon Revised Statutes (ORS) 197.626(3) govern the Sequential Method. This allowed the City to adopt the EOA and HNA in advance of a UGB expansion. Both of these documents have been approved and acknowledged by DLCD and are no longer up for challenge. The Canby UGB Expansion process is using the OAR Chapter 660, Division 24 rules effective January 1, 2025.

Attachments to this application include the August 2026 City of Canby Urban Growth Boundary Expansion Report and tax lots of the proposed urban growth boundary.

Background

In Oregon, all cities have a UGB, which is a boundary intended to efficiently manage growth, limit sprawl, and protect farm and forest land. UGBs are intended to accommodate 20 years of growth. Properties within a UGB remain in the unincorporated County until landowners choose to annex into the adjacent city. While no one in the UGB is required to annex and develop, cities are required to plan transportation, infrastructure, land uses, and other considerations within the UGB area to accommodate future annexation and development.

According to Portland State University's Population Research Center (PRC), Canby is projected to grow by approximately 6,000 new residents by the year 2043, bringing the City's total population to nearly 25,000.

Canby's 2023 Economic Opportunities Analysis (EOA) was adopted on September 6, 2023 with the medium growth scenario which identifies a deficit of 439.2 acres to meet employment land needs through 2043, including land for

infrastructure. The proposed employment areas include subarea areas 1b, 1c, 7, 8 and 9. The gross acres of this area is 413.5 acres and the unconstrained area is 389.6 acres. Unconstrained acres remove those environmental constraints noted in the August 2026 City of Canby Urban Growth Boundary Expansion Report.

The City's Housing Needs Analysis (HNA) identifies a need for 73.1 acres, including land for infrastructure. The City identified a need of 25.7 acres for parks based in part on the City's 10 acres per 1,000 residents' aspirational level of service (LOS) in the adopted 2022 Comprehensive Parks and Recreation Master Plan and in the adopted 2026 Canby Comprehensive Plan. The overall proposed combined estimate for UGB Expansion is 492.1 uncontained acres to meet the City's 20-year land need. The total gross acres proposed for UGB expansion is 516 acres vs. the total identified need of 541.7 gross acres. The difference being 25.7 acres less industrial land and this is reflective of the limited suitable employment lands within the study area. Subarea 10 is recommended to not come into the UGB at this time as employment land as it has been determined through community involvement that this area is more suitable for residential land development and the need for residential land development is all fulfilled in subarea 1a.

In compliance with the policy framework in the State of Oregon, the City has initiated the process for a UGB expansion to accommodate the 20-year land need. Following Oregon Administrative Rules (OARs), the City created a Preliminary Study Area where all lands within a one-and-a-half-mile radius were considered for the expansion of the UGB. After excluding certain lands from the Preliminary Study Area that were not appropriate for an urban level of service or use, the Study Area contained 1,555 acres. Once the final Study Area was established, the City followed State rules to prioritize lands within the Study Area for inclusion in the proposed UGB expansion. First priority lands include non-resource, and exception lands that are not designated as rural reserves. There are approximately 239 gross acres of first priority lands, less than the land deficit of 541.7 acres.

The final proposal for UGB amendment is a result of the above analysis, along with a robust public outreach process that was conducted between 2023 and 2026.

Discussion

The following analysis evaluates the proposed UGB amendment's consistency with Oregon Statewide Planning Goals, the City's adopted Comprehensive Plan, and the Clackamas County Comprehensive Plan.

Goal 1, Citizen Involvement

The proposed UGB, which the City has chosen to develop in tandem with a Comprehensive Plan update and Transportation System Plan (TSP) update, has involved over four years of public engagement activities. These have included public meetings, workshops, open houses, tabling at public events, a robust notification scheme, and online engagement tools such as surveys. Citizen involvement activities have included materials and meetings catering to the Spanish-speaking community and have emphasized the scheduling of regular check-ins with opportunities for in-person, two-way communication. With the UGB expansion specifically, the planning process has included interactive mapping exercises where members of the community could express their preferences and ideas related to land use patterns, community character, circulation, recreation, and other topics. Public engagement has been partially overseen by a Project Advisory Committee (PAC), which comprised of elected and appointed officials, community leaders, business owners, and other stakeholders.

Citizen involvement has been an essential part of the planning process at every stage of the UGB amendment's development. Therefore, the City of Canby finds that the proposed UGB amendment is consistent with Goal 1 of the Statewide Planning Goals.

Goal 2, Land Use Planning

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

The proposed UGB amendment was established utilizing the guidance provided by Statewide Planning Goal 14, Urbanization, which incorporates the requirements of ORS 197A.300 to 197A.325, and establishes requirements for

a factual basis. The amendment is a product of extensive analysis of natural resources, development patterns, population and economic data (including newly adopted HNA and EOA), and public engagement.

Alternatives to the proposed expansion were reviewed and discussed throughout the development of the proposed UGB boundary. Furthermore, the proposed UGB amendment was developed in tandem with a new City of Canby Comprehensive Plan, which allowed both policy efforts to be underpinned by the same goals and policies.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 2 of the Statewide Planning Goals.

Goal 3, Agricultural Lands

Goal 3 requires local agencies to identify farmland and protect it for continued farm use to the extent possible. The study area for the UGB amendment has extensive areas that are zoned Exclusive Farm Use (EFU) by Clackamas County due to the prime soils in and around Canby. Nearly all land surrounding the existing Canby UGB is considered high-value farmland as defined by ORS 215.710. The proposed UGB amendment prioritizes non-EFU lands that are highly parcelized and already zoned for non-farm uses (i.e., the “exception lands”). However, to meet the 20-year land needs of the City, the proposed UGB amendment does include EFU-zoned properties. Final approval of the UGB amendment will require approval by Clackamas County, which is tasked with managing EFU land per Goal 3.

The City of Canby finds that the proposed UGB amendment is consistent with Goal 3 of the Statewide Planning Goals to the extent feasible.

Goal 4, Forest Lands

This goal is aimed at conserving existing forest lands. The proposed UGB amendment would not add rural reserve areas intended for exclusive forest use into the UGB. While some areas proposed to be added are zoned Residential Farm Forest (RRFF5) by Clackamas County, these areas are considered “exception lands” by the State of Oregon, which is the category of land that is required to be considered first when contemplating a UGB amendment. Furthermore, no areas within the proposed boundary are actively used for timber production.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 4 of the Statewide Planning Goals.

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

Goal 5 is a broad statewide planning goal that covers more than a dozen resources. The resources range from wildlife habitat, to historic places, and gravel mines. To protect and plan for them, local governments are asked to create a number of inventories.

In Canby, wetlands, riparian areas, and floodplains are concentrated along major waterways (Molalla and Willamette Rivers), particularly in Subareas 5 and 9. Canby's water supply relies on both the Molalla River and groundwater resources. Source water protection may influence the location and intensity of future development to protect water quality.

Goal 5 resource data identify four historic structures that have a Clackamas County Historic Landmark (HL) overlay within the Study Area, as shown in Figure 16 of the August 2026 Urban Growth Boundary Expansion Report. These include:

Kraft-Brandes-Culbertson Farmstead. Located at 2525 N. Baker Drive, this site includes the historic barn and water tower. (Subarea 5) and will not be within the proposed UGB. The Kraft Brandes Culbertson Farmstead, is on the National Register of Historic Places.

Olson, Olaf E & Anna House. Located at 3019 N. Holly Street, this site includes a historic garage, pumphouse, machine shed, and chicken coup. (Subarea 5), and will not be within the proposed UGB.

Bradt, John, Farm. Located at 10012 S New Era Road, this site includes a historic pumphouse, smokehouse, granary, pig shed, and milk shed. (Subarea 1d), will not be within the proposed UGB.

Freeze, Harvey & Anna, Farm. Located at 23300 S. Blount Road, this site includes a historic woodshed and pumphouse. (Subarea 8). These are the only historic structures in the proposed UGB area. The upcoming concept planning process will address how these resource can be protected.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 5 of the Statewide Planning Goals.

Goal 6, Air, Water, and Land Resources Quality

This goal instructs local governments to consider protection of air, water and land resources from pollution and pollutants when developing comprehensive plans. The pollutants addressed in Goal 6 include solid waste, water waste, noise, air pollution, industry-related contaminants, and thermal pollution.

Preliminary analysis for the proposed UGB amendment found that:

- Air quality meets federal standards and is not a significant constraint to future development.
- Compact growth and an efficient transportation system will help minimize future emissions.
- Water quality currently meets applicable standards, but continued protection will depend on managing stormwater runoff and other development-related impacts.
- Source water protection remains a key consideration, with groundwater recharge areas and wellhead protection influencing development in sensitive locations.
- The City's Stormwater Master Plan provides the framework for expanding stormwater infrastructure and managing runoff as the city grows.
- Agricultural soils, drainage patterns, and environmentally sensitive areas affect development feasibility and costs, while appropriate buffers will help maintain compatibility between industrial and residential uses.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 6 of the Statewide Planning Goals.

Goal 7, Areas Subject to Natural Hazards

This goal requires cities and counties to address natural hazards in their comprehensive plans with inventories, policies, and implementation measures. The preliminary analysis of the study area for the UGB amendment included an evaluation of natural hazards, including identified areas subject to floods or seismic hazards, and steep slopes susceptible to landslide activity. Several of the areas were purposely excluded from the study area, consistent with state law, due to the constraints they present for future development.

Seismic hazards, including the Cascadia Subduction Zone and regional fault systems, present long-term risks that should be considered in future development. Overall, the UGB study area is largely flat, with landslide hazards generally limited to river corridors. Subareas 5, 6, and 9 contain the greatest landslide susceptibility and may require site-specific geotechnical analysis and mitigation. The southern portion of subarea 9 has been removed from proposed UGB expansion due to floodplain limitations and subarea 5 and 6 are not proposed to be included in the UGB expansion.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 7 of the Statewide Planning Goals.

Goal 8, Recreational Needs

Goal 8 requires local governments to plan for the recreation needs of their residents and visitors. The goal places priority on non-motorized forms of recreation, and recreation areas that serve high-density populations with limited

transportation options and limited financial resources. It also places priority on recreation areas that are free or available at a low cost to the public.

Land needed for parks, open spaces and trails is based on the City's level of service (LOS) in the adopted 2022 Comprehensive Parks and Recreation Master Plan and 2026 Comprehensive Plan, which is 10 acres of parks per 1,000 residents, plus open spaces and trails to connect all residents to a park. The 2043 population estimate of 5,931 people translates to a need for 59.3 acres of developed parks. As discussed in the preliminary analysis for the UGB amendment, some of these acres can be accommodated within Canby's existing UGB boundary. However, the proposed UGB boundary anticipates that new parkland will be paired with residential growth areas in Subarea 1A and that a regional-scaled recreational amenity may be accommodated in one of the other subareas. Concept planning for the approved UGB will further refine the best locations for parks within the UGB expansion area.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 8 of the Statewide Planning Goals.

Goal 9, Economic Development

This goal requires local governments to plan for economic growth and ensure that land is available to accommodate needed employment.

The adopted EOA prepared for the Comprehensive Plan update and UGB amendment projects that adopted medium growth scenario will have a local demand for approximately 6,700 additional jobs between 2023 and 2043. To meet this projected demand, the EOA concludes that approximately 438.5 acres of additional industrial land and 0.70 acres of additional commercial land will be needed over the next 20 years, with the combined employment acreage of 439.2. In the proposed UGB amendment, new nonresidential uses are proposed to be located east of the existing Pioneer Canby Industrial Park in Subareas 1B, 1C, 7, 8, and 9. 413.5 acres of employment lands are proposed for the UGB expansion and all suitable employment lands have been used, and the 25.7 acres not included is reflective of the limited suitable employment lands within the study area. Included in the record is the September 6, 2023 Canby City Council Agenda and reports and PowerPoint that reflect the selection of the medium growth scenario. Up to 35 acres of employment land may also be used for sports complex purposes as identified in the adopted Economic Opportunities Analysis.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 9 of the Statewide Planning Goals.

Goal 10, Housing

Consistent with the text of Goal 10 and related Oregon Revised Statutes (ORS), the City of Canby prepared and adopted a Housing Needs Analysis (HNA) in 2024. This work product was intentionally crafted, in part, to identify the land need for future housing in the proposed UGB amendment. The HNA includes a buildable land inventory (BLI), evaluates population and housing trends, and identifies policies aimed at providing adequate land within the UGB to accommodate 20 years of population growth. The adopted HNA determined that 73.1 acres of additional residential lands are needed, and these are proposed to be accommodated in Subarea 1A (exception lands) of the UGB study area.

The sizing of the residential urban growth boundary also included housing efficiency measures in the adopted Housing Needs Analysis (2024) and Housing Production Strategy (2026), and included comprehensive plan changes for 56.8 acres of Area J. With these measures 73.1 acres of urban growth boundary housing need was determined.

Goal 11, Public Facilities and Services

The UGB Expansion includes land for provision of public roadways and infrastructure, and the July 2026 City of Canby Urban Growth Boundary Expansion Report assessed utility availability as part of the recommended urban growth boundary. The intent of this goal remains satisfied by the policies of the Comprehensive Plan and the required implementation in the Canby Zoning Ordinance.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 11 of the Statewide Planning Goals.

Goal 12, Transportation

The proposed UGB Expansion does not include changes to the Transportation System Plan or significantly affect a transportation facility. The proposal is to approve the UGB expansion area, but does not include land use designations or roadway alignments within the UGB area. A more detailed analysis of transportation system impacts will be forthcoming as part of the on-going UGB Concept Planning. Approval of the proposed UGB Expansion and Comprehensive Plan Text Amendment will comply with the Transportation Planning Rule.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 12 of the Statewide Planning Goals.

Goal 13, Energy Conservation

There are no identifiable energy consequences of this land use action. As noted under Goal 6, more compact growth and an efficient transportation system will help minimize future emissions and energy use. The city continues to be in compliance with Goal 13 through adopted Comprehensive Plan policies.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 13 of the Statewide Planning Goals.

Goal 14, Urbanization

The 1992 Clackamas County and City of Canby Urban Growth Management Agreement (UGMA) establishes a site-specific Urban Growth Management Boundary (UGMB) that includes unincorporated land within Canby's UGB; and procedures for city and county governance of the unincorporated areas. The purpose of the UGMA is to ensure that land in the UGB still under county jurisdiction can be urbanized in an orderly and efficient manner, and prevent parcelization and significant rural developments. The July 2026 City of Canby Urban Growth Boundary Expansion Report identifies the elements and procedures, and the proposed Canby Urban Growth Boundary Expansion is consistent with these procedures.

The on-going Urban Growth Boundary Concept Planning will ensure the efficient and effective provision of infrastructure to serve newly annexed areas.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 14 of the Statewide Planning Goals.

Goal 15, Willamette River Greenway

While portions of the study area for the UGB amendment are within the Willamette River Greenway (i.e., Subarea 6 near Molalla River State Park), the subareas proposed to be added to the UGB boundary are not within the greenway. The areas proposed for inclusion in the boundary that are closest to the Willamette River Greenway are Subareas 1b, and 7, which are both located east of Highway 99E. Therefore, the proposed UGB amendment would not adversely affect the resources protected by this goal.

For the above reasons, the City of Canby finds that the proposed UGB amendment is consistent with Goal 15 of the Statewide Planning Goals.

Goal 16, Estuarine Resources

Canby is approximately 50 miles east of the state's estuaries; therefore, this goal does not apply.

Goal 17, Coastal Shorelands

Canby is approximately 50 miles east of the coastal shore; therefore, this goal does not apply.

Goal 18, Beaches and Dunes

Canby does not feature any beaches or dunes; therefore, this goal does not apply.

Goal 19, Ocean Resources

Canby is approximately 50 miles east of the Pacific Ocean; therefore, this goal does not apply.

The June 2026 Canby Urban Growth Boundary Expansion is consistent the following Canby Comprehensive Plan Urbanization Policies:

City of Canby Comprehensive Plan Goal 14 Urbanization

POLICY NO. 1 Coordinate growth and development plans with Clackamas County as defined in the Clackamas County-City of Canby Urban Growth Management Agreement (UGMA), and other government and tribal agencies.

Finding: The 1992 Clackamas County and City of Canby Urban Growth Management Agreement (UGMA) establishes a site specific Urban Growth Management Boundary (UGMB) that includes unincorporated land within Canby's UGB; and procedures for city and county governance of the unincorporated areas. The purpose of the UGMA is to ensure that land in the UGB still under county jurisdiction can be urbanized in an orderly and efficient manner, and prevent parcelization and significant rural developments. The August 2026 City of Canby Urban Growth Boundary Expansion Report identifies the elements and procedures, and the proposed Canby Urban Growth Boundary Expansion is consistent with these procedures.

POLICY NO. 2 Use accepted growth management techniques in a manner that will implement the Comprehensive Plan vision, goals, and policies.

Finding: Canby is completing a concurrent urban growth boundary expansion concept planning process which will ensure consistency with this policy.

POLICY NO. 3 Ensure the efficient and effective provision of infrastructure to serve newly annexed areas.

Finding: Canby is completing a concurrent urban growth boundary expansion concept planning process which will ensure consistency with this policy.

The proposed Canby Urban Growth Boundary Expansion is also consistent with the following Clackamas County Comprehensive Plan Goals:

I. Urbanization Goals from Chapter 4 Land Use, Clackamas County Comprehensive Plan

Adopted goal: Clearly distinguish Urban and Urban Reserve areas from non-urban areas.

Finding: The proposed amendment changes the City of Canby Urban Growth Boundary but does not annex property, apply City Comprehensive Plan designations or zoning, or authorize urban development. The City and Clackamas County have coordinated on the amendment because Canby is outside Metro's jurisdiction, consistent with General Urbanization Policy 4.A.2. The recommendation identifies Area 1a for residential and park needs and subareas 1b, 1c, 7, 8, and 9 for employment needs. Subareas 1a, 1b, and 1c are first-priority exception lands; Subareas 7, 8, and 9 are high-value farmland selected only after first-priority land proved insufficient. Rural Reserve lands were excluded, and the recommendation does not include subareas 4, 5, 6, 10, or 1d due to feasibility, land use type, access

concerns and urban boundary area needs noted in the August 2026 City of Canby Urban Growth Boundary Expansion Report. The adopted boundary map will clearly distinguish the land inside the expanded UGB from land remaining outside it, while applicable County planning and zoning will continue to distinguish unannexed Future Urban land from land immediately available for urban use. The proposal is consistent with this adopted goal.

II. Orderly and Economic Provision of Public Services and Facilities

Adopted goal: Encourage development in areas where adequate public services and facilities can be provided in an orderly and economic way.

Finding: The project record evaluates the general feasibility of serving the selected areas with water, wastewater, stormwater, transportation, parks, emergency services, and other public facilities. The utility analysis finds that the areas can generally be served by extensions of existing or planned facilities. Area 1a can be served through facilities in the Holly Street and Locust Street areas, along with improvements to 22nd and Birch in the future; Area 8 has a nearby water/sewer and storm water connection; Area 9 is near a water/sewer main and the Mulino Road pump station; and Area 7 can be served through adjoining expansion land. Site-specific improvements will be determined through UGB expansion concept planning and subsequent annexation, capital planning, and development review. The preliminary transportation analysis considered connectivity, safety, multimodal access, reliability, efficiency, and fiscal responsibility. The eastern and southeastern employment areas have access to arterial and collector roads and 99E, while Area 1a can be served through planned improvements to 22nd Avenue and Holly Street identified by DKS Associates. Detailed street connections, bicycle and pedestrian facilities, emergency access, rights of-way, project phasing, agency coordination, and proportional funding will be established post-UGB amendment in their later respective processes with concurrent UGB concept planning occurring. Development will remain subject to annexation and requirements that adequate services and facilities be provided prior to or concurrent with development. Area 1d, despite being recognized as priority land/exception land, was excluded due to a lack of serviceability and prior existing development. The proposal therefore satisfies Policies 4.A.2.3, 4.A.5, 4.C.3, and 4.C.4 at this boundary-planning stage and is consistent with this adopted goal.

III. Immediate and Future Urban Land Supply

Adopted goal: Ensure an adequate supply of land to meet immediate and future urban needs.

Finding: The adopted Housing Needs Analysis (HNA) and Economic Opportunities Analysis (EOA) identify a total 20-year land need. The analyses rely on the applicable coordinated population forecast and evaluate the housing and employment land required within Canby's planning boundary, consistent with Policies 4.A.2.1, 4.A.2.2, and 4.G.2. As identified in the August 2026 Urban Growth Boundary Expansion Report, the proposal provides sufficient land for the documented 20-year needs and is consistent with this adopted goal.

IV. Orderly and Efficient Transition to Urban Land Use

Adopted goal: Provide for an orderly and efficient transition to urban land use.

Finding: The City and our contractor, 3J Consulting, evaluated first-priority exception land before considering high-value farmland and excluded Rural Reserve lands and areas that were impracticable to serve. Areas 7, 8, and 9 were selected only after exception lands proved insufficient to meet the employment need. The recommendation avoids Swan Island Dahlia Farm/Subarea 4 and limits conversion of resource land to the areas selected through the Statewide Planning Goal 14 location analysis. The analysis also considered environmental, energy, economic, and social consequences; agricultural-land retention; compatibility with nearby agricultural activities; infrastructure feasibility; transportation access; and the relationship between future housing and employment areas, consistent

with Policies 4.A.2.4 through 4.A.2.8. The UGB proposal tentatively identifies that we should place future housing near existing neighborhoods, planned parks, neighborhood services, and extensions of the City street network, while the employment areas are near existing industrial development. This pattern supports efficient use of public facility investments and can reduce unnecessary travel and dispersed infrastructure extensions, consistent with Policies 4.A.3.1 through 4.A.3.4. UGB expansion concept planning will occur, to identify use designations, streets, and infrastructure. Therefore, the proposal is consistent with this adopted goal.

V. Immediate Urban and Future Urban Lands

Adopted goal: Distinguish lands immediately available for urban uses from Future Urban areas within Urban Growth Boundaries.

Finding: This UGB amendment clearly separates lands available for urban development from lands that are not within a 20-year timeframe unless additional exceptions occur. By going through this multi-year process to identify priority exception lands and lands designated as Exclusive Farm Use that would meet the needs of the city without disrupting the agricultural economy, the City continues the land distinguishment process through this goal that has been ongoing. Until annexation and the required subsequent planning occur, the lands will remain subject to applicable County zoning for rural, agricultural, or forest uses with a five-acre minimum lot size or larger under Policy 4.C.1.3. Policy 4.C.3 requires annexation to Canby before conversion to Immediate Urban status unless the City and County agree otherwise, and Policy 4.C.4 retains applicable compatibility, function, and aesthetic standards. These safeguards clearly separate UGB inclusion and Future Urban status from land that is annexed, planned, zoned, serviced, and available for urban development. Therefore, the proposal is consistent with this adopted goal.

The proposed Canby Urban Growth Boundary Expansion is also consistent with the following Oregon Revised Statutes:

State Rules and Statutes

ORS 660-012-0060, Plan and Land Use Regulation Amendments

(9) Notwithstanding section (1) of this rule, a local government may find that an amendment to a zoning map does not significantly affect an existing or planned transportation facility if all of the following requirements are met. (a) The proposed zoning is consistent with the existing comprehensive plan map designation and the amendment does not change the comprehensive plan map; (b) The local government has an acknowledged TSP and the proposed zoning is consistent with the TSP; and (c) The area subject to the zoning map amendment was not exempted from this rule at the time of an urban growth boundary amendment as permitted in OAR 660-024-0020(1)(d), or the area was exempted from this rule but the local government has a subsequently acknowledged TSP amendment that accounted for urbanization of the area.

Findings: Pursuant to OAR 660-024-0020, the proposed UGB amendment is exempt from transportation planning rule requirements under OAR 660-012-0060 because the land that will be added will remain under Clackamas County zoning upon entry into the Canby UGB. Development allowed under the [UAR] zone will not generate more vehicle trips than the development allowed under the current county zoning designations that apply to the properties proposed for UGB inclusion.

ORS 660-024-0050, Land Inventory and Response to Deficiency

Including but not limited to this subsection: *(4) If the inventory demonstrates that the development capacity of land inside the UGB is inadequate to accommodate the estimated 20-year needs determined under OAR 660-*

024-0040, the local government must amend the plan to satisfy the need deficiency, either by increasing the development capacity of land already inside the city or by expanding the UGB, or both, and in accordance with ORS 197.296 where applicable. Prior to expanding the UGB, a local government must demonstrate that the estimated needs cannot reasonably be accommodated on land already inside the UGB. If the local government determines there is a need to expand the UGB, changes to the UGB must be determined by evaluating alternative boundary locations consistent with Goal 14 and applicable rules at OAR 660-024-0060 or 660 024-0065 and 660-024-0067.

Findings: The August 2026 Urban Growth Boundary Expansion Report documents the need for the Canby urban growth boundary request.

UGB Expansion Need and Recommendations

The following addresses the proposed housing, park and employment needs for the proposed urban growth boundary which also is described above.

Include a portion of Subareas 1a (residential and park), 1b and 1c (employment lands). Areas 1a, 1b, 1c are Exception Lands and therefore the first priority for being brought into the urban growth boundary of Canby.

Include Subarea 7, 8 and the majority of Subarea 9 (employment land), excluding the southern portion that is within the 100-year floodplain.

Do not include Subarea 2, 3 4, 5, 6, 10 and 1d as part of this proposed UGB expansion.

UGB Expansion Recommendation

- Total land need up to 541.7 acres.
- UGB Recommendation up to 512.3 gross acres and 488.4 unconstrained acres (assuming all 98.8 acres of land from Subarea 1a come into the UGB, 73.1 acres of residential required and up to 25.7 acres of park land). This assumes that there will be no neighborhood commercial designated land in Subarea 1a.

Planning Commission UGB Expansion August 24, 2026 Deliberation and Hearing Recommendation

The planning commission recommended unanimous approval of the urban growth boundary with the full amount of park land permitting in Subarea 1a, 25.7 acres and the full amount of neighborhood commercial acreage in Subarea 1a, 3.7 acres. The planning commission also recommended that the proposed Subareas 1b, 1c, 7, 8 and 9 be included in the urban growth boundary.

City Council UGB Expansion September 2, 2026 Work Session

The city council reviewed the UGB Expansion and based on discussions is in general support of including all the 73.1 acres of residential and 25.7 acres of parks in Subarea 1a. They are also supportive of including Subareas 1b, 1c, 7, 8 and 9.

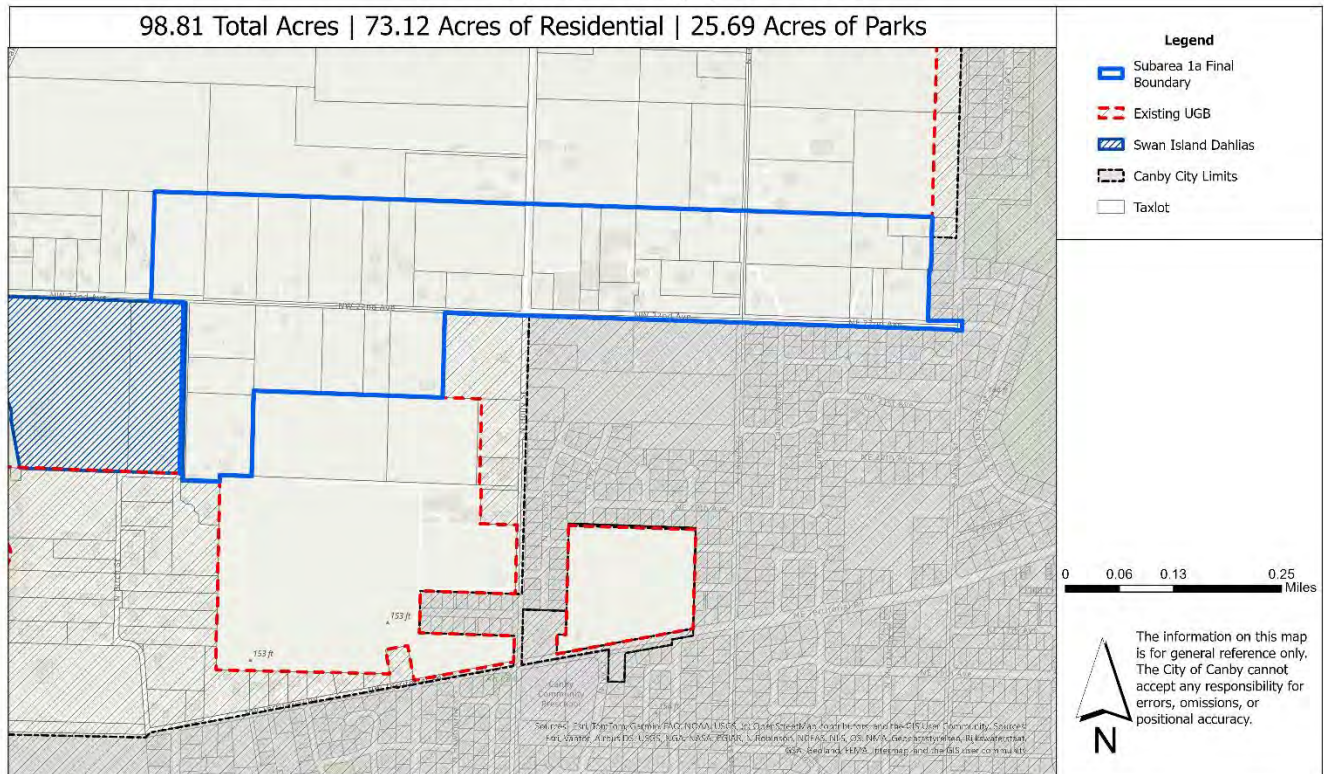
City Council UGB Expansion September 16, 2026 Deliberation and Hearing Recommendation

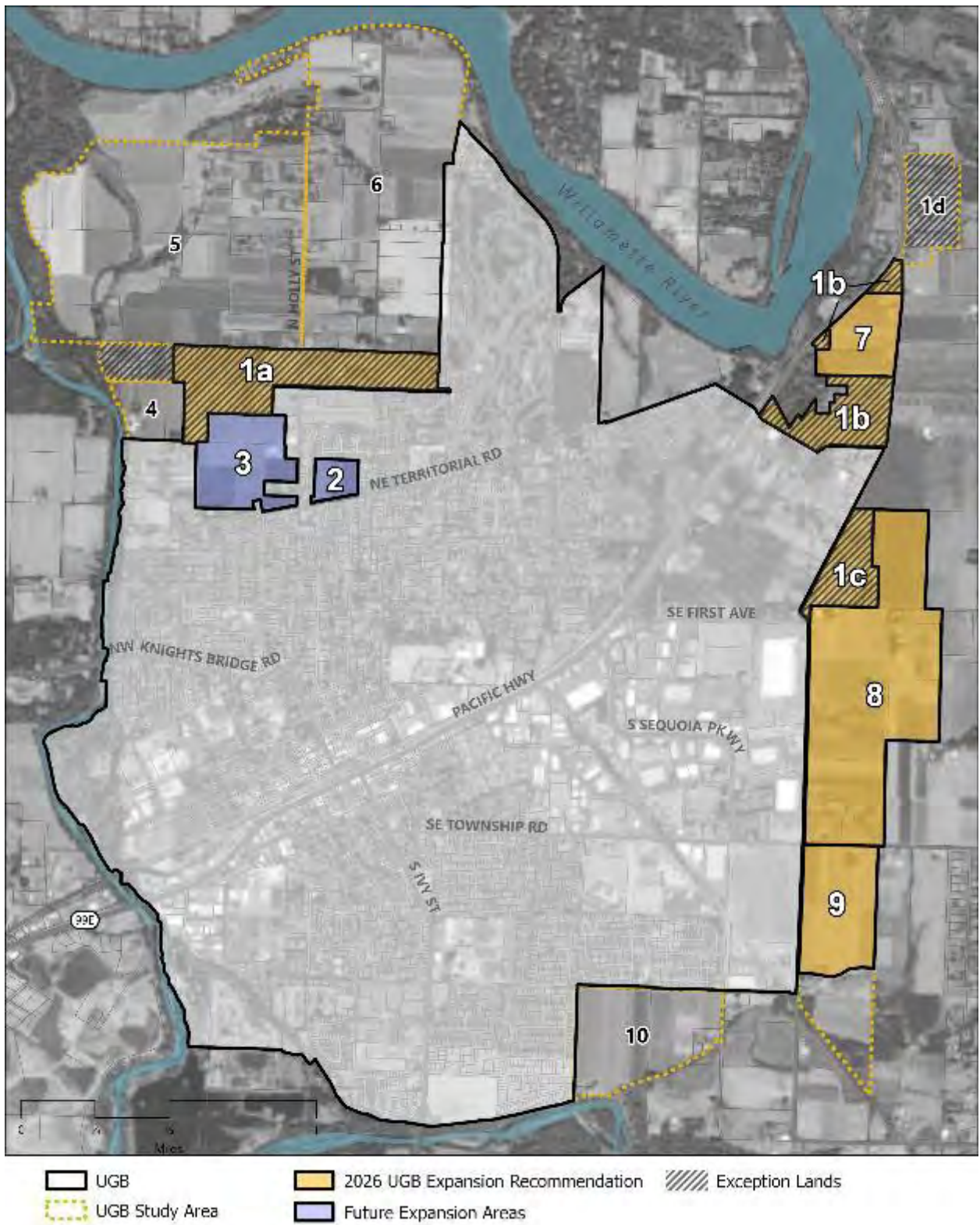
Based on the September 2, 2026 city council work session, staff reviewed the Subarea 1a boundary acreage and is recommending 73.1 acre of residential and 25.7 acres of park (total 98.8 acres) and no neighborhood commercial land. See proposed UGB boundary maps below. These acreages include right-of-way that needs to be part of the total acreage. Staff is recommending that no neighborhood commercial land be included in Subarea 1a, as no

property owners have come forth recommending that their property have a neighborhood commercial designation, staff has received a community member email who owns property is Subarea 1a opposed to placing neighborhood commercial in Subarea 1a and there has been some raised concerns by residents during the August 11 Community Summit regarding the land use impacts of neighborhood commercial in Subarea 1a.

The underlying designation for all of Subarea 1a will be residential and a park land overlay will be placed as an overlay on 25.7 acres during the UGB Concept Planning. If park land areas do not develop out as parks, they will be permitted to be developed as residential presuming property owners wish to annex property into Canby. The graphics below show the staff proposed Subarea 1a urban growth boundary and the other proposed Subarea growth boundaries, 1b, 1c, 7, 8 and 9.

City of Canby | Area 1A





Background

The urban growth boundary process has been occurring over the last three years and has involved substantial community involvement.

Upcoming Meetings and Hearings

- September 16 City Council Hearing
- November 9 Clackamas County Planning Commission Hearing
- December 1 Clackamas County Board of Commissioners Hearing



City of Canby

Urban Growth Boundary Expansion

Report

August 2026 Draft

3J CONSULTING
CIVIL ENGINEERING • WATER RESOURCES • COMMUNITY PLANNING

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Executive Summary

The City of Canby has experienced consistent population increases over the last 20 years, prompting a series of analyses to identify economic and residential growth trends and opportunities. These are documented the Canby 2023 Economic Opportunity Analysis (EOA), and 2024 Housing Needs Analysis (HNA). The analyses identify a land deficit to accommodate 20 years of growth within the current Urban Growth Boundary (UGB). The preliminary land need was 545.6 acres, including: 73.1 acres of residential land need identified in the HNA, 446.8 acres of employment land need identified in the EOA, and 25.7 acres of park land need based on the City's aspirational level of service.

Land use efficiency measures reduced the employment need to 439.2 acres resulting in a total land need of 541.6 acres, as shown in Table ES1.

Table ES1. Canby Residential and Employment Land Need

Land Use	Land Need
Residential (including public facilities)	73.1 acres
Parks	25.7 acres
Employment (including commercial and industrial properties and public facilities)	439.2 acres
Total Preliminary UGB Expansion Land Need	538.0 acres

In compliance with the policy framework in the State of Oregon, the City has initiated the process for a UGB expansion to accommodate the 20-year land need. Following Oregon Administrative Rules (OARs), the City created a Preliminary Study Area where all lands within a one-and-a-half-mile radius were considered for the expansion of the UGB. After excluding certain lands from the Preliminary Study Area that were not appropriate for an urban level of service or use, the Study Area contained 1,555 acres.

Once the final Study Area was established, the City followed State rules to prioritize lands within the Study Area for inclusion in the proposed UGB expansion. First priority lands include non-resource, and exception lands that are not designated as rural reserves. There are approximately 239 gross acres of first priority lands, less than the land deficit of 542 acres.

The next priorities for UGB inclusion are low value farmland (third priority) followed by high value farmland (fourth priority). The City values farmland as an important resource in the region and understands that farmland is of great significance to the State economy. State rules dictate a process for establishing farmland value based on soil types and capability class. The Canby UGB expansion analysis determined that nearly all of the 1,355 acres of non-exception land within the Study Area is high value farmland, and therefore of equal priority for inclusion in the UGB expansion as fourth priority lands.

Since the 1,316 acres of non-exception land within the Study Area exceeds the remaining land need, State rules require a Goal 14 boundary location analysis to determine what land will be included in the UGB expansion. Goal 14 Boundary Location Factors include: efficient accommodation of the identified land need; orderly and economically sound provision of public facilities and services; comparative environmental, energy, economic, and social consequences of expansion lands; and compatibility of expansion lands with surrounding and nearby agricultural and forest activities.



Urban Growth Boundary Amendment Recommendation

First Priority: Exception Lands

Subareas 1a, 1b, 1c, and 1d are the first priority for adding to the Canby UGB. The City recommends the following for each first priority subarea.

Subarea 1a

Located in the northwest portion of the Study Area, the 115.9 unconstrained acres in Subarea 1a are more than enough land to accommodate the entire 73.1 acres of residential need and 25.7 acres of park land. The City will need to decide how many acres of park need will be accommodated in this subarea. Any remaining lands will be left out of the Canby UGB as the area is unsuitable for employment uses.

Recommendation: Add 73.1 acres from Subarea 1a to the UGB to accommodate the entire residential land deficit.

Recommendation: Add 25.7 acres of park land from Subarea 1a to the UGB to accommodate some or all of the park land deficit.

Subarea 1b

Since the City's entire residential need is accommodated in Subarea 1a, the 50.0 acres in Subarea 1b will need to be brought in as employment lands.

Recommendation: Add the 50.0 acres (42.3 unconstrained acres) in Subarea 1b to the UGB to accommodate a portion of the employment land deficit. This area could also include parks.

Subareas 1c

Since the City's entire residential need is accommodated in Subarea 1a, the 34.3 unconstrained acres in Subarea 1b will need to be brought in as employment lands.

Recommendation: Add the 34.3 unconstrained acres in Subareas 1c to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 1d

The 39.0 acres in Subarea 1d are not ready for efficient urban development. The subarea contains a manufactured home park, cemetery, and historic structure, leaving very little buildable land. Connectivity to transportation infrastructure to the southwest is limited by the need for significant urban upgrades along Haines Road and at the OR 99E intersection with Haines Road. Existing infrastructure is not suitable for more intensive development and would require utility extensions.

Recommendation: Do not add any land from Subarea 1d into the Canby UGB.

Fourth Priority: High Value Farmland

The following subareas are candidates to accommodate some or all of the employment land need 439.2 acres. The City recommends the following for each fourth priority subarea.

Subarea 2

Located entirely within city limits, the 13.0 unconstrained acres in Subarea 2 are appropriate for residential development. The subarea has the potential to tie into existing Canby transportation, water, sewer, and stormwater infrastructure. Residential development in Subarea 2 would promote good urban form and the parcels that surround it have been developed as residential subdivisions. However, the City's entire residential land need can be accommodated on first priority lands.



It is possible for the City to add Subarea 2 to the UGB through a Goal 3, 11, and 14 irrevocably committed exception process. An “irrevocably committed” exception does not require demonstration of land need; instead, it can be added to the UGB because it is irrevocably committed to urban uses. OAR 660-004-0028 contains criteria for this type of exception.

If the City uses a goal exception to add this subarea before or at the same time as the larger UGB amendment, the UGB expansion report would need to factor in the 13 acres of land provided here, reducing the land needed in other subareas.

Recommendation: Consider adding Subarea 2 to the UGB through a subsequent Goal 3, 11, and 14 irrevocably committed exception process.

Subarea 3

Surrounded on three sides by Canby city limits and adjacent to residential development, the 60.8 unconstrained acres in Subarea 3 are appropriate for residential development. It has the potential to tie into the existing transportation, water, sewer, and stormwater infrastructure, with some transportation connectivity limitations to the south. However, the City’s entire residential land need can be accommodated on first priority lands.

Subarea 3 is located between the existing UGB and part of subarea 1a. The City could rely on OAR 660-024-0067(3)(a) regarding the inclusion of “small” priority 4 areas in a UGB:

(3) Notwithstanding section (2)(c) or (d) of this rule, land that would otherwise be excluded from a UGB may be included if:

(a) The land contains a small amount of third or fourth priority land that is not important to the commercial agricultural enterprise in the area and the land must be included in the UGB to connect a nearby and significantly larger area of land of higher priority for inclusion within the UGB; or

Subarea 1a lies north of the Holly Street Development Concept Plan Area boundary and appears to be serviceable by sewer and water line extensions in the Holly Street right of way, which is already inside the UGB. If the City can demonstrate that parts of Subarea 3 are needed to connect to parts of Subarea 1a due to the need for efficient development patterns and infrastructure extensions, a portion of subarea 3 could be added to the UGB.

However, given the City’s plans for utilities in Holly Street extending up to 22nd Avenue, as described in the Holly Street Development Concept Plan, this may not be possible.

If all of Subarea 1a is added to the UGB, Subarea 3 would become a “hole” in the UGB. In future UGB amendments, it is likely that subarea 3 would be added to the UGB either through a goal exception or because it will be highly suitable based on a Goal 14 analysis.

If the City uses a goal exception to add this subarea before or at the same time as the larger UGB amendment, the UGB expansion report would need to factor in the 61 acres of land provided here, reducing the land needed in other subareas.

Recommendation: Consider adding Subarea 3 to the UGB as part of a subsequent amendment either through a goal exception or Goal 14 analysis.

Subarea 4

Subarea 4 (27.8 acres) is home to Swan Island Dahlia Farm, which is an important social, cultural, and economic institution in Canby with farm and commercial operations. It requires more urban standard roadway upgrades in the existing UGB to provide accessible, safe, and



convenient multimodal access to essential destinations in the established portion of Canby. It does not have good access to existing infrastructure.

Recommendation: Do not add any land from Subarea 4 into the Canby UGB.

Subarea 5

Of the 392.5 acres in Subarea 5, 206.3 acres are unconstrained and appropriate for residential development, but it is not currently ready for efficient residential development since the subarea is not adjacent to Canby's UGB. It has potential to connect into the existing Canby transportation infrastructure, but not as well as Subareas 2 or 3 as more urban standard roadway upgrades would be required. It does not have good access to existing infrastructure. In addition, the City's entire residential land need can be accommodated on first priority lands.

Recommendation: Do not add any land from Subarea 5 into the Canby UGB.

Subarea 6

292.9 of the 345.8 acres in Subarea 6 are unconstrained and appropriate for residential development. The eastern portion of the subarea abuts Canby city limits and is adjacent to residential development so it would promote good urban form. It has good potential to tie into existing transportation infrastructure with multiple north-south travel routes but would require urban standard roadway upgrades. It has access to water, sewer, and stormwater infrastructure. However, the City's entire residential land need can be accommodated on first priority lands.

Recommendation: Do not add any land from Subarea 6 into the Canby UGB.

Subarea 7

Subarea 7 is 40.5 acres and includes 38.7 acres are unconstrained and appropriate for industrial development. It does not currently abut city limits but is surrounded by exception land (Subarea 1b) that will be brought into the UGB for employment uses as described above. Connectivity to established infrastructure in the existing UGB to the southwest is limited by the need for significant urban upgrades along Haines Road and at the OR 99E intersection with Haines Road. It will require utility extensions through Subarea 1b for water and sewer infrastructure.

Recommendation: Add Subarea 7 (40.5 acres) to the UGB, including 38.7 unconstrained acres to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 8

213.5 of the 227.9 acres in Subarea 8 are unconstrained and appropriate for industrial development. 14.5 acres are constrained by a historic landmark and land with slopes greater than 10%. The western boundary of Subarea 8 abuts city limits and northern boundary abuts Subarea 1c. It is adjacent to industrial development and farm uses. Subarea 8 has strong regional mobility potential due to its proximity to nearby arterial and collector roadways, and multiple connections to OR 99E. Subarea 8 has access to existing or planned water and sewer services, but there is no existing stormwater infrastructure.

Recommendation: Add Subarea 8 (227.9 acres) to the UGB, including 213.5 unconstrained acres to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 9

Of the 112.0 acres in Subarea 9, 68.0 are unconstrained and appropriate for industrial development. 43.1 acres fall within a Goal 5 stream buffer and the 100-year floodplain. The western boundary of Subarea 9 abuts city limits. It is adjacent to industrial development and farm uses. Subarea 9 has strong regional mobility potential due to its proximity to nearby arterial



and collector roadways, and multiple connections to OR 99E. Subarea 9 has access to existing or planned water and sewer services, but there is no existing stormwater infrastructure.

Recommendation: Add 60.8 acres of Subarea 9 to the UGB to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 10

Subarea 10 has 94.8 unconstrained acres that are appropriate for residential or industrial development and ready for efficient urban development as it abuts Canby city limits to the north and west. It has strong potential to tie into transportation infrastructure with limited urban upgrades. The subarea has existing or planned water, sewer, and stormwater infrastructure. It's adjacent to residential development, farm uses, and the Canby Rod & Gun Club property.

Recommendation: Do not add any land from Subarea 10 into the Canby UGB at this time as it may be more appropriate for future residential use.



Table ES2. UGB Expansion Recommendation by Subarea

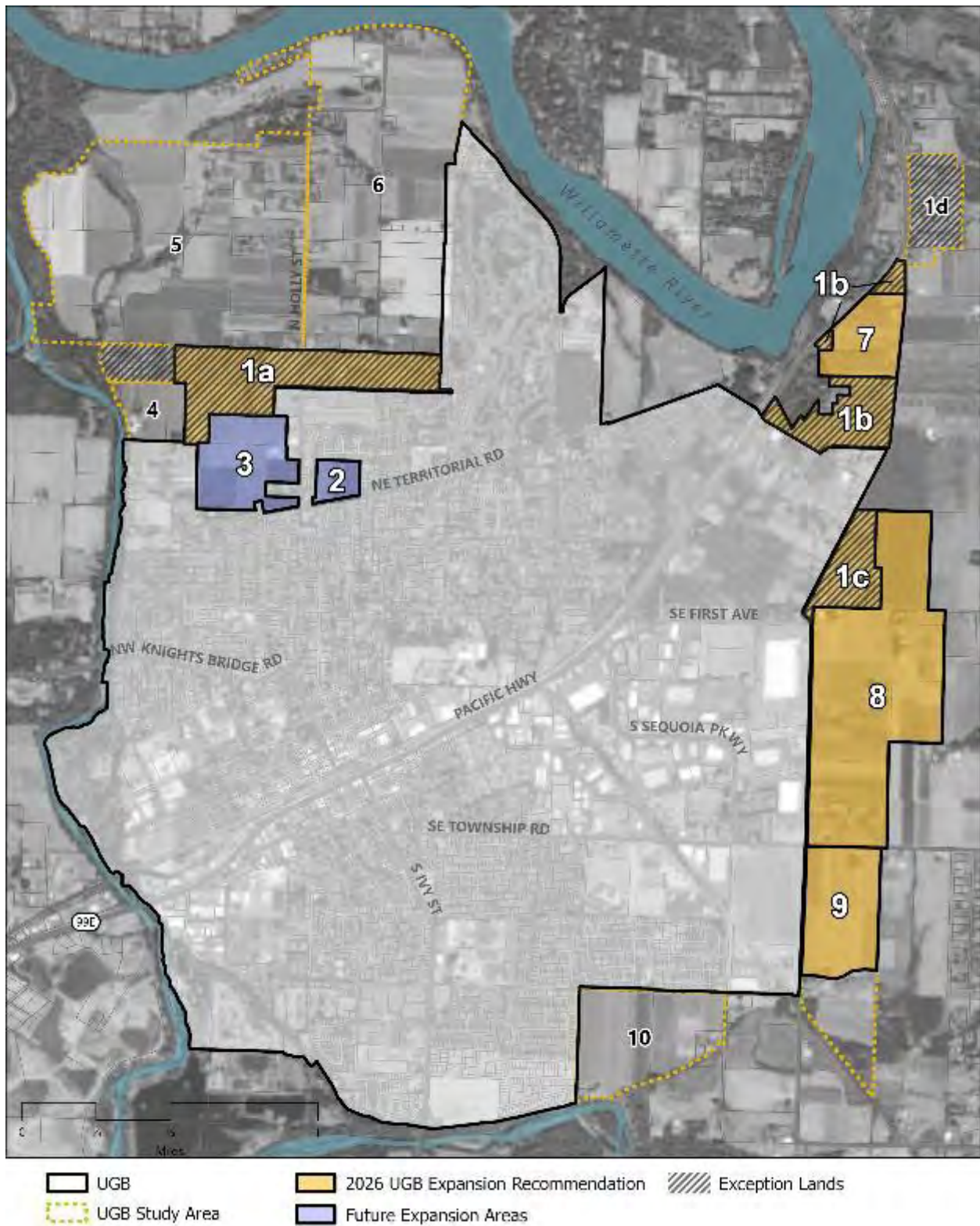
Subarea	Gross Acres	Gross UGB Acres	Unconstrained Residential Acres	Unconstrained Park Acres	Unconstrained Employment Acres	Total Unconstrained Acres
1a	115.9	98.8	73.1	25.7		98.8
1b	50.0	50.0			42.3	42.3
1c	34.3	34.3			34.3	34.3
1d	39.0					
2	13.0					
3	60.8					
4	27.8					
5	392.5					
6	345.8					
7	40.5	40.5			38.7	38.7
8	227.9	227.9			213.5	213.5
9	112.0	60.8			60.8	60.8
10	95.9					
TOTAL	1,555.4	512.3	73.1	25.7	389.6	488.4

As shown in Table 33, the Canby UGB Expansion Recommendation is for 488.4 acres, including 73.1 acres for residential needs, 25.7 acres for park needs, and 389.6 acres for employment needs. The 488.4-acre total of unconstrained land is 23.9 acres less than the identified land need.

Table 33. UGB Expansion Recommendation by Subarea

Land Use	Land Need	UGB Expansion Recommendation	
		Gross Acres	Unconstrained Acres
Residential	73.1 acres	73.1 acres	73.1 acres
Parks	25.7 acres	25.7 acres	25.7 acres
Employment	439.2 acres	413.5 acres	389.6 acres
TOTAL	538.0 acres	512.3 acres	488.4 acres

Figure ES1. Urban Growth Boundary Expansion Recommendation



1. Introduction

Population increases in Canby, Clackamas County, and Oregon have remained steady for the past 20 years. According to Portland State University's Population Research Center (PRC), the trend will continue. The 2022 PRC forecast for Canby shows the population within Canby's Urban Growth Boundary (UGB) increasing by approximately 6,000 new residents by the year 2043, bringing the total to nearly 25,000.

Canby's 2023 Economic Opportunities Analysis (EOA) identifies a deficit of 446.8 acres to meet employment land needs through 2043, including land for infrastructure. This number was reduced to 439.2 acres through efficiency measures. The City's Housing Needs Analysis (HNA) identifies a need for 73.1 acres, including land for infrastructure, schools, and other public facilities. The City also identified a need of 25.7 acres for parks based in part on the City's aspirational level of service (LOS) in the adopted 2022 Comprehensive Parks and Recreation Master Plan. The combined estimate is for 538.0 acres to meet the City's 20-year land need.

This Urban Growth Boundary Expansion Report follows the guidance provided by Statewide Planning Goal 14: Urbanization, which incorporates the requirements of ORS 197A.300 to 197A.325 Amendment of Urban Growth Boundary Outside Metro. The report answers the following questions to justify an urban growth boundary (UGB) expansion for Canby: Is any additional land needed for one or more urban uses, and if so, how much? If additional land is needed, how much can be accommodated within the current UGB? If additional land is needed outside the UGB, where is the best place to expand the boundary? What other amendments are needed to comply with the Statewide Planning Goals?

The Canby UGB Expansion Report provides information to meet the following steps in the UGB expansion process:

1. Establish Land Need
2. Establish Study Area
3. Analyze Study Area
 - a. Establish Parcel Prioritization
 - b. Apply Suitability Analysis
 - c. Apply Goal 14 Location Factors
4. Evaluate Urbanization Potential

Policy Framework

Statewide Planning Goal 14: Urbanization guides UGB expansions in Oregon. The purpose of Goal 14 is "to provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities."

To amend a UGB, a city must complete a boundary location analysis, comparing alternative locations and considering which addition to the UGB will result in the most accommodating and cost-effective boundary, while creating the fewest conflicts with neighboring land uses, and causing the fewest negative environmental and economic impacts.

Through discussions with staff from the Department of Land Conservation and Development (DLCD), the City determined that the Standard Method for UGB expansions best suits Canby. The Standard Method is governed by Oregon Administrative Rule (OAR) 660-024. The rule regulates how to establish a Study Area to evaluate land for inclusion in the UGB and the priority

of land for inclusion in the UGB. In addition, the four boundary location factors of Goal 14 must be applied. OAR 660-024 has been amended, but Canby is working under the version that is effective through December 31, 2026.

Canby has also enrolled in the Sequential Method for UGB expansions. Oregon Administrative Rule (OAR) 660-025-0185 and Oregon Revised Statutes (ORS) 197.626(3) govern the Sequential Method. This allowed the City to adopt the EOA and HNA in advance of a UGB expansion.

The 1992 Clackamas County – City of Canby Urban Growth Management Agreement (UGMA, Appendix A) establishes a site-specific Urban Growth Management Boundary (UGMB) that includes unincorporated land within Canby's UGB, and procedures for City and County governance of the unincorporated areas within the UGMB. The UGMA does not stipulate any specific procedure for amending the UGMA and/or the UGMB other than a general description of planning and coordination responsibilities.

Relevant Clackamas County Comprehensive Plan, Land Use: Urbanization policies include:

4.A.2 Coordinate with affected cities in designating urban areas outside of Metro. Land designated as a Rural Reserve, as shown on Map 4-9, shall not be designated as an Urban Reserve or added to an urban growth boundary. The following areas may be designated as Urban:

- 4.A.2.1 Land needed to accommodate 20 years of future urban population growth.
- 4.A.2.2 Land needed for increased housing, employment opportunities and livability from both a regional and subregional view.
- 4.A.2.3 Land to which public facilities and services can be provided in an orderly and economic way.
- 4.A.2.4 Land which insures efficient utilization of land within existing urban areas.
- 4.A.2.5 Land which is best suited for urban uses based on consideration of the environmental, energy, economic and social consequences.
- 4.A.2.6 Agricultural land only after considering retention of agricultural land as defined, with Class I having the highest priority for retention and Class VI the lowest priority.
- 4.A.2.7 Land needed after considering compatibility of proposed urban uses with nearby agriculture activities.
- 4.A.2.8 Land where the strategic location of employment and living opportunities can minimize commuting distance, traffic congestion, pollution and energy needs.

4.A.3 Land use planning for urban areas shall integrate all applicable policies found throughout the Plan including the following:

- 4.A.3.1 Locate land uses of higher density or intensity to increase the effectiveness of transportation and other public facility investments.
- 4.A.3.2 Encourage infilling of Immediate Urban Areas with a minimum of disruption of existing neighborhoods (see infill policies in the Housing Chapter).
- 4.A.3.3 Enhance energy conservation and transportation system efficiency by locating opportunities for housing near work and shopping areas.



4.A.3.4 Integrate developments combining retailing, office, and medium and high density housing at places with frequent transit service and pedestrian facilities.

4.A.4 Establish Urban Growth Management Areas and Urban Growth Management Agreements to clarify planning responsibilities between the County and cities for areas of mutual interest.

4.A.5 Establish agreements with cities and service districts to clarify service and infrastructure responsibilities for areas of mutual interest.

The Canby Comprehensive Plan also governs UGB expansions and implements the UGMA. The Urban Growth Element of Canby's Comprehensive Plan¹ includes two goals: 1. To preserve and maintain designated agricultural and forest lands by protecting them from urbanization; 2. To provide adequate urbanizable area for the growth of the city, within the framework of an efficient system for the transition from rural to urban land use.

Relevant Canby Comprehensive Plan, Urban Growth Element policies include:

1.1 Coordinate growth and development plans with Clackamas County as defined in the Clackamas County-City of Canby Urban Growth Management Agreement (UGMA), and other government and tribal agencies.

Strategies

- 1.1.1 Periodically review and update the UGMA. Proposed changes to the urban growth management area shall be based upon an analysis of both short-term and long-term need for urban expansion in accordance with state law. This area, lying immediately outside the Urban Growth Boundary, represents the general geographical area where Canby and Clackamas County will continue to coordinate planning activities, including those pertaining to requests for changes in land use.
- 1.1.2 Comprehensive Plan changes for the unincorporated areas within the Urban Growth Management Boundary will be coordinated City-County planning efforts.
- 1.1.3 Take an active role in the land use planning and development process for lands located in the urban growth management area. Intergovernmental agreements with Clackamas County will be used for planning, land division, land uses, and management of land uses and provision of public facilities and services within the area of interest.
- 1.1.4 Provide timely notice to DLCD of annexation and UGB amendments, as required in OAR 660-018.

1.2. Use accepted growth management techniques in a manner that will implement the Comprehensive Plan vision, goals, and policies.

Strategies

- 1.2.1 Update and amend the Urban Growth Boundary when conditions satisfy adopted local and state standards for urban growth boundary amendments.
- 1.2.2 Areas eligible for annexation should be located within the Canby Urban Growth Boundary and contiguous to the existing city limits.

¹ The Canby Comprehensive Plan is currently being updated but will continue to implement the UGMA.



- 1.2.3 An adequate quantity and quality of urban services must be available to serve the subject site, or have evidence that it is feasible that adequate urban services can be made available within a reasonable period of time after annexation. Increased levels of urban service shall not place unreasonable burdens on the service providers or existing users.

An adequate level of urban services shall be defined as:

- Municipal sanitary sewer and water service
- Power and other private utility service
- Multimodal roads with an adequate design capacity for the proposed use and projected future uses
- Police and Fire
- School facilities and services

The burden of providing the above findings is placed upon the applicant.

- 1.2.4 Where such public facilities as sewer and water lines are provided within a road right-of-way, annexation should be encouraged simultaneously on both sides of the road to assure maximum efficiency in the use of those services and to reduce development costs.

1.3 Ensure the efficient and effective provision of infrastructure to serve newly annexed areas.

Strategies

- 1.3.1 Canby's Annexation Development Map should continue to require Development Concept Plan (DCP) for properties for annexed properties to ensure adequate city infrastructure and development patterns.

Process Overview

The UGB Expansion project commenced in January 2023. A Project Advisory Committee (PAC) convened to guide the process and make recommendations for Planning Commission and City Council consideration. The PAC met 7 times through June 2026. All meetings were noticed and open to the public. The PAC reviewed the Preliminary and Final UGB Study Area, parcel prioritization, draft Goal 14 Boundary Location Analysis, and the revised Goal 14 Analysis with UGB expansion recommendation.

The PAC is made up of the following representatives:

- | | | |
|-------------------------------|---------------------|----------------------|
| • Mayor Brian Hodson | • Sam Johnston | • Cindy Moore |
| • City Councilor Jason Padden | • Ray Keen | • Susan Myers |
| • Jason Bristol | • Ron LeBlanc | • Kirk Olsen |
| • Kari Duncan | • Mitch Magenheimer | • Jennifer Patterson |
| • Matt English | • Sarah Magenheimer | • Tom Scott |
| • Dan Ewert | • Ethan Manuel | • Audrey Traaen |
| • Tony Helbling | • Mindy Montecucco | • Ben Wiley |
| • Hether Hill | | |

The Technical Advisory Committee (TAC) consists of City Department staff, county staff, and state agency representatives, as well as members of other transportation organizations. The TAC met 4 times through June 2026. TAC members reviewed the final UGB Study Area, parcel prioritization, Land Use Efficiency Measures, draft Goal 14 Boundary Location Analysis, and the revised Goal 14 Analysis with UGB expansion recommendation.



The TAC is made up of the following representatives:

- Don Hardy, City of Canby
- Jerry Nelzen, City of Canby
- Ryan Potter, City of Canby
- Jeff Snyder, City of Canby
- Heidi Muller, Canby Area Transit
- Matt English, Canby Fire
- Karen Buehrig, Clackamas County
- Stephen Williams, Clackamas County
- Kelly Reid, DLC
- Seth Brumley, ODOT
- Debbie Martisak, ODOT Freight Mobility
- Avi Tayar, ODOT

Community Summits

At key milestones in the project. Community Summits engaged the public around a potential UGB expansion for Canby. At two of the summits, a mapping activity was used to gather feedback from community members on the location, land uses, and residential densities of a potential UGB expansion. The mapping activity included information about known opportunities and constraints of land within the UGB Expansion Study Area and stickers were designed to mimic land use designations and with densities necessary to meet the forecasted need. It was also used to gain feedback from the community on needed improvements to local systems and infrastructure.

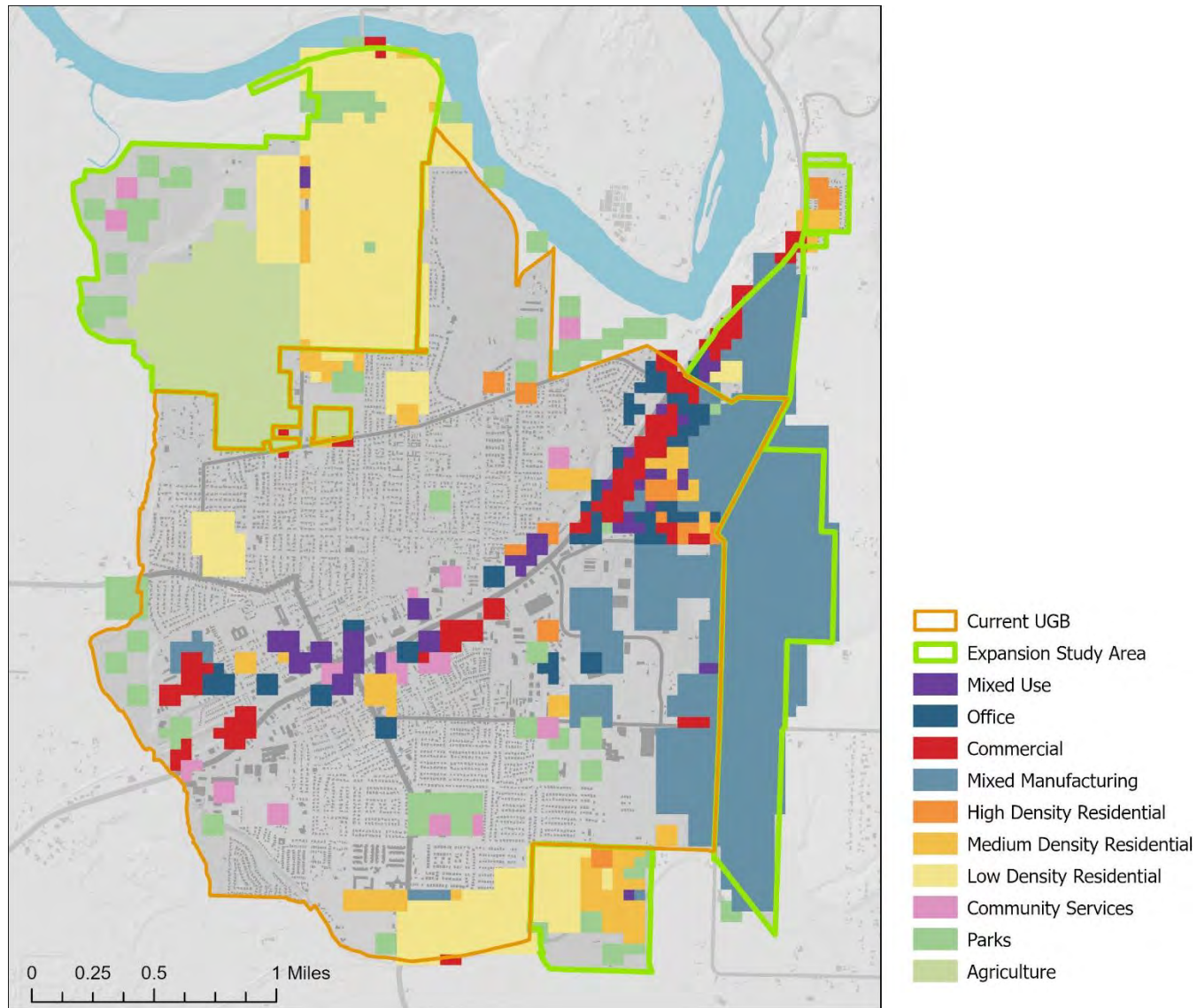
An online mapping activity was provided on the *Cultivating Canby* website for community members unable to attend an in-person summit. It asked participants to place “pins” where they would like to see different types of development occur. The map included both city boundaries and the UGB Study Area. Development patterns supported by participants were very similar to those indicated at the in-person summits.

- Community Summit #2 occurred in November of 2023 and hosted approximately 150 people.
- Community Summit #3 occurred in January of 2024 and hosted approximately 50 people
- Online mapping exercise garnered approximately 44 placements for desired development types from November of 2023 to February of 2024.

Figure 1 is a composite of land use vision maps created at Summits #2 and #3.



Figure 1. Cultivating Canby Summits Composite Map



Source: Canby Community Summits #2 and #3.



Summit participants placed residential uses in the northwest portion of the Study Area, and spoke about preserving farmlands for the northwest portion of the UGB Study Area, specifically focusing on Swan Island Dahlias and associated nurseries. Participants generally located manufacturing and industrial uses in the eastern and southeastern portions of the UGB Study Area. Participants placed commercial uses and mixed use development along Highway 99E. Participants also grouped office uses, commercial uses, high and medium density residential uses, and community services together. These clusters generally occurred in the eastern and southern regions of the city, moving into the UGB Study Area.

Participants identified street improvements, including the Walnut Street Extension and improvements to Highway 99E. They also advocated for the creation of Canby's "Emerald Necklace" trail system to increase accessibility and convenience by connecting existing parks, trails, and greenways. Connecting the Logging Road Trail with Molalla River State Park was a goal of many community members. Participants also discussed traffic modifications, such as creating roundabouts, providing an overpass or underpass for Canby's train tracks, and creating a bypass around Canby.

Questionnaire respondents located low density residential in the northern region of the UGB Study Area and mixed use development along the Willamette River, near the Canby Ferry, as some wanted to see waterfront businesses with housing above. Respondents located mixed manufacturing and some office space in the eastern portion of the UGB Study Area. Medium and high density residential was located along Highway 99E, in downtown Canby, and in the southern portion of the UGB Study Area. Respondents added parks in the northern and southern regions of the city near housing developments, noting that parks should be connected to trails and other open spaces.

At Summit #4, community members viewed a presentation of the final Study Area and parcel prioritization. Summit #5 was designed to accommodate Canby's Spanish speaking community members and covered a wide range of topics including the potential UGB expansion. At Summit #6, community members reviewed and provided feedback on the revised Goal 14 Analysis and UGB expansion recommendation. Summit #7 is scheduled for August 2026 to review the UGB expansion recommendation.

UGB Listening Sessions. The City hosted the first of three listening sessions in November 2023. The listening session provided an opportunity for property owners outside of city limits to ask questions about their properties and the overall process. To advertise for the first listening session, a postcard was sent out to addresses within the UGB Expansion Study Area, and approximately 50 people attended the first listening session. The City presented an overview of the UGB expansion process and maps of the Preliminary Study Area. The City also distributed a Frequently Asked Questions (FAQ) document to provide an overview of the UGB expansion process. The FAQ was updated to incorporate questions asked at the listening session and will continue to be updated throughout the project.

The second listening session was held in June 2024, where the City presented the final Study Area and parcel prioritization results. Property owners in the UGB Study Area asked more detailed questions about their properties due to a better understanding of parcel prioritization and a depiction of the Final Study Area.

At the third listening session in June 2026, more than 60 property owners reviewed and provided feedback on the revised Goal 14 Analysis and UGB expansion recommendation.



2. Establish Land Need

This chapter details the steps taken to establish Canby's land need:

- Analyze population growth forecast
- Identify residential land need
- Identify other land need, including parks, schools, and public facilities
- Identify employment land need
- Identify site characteristics of needed land

This analysis focuses on estimating the acres needed to accommodate the 20-year population forecast as set by the Portland State University Population Research Center (PRC). It addresses housing, employment, and additional factors including livability, parks, public facilities, and land and parcel suitability.

Population Growth Forecast

The land needed to accommodate the projected growth of residential and employment uses in the 20-year planning horizon is based on the official population forecast, housing type mix, and employment land needs identified in the City's adopted 2024 Housing Needs Analysis (HNA) and adopted 2023 Economic Opportunities Analysis (EOA). The EOA was adopted by City Council in September 2023 and the HNA was adopted by City Council in August 2024. Both studies were subsequently acknowledged by DLCD.

These two studies used the 2022 population forecast prepared by PRC, which projected a population of 24,586 in 2043. This is an increase of 5,931 people from 2022, at an average annual growth rate of 1.3%. This growth rate is a larger population increase compared to Clackamas County as a whole.

Land Need: Residential and Public Facilities

The 2024 HNA states that population growth will require the addition of 2,286 new dwelling units between 2023 and 2043. The forecasted housing need of 2,286 dwelling units is partially addressed by 412 units currently in the development pipeline. Once pipeline developments are completed, the remaining housing demand over the next 20 years is expected to consist of 1,874 dwellings.

The forecasted housing mix to address the 20-year demand is expected to consist of: 555 standard lot detached homes, 596 small lot homes and cottages; 364 manufactured homes, townhomes, and plexes (2-4 units per structure); and 359 apartments or condominiums (5+ units per structure) and group quarters units.

These findings result in an overall residential UGB deficiency in Canby of 73.1 acres including right-of-way for roads and public facilities (23%), but not including parks.

Other Land Need: Schools

The City of Canby consulted with the Canby School District and was informed that the School District does not need any additional lands or facilities to accommodate 20-year growth.



Other Land Need: Parks

Land needed for parks, open spaces, and trails is based in part on the City's aspirational level of service (LOS) in the adopted 2022 Comprehensive Parks and Recreation Master Plan, which is 10 acres of parks per 1,000 residents, plus open spaces and trails to connect all residents to a park. Using this standard, estimated 2043 population growth of 5,931 people translates to 59.3 acres of developed core parks.

The City conducted a study of opportunities to develop additional park land within the current UGB. As shown in Table 1, there are three parcels that are city-owned and dedicated for parks but have not yet been developed: Ivy Ridge Park (0.8 acres), Auburn Farms Park (2.3 acres), and Faist Park (0.3 acres); a combined 3.4 acres. Additional city-owned parcels that may be used for future park use include the Walnut Street Extension property (2.4 acres after right-of-way is removed) and the Police Station/Honda Pits property (10.4 acres after the existing police station and skate park are removed); a combined 12.8 acres. In total, the City has identified 16.2 acres of potential park land within the existing UGB.

Table 1. Potential Park Land within Existing Canby UGB

Park	Tax Lot	Description	Acres
Ivy Ridge Park	41E04DC10400	Dedicated through Ivy Ridge subdivision. Ivy Ridge received parks SDC credits.	0.8
Auburn Farms Park*	31E28C0200	Identified as Dodds Park in the Parks and Recreation Master Plan.	2.3
Faist Park	41E03BD13400	Land dedicated as part of Faist 5 subdivision. Identified as Faist Park in the Parks and Recreation Master Plan.	0.3
Walnut St. Extension Property	31E34A01600	Right-of-way acres removed.	2.4
Police Station/Honda Pits	41E0500405	Police station and skate park acres removed.	10.4
Total			16.2

*Auburn Farms Park has been constructed and opened in August 2026

Subtracting 16.2 acres of potential park land within the current UGB from the 59.3 acres of identified need to accommodate population growth results in a net parks land need of 43.1 acres.

The City of Canby also examined the population growth park need relative to specific park projects and associated funding sources. As shown in Table 2, 76.9 acres of park projects appear in the 2026 Capital Improvement Plan based on existing budgetary capacity. Subtracting the 16.2 acres of potential parks to occur within the current UGB results in 60.7 acres of available park expansion. The employment land need includes 35.0 acres for a sports/recreation center, leaving 25.7 acres of park land to be accommodated in the UGB expansion area. While less than the total park land needed to accommodate 20 years of growth (43.1), the 25.7 acres included in the UGB amendment aligns with the City's available fiscal resources at the time of expansion.



Table 2. Canby UGB Parks Land Need

Description	Acres
2026 Capital Improvement Plan Parks Projects	76.9
Potential Park Land In Current UGB	16.2
Remaining Park Land Need	60.7
<i>Employment Zone Athletic Facility</i>	35.0
UGB Expansion Park Need	25.7

Land Need and Site Characteristics: Employment and Public Facilities

The 2023 Canby EOA estimates future employment land need including the number of sites required and typical site characteristics based on expected land uses (Statewide Planning Goal 9). The Canby City Council adopted the EOA on September 6, 2023, identifying the medium growth scenario deficit of 446.8 acres of employment land in the 20-year planning period (2023-2043), as shown in Table 3. This includes 8.3 acres for commercial uses and 438.5 acres for industrial uses. These totals include an allowance for needed infrastructure right-of-way estimated at 25% of the acreage needed for employment uses.

Table 3. UGB Employment Land Needs (gross buildable unconstrained acres)

Land Use	Acres
Commercial (RC, DC, HC)	8.3
Industrial/Other Employment (CM, LI, HI)	438.5
Total Employment Land Need	446.8

In addition to the amount of land needed, the 2023 EOA also identifies target services and industries for future economic growth consistent with market trends and stakeholder priorities. These industry clusters include:

- Advanced Manufacturing: Energy Systems, Electronic Component Manufacturing, Fabricated Metal Product Manufacturing, Navigational, Measuring, Electromedical, and Control Instruments
- Food/Beverage Processing
- Health Care

The EOA identifies specific site suitability characteristics needed to accommodate these services and industries. Page 24 states, “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.” This also pertains to desired tourism-related facilities listed in the EOA, including trails, parks, camping/RV facilities, sports complex, and amphitheater.

The EOA goes on to say that city policies should “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.”

Combined, the preliminary 20-year land need for residential and associated uses and employment land needs is approximately 549 acres, as shown in Table 4.



Table 4. Canby Preliminary Residential and Employment Land Need

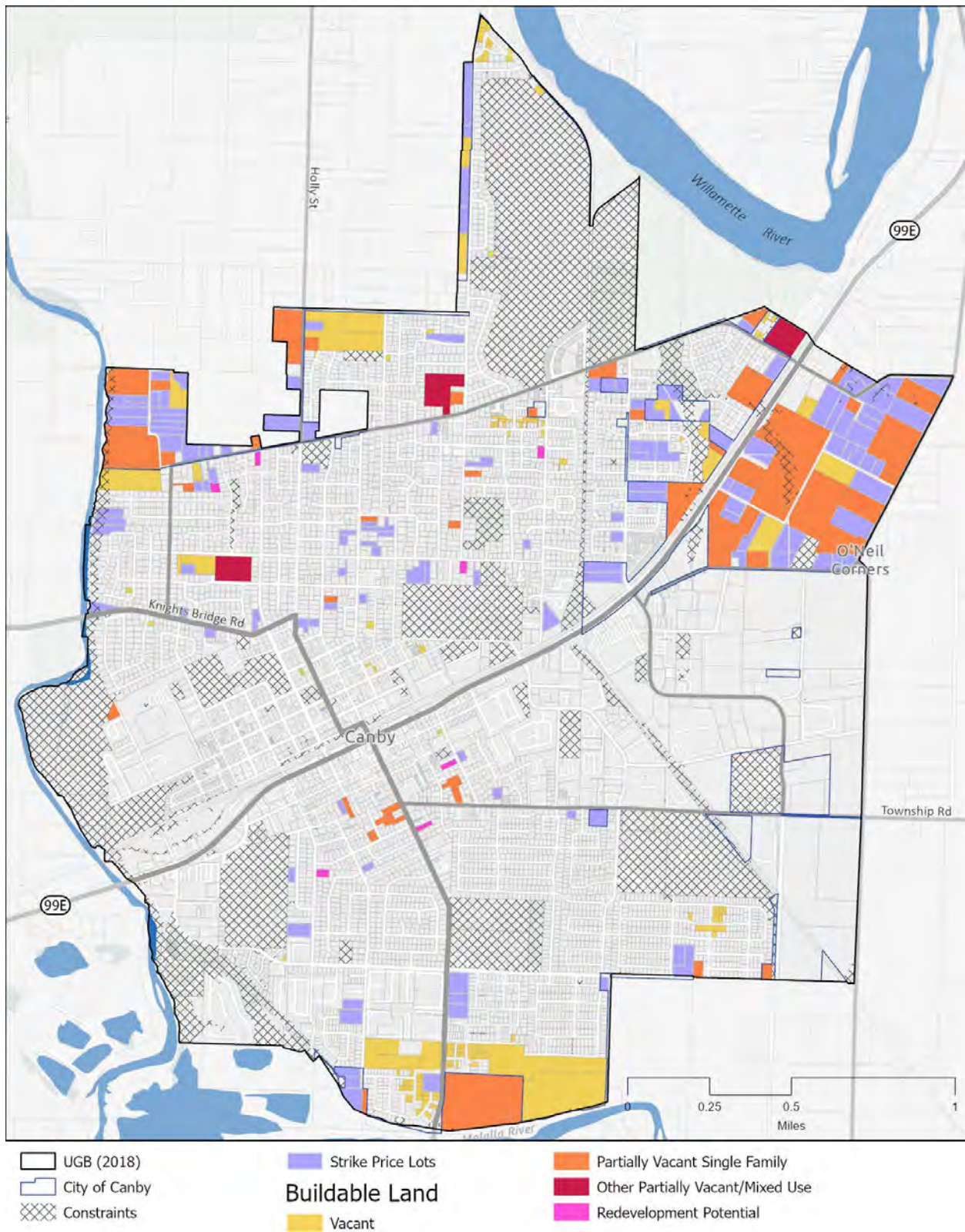
Land Use	Land Need
Residential (including public facilities)	73.1 acres
Parks	25.7 acres
Employment (including commercial and industrial properties and public facilities)	446.8 acres
Total Preliminary UGB Expansion Land Need	545.6 acres

Examine Sites within Existing UGB

Prior to pursuing a UGB expansion, the City must demonstrate that the land need cannot reasonably be accommodated on land already inside the UGB. The City is required to evaluate opportunities to provide efficient development of residential land within the existing UGB. The 2024 HNA found that Canby has approximately 439 acres of buildable residential land inside the UGB, as illustrated on the Buildable Land Inventory map (Figure 2).



Figure 2. Residential Buildable Land Inventory



“Land use efficiency measures” increase the capacity for growth within the existing UGB thus reducing the need for UGB expansion. Canby previously adopted efficiency measures that provide additional housing production opportunities including:

- A provision in the zoning code (Chapter 16.82) that allows deviations from development standards for "Special Housing Projects for the Elderly or Handicapped."
- Mixed use development in a specifically defined Downtown Core area of the C-1 Zone is not required to provide parking.
- The R-2 (High Density) residential zone was amended to require a minimum density of 14 du/ac, preventing lower density development.
- The City amended its zoning code to allow duplexes in all low density residential zones to fully comply with HB 2001.

The City is currently pursuing the following land use efficiency measures:

Low Density Residential Zone (R-1)

- Allow cottage cluster developments as permitted use outright.
- Add minimum lot size and modified lot dimensions for townhouses as part of a PUD.
- Establish a maximum residential density standard of six (6) units per acre.
- Increase maximum impervious surface area to 60%.
- Require that townhouse developments shall not exceed six (6) consecutive attached dwellings separated by at least 10 feet if part of a PUD.

Medium Density Residential Zone (R-1.5)

- Allow cottage cluster developments as a permitted use outright.
- Allow fourplexes as a permitted use outright.
- Increase the maximum townhouse grouping from three (3) to six (6) dwelling units.
- Decrease the minimum townhouse lot size from 3,000 to 1,800 square feet as part of a PUD.
- Require that townhouse development shall not exceed six (6) consecutive attached dwellings in a row and that groupings should be separated by at least 10 feet.

Planned Unit Development (PUD)

- All uses permitted outright or conditionally may be permitted with a PUD.
- Allow uses to be spread across a PUD site, regardless of the underlying base zone.
- Create exception for cottage clusters in PUDs for the purpose of calculating the minimum open space requirement.
- Add approval criteria for a density bonus.
- Create exception that cottage cluster units do count toward maximum density allowance within a PUD.
- Allow the total base zone density to be spread throughout the PUD site, regardless of the underlying base zone.
- The 20% density bonus requires a minimum of 5% of the PUD dwelling units to be single-story with one accessible entrance.



Upzone Parcels within Area J

Area "J" is an 183-acre master planned area within the Canby UGB located northeast of the City and bounded on the west side by Highway 99E, SE 1st Avenue to the south, Haines Road to the east, and the UGB to the north. City Council recently confirmed that staff should pursue Comprehensive Plan Map changes for 56.8 acres within Area J. Proposed changes will reduce the number of acres designated Low Density Residential (LDR) and increase the number of acres designated Medium Density Residential (MDR), High Density Residential (HDR), and Commercial (C) as shown in Table 5.

Table 5. Canby Area J Comprehensive Plan Map Changes

Comprehensive Plan Designation	BLI Buildable Acres	New Buildable Acres	Net Change Buildable Acres
Low Density Res	36.56	20.20	-16.36
Medium Density Res	20.24	24.00	3.76
High Density Res		5.00	5.00
Commercial		7.60	7.60
Total	56.80	56.80	0.00

The Comprehensive Plan Map changes will result in a net increase of 43 dwelling units in the area, with 89 fewer single family detached units and an additional 129 middle housing units.

Table 6 shows that these changes:

- Increase the need for LDR by 8.8 acres, decrease the need for MDR by 3.8 acres, and decrease the need for HDR by 5.0 acres.
- Result in no change to the residential land need.
- Result in a 7.6 acre decrease of commercial land need.

Table 6. Canby UGB Expansion Land Need Adjustments

Land Use Categories	Comp Plan Designations	Preliminary UGB Land Need*	Area J Changes	Final UGB Land Need
Residential Categories				
Single Family Standard Lot	LDR	(22.62)		(22.62)
Single Family Small Lot & Cottages		(33.93)	(8.80)	(42.73)
Townhomes/Plexes (2-4 units)	MDR	(8.10)	3.80	(4.30)
Multifamily/Other	HDR/varies	(8.42)	5.00	(3.42)
Residential Subtotal		(73.07)		(73.07)
Employment Categories				
Commercial	RC, DC, HC	(8.30)	7.60	(0.70)
Industrial/Other	CM, LI, HI	(438.50)		(438.50)
Employment Subtotal		(446.80)		(439.20)

Source: FCS GROUP

*Derived from HNA and EOA

The land use efficiency measures result in a 7.6-acre reduction to the commercial land need, bringing that total to less than one acre (0.70). Canby still has a deficit of 538.0 acres to accommodate projected growth over a 20-year planning period, including a residential deficit of 73.1 acres, a parks deficit of 25.7 acres, and an employment deficit of 439.2 acres as shown in Table 7.



Table 7. Canby Residential and Employment Land Need

Land Use	Land Need
Residential (including public facilities)	73.1 acres
Employment (including commercial and industrial properties and public facilities)	439.2 acres
Total Preliminary UGB Expansion Land Need	538.0 acres

DRAFT



3. Establish Study Area

This chapter establishes the Canby UGB Expansion Study Area evaluation to satisfy the land needs identified in Chapter 2. The process of establishing a study area is dictated by Oregon Administrative Rules, and includes the following:

- Establish Preliminary Study Area
- Exclude Lands from Preliminary Study Area
- Establish Study Area

Create Preliminary Study Area

Rules for defining the area to be considered for expansion, known as the Preliminary Study Area, are established by OAR 660-024-0065. The provisions of the administrative rule state that the Preliminary Study Area must include all lands in the City's acknowledged urban reserves and land that is within a certain distance from the acknowledged UGB: one-half mile for jurisdictions of less than 10,000 and one mile for jurisdictions of more than 10,000, or land beyond specified distances at the discretion of the jurisdiction.

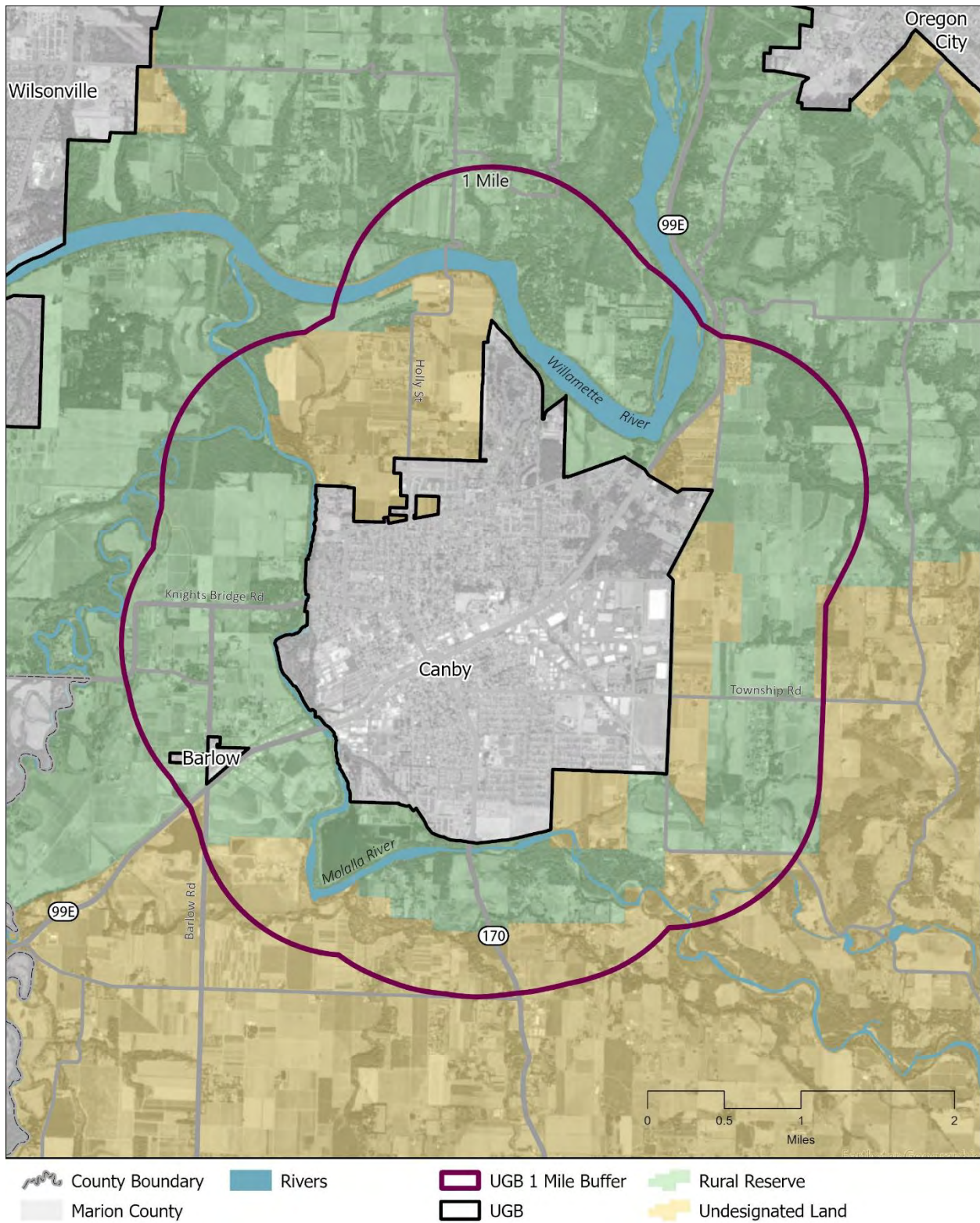
As of the 2020 PSU PRC population estimates, the City of Canby had a population of 18,171 residents², as stated in both the City of Canby's most recent HNA and EOA. Therefore, the City considered land within one mile of the current UGB, known as the "one mile buffer" for the Preliminary Study Area.

Canby has no urban reserves and is surrounded by a combination of rural reserves and "undesigned" areas, as illustrated in Figure 3.

² "2020 ANNUAL OREGON POPULATION REPORT TABLES," Population Research Center, Portland State University, April 15, 2023, <https://www.pdx.edu/population-research/sites/populationresearch.web.wdt.pdx.edu/files/2023-04/2022%20Annual%20Population%20Report%20Tables%20.pdf>.



Figure 3. Preliminary Study Area with Undesignated Lands and Rural Reserve Lands



The Canby UGB Expansion Preliminary Study Area contains “exception areas” with existing county zoning designations: Rural Residential Farm Forest 5-Acre (RRFF5), Rural Area Residential 2-Acre (RA2), and Rural Industrial (RI). Exception areas are rural lands that have the physical properties that make it suitable for farm or forest use but are approved by a county with an “exception” to zone the land for urban uses. Exception areas are lands that are either “physically developed” or “irrevocably committed” to non-farm and non-forest uses and have the appropriate corresponding county zoning.³

In determining the Preliminary Study Area, OAR 660-024-0065(1)(c) directs cities to include exception areas within the one-mile buffer, and exception areas within one and one-half miles from the current UGB that are contiguous to an exception area within the one-mile buffer.

The Preliminary Study Area for Canby contains exception areas within the established one-mile buffer that extend contiguously beyond that one mile. A secondary buffer was added to the Preliminary Study Area to demonstrate the additional half mile in accordance with OAR 660-024-0065(1)(c). These contiguous exception areas are generally located north of the existing UGB across the Willamette River, and to the northeast of the existing UGB abutting Highway 99E and the Willamette River, as illustrated below in Figure 4.

Some of the contiguous exception lands that are included in the Preliminary Study Area within the additional half mile buffer are designated as Rural Reserves. Rural reserves are intended to provide long-term protection for large blocks of agricultural land, forest land, and other important natural landscape features that limit urban development.⁴

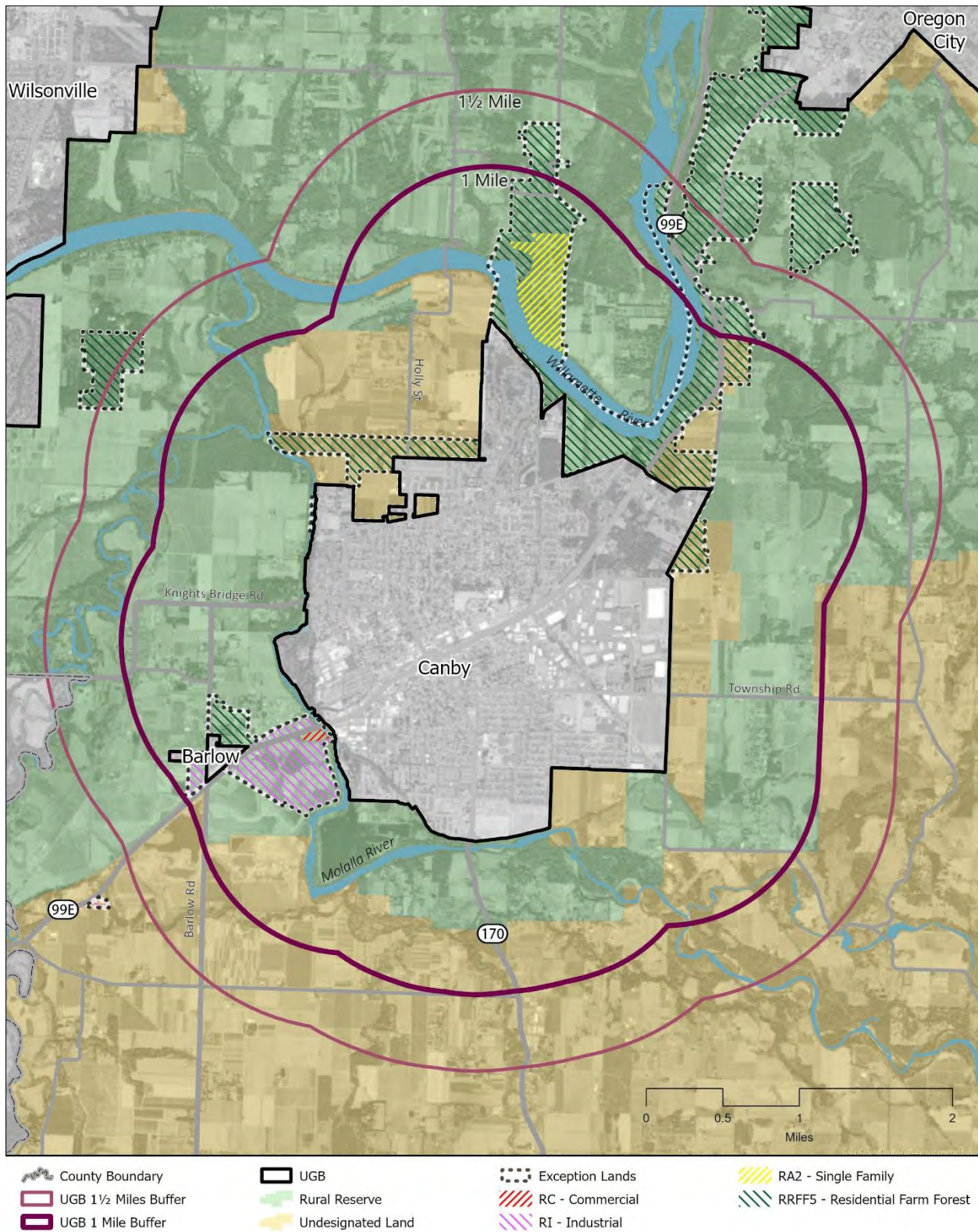
Figure 4 illustrates the Undesignated Lands, Rural Reserves, and exception lands and demonstrates where there is overlap between the land categorizations. The contiguous exception area lands are shown grouped together with a dashed line in Figure 4.

³ “Exception Areas,” Department of Land Conservation and Development: Rural Planning and Development: State of Oregon, accessed November 1, 2023, <https://www.oregon.gov/lcd/rp/pages/index.aspx#:~:text=In%20some%20cases%2C%20a%20county,farm%20and%20non%2Dforest%20uses>.

⁴ “UGBs and Urban/Rural Reserves,” Department of Land Conservation and Development: State of Oregon, accessed November 1, 2023, <https://www.oregon.gov/lcd/up/pages/ugbs-and-urbanrural-reserves.aspx>.



Figure 4. Preliminary Study Area with Exception Areas Overlap



Exclusion of Lands from the Preliminary Study Area

The rules for establishing the Study Area allow for certain lands to be excluded from the Preliminary Study Area, as established in OAR 660-024-0065(4). The reasons for excluding from the Preliminary Study Area include:

- Lands are impracticable to provide necessary public facilities and services to;
- Lands are subject to natural hazards (flooding); or
- Lands contain specific scenic, natural, cultural or recreational resources.

The City of Canby determined that certain areas within the Preliminary Study Area meet the exclusion criteria of OAR 660-024-0065(4)(a & b) and may be excluded and no longer considered in the UGB Expansion. After completing an exclusion analysis, the City determined that some areas have overlapping criteria that meet the threshold for exclusion.

Areas excluded from the Preliminary Study Area include all rural reserves surrounding the existing UGB and lands across the Willamette River and Molalla River from the existing UGB that are undesignated. There is some overlap between lands considered undesignated and exception lands (based on their existing county zoning designation), and lands that are excluded. These lands are excluded due to their location and impracticability to be served.

Also excluded from the Preliminary Study Area are lands located within the Special Flood Hazard Area (SFHA) identified on the Flood Insurance Rate Map (FIRM).

Additional lands are excluded from the Preliminary Study Area based on the impracticability to provide them with necessary public facilities or services. This determination is based on existing steep slopes, impediments to service provisions based on the likely amount of development that could occur; and the likely cost of facilities and services.

The specific reasons for each exclusion and how these lands meet the thresholds for exclusion in OAR 660-024-0065(4)(a-c) and OAR 660-024-0065(7)(a-c) is discussed in further detail below.



Exclusion of Rural Reserves: Impracticable to Provide Services

In accordance with OAR 660-024-0065(4)(a), lands that are impracticable to provide necessary public facilities or services to the land may be excluded from the Preliminary Study Area. OAR 660-024-0065(7) describes several reasons why cities may consider land impracticable to provide necessary public facilities or services to. Subsection (b) identifies land that is isolated from existing service networks such that it is impracticable to provide the necessary services.

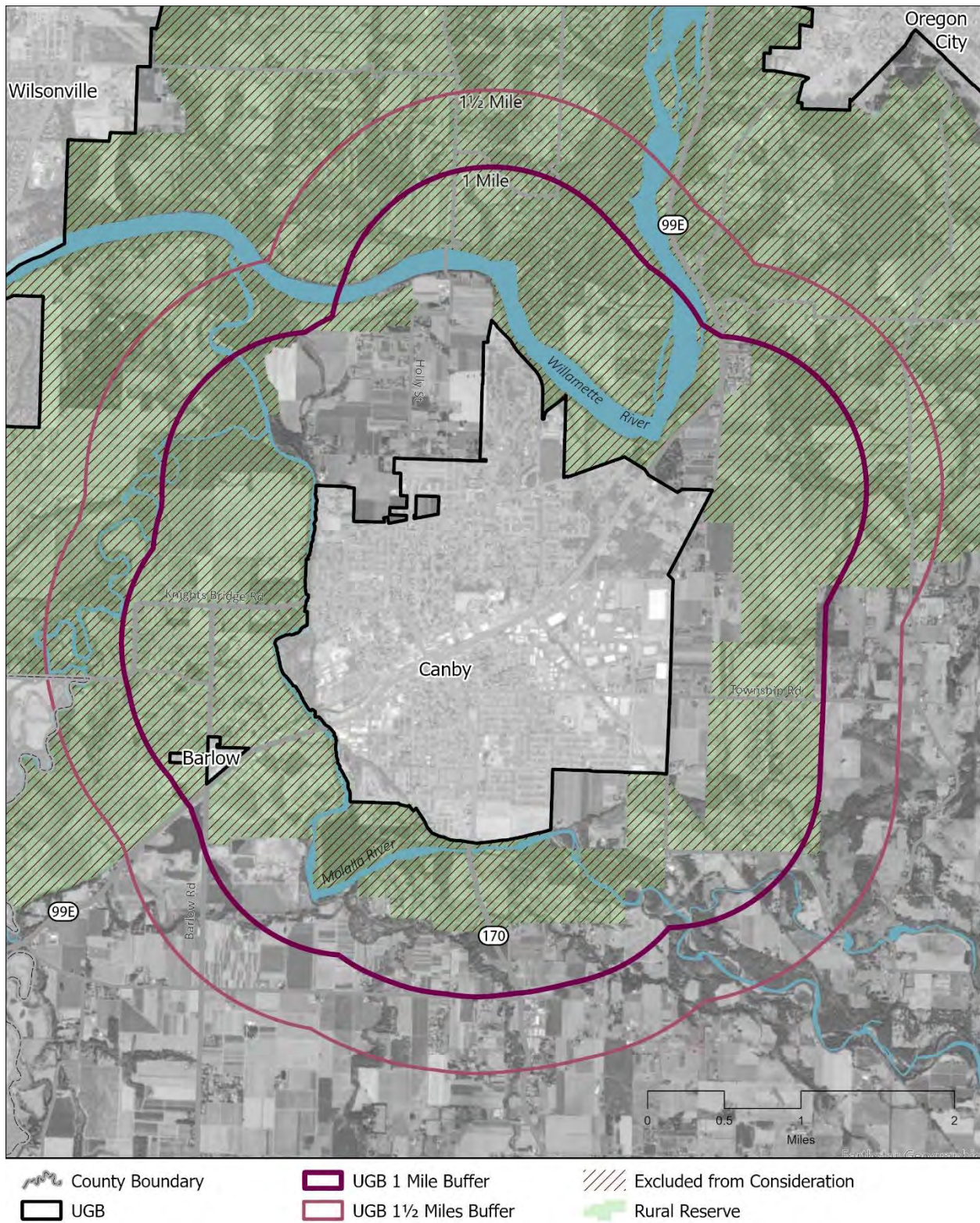
The rural reserves that surround the existing Canby UGB cannot be included in any UGB amendments pursuant to OAR 660-027-0040(4), which states:

(4) Neither Metro nor a local government may amend a UGB to include land designated as rural reserves during the period described in section (2) or (3) of this rule, whichever is applicable.

The City finds that due to the inability to include rural reserves in a UGB, these lands are isolated from existing services and are considered impracticable to provide services to. All lands that are designated as Rural Reserves are excluded from the Preliminary Study Area. The excluded Rural Reserve areas are illustrated in Figure 5.



Figure 5. Exclusion of Rural Reserves



Exclusion of Major Rivers: Impracticable to Provide Services – Impediments to Service

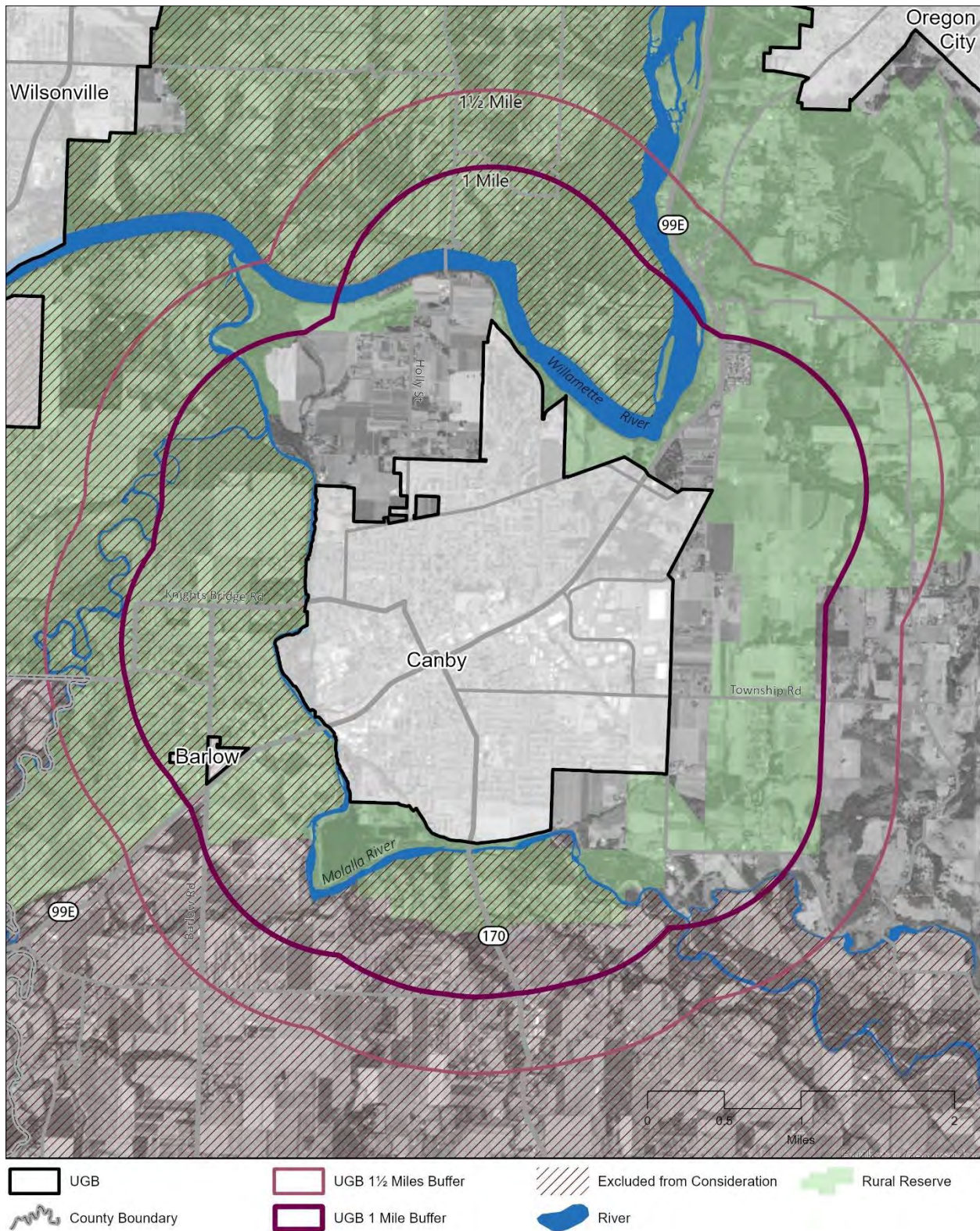
Land in the Preliminary Study Area that is across the Willamette or Molalla rivers from the current City and UGB are excluded due to the areas being impracticable to provide with necessary public facilities. The exclusion of these lands from the Preliminary Study Area is allowed under OAR 660-024-0065(7)(b & c) due to these areas being isolated from existing service networks by “physical impediments” to service provision.

Major rivers or other water bodies that would require a new bridge crossing to serve planned urban development are included as an example of “impediments to service provision” in OAR 660-024-0065(7)(c). The City’s determination to remove these lands from the Preliminary Study Area is based on the likely cost of facilities and services that would be necessary to serve the areas across the two rivers.

All lands that are across the Willamette River and the Molalla River from the existing UGB are excluded from the Preliminary Study Area. The excluded areas are illustrated in Figure 6. Overlap exists between the land across the two rivers from the existing UGB, and lands excluded to the Rural Reserve designation.



Figure 6. Exclusion of Major Rivers



Exclusion of Madrona Road Area: Impracticable To Provide Services – Impediments To Service – Amount Of Development And Cost Of Facilities And Services

The City may exclude land from the Preliminary Study Area based on an evaluation of the likely amount of development that could occur on the land within the planning period (OAR 660-024-0065(7)(b)(A)) and the likely cost of facilities and services (OAR 660-024-0065(7)(b)(B)). The following tax lots north of the current Canby UGB and east of Highway 99-E that abut Madrona Lane are excluded from the Preliminary Study Area:

31E26: 1401, 1501, 1502, 1601, and 1603

31E27DA: 100, and 102

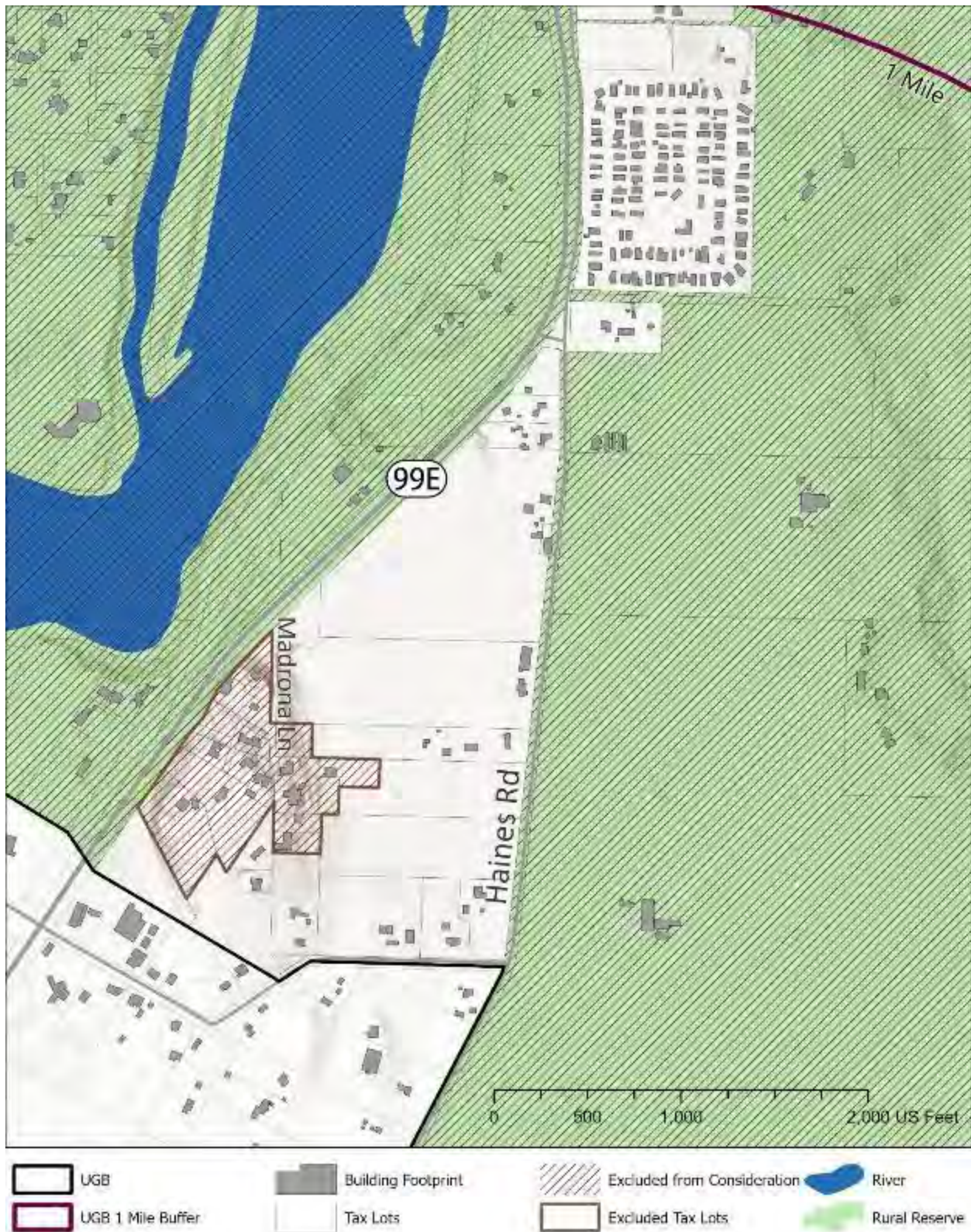
31E27AD: 300, 400, 500, 501, 600, 700, 800, and 900

The City of Canby City Engineer of Record, Curt J. McLeod, PE, from CURRAN-McLEOD, INC. found the tax lots to be impracticable to serve within the planning period due to extremely high construction costs to extend infrastructure to the area due to rock excavation, steep slopes, many required easements, and disruption to landscaping. In addition, the area would yield few additional development sites due to the existing development pattern and unbuildable steep slopes. The infrastructure cost per new lot would exceed the value of the lots. The full letter from Curt McLeod, PE is included with this memo as Appendix 1.

The excluded area described in this section is demonstrated in Figure 7.



Figure 7. Exclusion of Madrona Road Area



Exclusion of Special Flood Hazard Areas: Significant Development Hazards – Flooding

Lands may be excluded from the Preliminary Study Area if the City determines that there are significant development hazards due to a risk of flooding including inundation during storm surges. There are several areas that meet the definition in OAR 660-024-0065(4)(b)(B) that are excluded because they are within the SFHA identified on the FIRM. The City excluded the areas within the SFHA on the following tax lots:

31E29A: 200, 300, 401, and 500 located along the Molalla River to the west of the City.
31E29D: 300, and 200 located along the Molalla River to the west of the City.
41E03: 2400, 2500, 2600, 2601, and 2602 located along the Molalla River to the south-east of the City.

The excluded areas on these properties are illustrated in Figures 8 and 9. Only the areas subject to identified SFHA are excluded from these properties.

The City decided not to exclude all areas within the Preliminary Study Area that contain identified SFHA land at this stage of the process in order to keep these lands in the Study Area for further analysis.

Exclusion of Steep Slopes: Impracticable to provides necessary public facilities or services

The City may exclude land from the Preliminary Study Area because it is impracticable to provide necessary facilities or services to the land within the planning period based on an evaluation of the likely amount of development that could occur on the land within the planning period (OAR 660-024-0065(7)(b)(A)). Areas with steep slopes are excluded for this reason.

The same areas described above as excluded due to presence of SFHA land contain areas of land that have slopes of 25 percent or greater. These areas do not meet the definition of buildable land as they are over 25 percent slope. While this term is only applied to residential land in this context, this heavily sloped land, if kept in the Preliminary Study Area, would not be considered suitable for industrial uses because it contains slopes of more than 10 percent.

Based on the likely amount of development that could occur during the planning period, the City excluded the areas with steep slopes on the following tax lots:

31E29A: 200, 300, 401, and 500 located along the Molalla River to the west of the City.
31E29D: 300, 200, and 210 located along the Molalla River to the west of the City.
41E03: 2400, 2500, 2600, 2601, and 2602 located along the Molalla River to the south-east of the City.

The excluded areas on these properties are illustrated in Figures 8 and 9. Only the areas with slopes of more than 25 percent are being excluded from these properties.

The City decided not to exclude all areas within the Preliminary Study Area that contain slopes of 25 percent at this stage of the process in order to keep these lands in the Study Area for further analysis.



Figure 8. Exclusion of SFHAs and Steep Slopes West of the Existing UGB

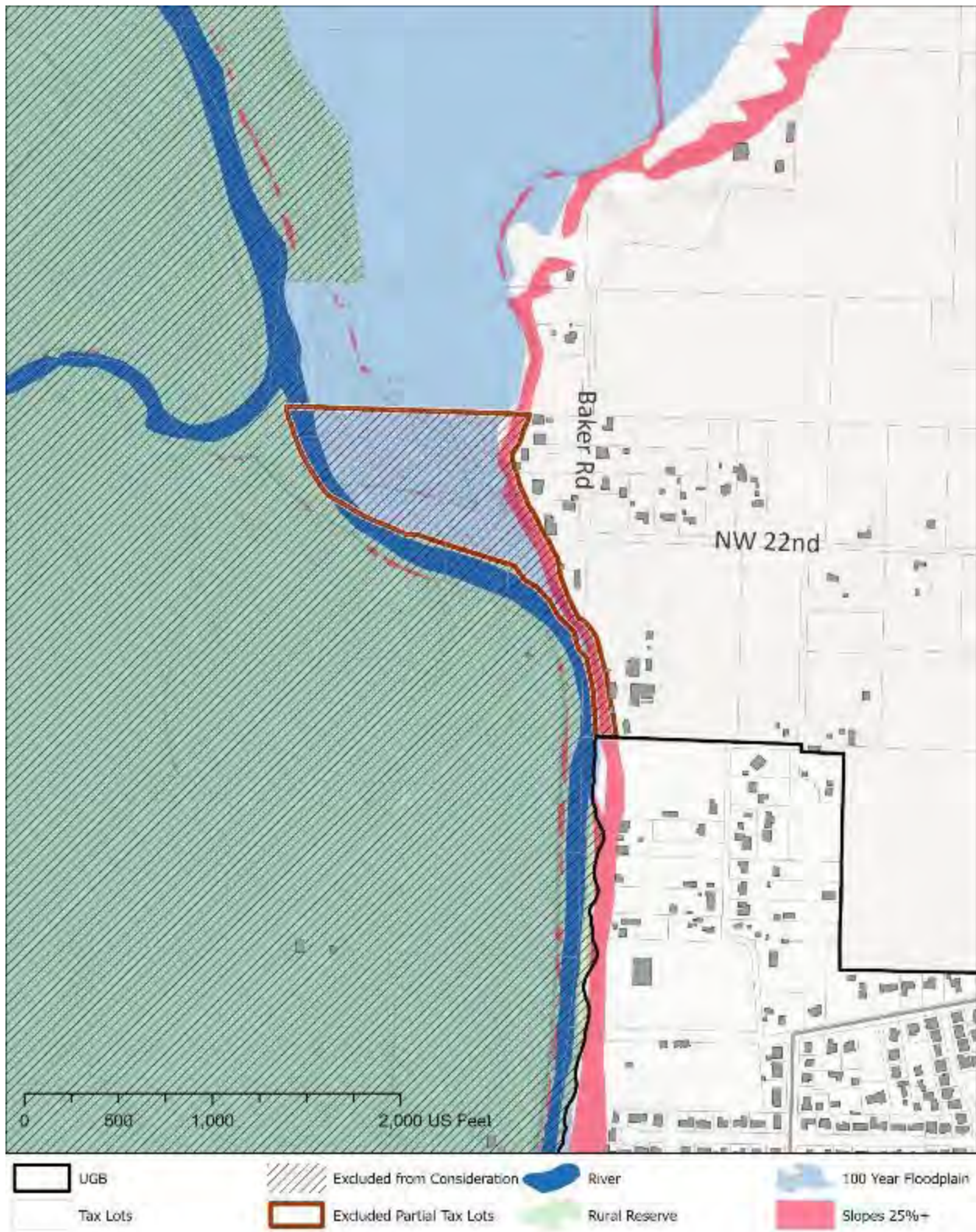


Figure 9. Exclusion of SFHAs and Steep Slopes Southeast of the Existing UGB.



Exclusion Areas Conclusion

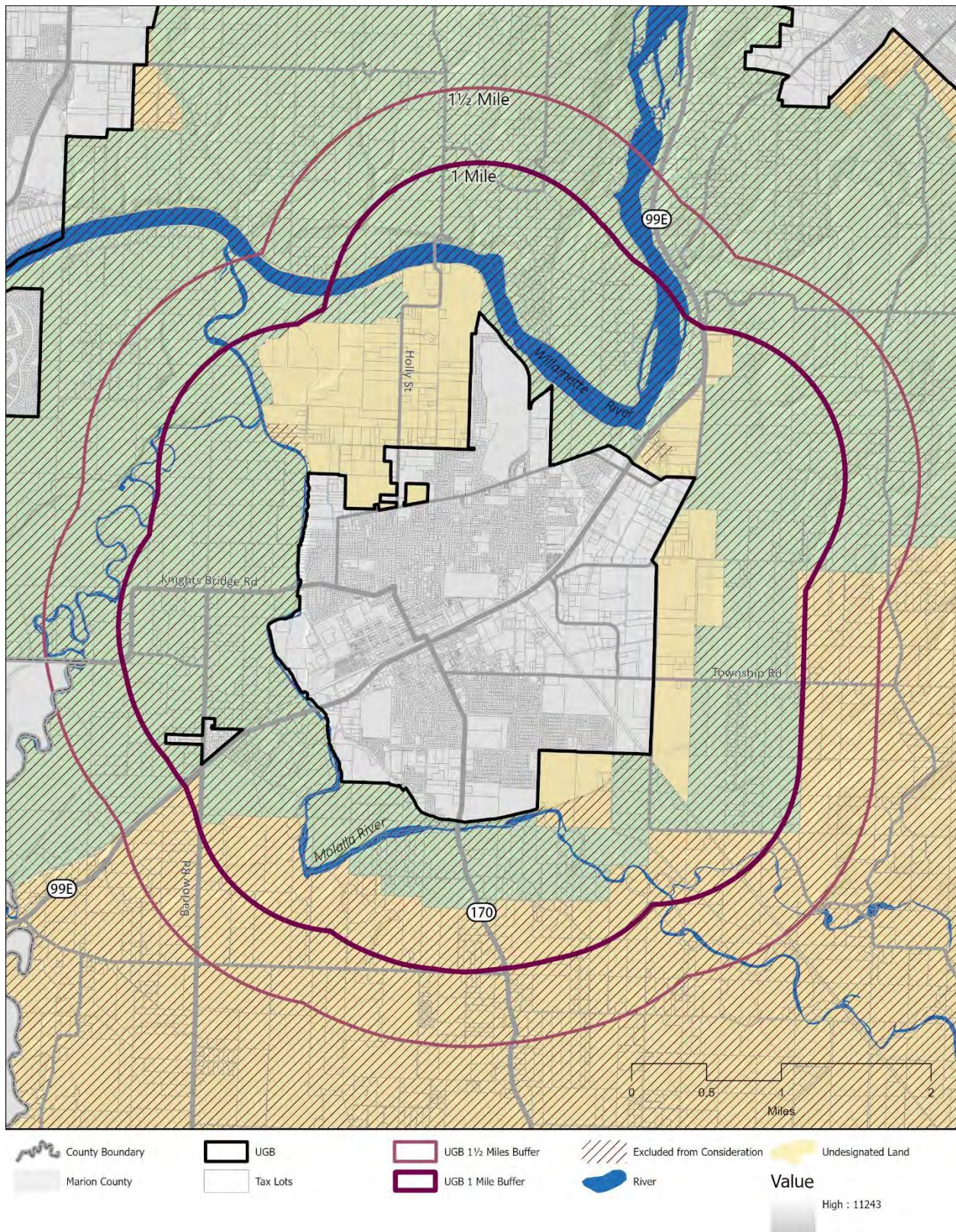
In summary, lands from the Preliminary Study Area were excluded using the provisions allowed in OAR 660-024-0065. All excluded lands are shown in the above figures. Upon exclusion of these lands, several locations that are inside the one-and-a-half-mile Preliminary Study Area buffer are now physically separated from the existing UGB. Lands that are physically separated through the above exclusions are no longer considered for inclusion into the UGB as there would not be a contiguous boundary. Providing necessary services to non-contiguous areas within the Study Area is impracticable.

Other areas of land within the Preliminary Study Area, specifically those that are within the SFHA, or contiguous areas of at least 5 acres where 75 percent or more of the land has a slope of 25 percent or greater, remain in the Study Area for further analysis. There are no further adjustments or exclusions to the Study Area.

All excluded areas from consideration are illustrated in Figure 10.



Figure 10. Land Excluded from the Preliminary Study Area



Create Study Area

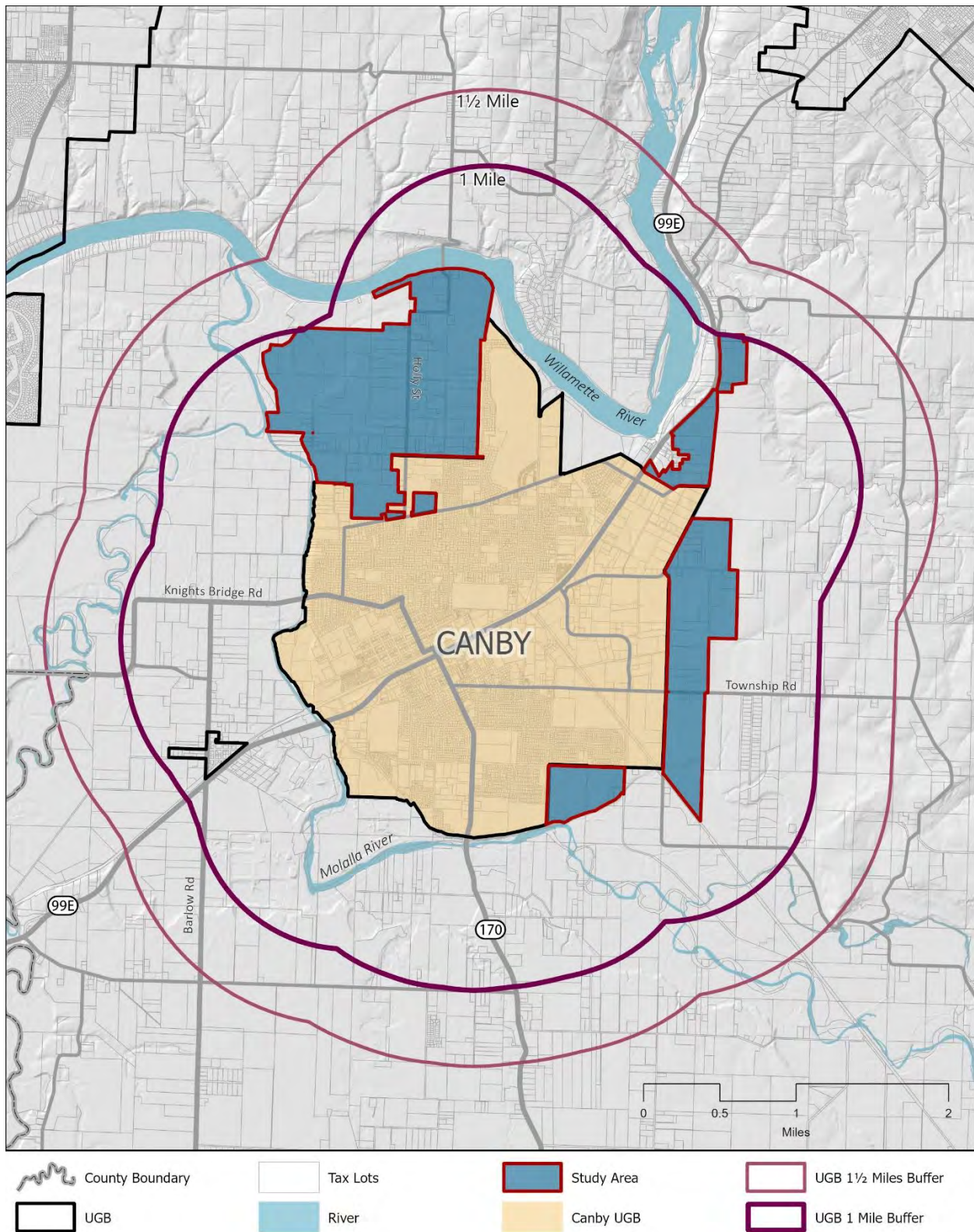
The land need after applying efficiency measures, as determined in Chapter 2, is 538.0 acres. Total acreage in the final Study Area is 1,555.4 acres after all exclusions. OAR 660-024-0065(5) requires that the Study Area contains at least twice the amount of land needed for the deficiency determined in OAR 660-024-0050(4) and described in Chapter 2. The amount of land in the Study Area meets this threshold.

Figure 12 illustrates the Study Area, which includes 1,555.4 gross acres on 201 tax lots. The Study Area consists only of undesignated lands that currently have Clackamas County zoning designations of Rural Residential Farm Forest 5-Acre (RRFF5) or Exclusive Farm Use (EFU).

The City finds that the Study Area shown in Figure 11 complies with the requirements of OAR 660-024-0065 by establishing a Study Area to evaluate land for inclusion to a UGB.



Figure 11. Canby UGB Expansion Study Area



4. Analyze Study Area

The process for evaluating and prioritizing land for inclusion in the UGB is described in OAR-660-024-0067(2). The highest priority land for inclusion is analyzed for suitability to meet the deficiency for both the employment and residential land need. If there is no excess of suitable first priority land, then all of those lands are established as areas for inclusion into the UGB. If a deficiency of land still exists after the highest priority suitable lands are established for inclusion, the next highest priority of land is analyzed for suitability. If there is an excess of suitable land in a particular priority category, the City will choose which lands in that priority to include into the UGB by applying the boundary location factors of Goal 14. The Goal 14 boundary location factors are used to compare alternative locations and determine which of the excess lands in a particular priority category are most suitable for inclusion into the UGB.

Establish Subareas

This section provides details about soils and other boundary related considerations to describe the basis for establishing subareas within the Study Area. The boundaries of the subareas are determined by the existing edges of undesignated lands, exception lands, tax lots, and soil types. For non-exception lands, soil types and classifications are considered so that areas of predominantly higher capability soils are not grouped together with areas of soils predominantly of lower capability. The subareas do not contain a mix of exception land and resource lands, and do not include any land designated as rural reserves.

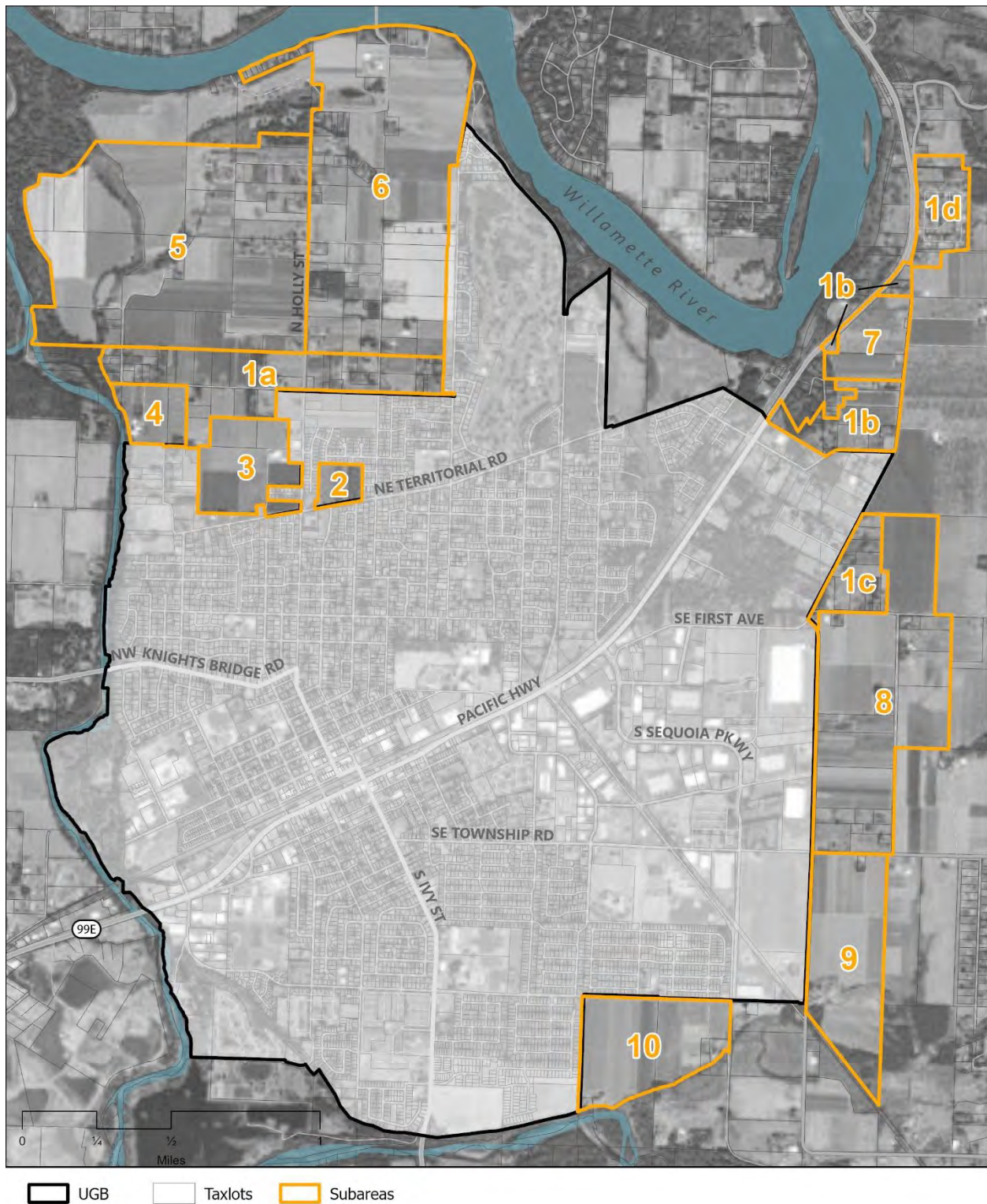
Figure 12 shows the subareas within the Study Area. The subareas and their size in acres are demonstrated in Table 8.

Table 8. Subarea Tax Lots and Acres

Subarea	Number of Tax Lots	Total Acres (Gross)
1a	49	115.9
1b	16	50.0
1c	14	34.3
1d	7	39.0
2	1	13.0
3	3	60.8
4	3	27.8
5	26	392.5
6	60	345.8
7	3	40.5
8	19	228.0
9	2	112.0
10	5	95.9
Total	208	1,555.4



Figure 12. Study Area Subareas



Suitability Criteria

Suitability criteria are defined in OAR 660-024-0067(5)(a-g):

- Parcelization: land consisting primarily of parcels 2-acres or less in size
- Existing development patterns: land that cannot be reasonably redeveloped or infilled within the planning period due to the location of existing structures and infrastructure
- Land that could have been excluded from the Preliminary Study Area, but was included pending more detailed analysis
- Land subject to Goal 5 protections
- For industrial uses, land that is over 10 percent slope or is smaller than 5 acres
- For industrial uses, land that cannot be improved to provide a specific site characteristic
- Land subject to a conservation easement
- Land committed to a use, such as public park, church, school, cemetery, or airport

First Priority for Inclusion (OAR 660-024-0067(2)(a))

The First Priority includes urban reserves, exception lands, and non-resource lands. Canby does not have any acknowledged urban reserves. The Study Area contains areas of exception lands and non-resource lands which are described as subareas 1a, 1b, 1c, and 1d in Figure 13.

There is a gross total of 239.2 acres of exception land in the Study Area, all with existing County zoning designation of Rural Residential Farm Forest 5-Acre (RRFF5). The exception lands are grouped into subareas determined primarily by their county zoning designations. Consideration was also given to existing tax lot boundaries, existing rights-of-way, and soil types when determining the separate exception land subareas.

Other exception lands that are within the one mile, and one and one-half mile buffers were previously excluded as described in Chapter 3, using the exclusion criteria of OAR 660-024-0065.

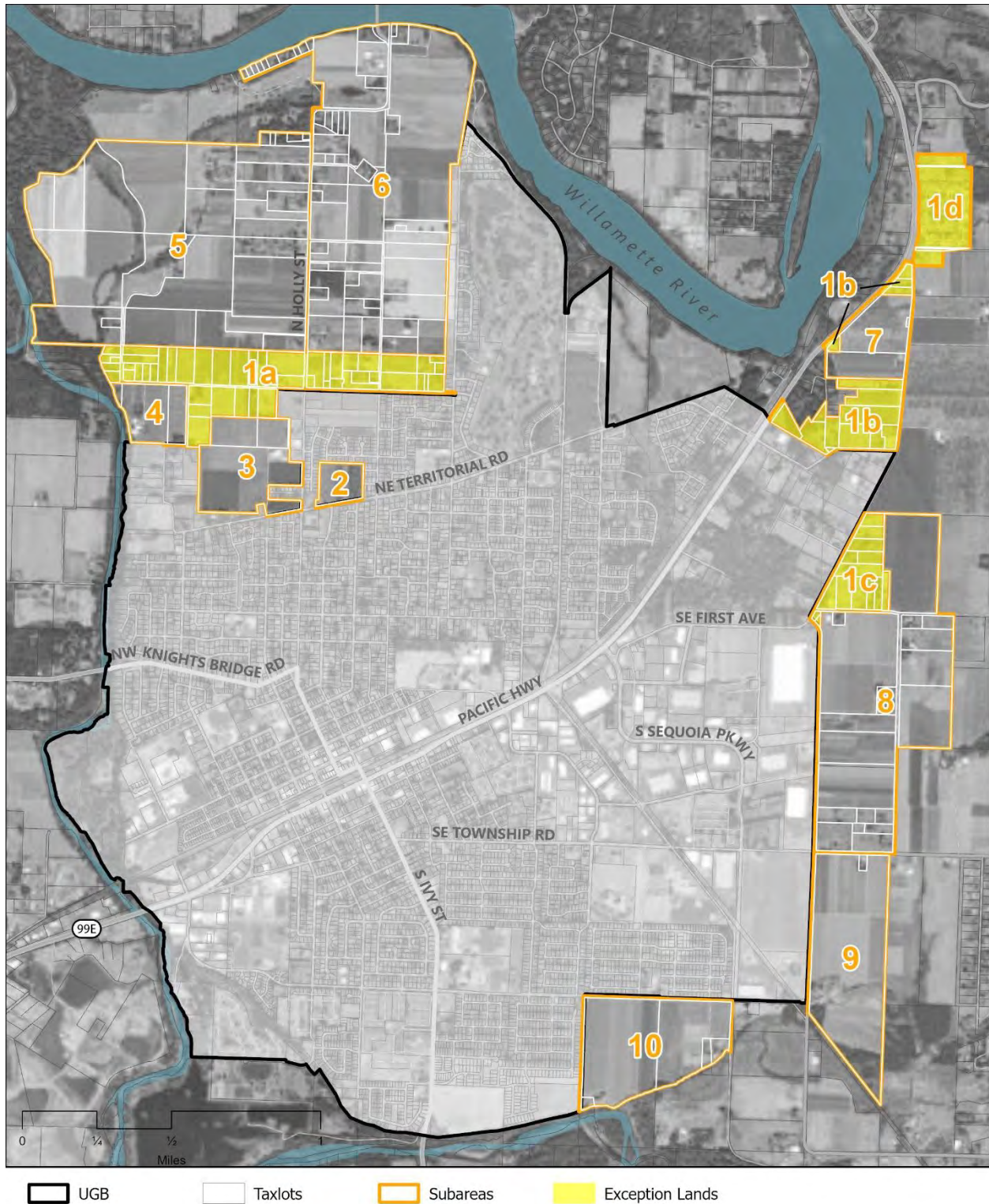
In accordance with OAR 660-024-0067(2)(a), these land areas are the highest priority for inclusion into the UGB. With respect to the suitability criteria of OAR 660-024-0067(5-6) the City determined how much of that land is suitable to meet the need deficiency.

First Priority Suitability Criteria

As established, the exception lands in the Study Area are the highest priority for inclusion due to their non-resource Clackamas County zoning designation. Tables 9, 10, and 11 demonstrate suitability for inclusion to meet the land need, which are separated into commercial, industrial, and residential uses. The columns in each table are based on suitability criteria in OAR 660-024-0067(5).



Figure 13. Exception Land and Subareas



Acres that are considered unsuitable include areas that could have been previously excluded from the Study Area. These acres are unsuitable as lands subject to natural hazards (flooding) or lands that are contiguous of at least 5 acres where 75 percent or more of the land has a slope of 25 percent or greater. These unsuitable lands are grouped together in the “Exclusion Acres” column in the tables and are subtracted from the amount of suitable lands in a given subarea.

Wetlands within the Study Area are also unsuitable based on Canby Development Code Chapter 16.140. The Willamette River Greenway, and streams with regulatory buffers are all unsuitable.

Some overlap exists between unsuitable lands that qualify for exclusion, and unsuitable lands that contain Goal 5 resources. The analysis makes note of these overlapping unsuitable areas and does not count them twice in the tables. There are no historic resources in subareas 1a, 1b, 1c, and 1d.

None of the lands in the Study Area contain conservation easements or committed uses, as described in OAR 660-024-0067(5)(f-g), therefore they are not included in any of the tables.

Table 9 shows that there are 239.1 acres of exception land in the Study Area, of which 200.0 acres are considered suitable to meet the less than an acre of employment land need for commercial uses, after applying the suitability criteria of OAR 660-024-0067(5)(f-g). Subarea 1d is unsuitable for commercial use due to the existing development pattern. The land cannot be reasonably redeveloped or infilled within the planning period due to the existing manufactured home park, cemetery, and Goal 5 resource (historic structure).

Table 9. First Priority Lands Suitability – Commercial

Subarea	Total Acres	# of Tax Lots	# of Tax Lots ≤ 2 acres	Primarily 2 Acres or Less	Exclusion Acres	Goal 5 Acres	Suitable Acres
1a	115.9	49	24	No	0.0	0.0	115.9
1b	50.0	16	7	No	0.0	0.2	49.8
1c	34.3	14	7	No	0.0	0.0	34.3
1d	39.0	14	3	No	39.0	2.9	0.0
Total	239.1	79	38	-	2.9	2.9	200.0

Suitability criteria for industrial uses for employment land need based on the large amount of industrial land need determined in the EOA is shown below in Table 10.

Table 10. First Priority Lands Suitability – Industrial

Subarea	Total Acres	Acres of Tax Lots <5 Acres	Exclusion Acres	Goal 5 Acres	10% Slope	Suitable Acres
1a	115.9	103.2	0.0	0.0	0.4	12.6
1b	50.0	26.1	0.0	0.1	7.6	22.8
1c	34.3	31.5	0.0	0.0	0.0	2.7
1d	39.0	11.4	39.0	2.9	3.5	0.0
Total	239.1	172.2	39.0	3.0	11.5	38.1

Of the 239.1 acres of exception land in the Study Area, 38.1 acres are suitable for industrial employment uses after applying the suitability criteria of OAR 660-024-0067(5)(d). Much of this exception land is parcelized, more than 170 acres being made up of parcels of 5 acres or less. For this reason, the City determined that the exception land in subareas 1a, 1b, and 1c are not well-suited for heavy industrial uses, but may be suitable for a business park or other lighter



industrial uses. Subarea 1d is unsuitable for any industrial use due to the existing manufactured home park, cemetery, and Goal 5 resource (historic structure).

Table 11 shows that exception land in the Study Area has sufficient capacity to meet the residential land need and that the entire residential need can be accommodated in Subarea 1a.

Table 11. First Priority Lands Capacity – Residential

Subarea	Total Acres (Gross)	Total Lots	Lots >2 Acres	Capacity for New Housing – Units	% of Land Need Available in Subarea
1a	115.8	49	25	693	110%
1b	49.9	16	9	328	52%
1c	34.3	14	7	163	26%
1d	39.0	7	4	0	0%
Total	200.0	86	45	1,184	-----

With a land need of 538.0 acres (73.1 acres/614 new residential units, 25.7 acres parks, 439.2 acres employment), the maximum 200.0 acres of exception land are not sufficient to accommodate the entire land need. Furthermore, the exception lands are not suitable for industrial development and therefore only accommodate 98.8 acres of the land need. The analysis proceeds to the next highest priority category to determine suitability and select sufficient land in that priority to satisfy the remaining acres of land need.

Second Priority for Inclusion (OAR 660-024-0067(2)(b))

Second Priority for inclusion into the UGB are marginal lands as determined by OAR 660-024-0067(2)(b). Marginal land only applies in Lane and Washington counties. Canby is in Clackamas County and thus does not have marginal land.

The City finds that there is no second priority land within the Study Area to meet the identified land need and proceeded to the next highest priority category to determine and select for UGB inclusion.

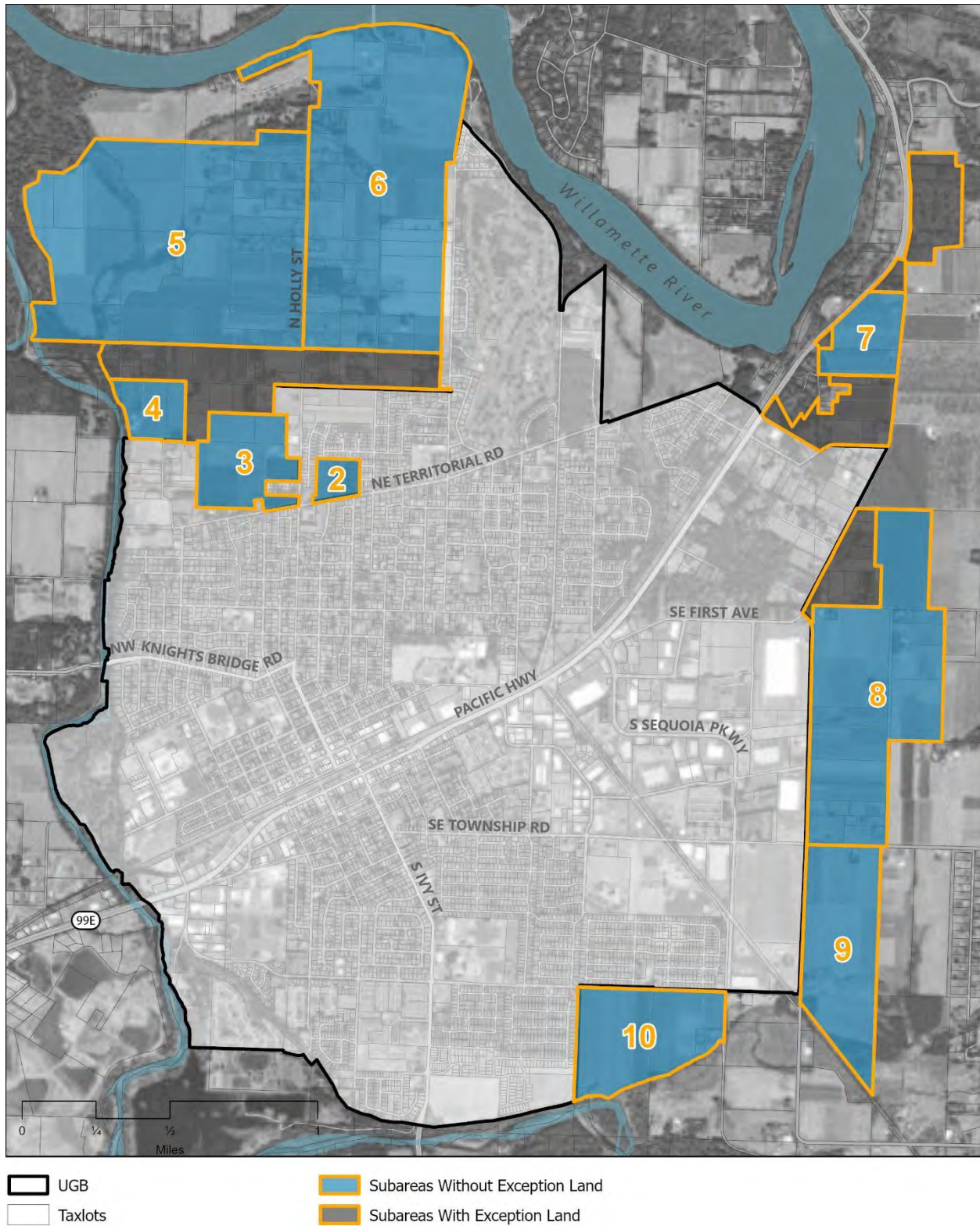
Third Priority for Inclusion (OAR 660-024-0067(2)(c))

Third Priority for inclusion into the UGB are agriculture or forest lands that are not predominantly high-value farmland (as defined in ORS 195.300 and ORS 215.710) or lands that do not consist predominantly of prime or unique soils (as determined by the United States Department of Agriculture Natural Resources Conservation Service).

Subareas 2-10, illustrated in Figure 14: Subareas Without Exception Land, are lands within the Study Area that are evaluated for the presence of third priority lands. Nearly all of lands surrounding the existing Canby UGB are considered high-value farmland as defined by ORS 215.710, which includes prime or unique farmland, consistent with the definitions from the United States Department of Agriculture (USDA) Natural Resources Conservation Service (NRCS). Therefore, all of the subareas include land that is classified as high-value farmland by one or more of the definitions in ORS 195.300(10).



Figure 14. Subareas without Exception Land



An overlap of lands considered high-value farmland based on varying definitions is demonstrated in Figure 15. These areas are primarily made up of irrigated or not irrigated soils that are classified as: prime, unique, Class I, or Class II (ORS 215.710(1)(a & b)).

Third priority analysis is focused on the non-exception lands in subareas 2-10. The City used the agricultural land capability classification system to conduct the analysis per state rules.

OAR 660-024-0067(4)(a) allows for areas of land not larger than 100 acres to be grouped together and studied as a single unit of land. In accordance with this rule, subareas 2, 3, 4, and 7 that are not larger than 100 acres are grouped together for the purposes of categorizing and evaluating land pursuant to the third and fourth priority categories.

OAR 660-024-0067(4)(b) allows for areas of land larger than 100 acres that are similarly situated to be grouped together for analysis. Most of the subareas over 100 acres in size have portions of soils of higher and lower capability grouped together. Separating the lands into smaller subareas based on agricultural land capability classification would not change the prioritization for inclusion into the UGB because the characteristics of the subareas still meet the definition of containing predominantly high-value farmland as defined in ORS 217.715. Therefore, subareas that group higher and lower capability resource lands can be grouped together and remain consistent with the intent of prioritization rule in OAR 660-024-0067(2). Table 12 demonstrates that each subarea is predominantly high-value farmland, based on the amount of prime or unique soils (acres) for each of the remaining subarea.

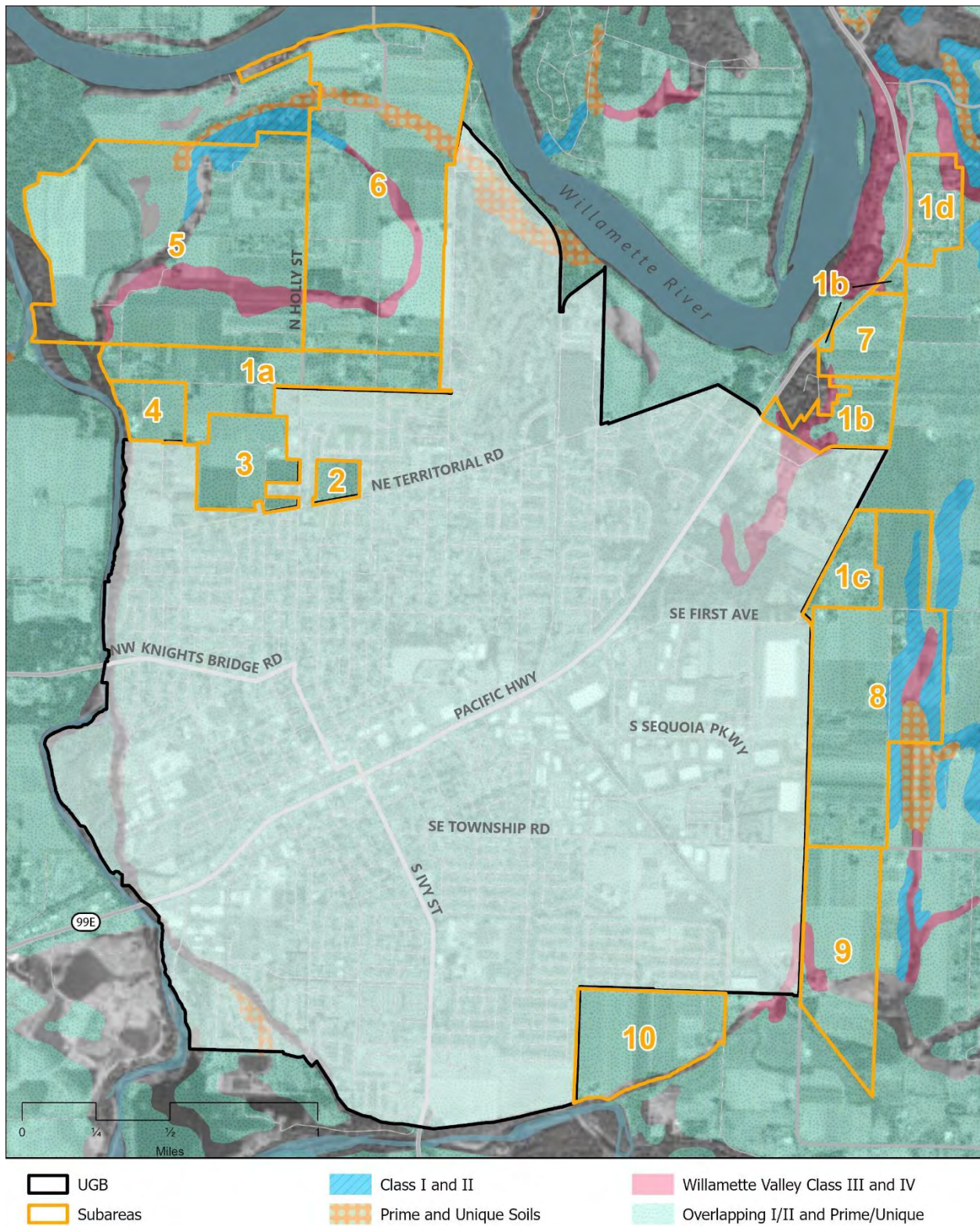
Table 12. Prime or Unique Soils

Subarea*	Total Acres in Subarea	Prime or Unique Soils (Acres) in Subarea	Percent Acres with Prime or Unique Soils
2	13.0	13.0	100%
3	60.8	60.8	100%
4	27.8	27.5	99%
5	392.5	308.4	79%
6	345.8	313.6	91%
7	40.5	39.1	97%
8	228.0	183.5	81%
9	112.0	96.7	86%
10	95.9	90.7	95%
Total	1,316.3	1,133.2	86%

*Exception land subareas not included



Figure 15. High-Value Farmland and Subareas



The subareas have considerable overlap between the various definitions that designate land as high-value farmland. Table 13 identifies the amount of high-value farmland in each subarea with each definition separated.

Table 13. High-Value Farmland by Varying Definitions

Subarea*	High Value Farmland Areas				Non High Value Farmland Acres	Total Acres	Percent High Value Farmland
	Class I & II Soils	Willamette Soils Class III & IV	Prime or Unique (not in soil subclass)	Viticultural Area (not in soil subclass/ prime or unique			
2	13.0	0.0	0.0	0.0	0.0	13.0	100%
3	60.8	0.0	0.0	0.0	0.0	60.8	100%
4	27.5	0.0	0.0	0.0	0.4	27.8	99%
5	319.7	33.9	3.4	0.0	35.5	392.5	91%
6	299.5	22.0	17.7	0.0	6.5	345.8	98%
7	39.1	0.5	0.0	0.1	0.9	40.5	98%
8	211.8	8.7	7.4	0.0	0.0	228.0	100%
9	96.7	6.7	0.0	0.0	8.7	112.0	92%
10	90.7	0.0	0.0	0.0	5.1	95.9	95%
Total	1,158.8	71.7	28.6	0.1	57.0	1,316.3	96%

*Exception land subareas not included

Each of the subareas are predominantly high-value farmland for the purposes of determining third and fourth priority of land for inclusion in a UGB as outlined in OAR 660-024-0067(2).

The remaining non-exception land subareas were evaluated for third priority inclusion. Conclusions for each subarea are as follows:

Subarea 2 – Soils on the lands in this subarea are predominantly high-value, due to the status of “Prime farmland if irrigated”, and Class I or II soils.

The City finds that Subarea 2 does not qualify as having predominantly third priority land.

Subarea 3 – Soils on the lands in this subarea are predominantly high-value, due to the status of “Prime farmland if irrigated”, and Class I or II soils.

The City finds that Subarea 3 does not qualify as having predominantly third priority land.

Subarea 4 – Soils on the lands in this subarea are predominantly high-value, due to the status of “Prime farmland if irrigated”, and Class I or II soils.

The City finds that Subarea 4 does not qualify as having predominantly third priority land.

Subarea 5 – Soils on the lands in this subarea are predominantly high-value, due to the status of “All areas are prime farmland”, “Prime farmland if irrigated”, Class I or II soils, or subclass III or IV of Latourell loam.

Approximately 35 acres of the 392.4-acre subarea are not considered high-value farmland. This non-high-value farmland is separated from the existing UGB and consists of an “island” within the SFHA boundary and a “band” of soil type that runs north to south roughly along the SFHA boundary of the subarea.

Pursuant to OAR 660-024-0067(4)(b), areas of land larger than 100 acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with



the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB.

Because the “island” and “band” of non-high-value soil is isolated from other similar types of soils, it would not present a logical separate subarea and was grouped into the greater Subarea 5. The 35.5 acres of non-high-value farmland out of the 392.4-acre subarea does not meet the threshold to be considered not predominantly high-value farmland.

The City finds that Subarea 5 does not qualify as having predominantly third priority land.

Subarea 6 – Soils on the lands in this subarea are predominantly high-value, due to the status of “All areas are prime farmland”, “Prime farmland if irrigated”, Class I or II soils, or subclass III or IV of Latourell loam.

In this subarea, 6.5 acres of non-high-value farmland exist, located on the very north portion of the subarea that is abutting the Willamette River. Pursuant to OAR 660-024-0067(4)(b), areas of land larger than 100 acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB.

Because the area of non-high-value soil along the Willamette River is isolated from other similar types of soils, it would not present a logical separate subarea and was grouped into the greater Subarea 6. The 6.5 acres of non-high-value farmland out of the 345.8-acre subarea does not meet the threshold to be considered not predominantly high-value farmland.

The City finds that Subarea 6 does not qualify as having predominantly third priority land.

Subarea 7 – Soils on the lands in this subarea are predominantly high-value, due to the status of “All areas are prime farmland”, Class I or II soils, or subclass III or IV of Latourell loam.

There are 0.9 acres of non-high-value farmland in this subarea, located to the east of East Madrona Lane in tax lot: 31E26 01300. Pursuant to OAR 660-024-0067(4)(a), areas of land not larger than 100 acres may be grouped together and studied as a single unit of land. The 0.9 acres of non-high-value farmland in the 40.5-acre subarea does not meet the threshold to be considered not predominantly high-value farmland.

The City finds that Subarea 7 does qualify as having predominantly third priority land.

Subarea 8 – Soils on the lands in this subarea are predominantly high-value, due to the status of “All areas are prime farmland”, “Farmland of unique importance”, Class I or II soils, or subclass III or IV of Dayton silt loam.

The City finds that Subarea 8 does not qualify as having predominantly third priority land.

Subarea 9 – Soils on the lands in this subarea are high-value, due to the status of “All areas are prime farmland”, Class I or II soils, or subclass III or IV of Latourell loam.

Approximately 9 acres of non-high-value resource lands exist in this subarea, located to the east of South Mulino Road in tax lot: 41E02 00600. Pursuant to OAR 660-024-0067(4)(b), areas of land larger than 100 acres that are similarly situated and have similar soils may be grouped together provided soils of lower agricultural or forest capability may not be grouped with soils of higher capability in a manner inconsistent with the intent of section (2) of this rule, which requires that higher capability resource lands shall be the last priority for inclusion in a UGB.



The 8.7 acres of non-high-value farmland within the 112.0-acre subarea does not meet the threshold to be considered not predominantly high-value farmland. Subarea 9 was created with the lower capability soils intentionally included. The City finds that there is no practical way to create the subarea to separate the higher and lower capability soils based on the location of the lower capability soils in the subarea.

The City finds that Subarea 9 does not qualify as having predominantly third priority land.

Subarea 10 – Soils on the lands in this subarea are predominantly high-value due to the status of “All areas are prime farmland” or are Class I or II soils.

Approximately 5 acres of non-high-value farmland exist in this subarea, located to the south of Southeast 13th Avenue along the boundary of the subarea in tax lots: 41E03 02400, 41E03 02500, 41E03 02600, 41E03 02601, and 41E03 02602. Pursuant to OAR 660-024-0067(4)(a), areas of land not larger than 100 acres may be grouped together and studied as a single unit of land. The 5.1 acres of non-high-value farmland within the 95.9-acre subarea does not meet the threshold for farmland that is not predominantly high-value. Subarea 10 was created with the lower capability soils intentionally included. There is no practical way to create the subarea to separate the higher and lower capability soils.

The City finds that Subarea 10 does not qualify as having predominantly third priority land.

Third Priority Conclusion

The City finds that through using the agricultural land capability classification system, there are no subareas that are not predominantly high-value farmland that can be prioritized for inclusion in the UGB to meet the land need. No lands are included using the Third Priority criteria. The City analyzed the remaining land for Fourth Priority inclusion.

Fourth Priority for Inclusion (OAR 660-024-0067(2)(d))

As dictated by ORS 195.300 and 215.710, defining high-value farmland relies on a series of soil, crop, water, and topographic analyses. Included in the 12 definitions of high-value farmland in state statutes, high-value farmland is defined as areas predominantly composed of soils classified as Class I or Class II by NRCS. Class I and Class II soils are high-value soils because they are resilient to damage, easy to manage, and have few limitations for field crops. Pursuant to OAR 660-024-0067(4)(d), predominantly means more than 50 percent of the land being evaluated. Based on these definitions, Canby's UGB Study Area is predominantly composed of Class I or Class II soils.

The Study Area is evaluated against the remaining sections of ORS 195.300 and 215.710. Land located in EFU zones within irrigation districts or water use permit holdings, the prevalence of wine grape crops, and land containing named high-value soils or specific elevations, slopes, and aspects within the Willamette Valley viticultural area are determined as high-value farmland.

Table 12 demonstrates acreage high-value Prime or Unique soils separated. Table 13 shows the different categories of high-value farmland that make up each remaining subarea. As determined, most of the remaining lands have Prime and/or Unique soils overlapping with the other definitions of high-value farmland. The presence of Prime or Unique soils are considered in the determination of farmland value; however, the predominance of Class I or Class II soils is enough to consider the entire Study Area to be predominantly high-value farmland.

Fourth Priority for inclusion into the UGB are areas of predominantly high-value farm or forest land. The Fourth Priority inclusion criteria state that a city may not select land that is predominantly made up of prime or unique farm soils, as defined by the USDA NRCS, unless



there is an insufficient amount of other land to satisfy its land need. With 98.8 acres of land need accommodated in the First Priority lands, there is a remaining land need of up to 439.2 acres after the suitability analysis for first priority lands determined that all exception lands are suitable for inclusion. The remaining non-exception resource land is being considered for Fourth Priority inclusion into the UGB to meet the land need.

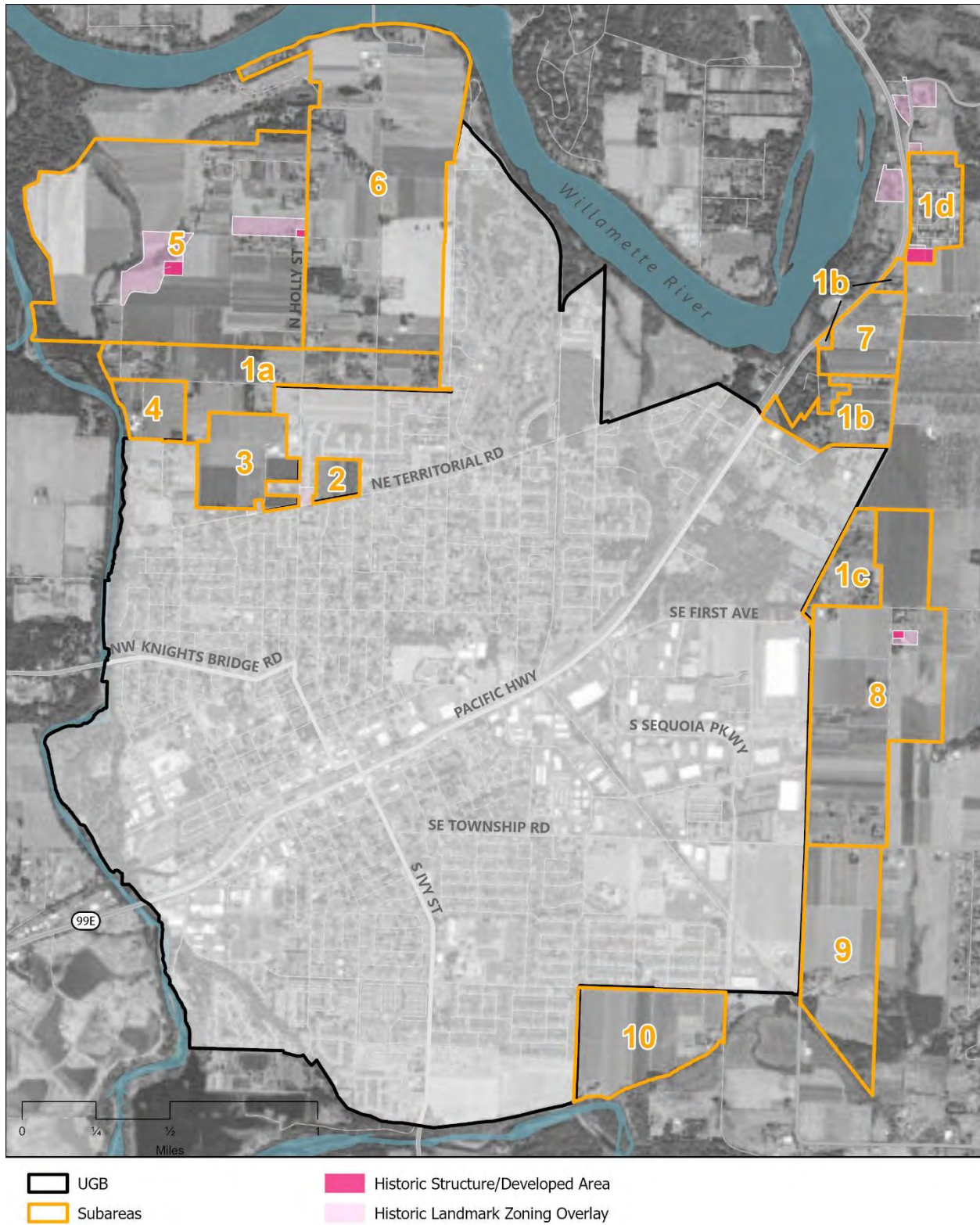
Subareas 2, 3, 4, 5, 6, 7, 8, 9, and 10 collectively have more than enough land to satisfy the identified need. The following tables demonstrate the suitability for inclusion to meet the remaining land need using the suitability criteria of OAR 660-024-0067(5). For residential and commercial uses, parcels of less than 2 acres, parcels that meet exclusion criteria (slopes of 25% or more), and parcels with Goal 5 resources are excluded. For industrial uses, parcels of less than 5 acres, parcels that meet exclusion criteria (slopes of 10% or more), and parcels with Goal 5 resources are excluded.

Goal 5 resources considered unsuitable include portions of parcels that contain historic resources. Clackamas County Goal 5 resource data identifies four historic structures that have a Clackamas County Historic Landmark (HL) overlay within the Study Area, as shown in Figure 16.

- **Kraft-Brandes-Culbertson Farmstead.** Located at 2525 N. Baker Drive, this site includes the historic barn and water tower. (Subarea 5)
- **Olson, Olaf E & Anna House.** Located at 3019 N. Holly Street, this site includes a historic garage, pumphouse, machine shed, and chicken coup. (Subarea 5)
- **Bradt, John, Farm.** Located at 10012 S New Era Road, this site includes a historic pumphouse, smokehouse, granary, pig shed, and milk shed. (Subarea 1d)
- **Freeze, Harvey & Anna, Farm.** Located at 23300 S. Blount Road, this site includes a historic woodshed and pumphouse. (Subarea 8)



Figure 16. Exclusion of Historic Landmarks.



The tax lots on which the historic structures are located are much larger than the structure(s) or Clackamas County Historic Landmark Zoning Overlay (HLZO) protections. For each of the four sites, the acreage of the footprint of the historic structure(s) was removed from the site as undevelopable, but the rest of the Clackamas County Historic Landmark Zoning Overlay (HLZO) and tax lot was left in the inventory (Table 14). One of the properties, the Kraft Brandes Culbertson Farmstead, is on the National Register of Historic Places.

Table 14. Historic Resources Sites and Acreage

Site	HLZO Acres	Structure(s) Acres
Kraft Brandes Culbertson Farmstead	19.98	1.89
Olson, Olaf & Anna House	9.86	0.47
Bradt, John Farm	2.51	2.51
Freeze, Harvey & Anna, Farm	2.48	0.61
TOTAL	34.83	5.48

Fourth Priority Suitability Criteria

As shown in Table 15, there are 1,316.3 acres of fourth priority land in the Study Area, of which 1,077.1 acres are considered suitable to meet the land need for commercial uses after applying the suitability criteria of OAR 660-024-0067(5)(f-g). This amount of land exceeds the amount necessary to satisfy the less than one acre commercial land deficiency.

Table 15. Fourth Priority Lands Suitability – Commercial

Subarea	Total Acres	# of Tax Lots	# of Tax Lots ≤2 Acres	Primarily 2 Acres or Less	Exclusion Acres ⁵	Goal 5 Acres ⁶	Suitable Acres ⁷
2	13.0	1	0	No	0.0	0.0	13.0
3	60.8	3	0	No	0.0	0.0	60.8
4	27.8	3	1	No	0.0	0.0	27.8
5	392.5	26	4	No	163.1	18.9	226.6
6	345.8	60	29	No	8.4	28.0	315.6
7	40.5	3	1	No	0.0	0.2	40.3
8	288.0	19	3	No	0.0	0.6	227.4
9	112.0	2	1	No	42.0	4.3	69.9
10	95.9	5	2	No	0.0	0.1	95.8
Total	1,316.3	129	44	-	213.7	52.0	1,077.1

The City also considered the specific suitability criteria for Industrial Uses for employment land need because there is a high need for industrial land determined in the EOA, as shown in Table 16.

⁵ Goal 5 resources include (Clackamas County GIS): Willamette River Greenway, Riparian Buffer (based on Stream Creeks Buffer attribute), Wetlands (via Title3_Wetlands layer), Historic Landmarks (via Zoning reduced to developed area of parcel).

⁶ Exclusion/Constraints include: Open Water, Floodplain, 25% slopes / 10% for industrial.

⁷ Acreage deductions may overlap (e.g., Exclusion Acres, Goal 5 Acres, 25%/10% Slope Acres) so that Suitable Acres do not reflect a total deduction of each deduction column.



Table 16. Fourth Priority Lands Suitability – Industrial

Subarea	Total Acres	# of Tax Lots	Acres of Tax Lots <5 Acres	Exclusion Acres	Goal 5 Acres	10% Slope Acres	Suitable Acres
2	13.0	1	0.0	0.0	0	0	13.0
3	60.8	3	0.0	0.0	0	0	60.8
4	27.8	3	1.2	0.0	0	0	26.6
5	392.5	26	11.6	163.1	18.9	20.7	195.3
6	345.8	60	87.6	8.4	28.0	27.9	227.1
7	40.5	3	0.2	0.0	0.2	1.6	38.5
8	228.0	19	21.3	0.0	0.6	13.9	192.9
9	112.0	2	0.9	42.1	4.3	1.0	68.0
10	95.9	5	5.2	0.0	0.1	1.1	90.1
Total	1,316.3	122	128.0	213.6	52.1	66.2	912.3

Of the 1,316.3 acres of fourth priority land in Study Area 912.3 acres are suitable for industrial employment uses after applying the suitability criteria of OAR 660-024-0067(5)(d). This amount of land exceeds the amount necessary to satisfy the need deficiency.

Table 17 shows that the 1,316.3 gross acres of fourth priority land has the capacity to meet the residential land need, however, 100% of Canby's residential land need can be accommodated in first priority lands.

Table 17. Fourth Priority Lands Capacity – Residential

Subarea	Total Acres (Gross)	Total Lots	Lots >2 Acres	Capacity for New Housing – Units
2	13.0	1	1	78
3	60.8	3	3	374
4	27.8	3	2	160
5	392.4	26	22	1,405
6	345.8	60	31	1,795
7	40.5	3	2	232
8	227.9	19	16	1,313
9	112.0	2	1	463
10	95.9	5	3	546
Total	1,316.3	122	88	6,366



5. Goal 14 Location Factors Analysis

With an excess of suitable fourth priority lands, the subareas must be analyzed with the Goal 14 Location Factors pursuant to OAR 660-024-0067(1)(c) to determine which of the subareas are best suited for inclusion into the UGB to satisfy the remaining land need.

A boundary location analysis compares alternative locations and considers which addition to the UGB will result in the most accommodating and cost-effective boundary, while creating the fewest conflicts with neighboring land uses, and causing the least amount of negative environmental, economic, social, and energy consequences through expansion.

The boundary location analysis process is governed by Goal 14 and ORS 197A.285 and with consideration of the following factors:

- Efficient accommodation of identified land needs;
- Orderly and economic provision of public facilities and services;
- Comparative environmental, energy, economic and social consequences; and
- Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.

These factors are weighed equally to form a balanced analysis and considered sequentially. The analyses do not provide definitive conclusions as to where the UGB should expand, but rather, provide data necessary for an informed decision about how the City should grow over the coming decades.

Combined, the 20-year land need for residential and associated uses and employment land needs is 538.0 acres. The first priority for inclusion is the 199.9 acres of exception lands, leaving 341.8 acres of unmet land need.

The following sections provide the necessary evaluation of proposed lands being considered for the expansion area.

Goal 14 Location Factor 1

Several criteria determine the efficiency of subarea inclusion – proximity to the existing UGB and city center, average parcel size, and compatibility with adjacent land uses.

Proximity

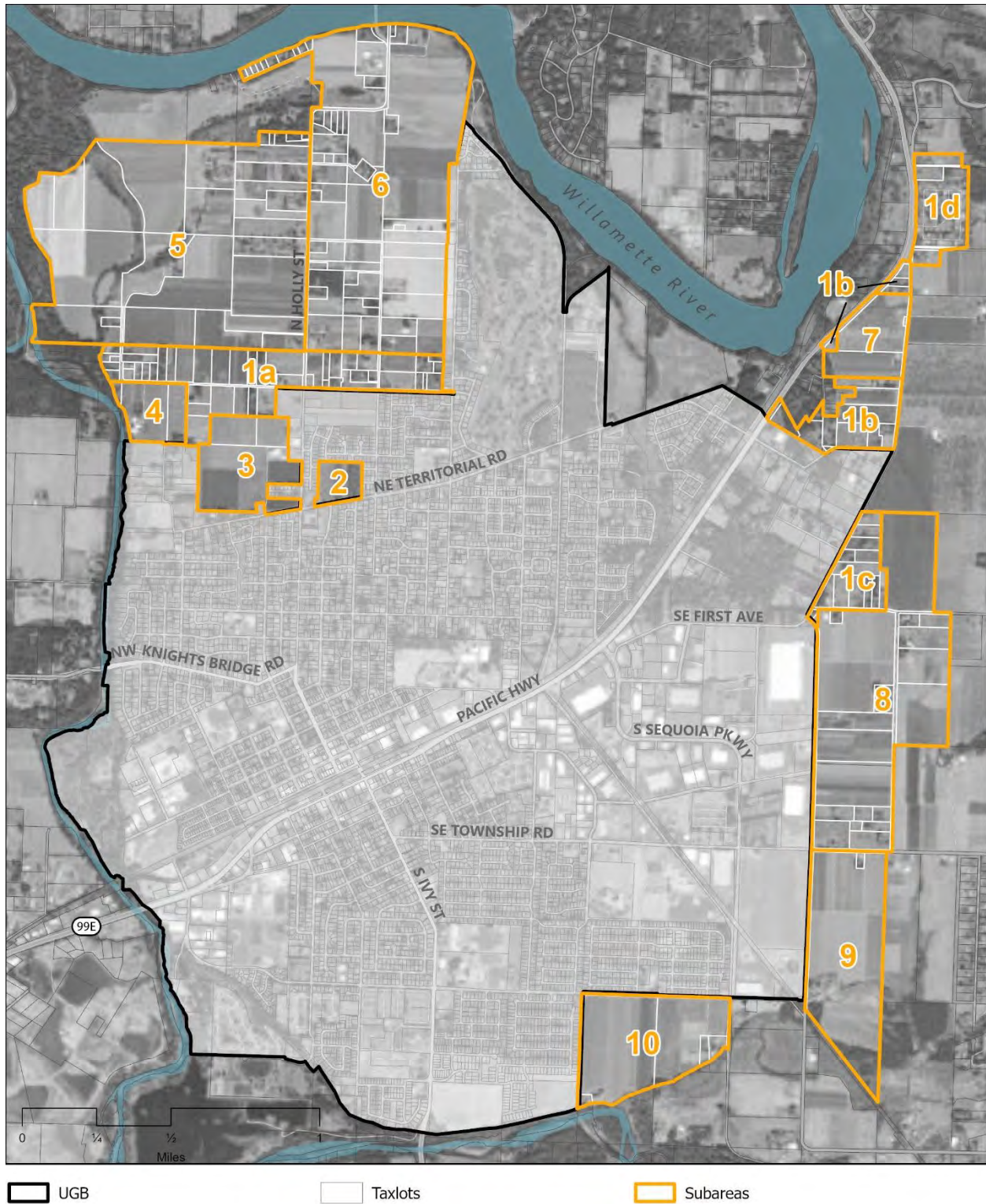
Land adjacent to the existing UGB offers multiple benefits:

- Leverages prior infrastructure investments
- Provides access to current services and amenities
- Supports downtown businesses
- Reduces VMT and supports active modes of transportation (walking and biking)
- Increases housing choice and promotes affordability
- Preserves valuable agriculture and forest land

An ideal expansion area is directly adjacent to a current UGB free of major barriers and with all land within ¼ mile of the UGB. “Leapfrog” development is growth that bypasses closer available land, relies on new infrastructure investments, increases car-dependency, and results in greater overall land consumption. Subarea locations and tax lots are shown in Figure 17.



Figure 17. Study Area Subareas and Tax Lots



Parcel Size

Larger parcels facilitate development more efficiently, since smaller parcels often need to be consolidated. Large tracts tend to offer a higher rate of return on investment for developers and as stated above in Chapter 2, the EOA identifies large lots for industrial in the land need. Diversity of tract sizes can also be advantageous for residential and neighborhood-scale commercial land need. Parcel size is also used in calculating the capacity of each subarea to supply new residential units in Table 18. Capacity calculations rely on OAR 660-024-0067(6)(a) for assumptions on parcels less than 2 acres. Parcels greater than 2 acres are calculated on an average density by zone from the Housing Needs Analysis for buildable land (gross acres for all parcels greater than 2 acres minus environmental constraints common to residential development, minus existing structures and right-of-way).

Compatibility

Ensuring that new development is compatible with adjacent uses is an essential component of Location Factor 1 – the efficient accommodation of identified land needs. While the specific focus of Location Factor 4 is compatibility with nearby farm and forest activities, this factor looks at compatibility with adjacent urban uses. Compatibility is essential for maintaining protecting public health, reducing land use conflicts, and the effective use of infrastructure more effectively.

Based on community feedback, residential uses are more appropriate for subareas in the northwest portion of the Study Area (1a, 2, 3, 4, 5, 6). Subareas to the northeast (1b, 1c, 7) could be appropriate for either residential or employment uses. Subarea 1d is currently developed with a manufactured home park, cemetery, and historic structure. Employment uses are more appropriate in the eastern subareas (8, 9). Subarea 10 to the south could be compatible with residential or employment uses.

Table 18 summarizes subareas 2-10 relative to efficiently accommodate identified land needs.

Table 18. Evaluation of Factor 1 Characteristics

Subarea	Evaluation/Comments (Proximity, Parcel Size, Suitable Land)
2	Subarea 2 is very well-suited for efficient residential development • Located entirely within Canby city limits • One 13-acre parcel • All of the 13 acres are suitable for residential development
3	Subarea 3 is very well-suited for efficient residential development • Surrounded on three sides by Canby city limits • 3 parcels totaling nearly 61 acres • Nearly all of the 61 acres are suitable for residential development
4	Subarea 4 is well-suited for efficient residential development • South boundary abuts Canby city limits; north and east boundaries abuts exception land (subarea 1a) • 3 parcels totaling 27.8 acres • All 27.8 acres are suitable for residential development • Subarea 4 is currently operating as a very successful dahlia farm. Swan Island Dahlias is a cultural institution and economic generator in Canby and is unlikely to be redeveloped in the future.⁸

⁸ A Swan Island Dahlias Forever Stamp was released in April 2025. [2025 - Dahlia Stamp Release April 26, 2025 | Swan Island Dahlias | Swan Dahlias](#)



Subarea	Evaluation/Comments (Proximity, Parcel Size, Suitable Land)
5	Subarea 5 is not currently well-suited for efficient urban development • Does not abut Canby city limits; south boundary abuts exception land (subarea 1a) • 26 parcels totaling 393 gross acres; includes 381 acres on 20 parcels larger than 5 acres • 226.6 of 392 acres are suitable for residential use due to significant Goal 5 constraints
6	Subarea 6 is well-suited for efficient residential development • Most of east boundary abuts Canby city limits; south boundary abuts exception land (subarea 1a) • 60 parcels totaling 346 gross acres; includes 258 acres on 15 parcels larger than 5 acres; nearly half the parcels are less than one acre • 315.6 of 346 acres are suitable for residential use
7	Subarea 7 is well-suited for efficient urban development • Does not abut Canby city limits; south boundary abuts exception land (subarea 1b) • 3 parcels totaling 40.5 gross acres; includes 40.3 acres on 2 parcels larger than 5 acres • 38.5 acres are suitable for industrial use
8	Subarea 8 is very well-suited for efficient employment development • West boundary abuts Canby city limits; north boundary abuts exception land (subarea 1c) • 19 parcels totaling 228 gross acres; includes 207 acres on 10 parcels larger than 5 acres • 192.9 acres are suitable for industrial use
9	Subarea 9 is well-suited for efficient employment development • West boundary abuts Canby city limits • 2 parcels totaling 112 gross acres; including 111 acres on 1 parcel • 68.0 acres are suitable for industrial use
10	Subarea 10 is very well-suited for efficient urban development • West and north boundaries abut Canby city limits • 5 parcels totaling 96 gross acres; includes 91 acres on 2 parcels larger than 5 acres • 90.1 acres are suitable for industrial use

Findings

Contiguity with existing city limits/UGB is the most practical and efficient means for expansion. Subarea 2 lies entirely within the existing boundary. Subareas 3, 4, 6, 8, 9, and 10 are all contiguous with the existing boundary and several (3, 4, 6, 8) are also contiguous with exception land. Subarea 7 is surrounded by exception land that will be brought into the UGB but is not contiguous with the existing boundary. Subarea 5 is contiguous with exception land, but not with the existing boundary.

The 74 acres of unconstrained land in subareas 2 and 3 are the best candidates for residential expansion due to their location land in between the existing UGB and the identified exception land. They are not suitable for industrial uses due to adjacent residential development. Subareas 8 and 9 are the best candidates for industrial expansion given proximity to the existing UGB and the presence of large parcels, even though the amount of suitable land is lower due to environmental constraints.

Goal 14 Location Factor 2

Factor 2 requires the City to consider opportunities for orderly and economic provision of public facilities and services. This section focuses on provision of roads, water, sanitary, and wastewater services and evaluates the advantages and disadvantages for expansion for each subarea for these services.



TRANSPORTATION

The transportation goals and objectives in the OAR Chapter 660 Division 12, Transportation Planning were reviewed to help inform the development of the transportation evaluation criteria for the UGB expansion subareas. The relevant objectives included as part of Chapter 660 are identified below:

- (a) Provide safe transportation for all Oregonians;
- (b) Promote the development of transportation systems adequate to serve statewide, regional, and local transportation needs;
- (c) Provide a transportation system that serves the mobility and access needs of those who cannot drive and other underserved populations;
- (d) Provide for affordable, accessible and convenient transit, pedestrian, and bicycle access and circulation, with improved connectivity to destinations people want to reach, such as education facilities, workplaces, services, shopping, places of worship, parks, open spaces, and community centers;
- (e) Reduce pollution from transportation to meet statewide statutory and executive goals to reduce climate pollution;
- (f) Recognize and remedy impacts of past practices that have harmed underserved populations, such as redlining, displacement, exclusionary zoning, inaccessible design, and roadway and other public infrastructure siting;
- (g) Engage underserved populations in decision-making and prioritize investments serving those communities;
- (h) Facilitate the safe flow of freight, goods, and services within regions and throughout the state through a variety of modes including road, air, rail, and marine transportation;
- (i) Protect the functions of existing and planned transportation facilities, corridors, and sites;
- (j) Provide for the construction and implementation of transportation facilities, improvements, and services necessary to support acknowledged comprehensive plans;
- (k) Identify how transportation facilities are provided on rural lands consistent with the statewide planning goals;
- (l) Protect and restore safe passage for fish and wildlife, flood waters, and other natural system functions at roadway crossings of waterbodies and other native habitat corridors;
- (m) Require coordination among affected local governments and transportation service providers and consistency between state, regional, and local transportation plans; and
- (n) Encourage changes to comprehensive plans to be supported by adequate planned transportation facilities for all modes.

The following transportation evaluation criteria were used to qualitatively assess the subareas considered for potential UGB expansion against Factor 2 for transportation:

- **Accessibility and Connectivity:** Has proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.



- **Safety and Security:** Has safe and convenient multi-modal access to destinations for people of all ages and abilities.
- **Healthy People and Environment:** Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.
- **Equity:** Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.
- **Reliability and Efficiency:** Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.
- **Fiscal Responsibility:** Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.

The evaluation criteria were used to qualitatively assess the subareas 2-10 considered for potential UGB expansion against Factor 2 for transportation, as shown in Tables 19–27.



Table 19. Evaluation of Factor 2, Subarea 2 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	Opportunities to integrate collector street or neighborhood route connections via N Ivy Street and NE Territorial Road. Nearby arterial connections are available to the south via N Knights Bridge Road and N Ivy Street, but these connections require travel through the existing residential neighborhoods in the UGB.
SAFETY AND SECURITY	Safe and convenient multi-modal access to destinations for people of all ages and abilities.	Area is near downtown Canby and its essential destinations (e.g., schools, parks, library, downtown amenities).
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	No known constraints.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	Local street and multi-modal extensions from adjacent areas are feasible.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system due to its proximity to established neighborhoods in the existing UGB.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along NE Territorial Road in the subarea. This area would increase travel through the existing residential neighborhoods in the UGB that may necessitate infrastructure to encourage safe travel speeds and volumes in those areas.
SUMMARY	Subarea 2 fully meets all criteria except for Fiscal responsibility, which it meets partially. Subarea 2 has the potential to naturally tie into the existing Canby transportation infrastructure. However, some of this infrastructure will require urban upgrades to support future development. The subarea is near the established portion of Canby, and has accessible, safe, and convenient multimodal access to essential destinations.	



Table 20. Evaluation of Factor 2, Subarea 3 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via N Holly Street and NE Territorial Road towards the east end of this area. However, the west end of this area has challenges with integrating with an existing collector such as N Birch Street given existing development patterns, although an extension of N Grant Street is possible. Nearby arterial connections are available to the south via N Knights Bridge Road and N Ivy Street, but these connections require travel through the existing residential neighborhoods in the UGB.
SAFETY AND SECURITY	Safe and convenient multi-modal access to destinations for people of all ages and abilities.	The area is near downtown Canby and its essential destinations (e.g., schools, parks, library, downtown amenities).
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	No known constraints have been identified.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	Local street and multi-modal extensions from the adjacent areas are feasible on the east side of this subarea. Connections to serve the west side of this subarea are hindered by existing development.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system due to its proximity to established neighborhoods in the existing UGB.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along N Holly Street and NE Territorial Road in the subarea. This area has more reliance on N Holly Street and may require an adjacent collector connection. It also increases travel through the existing residential neighborhoods in the UGB that may necessitate infrastructure to encourage safe travel speeds and volumes in those areas.
SUMMARY	Subarea 3 fully meets criteria for Safety and Security, Healthy People and Environment, and Reliability and Efficiency, and partially meets criteria on accessibility and connectivity, equity, and fiscal responsibility. Subarea 3 has the potential to tie into the existing Canby transportation infrastructure, but not as well as Subarea 2. The existing land uses that occupy most of the area to the south of this subarea limit connectivity in that direction. To establish connectivity, the eastern portion of the area would likely need to develop first and integrate into existing street networks. However, this subarea is near the established portion of Canby, and has accessible, safe, and convenient multimodal access to essential destinations.	



Table 21. Evaluation of Factor 2, Subarea 4 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Has close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via N Birch Street and NE Territorial Road. However, these will require urban standard roadway upgrades through undeveloped areas inside the current UGB. Nearby arterial connections are available to the south via N Knights Bridge Road and N Ivy Street, but these connections require travel through the existing residential neighborhoods in the UGB.
SAFETY AND SECURITY	Has safe and convenient multi-modal access to destinations for people of all ages and abilities.	The area is near downtown Canby and its essential destinations (e.g., schools, parks, library, downtown amenities).
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	This subarea borders the Molalla River, and any future development must establish appropriate barriers.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	New development may attract more vehicular centric activity in an area with limited active transportation connectivity to the existing UGB. N Birch Street will need to be upgraded to provide balanced modal options accessing the subarea.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system with urban standard roadway upgrades along N Birch Street in the existing UGB to connect to the established neighborhoods to the south.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along N Birch Street in the subarea, and along segments of N Birch Street in the existing UGB. This area has more reliance on N Birch Street and may require an adjacent collector connection. It also increases travel through the existing residential neighborhoods in the UGB that may necessitate infrastructure to encourage safe travel speeds and volumes in those areas.
SUMMARY	Subarea 4 fully meets the criterion on Safety and Security and partially meets the remaining criteria. Subarea 4 has the potential to tie into the existing Canby transportation infrastructure, but not as well as Subareas 2 or 3. In comparison to those subareas, it requires more urban standard roadway upgrades in the existing UGB to provide accessible, safe, and convenient multimodal access to essential destinations in the established portion of Canby.	



Table 22. Evaluation of Factor 2, Subarea 5 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Has close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via N Holly Street and N Birch Street. However, these will require urban standard roadway upgrades through undeveloped areas inside and outside of the current UGB. Nearby arterial connections are available to the south via N Knights Bridge Road and N Ivy Street, but these connections require travel through the existing residential neighborhoods in the UGB.
SAFETY AND SECURITY	Has safe and convenient multi-modal access to destinations for people of all ages and abilities.	The subarea is reasonably close to downtown Canby and its essential destinations (e.g., schools, parks, library, downtown amenities).
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	This subarea borders the Molalla River and includes some natural environments, and any future development must establish appropriate barriers.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	New development may attract more vehicular centric activity in an area with limited active transportation connectivity to the existing UGB. N Holly Street and N Birch Street will need to be upgraded to provide balanced modal options accessing the subarea.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system with urban standard roadway upgrades along N Holly Street and N Birch Street in the existing UGB to connect to the established neighborhoods to the south.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along N Holly Street and N Birch Street in the subarea, and along segments of these roadways in the existing UGB. This area increases travel through the existing residential neighborhoods in the UGB that may necessitate infrastructure to encourage safe travel speeds and volumes in those areas.
SUMMARY	Subarea 5 partially meets all evaluation criteria. Subarea 5 has the potential to tie into the existing Canby transportation infrastructure, but not as well as Subareas 2 or 3. Similar to Subarea 4, it requires more urban standard roadway upgrades in the existing UGB to provide accessible, safe, and convenient multimodal access to essential destinations in the established portion of Canby.	



Table 23. Evaluation of Factor 2, Subarea 6 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Has close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via N Holly Street, N Locust Street and N Maple Street. Nearby arterial connections are available to the south via N Knights Bridge Road and N Ivy Street, but these connections require travel through the existing residential neighborhoods in the UGB.
SAFETY AND SECURITY	Has safe and convenient multi-modal access to destinations for people of all ages and abilities.	The subarea is reasonably close to downtown Canby and its essential destinations (e.g., schools, parks, library, downtown amenities).
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	This subarea borders the Willamette River and includes some natural environments, and any future development must establish appropriate barriers.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	New development may attract more vehicular centric activity in an area with limited active transportation connectivity to the existing UGB. N Holly Street, N Locust Street and N Maple Street will need to be upgraded to provide balanced modal options accessing the subarea.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system with urban standard roadway upgrades along N Holly Street, N Locust Street and N Maple Street in the existing UGB to connect to the established neighborhoods to the south.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along N Holly Street, N Locust Street and N Maple Street in the subarea, and along segments of these roadways in the existing UGB. This area increases travel through the existing residential neighborhoods in the UGB that may necessitate infrastructure to encourage safe travel speeds and volumes in those areas.
SUMMARY	Subarea 6 partially meets all evaluation criteria. Subarea 6 has a higher potential to tie into the existing Canby transportation infrastructure with multiple north-south travel routes compared to Subareas 4 or 5, but similarly it requires more urban standard roadway upgrades in the existing UGB to provide accessible, safe, and convenient multimodal access to essential destinations in the established portion of Canby.	



Table 24. Evaluation of Factor 2, Subarea 7 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Has close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via Haines Road. Nearby arterial connections are available to the west via OR 99E.
SAFETY AND SECURITY	Has safe and convenient multi-modal access to destinations for people of all ages and abilities.	Area is isolated, with access to and from the area being vehicle centric with no walking, biking, or rolling facilities to/from the subarea.
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	No known constraints have been identified.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	New development may attract more vehicular centric activity in an area with limited active transportation connectivity to the existing UGB. Haines Road and its intersection with OR 99E will need to be upgraded to provide balanced modal options accessing the subarea.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system with urban standard roadway upgrades along Haines Road in the existing UGB to connect to the established areas to the southwest.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along Haines Road in the subarea, and along segments of this roadways in the existing UGB. Upgrades will also be needed at the OR 99E intersection with Haines Road.
SUMMARY	Subarea 7 fully meets criteria for Accessibility and Connectivity, and Healthy People and Environment. It partially meets criteria for Reliability and Efficiency and negatively impacts the remaining criteria. In Subarea 7, local mobility, safe access, and balanced multimodal connectivity to the established infrastructure in the existing UGB to the southwest are limited by the need for significant urban upgrades along Haines Road and at the OR 99E intersection with Haines Road.	



Table 25. Evaluation of Factor 2, Subarea 8 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Has close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via Mulino Road, Township Road, SE 4 th Avenue and Bremer Road. Nearby arterial connections are available to the north via OR 99E, accessed via collector roadways in the existing UGB.
SAFETY AND SECURITY	Has safe and convenient multi-modal access to destinations for people of all ages and abilities.	Access to Mulino Road and Township Road provide connections to essential destinations (schools, downtown amenities). Area connectivity will rely on upgrades to rural unimproved roadways.
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	This subarea includes some natural environments, and any future development must establish appropriate barriers.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	Local street and multi-modal extensions from the adjacent areas are feasible.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system due to its proximity to established areas in the existing UGB.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along Mulino Road, Township Road and Bremer Road, and SE 4 th Avenue will need to be extended into the subarea.
SUMMARY	Subarea 8 partially meets criteria for Safety and Security, and Healthy People and Environment, and fully meets the remaining criteria. Subarea 8 has strong regional mobility potential due to its proximity to nearby arterial and collector roadways, and multiple connections to OR 99E. This Subarea has strong opportunities for a mix of uses and development types.	



Table 26. Evaluation of Factor 2, Subarea 9 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Has close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via Mulino Road and Township Road. Nearby arterial connections are available to the north via OR 99E, accessed via collector roadways in the existing UGB.
SAFETY AND SECURITY	Has safe and convenient multi-modal access to destinations for people of all ages and abilities.	Access to Mulino Road and Township Road provide connections to essential destinations (schools, downtown amenities). Area connectivity will rely on upgrades to rural unimproved roadways.
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	No known constraints have been identified.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	Local street and multi-modal extensions from the adjacent areas are feasible.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system due to its proximity to established areas in the existing UGB.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along Mulino Road and Township Road in the subarea.
SUMMARY	Subarea 9 partially meets the criterion for Safety and Security and fully meets the remaining criteria. Subarea 9 is similar to Subarea 8, in that it has strong regional mobility potential due to its proximity to nearby arterial and collector roadways, and multiple connections to OR 99E. This Subarea again has strong opportunities for a mix of uses and development types.	



Table 27. Evaluation of Factor 2, Subarea 10 (Transportation)

Evaluation Criteria	IDEAL DEFINITION	COMMENTS
ACCESSIBILITY AND CONNECTIVITY	Has close proximity to convenient and accessible transportation facilities for all users that allows for multi-modal connections to destinations throughout the city and beyond.	There are opportunities to integrate collector street or neighborhood route connections via Sequoia Parkway. Nearby arterial connections are available via SE 13 th Avenue.
SAFETY AND SECURITY	Has safe and convenient multi-modal access to destinations for people of all ages and abilities.	Access to SE 13 th Avenue and Sequoia Parkway provide connections to essential destinations (schools, parks, downtown amenities).
HEALTHY PEOPLE AND ENVIRONMENT	Allows for new multi-modal facilities that protect the natural, cultural, and developed environments and encourage healthy and active living for all.	No known constraints have been identified.
EQUITY	Allows for new multi-modal facilities that eliminate transportation related disparities and barriers and are affordable for all users.	Local street and multi-modal extensions from the adjacent areas are feasible.
RELIABILITY AND EFFICIENCY	Allows for an integrated and connected system of roadways, transit and bicycle and pedestrian facilities.	Future development can be integrated into the adjacent multimodal system due to its proximity to established areas in the existing UGB.
FISCAL RESPONSIBILITY	Allows for a transportation system that maximizes assets, minimizes costs, and enhances the surrounding community through right sized infrastructure.	Urban standard roadway upgrades would be needed along SE 13 th Avenue in the subarea.
SUMMARY	Subarea 10 fully meets all criteria. Subarea 10 has a strong potential to naturally tie into the existing transportation infrastructure in the UGB with limited urban upgrades.	

Findings

Subareas 2, 3, 8, 9, and 10 provide the best opportunities for using existing transportation services and the most economical areas for UGB expansion considering roads in Canby.



UTILITIES

Utility criteria examine existing services and soil groups to establish suitability for water, sewer, and stormwater services. Utility improvements required to serve subareas 2-10 were evaluated by reviewing relevant plans and policies, utility master plans, existing infrastructure mapping, location of subareas, and other relevant information obtained from City staff. Utility service needs of the UGB expansion areas were evaluated based on the following criteria.

Water Service

- Does the subarea have existing water infrastructure to support development?
- Does the subarea have planned water infrastructure upgrades to support development?
- Is a mainline extension required to serve the subarea?
- Are there any identified deficiencies within or adjacent to the subarea?
- Relative to other options, what is the cost to provide service?

Sanitary Sewer Service

- Does the subarea have existing sanitary infrastructure to support development?
- Does the subarea have planned sanitary infrastructure upgrades to support development?
- Is a mainline extension required to serve the subarea?
- Are there any identified deficiencies within or adjacent to the subarea?
- Relative to other options, what is the cost to provide service?

Stormwater Service

- Does the subarea have existing storm infrastructure to support development?
- Does the subarea have planned storm infrastructure upgrades to support development?
- Is a mainline extension required to serve the subarea?
- Are there any identified deficiencies within or adjacent to the subarea?
- Relative to other options, what is the cost to provide service?

Table 28 summarizes the evaluation of subareas 2-10 relative to these criteria.

Table 28. Location Factor 2 - Utilities

Subarea	Water Services	Sanitary Sewer Services	Stormwater Services
2	Has existing or planned infrastructure to support development. Advantages: Adjacent connections on all sides of subarea. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent connections on all sides of subarea. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent connections on all sides of subarea. Soils in subarea suitable for infiltration. Disadvantages: None



Subarea	Water Services	Sanitary Sewer Services	Stormwater Services
3	Has existing or planned infrastructure to support development. Advantages: Adjacent 12" water pipe east and South of subarea. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent 8" sewer east and south of subarea. Disadvantages: Pipe upsizing in surrounding area may need to occur to support development in subarea.	Has existing or planned infrastructure to support development. Advantages: Adjacent stormwater pipe south of subarea (unknown diameter). Soils in subarea suitable for infiltration Disadvantages: None
4	No existing water infrastructure. Disadvantages: Subarea requires utility extension of other subareas to develop for water services.	No existing sewer infrastructure. Disadvantages: Subarea requires utility extension of other subareas to develop for sanitary services.	No existing stormwater infrastructure. Advantages: Soils in subarea suitable for infiltration. Disadvantages: No nearby storm infrastructure if infiltration is not feasible.
5	No existing water infrastructure. Disadvantages: Subarea requires utility extension of other subareas to develop for water services.	No existing sewer infrastructure. Disadvantages: Subarea requires utility extension of other subareas to develop for sanitary services.	No existing stormwater infrastructure. Advantages: Soils in subarea suitable for infiltration. Disadvantages: No nearby storm infrastructure if infiltration is not feasible.
6	Has existing or planned infrastructure to support development. Advantages: Adjacent 8" water pipe east of subarea. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent 8" storm pipe east of subarea. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent 12" storm pipe east of subarea. Outfall directly into Willamette River is feasible. Soils in subarea suitable for infiltration. Disadvantages: None
7	No existing water infrastructure. Disadvantages: Subarea requires utility extension through exception lands before developing for water services.	No existing sewer infrastructure. Disadvantages: Subarea requires utility extension through exception lands before developing for sanitary services.	No existing stormwater infrastructure. Advantages: Soils in subarea suitable for infiltration. Disadvantages: No nearby storm infrastructure if infiltration is not feasible.



Subarea	Water Services	Sanitary Sewer Services	Stormwater Services
8	Has existing or planned infrastructure to support development. Advantages: Adjacent 12" water pipe west of subarea. Nearby 12" water pipe north of subarea. Can reach subarea with minor extension. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent 12" sewer pipe west of subarea. Disadvantages: None	No existing stormwater infrastructure. Advantages: Soils in subarea suitable for infiltration. Disadvantages: No nearby storm infrastructure if infiltration is not feasible.
9	Has existing or planned infrastructure to support development. Advantages: Adjacent 12" water pipe northwest of subarea for suitable connection. Nearby 14" water pipe west of subarea. Can reach subarea with minor extension. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent 6" sanitary force main south-west of subarea. Mulino Rd pump station located at South-West corner of subarea. Disadvantages: Pump station upsizing likely required to support new development.	No existing stormwater infrastructure. Advantages: Soils in subarea suitable for infiltration. Disadvantages: No nearby storm infrastructure if infiltration is not feasible.
10	Has existing or planned infrastructure to support development. Advantages: Adjacent 14" water pipe north of subarea. Disadvantages: None	Has existing or planned infrastructure to support development. Advantages: Adjacent 8" sewer on east and north of subarea. Disadvantages: Pipe upsizing in surrounding area may need to occur to support development in subarea.	Has existing or planned infrastructure to support development. Advantages: Adjacent stormwater pipe north of subarea (unknown diameter). Soils in subarea suitable for infiltration Disadvantages: None

Findings

Subareas 2, 3, 6, and 10 could be available for immediate addition to the UGB, with sufficient surrounding utilities for water, storm, and sewer. A soil survey of these areas showed mostly compatible A and B soil groups, which support high infiltration and lead to good conditions for dry well systems to manage stormwater, and is in line with a majority of Canby's existing storm systems. Subareas 8 and 9 each have semi suitable connections for UGB addition, though some upsizing and expansion may need to occur. Subarea 7 will have access to adjacent utilities once exception lands (1b) are developed. Subareas 4 and 5 are not good candidates for immediate addition to the UGB as there are not sufficient utility connections and transportation facilities without substantial expansion or upsizing to the surrounding areas. However, Subarea 7 will have adjacent connections once exception lands brought into the UGB are served by roads and utilities.



Goal 14 Location Factor 3

Location Factor 3 requires research of the Economic, Social, Environmental, and Energy (ESEE) consequences of development in proposed subareas. ESEE consequences determine potential positive or negative impacts of development. Like the other boundary location analyses, the ESEE analysis does not provide a definitive conclusion, but contains information to help inform decision makers.

Economic The economic consequences of developing each subarea include:

- Cost of land/transportation facilities/utilities/services
- Parcel size
- Development potential

Social The social consequences of developing each subarea include:

- Ease of access to services and amenities, such as schools, parks, library, commercial services
- Compatible nearby uses

Environmental (Figure 18) The environmental consequences of developing each subarea include:

- Hazard Risk (slope, floodplain)
- Goal 5 resources present

Energy The energy consequences of developing each subarea include:

- Amount of travel required to and from daily services and amenities
- Infrastructure improvements needed to serve development, such as road construction/improvements, pipe upsizing, and water or wastewater pumps

Table 29 summarizes subareas 2-10 relative to ESEE consequences.

Table 29. Goal 14 Location Factor 3

Subareas	Evaluation/Comments (Economic, Social, Environmental, Energy)
2	The consequences of expanding the UGB to subarea 2 for residential uses are positive overall, but the consequences of expanding the UGB for industrial uses are negative. • Located entirely within Canby city limits, so expansion into this area would promote good urban form. • Surrounded by residential development, making residential development preferable to industrial development. • A good opportunity to meet housing needs due to single ownership and unconstrained land. • Potential utility connections on adjacent lands to the south and very good transportation connectivity. • Low potential negative environmental consequences, such as disturbance of hydric soils, wetlands, or floodplains. • Would require less travel to and from services and amenities, and limited infrastructure improvements (road construction/improvements, pipe upsizing, water or wastewater pumps).



Subareas	Evaluation/Comments (Economic, Social, Environmental, Energy)
3	The consequences of expanding the UGB to subarea 3 for residential uses are positive overall, but the consequences of expanding the UGB for industrial uses are negative. • Abuts Canby city limits on three sides, so expansion into this area would promote good urban form. • Surrounded by residential development, making residential development preferable to industrial development. • A good opportunity to meet housing needs due to single ownership and unconstrained land. • Potential utility connections on adjacent lands and good transportation connectivity. • Low potential negative environmental consequences, such as disturbance of hydric soils, wetlands, or floodplains. • Would require less travel to and from services and amenities, and fewer infrastructure improvements than other areas.
4	The consequences of expanding the UGB to subarea 4 for residential or industrial uses are negative. • South boundary abuts Canby city limits and would promote good urban form. • Could help meet housing needs due to single ownership and unconstrained land. • Home of Swan Island Dahlias, which includes a commercial gift shop and tourism element. Development would require removing this local business and economic generator, and an institution that is important to Canby's history, culture, and identity. • Would require utility extension of other subareas to develop water and sanitary sewer services. • Low potential negative environmental consequences, such as disturbance of hydric soils, wetlands, or floodplains. • Would require more urban standard roadway upgrades than subareas 2 and 3 to provide accessible, safe, and convenient multimodal access to essential destinations in the established portion of Canby.
5	The consequences of expanding the UGB to subarea 5 for residential or industrial uses are negative overall. • Does not abut Canby city limits, so expansion into this area would not promote good urban form. • Not adjacent to residential or industrial development, making potential development incompatible with adjacent uses. • Adequate land and large parcels conducive to development despite environmental constraints. • Potential negative environmental consequences due to significant Goal 5 constraints. • Would require utility extension of other subareas to develop water and sanitary sewer services. • Would require more urban standard roadway upgrades than subareas 2, 3, and 4 to provide accessible, safe, and convenient multimodal access to essential destinations in the established portion of Canby.
6	The consequences of expanding the UGB to subarea 6 for residential uses are positive overall, but the consequences of expanding the UGB for industrial uses are negative. • East boundary abuts Canby city limits, so expansion into this area would promote good urban form. • Adjacent to residential development, making residential development preferable to industrial development. • Adequate land and large parcels conducive to development despite environmental constraints. • Portions of the subarea with hydric soil, but no presence of Goal 5 resources and low hazard risks. • Adjacent water, sanitary sewer, and stormwater utility connections.



Subareas	Evaluation/Comments (Economic, Social, Environmental, Energy)
	• Potential utility connections on adjacent lands and good transportation connectivity relative to subareas 4 and 5, though not as good as subareas 2 and 3. • Better transportation connectivity than subareas 5 with multiple north-south travel routes but would require more urban standard roadway upgrades to provide accessible, safe, and convenient multimodal access to essential destinations.
7	The consequences of expanding the UGB to subarea 7 for residential or industrial uses are neutral. • Primarily adjacent to farmland with some nearby rural residential development, making it most suitable for residential development. • Adequate land and large parcels conducive to development despite some environmental constraints. • Limited negative environmental consequences due to Goal 5 constraints. • Relies on utility extension to Subarea 1b exception lands to develop water and sanitary sewer services. • Connectivity to established infrastructure to the southwest is limited by the need for significant improvements along Haines Road and at the OR 99E intersection with Haines Road
8	The consequences of expanding the UGB for future development in subarea 8 are positive, primarily for industrial uses. • West boundary abuts Canby city limits, so expansion into this area would promote good urban form. • Adjacent to industrial development and farm uses, making industrial development preferable to residential development. • Adequate land and large parcels appropriate for industrial development with limited environmental constraints. • Portions of the subarea with hydric soil, but no presence of Goal 5 resources and low hazard risks. • Adjacent and nearby water, sanitary sewer, and stormwater utility connections. • Strong regional mobility potential due to its proximity to nearby arterial and collector roadways, and multiple connections to OR 99E.
9	The consequences of expanding the UGB for future development in subarea 9 are positive, primarily for industrial uses. • West boundary abuts Canby city limits, so expansion into this area would promote good urban form. • Nearby industrial and residential development and farm uses make it viable for residential or industrial development. • Adequate land and large parcels conducive to development despite environmental constraints. • Southern portion of the site is subject to 100-year floodplain. • Adjacent and nearby water, sanitary sewer, and stormwater utility connections. Sewer pump station upsizing likely required to support new development. • Strong regional mobility potential due to its proximity to nearby arterial and collector roadways, and multiple connections to OR 99E.
10	The consequences of expanding the UGB for future development in subarea 10 are positive, primarily for industrial uses. • West and north boundaries abut Canby city limits, so expansion into this area would promote good urban form. • Adjacent to residential development, farm uses, and the Canby Rod & Gun Club. Residential and industrial development is viable but locating residential development adjacent to the Canby Rod & Gun Club may be challenging. • Adequate land and large parcels appropriate for industrial development with limited environmental constraints. • Limited presence of Goal 5 resources and low hazard risks.



Subareas	Evaluation/Comments (Economic, Social, Environmental, Energy)
	• Adjacent water, sanitary sewer, and stormwater utility connections. Pipe upsizing may be needed to support new development. • Strong potential to naturally tie into the existing transportation infrastructure with limited upgrades

Findings

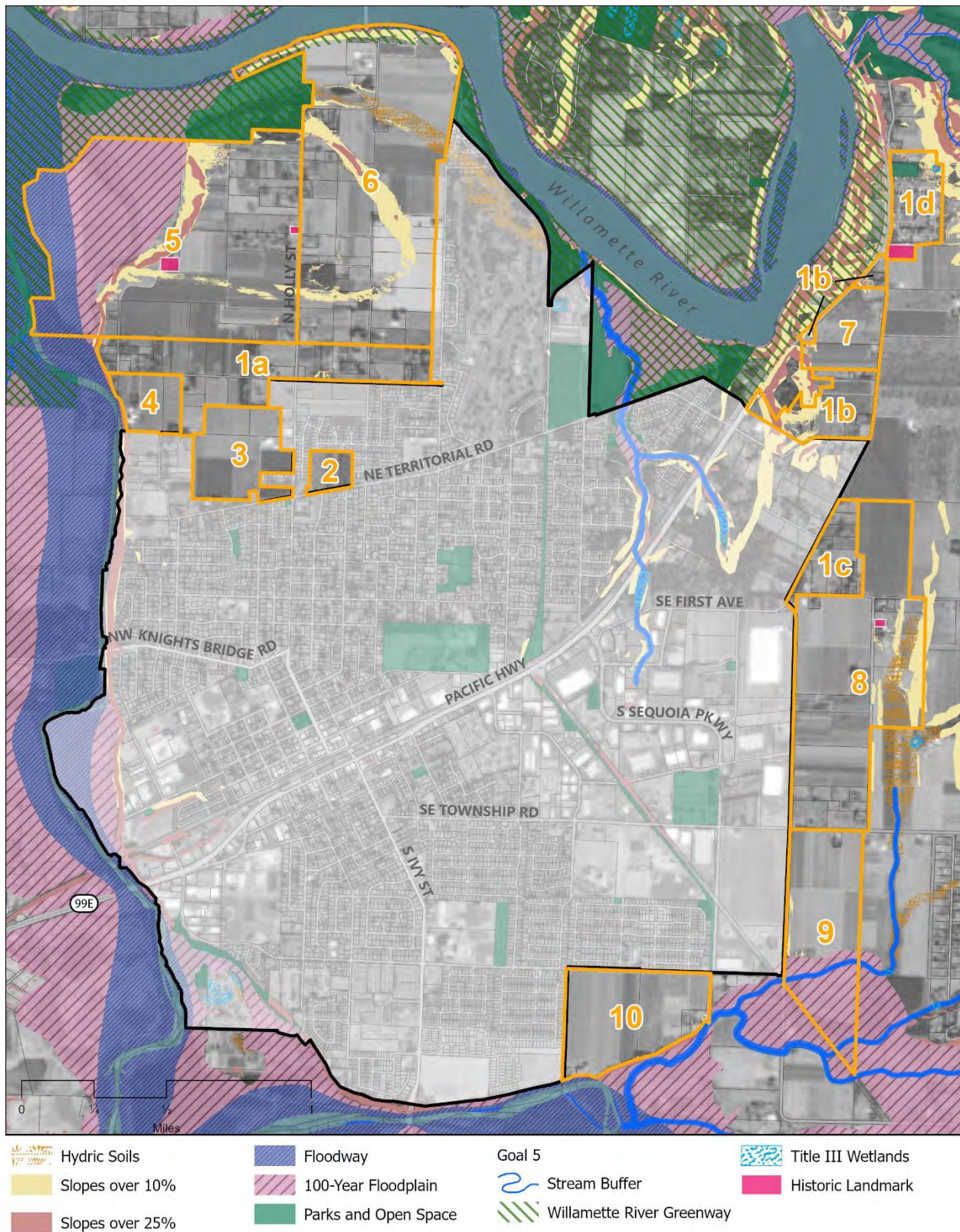
Subareas 2, 3, 6, 8, 9, and 10 would have the most positive comparative environmental, energy, economic and social consequences due to their location relative to the current UGB, compatibility with surrounding uses, supply of adequate suitable land, and lower costs to connect to the transportation network and serve with public utilities. Subareas 2, 3, 6, and 10 are best suited to accommodate residential land needs, while subareas 8 and 9 are best suited to accommodate industrial land needs. Subarea 7 is adjacent to exception lands that will be brought into the UGB and therefore has fewer positive consequences.

Subarea 5 has more negative comparative environmental, energy, economic and social consequences due to their lack of a contiguous border with existing city limits and higher costs to connect to the transportation network and serve with public utilities. Subarea 1d is also not well-suited due to the existing development pattern.

While adequate due to its location and suitable land, subarea 4 is not suitable for residential or industrial development due to the presence of Swan Island Dahlias, an important economic generator and cultural institution in Canby.



Figure 18. Goal 14 Location Factor 3 – Environmental Consequences



Goal 14 Location Factor 4

Location Factor 4 requires the City to evaluate the study area for compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB. The City researched adjacent agricultural and forest uses per subarea. The agricultural and forest uses were determined via data from USDA CropScape (Figure 19), Google Earth, and Clackamas County land use datasets. The following is a summary of compatibility of potential urban development (residential or industrial) with nearby agricultural and forest activities surrounding each subarea.

Compatibility analysis criteria consider how new development within each subarea might interact with surrounding existing agricultural uses. Here are a few generalized examples:

- One subarea is separated from nearby farm operations by a road or rail-line, and another subarea is surrounded on three side by farms. The area separated from farms by a manmade feature would be more compatible with adjacent urbanization.
- One subarea is adjacent to fields that are being hayed, and another subarea is adjacent to land being used for a centralized animal feeding operation (CAFO). The area being hayed would be more compatible with adjacent urbanization.
- One subarea is adjacent to a dairy that has the potential for near continuous, daily operations.

Noise, odor, spray drift, or specific farming practices can interfere with residential uses. Some local crops, such as parsnips, carry risk of skin irritation on contact and must be secured from nearby residential areas. Conversely, the urbanizing an area could have negative impacts on existing agricultural uses and crop yields through increased traffic, conflicts with water availability and delivery, flooding, introduction of weeds or pests, damage to crops or livestock, trespassing, litter (including harmful pet waste), and vandalism.

The agricultural and forest compatibility analysis is an additional guide for decision makers in determining the best area(s) for UGB expansion, though all subareas are considered high value farmland. Existing agricultural uses and crops are illustrated in Figure 19 and Table 30 summarizes subareas 2-10 relative to agricultural compatibility.



Figure 19. Goal 14 Location Factor 4 – Agricultural and Forest Uses

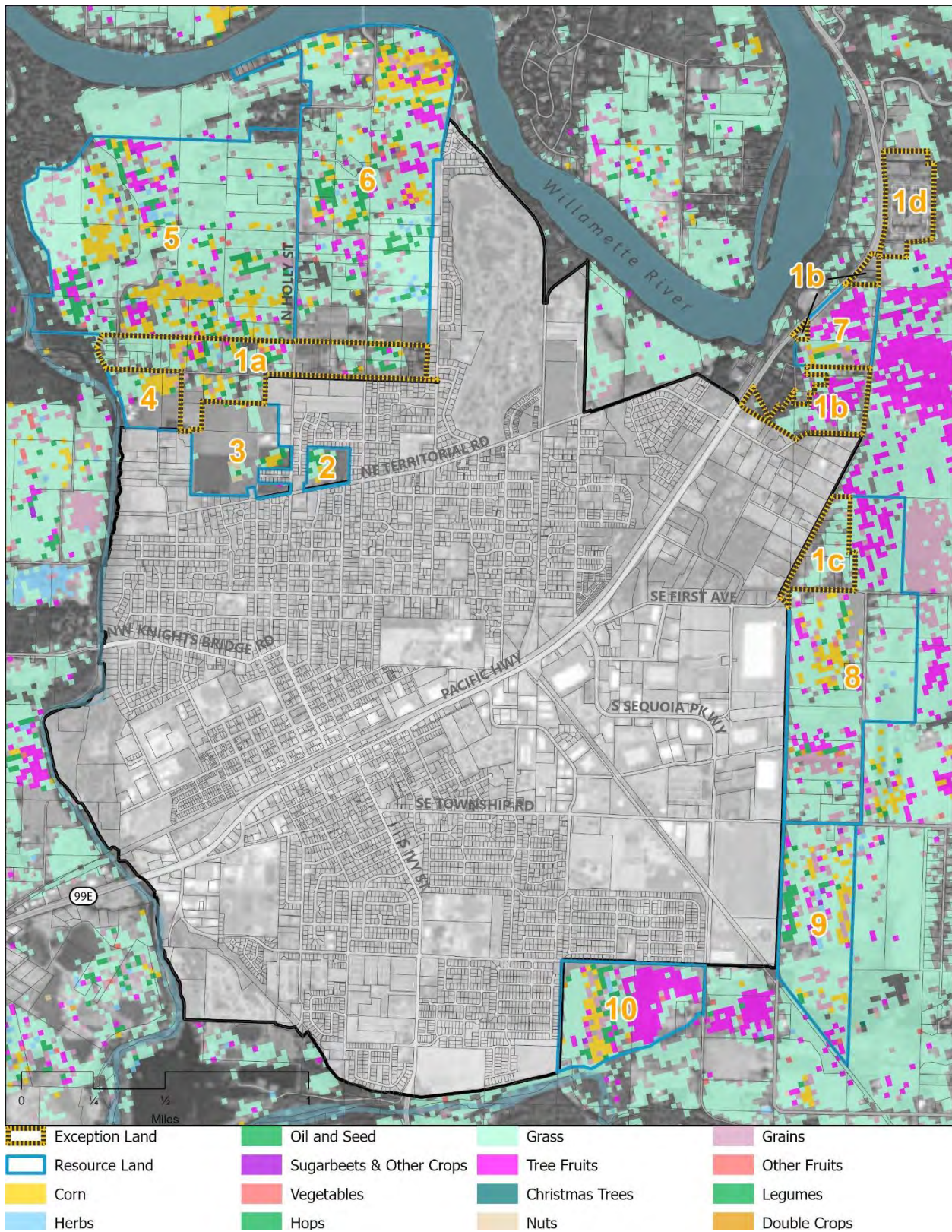


Table 30. Goal 14 Location Factor 4

Subareas	Evaluation/Comments
2	The compatibility consequences of expanding the UGB to subarea 2 for residential are generally positive overall. • Surrounded by residential development and does not impact agricultural uses.
3	The consequences of expanding the UGB to subarea 3 for residential are generally positive overall. • Surrounded on three sides by existing residential development. • Bordered on the north by existing agricultural uses in subarea 1a, which is exception land prioritized for residential development.
4	The consequences of expanding the UGB to subarea 4 for residential or industrial uses are negative overall. • Home of Swan Island Dahlias, this subarea borders Molalla River State Park to the west. • Borders subarea 1a (exception land) to the east. • Adjacent to residential uses within the existing UGB to the south. • Subarea 5 to the north with primarily agricultural uses. Subarea 5 contains significant Goal 5 constraints and currently grows turnips, rutabagas, parsnip, rhubarb, green beans, radishes, corn, other vegetables, and grasses.
5	The consequences of expanding the UGB to subarea 5 for residential or industrial uses are negative overall. • Not adjacent to residential or industrial development. • Borders the Molalla River State Park on the west and the Willamette Riverfront to the north. • Adjacent to Swan Island Dahlias to the south. • Development could impact existing agricultural uses in subarea 6 to the east. Portions of subarea 6 contain hydric soil, and the area is primarily agricultural when the soil is dry.
6	The consequences of expanding the UGB to subarea 6 for residential uses are positive overall, but the consequences of expanding the UGB for industrial uses are negative. • Adjacent to Willamette Valley Country Club's golf course to the east. • Borders subarea 1a (exception land) to the south, which is currently a mix of residential and agricultural uses. • Willamette Riverfront runs across the northern border of this subarea. • Subarea 5 to the north with primarily agricultural uses. Subarea 5 contains significant Goal 5 constraints and currently grows turnips, rutabagas, parsnip, rhubarb, green beans, radishes, corn, other vegetables, and grasses.
7	The consequences of expanding the UGB to subarea 7 for residential or industrial uses are negative. • Adjacent to farmland to the east that is not currently being considered for development and containing primarily fruit trees and grasses. • Near some rural residential development to the north and south in subarea 1b. • Abuts Willamette Riverfront to the west.
8	The consequences of expanding the UGB for future development in subarea 8 are positive, primarily for industrial uses. • Adjacent along the western border to industrial development within the existing UGB. • Borders agricultural uses, primarily grassland with some fruit trees, along the east. • Subarea 9 sits to the south with existing agricultural uses, primarily grasses, grains, and hops. • Subarea 1c is to the north with a mix of residential uses and grass farms.



Subareas	Evaluation/Comments
9	The consequences of expanding the UGB for future development in subarea 9 are positive, primarily for industrial uses. • Runs along the existing UGB with industrial, residential development, and some grass farming to the west. • Borders subarea 8 to the north with existing farming. • Adjacent to farming to the east, which is predominantly devoted to grass, and 100-year floodplain to the south.
10	The consequences of expanding the UGB for future development in subarea 10 are positive, primarily for industrial uses. • Adjacent to residential development, farm uses (fruit trees and grasses), and the Canby Rod & Gun Club.

Findings

Subareas 2 and 3 have the least amount of nearby agricultural land. All other subareas carry some level of potential for conflict, with adjacent farming uses, mostly grass (pasture, sod, and seed), fruit trees, and vegetable and flower farming.

Increased residential development could create transportation conflicts with farming equipment being hauled slowly on existing roads accessible to those in Subareas 5 and 6.

Industrial development in subareas 8 and 9 have the least amount of impact on agriculture and forest land, with lengthy borders along existing industrial and the agricultural land being primarily grass land with sufficient transportation access for farm equipment.



6. UGB Amendment Recommendation

This section makes recommendations about how the City should accommodate its future land need through a UGB expansion. The 538.0-acre land need includes 73.1 acres of residential land need, 25.7 acres of park land need, and 439.2 acres of employment land need. State law requires Canby to accommodate the entire residential land need. The City has the option of accommodating all or part of the park land need and employment land need.

The City is not required to assign land uses to the UGB expansion recommendation. However, discussing potential land uses is helpful in determining the location of the UGB amendment. The recommendation is illustrated in Figure 20 and a summary is provided in Table 31.

Urban Growth Boundary Amendment Recommendation

First Priority: Exception Lands

Subareas 1a, 1b, 1c, and 1d are the first priority for adding to the Canby UGB. The City recommends the following for each first priority subarea.

Subarea 1a

Located in the northwest portion of the Study Area, the 115.9 unconstrained acres in Subarea 1a are more than enough land to accommodate the entire 73.1 acres of residential need and 25.7 acres of park land. The City will need to decide how many acres of park need will be accommodated in this subarea. Any remaining lands will be left out of the Canby UGB as the area is unsuitable for employment uses.

Recommendation: Add 73.1 acres from Subarea 1a to the UGB to accommodate the entire residential land deficit.

Recommendation: Add 25.7 acres of park land from Subarea 1a to the UGB to accommodate some or all of the park land deficit.

Subarea 1b

Since the City's entire residential need is accommodated in Subarea 1a, the 50.0 acres in Subarea 1b will need to be brought in as employment lands.

Recommendation: Add the 50.0 acres (42.3 unconstrained acres) in Subarea 1b to the UGB to accommodate a portion of the employment land deficit. This area could also include parks.

Subareas 1c

Since the City's entire residential need is accommodated in Subarea 1a, the 34.3 unconstrained acres in Subarea 1b will need to be brought in as employment lands.

Recommendation: Add the 34.3 unconstrained acres in Subareas 1c to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 1d

The 39.0 acres in Subarea 1d are not ready for efficient urban development. The subarea contains a manufactured home park, cemetery, and historic structure, leaving very little buildable land. Connectivity to transportation infrastructure to the southwest is limited by the need for significant urban upgrades along Haines Road and at the OR 99E intersection with Haines Road. Existing infrastructure is not suitable for more intensive development and would require utility extensions.



Recommendation: Do not add any land from Subarea 1d into the Canby UGB.

Fourth Priority: High Value Farmland

The following subareas are candidates to accommodate some or all of the employment land need 439.2 acres. The City recommends the following for each fourth priority subarea.

Subarea 2

Located entirely within city limits, the 13.0 unconstrained acres in Subarea 2 are appropriate for residential development. The subarea has the potential to tie into existing Canby transportation, water, sewer, and stormwater infrastructure. Residential development in Subarea 2 would promote good urban form and the parcels that surround it have been developed as residential subdivisions. However, the City's entire residential land need can be accommodated on first priority lands.

It is possible for the City to add Subarea 2 to the UGB through a Goal 3, 11, and 14 irrevocably committed exception process. An "irrevocably committed" exception does not require demonstration of land need; instead, it can be added to the UGB because it is irrevocably committed to urban uses. OAR 660-004-0028 contains criteria for this type of exception.

If the City uses a goal exception to add this subarea before or at the same time as the larger UGB amendment, the UGB expansion report would need to factor in the 13 acres of land provided here, reducing the land needed in other subareas.

Recommendation: Consider adding Subarea 2 to the UGB through a subsequent Goal 3, 11, and 14 irrevocably committed exception process.

Subarea 3

Surrounded on three sides by Canby city limits and adjacent to residential development, the 60.8 unconstrained acres in Subarea 3 are appropriate for residential development. It has the potential to tie into the existing transportation, water, sewer, and stormwater infrastructure, with some transportation connectivity limitations to the south. However, the City's entire residential land need can be accommodated on first priority lands.

Subarea 3 is located between the existing UGB and part of subarea 1a. The City could rely on OAR 660-024-0067(3)(a) regarding the inclusion of "small" priority 4 areas in a UGB:

(3) Notwithstanding section (2)(c) or (d) of this rule, land that would otherwise be excluded from a UGB may be included if:

(a) The land contains a small amount of third or fourth priority land that is not important to the commercial agricultural enterprise in the area and the land must be included in the UGB to connect a nearby and significantly larger area of land of higher priority for inclusion within the UGB; or

Subarea 1a lies north of the Holly Street Development Concept Plan Area boundary and appears to be serviceable by sewer and water line extensions in the Holly Street right of way, which is already inside the UGB. If the City can demonstrate that parts of Subarea 3 are needed to connect to parts of Subarea 1a due to the need for efficient development patterns and infrastructure extensions, a portion of subarea 3 could be added to the UGB.

However, given the City's plans for utilities in Holly Street extending up to 22nd Avenue, as described in the Holly Street Development Concept Plan, this may not be possible.



If all of Subarea 1a is added to the UGB, Subarea 3 would become a “hole” in the UGB. In future UGB amendments, it is likely that subarea 3 would be added to the UGB either through a goal exception or because it will be highly suitable based on a Goal 14 analysis.

If the City uses a goal exception to add this subarea before or at the same time as the larger UGB amendment, the UGB expansion report would need to factor in the 61 acres of land provided here, reducing the land needed in other subareas.

Recommendation: Consider adding Subarea 3 to the UGB as part of a subsequent amendment either through a goal exception or Goal 14 analysis.

Subarea 4

Subarea 4 (27.8 acres) is home to Swan Island Dahlia Farm, which is an important social, cultural, and economic institution in Canby with farm and commercial operations. It requires more urban standard roadway upgrades in the existing UGB to provide accessible, safe, and convenient multimodal access to essential destinations in the established portion of Canby. It does not have good access to existing infrastructure.

Recommendation: Do not add any land from Subarea 4 into the Canby UGB.

Subarea 5

Of the 392.5 acres in Subarea 5, 206.3 acres are unconstrained and appropriate for residential development, but it is not currently ready for efficient residential development since the subarea is not adjacent to Canby’s UGB. It has potential to connect into the existing Canby transportation infrastructure, but not as well as Subareas 2 or 3 as more urban standard roadway upgrades would be required. It does not have good access to existing infrastructure. In addition, the City’s entire residential land need can be accommodated on first priority lands.

Recommendation: Do not add any land from Subarea 5 into the Canby UGB.

Subarea 6

292.9 of the 345.8 acres in Subarea 6 are unconstrained and appropriate for residential development. The eastern portion of the subarea abuts Canby city limits and is adjacent to residential development so it would promote good urban form. It has good potential to tie into existing transportation infrastructure with multiple north-south travel routes but would require urban standard roadway upgrades. It has access to water, sewer, and stormwater infrastructure. However, the City’s entire residential land need can be accommodated on first priority lands.

Recommendation: Do not add any land from Subarea 6 into the Canby UGB.

Subarea 7

Subarea 7 is 40.5 acres and includes 38.7 acres are unconstrained and appropriate for industrial development. It does not currently abut city limits but is surrounded by exception land (Subarea 1b) that will be brought into the UGB for employment uses as described above. Connectivity to established infrastructure in the existing UGB to the southwest is limited by the need for significant urban upgrades along Haines Road and at the OR 99E intersection with Haines Road. It will require utility extensions through Subarea 1b for water and sewer infrastructure.

Recommendation: Add Subarea 7 (40.5 acres) to the UGB, including 38.7 unconstrained acres to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 8

213.5 of the 227.9 acres in Subarea 8 are unconstrained and appropriate for industrial development. 14.5 acres are constrained by a historic landmark and land with slopes greater than 10%. The western boundary of Subarea 8 abuts city limits and northern boundary abuts



Subarea 1c. It is adjacent to industrial development and farm uses. Subarea 8 has strong regional mobility potential due to its proximity to nearby arterial and collector roadways, and multiple connections to OR 99E. Subarea 8 has access to existing or planned water and sewer services, but there is no existing stormwater infrastructure.

Recommendation: Add Subarea 8 (227.9 acres) to the UGB, including 213.5 unconstrained acres to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 9

Of the 112.0 acres in Subarea 9, 68.0 are unconstrained and appropriate for industrial development. 43.1 acres fall within a Goal 5 stream buffer and the 100-year floodplain. The western boundary of Subarea 9 abuts city limits. It is adjacent to industrial development and farm uses. Subarea 9 has strong regional mobility potential due to its proximity to nearby arterial and collector roadways, and multiple connections to OR 99E. Subarea 9 has access to existing or planned water and sewer services, but there is no existing stormwater infrastructure.

Recommendation: Add 60.8 acres of Subarea 9 to the UGB to accommodate a portion of the employment land deficit. This area could also include parks.

Subarea 10

Subarea 10 has 94.8 unconstrained acres that are appropriate for residential or industrial development and ready for efficient urban development as it abuts Canby city limits to the north and west. It has strong potential to tie into transportation infrastructure with limited urban upgrades. The subarea has existing or planned water, sewer, and stormwater infrastructure. It's adjacent to residential development, farm uses, and the Canby Rod & Gun Club property.

Recommendation: Do not add any land from Subarea 10 into the Canby UGB at this time as it may be more appropriate for future residential use.



Table 32. UGB Expansion Recommendation by Subarea

Subarea	Gross Acres	Gross UGB Acres	Unconstrained Residential Acres	Unconstrained Park Acres	Unconstrained Employment Acres	Total Unconstrained Acres
1a	115.9	98.8	73.1	25.7		98.8
1b	50.0	50.0			42.3	42.3
1c	34.3	34.3			34.3	34.3
1d	39.0					
2	13.0					
3	60.8					
4	27.8					
5	392.5					
6	345.8					
7	40.5	40.5			38.7	38.7
8	227.9	227.9			213.5	213.5
9	112.0	60.8			60.8	60.8
10	95.9					
TOTAL	1,555.4	512.3	73.1	25.7	389.6	488.4

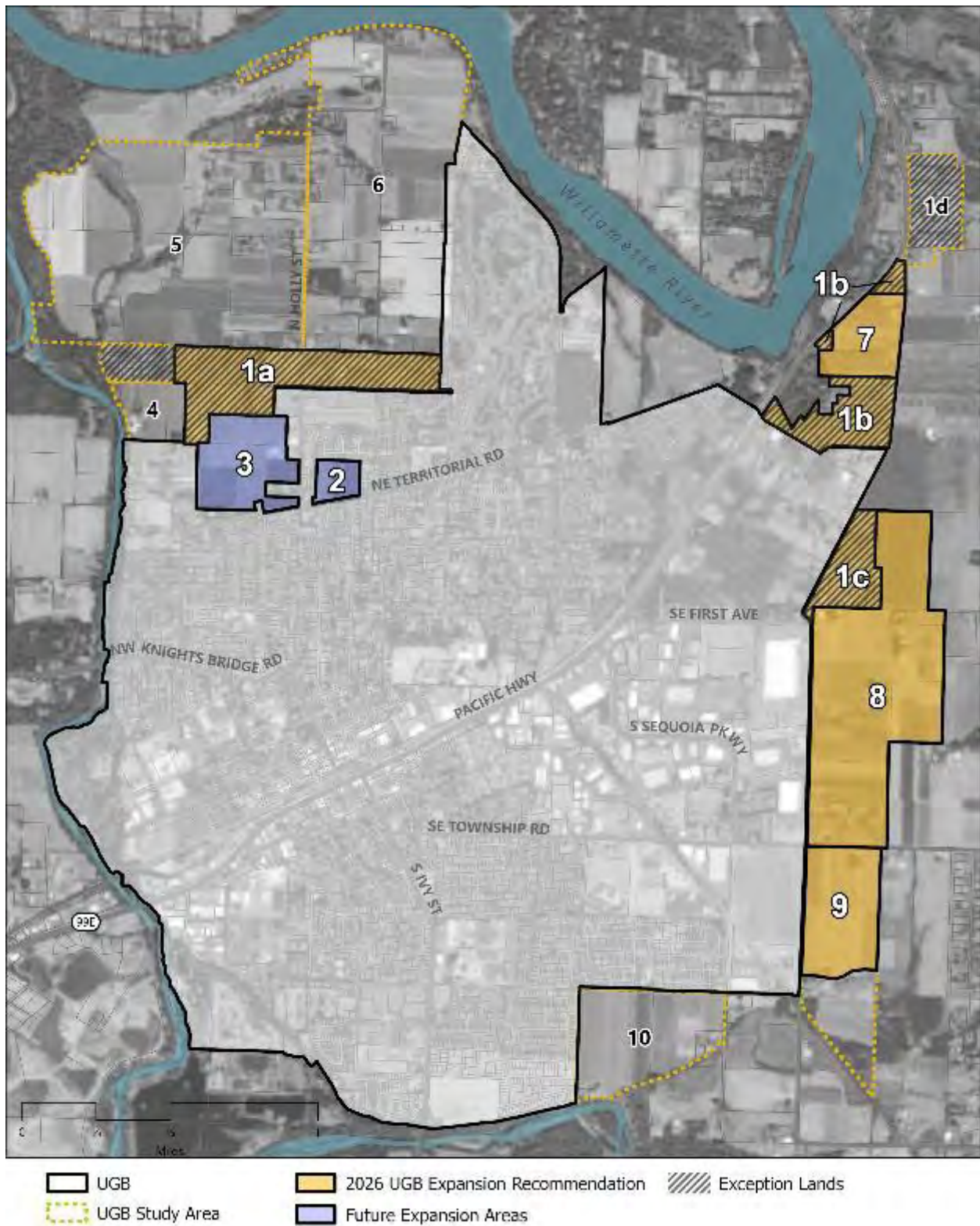
As shown in Table 33, the Canby UGB Expansion Recommendation contains 488.4 unconstrained acres, including 73.1 acres for residential needs, 25.7 acres for park needs, and 389.6 acres for employment needs. The 488.4-acre total of unconstrained land is 23.9 acres less than the identified land need. The 413.5 gross acres of employment (industrial) area is 25.7 acres (49.6 unconstrained acres) less than the employment land need.

Table 33. UGB Expansion Recommendation by Subarea

Land Use	Land Need	UGB Expansion Recommendation	
		Gross Acres	Unconstrained Acres
Residential	73.1 acres	73.1 acres	73.1 acres
Parks	25.7 acres	25.7 acres	25.7 acres
Employment	439.2 acres	413.5 acres	389.6 acres
TOTAL	538.0 acres	512.3 acres	488.4 acres



Figure 20. Urban Growth Boundary Expansion Recommendation



April 29, 2024

CURRAN-McLEOD, INC.
CONSULTING ENGINEERS

6655 S.W. HAMPTON STREET, SUITE 210
PORTLAND, OREGON 97223

Mr. Don Hardy
Planning Director
City of Canby
222 NE 2nd Avenue
Canby, OR 97013

**RE: CANBY URBAN GROWTH BOUNDARY EXPANSION
MADRONA LANE SITE EVALUATION**

Dear Don:

This correspondence is to aid in evaluating the option to expand the Urban Growth Boundary to include the area served by East Madrona Lane, northeast of the current UGB, including tax lots:

31E26: 1401, 1501, 1502, 1601 and 1603

31E27DA: 100, 102

31E27AD: 300, 400, 500, 501, 600, 700, 800, and 900

This area abuts the state highway and is essentially fully developed with single family residences on large lots. The area is predominately an uprising of rock, rising to approximately 250-foot elevation, which is generally 100 feet above the City of Canby average elevation.

The USDA Natural Resources Conservation Service (NRCS) names the soils in this isolated area as Xerochrepts-Rock Outcrop Complex, which has rock well dispersed throughout the entire area. The typical soil profile shows un-weathered bedrock is found from 26" to 30" below grade.

The area has 14 single family homes on the fifteen lots listed above, with the lot size varying from 0.24 acres to 3.51 acres. The average lot size is less than one acre. Much of the land is very steep and the potential for added development is very low. The homes are generally high value with mature landscaping. Any redevelopment would require extensive disruption to the existing improvements, and only a few buildable lots could be created.

There is an existing 30-foot public right-of-way providing access from Highway 99E to Madrona Lane from the north; however, it is not developed to meet City or County public road standards. The current roadway varies from 20 feet wide at the highway entrance point and reduces to approximately 12-14 feet wide at the south end. The roadway slope is reasonable and would likely follow City code standards.

Canby development codes would require a public roadway 28' to 34' public street depending on the number of developed residential units, an 8" gravity sanitary sewer, and an 8" waterline. The access could be a private road to these ten lots, but the code would require the private roadway to be a minimum of 22 feet wide.

Mr. Don Hardy
April 29, 2024
Page 2

Regardless of public or private, with any street improvement it would be a challenge to provide safe access to the high-speed traffic on Highway 99E. An alternative access route southeast of the hillside is also unlikely due to the steep slopes and existing development in the area. An alternative route would be blocked by existing development and require several ROW easements.

Sanitary sewer could be provided by gravity to the anticipated Haines Road / SE 1st Avenue sewer or the existing Territorial Road sanitary sewer. However, construction costs to extend these lines to the residents would be extremely high due to rock excavation, steep slopes, many required easements, and the disruption to landscaping.

Due to the 250' elevation, water service would only marginally be available from the pressures available in the current distribution system. The current system can only support development to approximately 240' to 250' with minimal pressures. Canby Utility could consider creating a new higher-pressure zone, or a separate jockey-pumped system could be provided to adequately serve the homes. If fire protection is required, the pump station would also be required to have a fire rated system with auxiliary power supply, resulting in very high costs.

Stormwater is the only utility that can easily be accommodated in any potential development plan for this area. The soil has high percolations rates, and the steep slopes would rapidly dispose of any stormwater.

In an overview, if the City is evaluating various sites to expand the UGB to provide increased housing capacity, the addition of the E Madrona Lane area would be a poor selection. It is not feasible to develop this area to comply with the maximum 10,000 square foot lot code requirement, and only a very few additional home sites would be created due to the existing development pattern and unbuildable steep slopes.

Providing the required infrastructure could be done, but at significantly higher cost than any other area in consideration. The infrastructure cost per new lot would exceed the value of the lots.

Let know if you have questions.

Very truly yours,

CURRAN-McLEOD, INC.



Curt J. McLeod, PE
City Engineer of Record

Taxlot Info

TLID	OWNERSORT	OWNER1	SITEADDR	SITECITY	SITEZIP	Subarea
31E28A 00300	FELLE	FELLER JEFFREY A	625 NE 22ND AVE	CANBY	97013	1a
31E28A 00301	MAST	MAST KYLE R & HANNAH L	575 NE 22ND AVE	CANBY	97013	1a
31E28A 00302	VAUGH	VAUGHAN BRIAN A & ANNETTE T	NO SITUS	CANBY	97013	1a
31E28A 00400	ROBER	ROBERTS TODD E TRUSTEE	2327 N MAPLE ST	CANBY	97013	1a
31E28A 00500	ALBRI	ALBRICH JERALD CO-TRUSTEE	2389 N MAPLE ST	CANBY	97013	1a
31E28A 00501	VAUGH	VAUGHAN BRIAN A & ANNETTE T	609 NE 22ND AVE	CANBY	97013	1a
31E28A 01500	MONTE	MONTECUCCO R FRANCES CO-TRUSTEE	2366 N LOCUST ST	CANBY	97013	1a
31E28A 01600	IRWIN	IRWIN ARBIE G CO-TRUSTEE	2236 N LOCUST ST	CANBY	97013	1a
31E28B 00700	SIMNI	SIMNITT JEROME A CO-TRUSTEE	162 NE 22ND AVE	CANBY	97013	1a
31E28B 00701	SIMNI	SIMNITT JEROME A JR	168 NE 22ND AVE	CANBY	97013	1a
31E28B 00702	LOHSE	LOHSE DARLENE OPAL TRUSTEE	2393 N LOCUST ST	CANBY	97013	1a
31E28B 00703	ARENA	ARENA THOMAS	2277 N LOCUST ST	CANBY	97013	1a
31E28B 00704	SMITH	SMITH CRAIG W & CAROL A	2305 N LOCUST ST	CANBY	97013	1a
31E28B 00800	SIMNI	SIMNITT JEROME A CO-TRUSTEE	138 NE 22ND AVE	CANBY	97013	1a
31E28B 00801	SIMNI	SIMNITT JEROME A CO-TRUSTEE	138 NE 22ND AVE	CANBY	97013	1a
31E28B 00900	SIMNI	SIMNITT JEROME A CO-TRUSTEE	NO SITUS	CANBY	97013	1a
31E28B 00901	BROCK	BROCKMAN JEFFREY E TRUSTEE	120 NE 22ND AVE	CANBY	97013	1a
31E28B 01000	WEBER	WEBER LAWRENCE A TRUSTEE	2234 N HOLLY ST	CANBY	97013	1a
31E28B 01100	SIMNI	SIMNITT JEROME A CO-TRUSTEE	NO SITUS	CANBY	97013	1a
31E28B 02200	MONTE	MONTECUCCO RENTALS LLC	NO SITUS	CANBY	97013	1a
31E28B 02201	JOHNS	JOHNSON MYRTLE C	456 NW 22ND AVE	CANBY	97013	1a
31E28B 02202	ISBER	ISBERG RICHARD H TRUSTEE	480 NW 22ND AVE	CANBY	97013	1a
31E28B 02300	GITTS	GITTS NICHOLAS A TRUSTEE	466 NW 22ND AVE	CANBY	97013	1a
31E28B 02400	MORIN	MORIN STANLEY E TRUSTEE	494 NW 22ND AVE	CANBY	97013	1a
31E28B 02500	MONTE	MONTECUCCO RENTALS LLC	NO SITUS	CANBY	97013	1a
31E28B 02600	MONTE	MONTECUCCO EDWARD V TRUSTEE	614 NW 22ND AVE	CANBY	97013	1a
31E28B 02700	MONTE	MONTECUCCO EDWARD TRUSTEE	716 NW 22ND AVE	CANBY	97013	1a
31E28C 01000	LOHMA	LOHMAN COREY M	387 NW 22ND AVE	CANBY	97013	1a
31E28C 01100	POLAC	POLACK KEN & SONJA	495 NW 22ND AVE	CANBY	97013	1a
31E28C 01101	IFA N	IFA NURSERIES INC	NO SITUS	CANBY	97013	1a
31E28C 01200	GITTS	GITTS NICHOLAS A TRUSTEE	627 NW 22ND AVE	CANBY	97013	1a
31E28C 01300	REEDE	REEDER DONNA M	769 NW 22ND AVE	CANBY	97013	1a
31E28C 01301	GITTS	GITTS NICHOLAS A TRUSTEE	NO SITUS	CANBY	97013	1a
31E28C 01400	DELLE	DELLER DEVIN M TRUSTEE	1914 N BIRCH ST	CANBY	97013	1a
31E26 00300	HOSTE	HOSTETLER KENNETH D	22053 S HAINES RD	CANBY	97013	1b
31E26 00400	MCLOU	MCCLOUD DEAN & EMMA	22075 S HAINES RD	CANBY	97013	1b
31E26 00500	ROSE	ROSE AUSTIN & KIRSTI JOHNSON	22111 S HAINES RD	CANBY	97013	1b
31E26 00900	HASTI	HASTIE ROBERT & JANE	NO SITUS	CANBY	97013	1b
31E26 01000	MONTE	MONTECUCCO RENTALS LLC	NO SITUS	CANBY	97013	1b
31E26 01400	SCHMI	SCHMIDT CHRISTOPHER R	22353 S HAINES RD	CANBY	97013	1b
31E26 01500	HAGLE	HAGLER 2 LLC	NO SITUS	CANBY	97013	1b
31E26 01600	MOUA	MOUA KALENG K & PAVANG K	2912 SE TERRITORIAL RD	CANBY	97013	1b
31E26 01602	SCOTT	SCOTT INVESTMENTS	NO SITUS	CANBY	97013	1b
31E26 01604	KERN	KERN CHRIS J	2988 SE TERRITORIAL RD	CANBY	97013	1b
31E26 01605	WINST	WINSTON TERI L & ERIC D	22587 S HAINES RD	CANBY	97013	1b
31E26 01700	BOOTH	BOOTH EMILY L & AUSTIN J	2742 SE TERRITORIAL RD	CANBY	97013	1b
31E27DA00200	HOYER	HOYER WILLIAM J TRUSTEE	2690 SE TERRITORIAL RD	CANBY	97013	1b
31E27DA00201	SHANK	SHANK DALE RICHARD TRUSTEE	2375 E MADRONA LN	CANBY	97013	1b
31E27DA00280	HOYER	HOYER MARTA E	NO SITUS	CANBY	97013	1b
31E27DA00300	BOOTH	BOOTH EMILY L & AUSTIN J	NO SITUS	CANBY	97013	1b
31E27DA00900	INTL	INTL CH FOURSQUARE GOSPEL	2350 SE TERRITORIAL RD	CANBY	97013	1b
31E34A 02000	SMITH	SMITH-COMBS DELMAGENE E	23240 S MULINO RD	CANBY	97013	1c
31E34A 02200	SCHOS	SCHOSNIG MANFRED TRUSTEE	NO SITUS	CANBY	97013	1c
31E35 00201	SMITH	SMITH SHARON MICHELLE TRUSTEE	22840 S HAINES RD	CANBY	97013	1c
31E35 00202	THOMA	THOMAS CASEY MATTHEW & KELLIE N	22900 S HAINES RD	CANBY	97013	1c
31E35 00203	KEENE	KEENEY JUDITH D TRUSTEE	22962 S HAINES RD	CANBY	97013	1c
31E35 00204	KEENE	KEENEY ROBERT L TRUSTEE	NO SITUS	CANBY	97013	1c
31E35 00205	FLOWE	FLOWERS JANET J TRUSTEE	23040 S HAINES RD	CANBY	97013	1c
31E35 00206	COCCO	COCCO MICHAEL L & JUDY A	NO SITUS	CANBY	97013	1c
31E35 00207	LOTZ	LOTZ KAREN M	10115 S BREMER RD	CANBY	97013	1c
31E35 00208	SAVAG	SAVAGE CHELSEY LYN & COREY	10161 S BREMER RD	CANBY	97013	1c
31E35 00210	ROWEL	ROWELL RICHARD D & ANNE M	10201 S BREMER RD	CANBY	97013	1c

31E35 00212	DRIVE	DRIVER DANIEL S TRUSTEE	22992 S HAINES RD	CANBY	97013	1c
31E35 00213	STEVE	STEVENS WILLIAM E & CARLA A	10211 S BREMER RD	CANBY	97013	1c
31E35 00300	COCCO	COCCO MICHAEL L & JUDY A	23116 S HAINES RD	CANBY	97013	1c
31E35 00390	COCCO	COCCO MICHAEL L & JUDY A	NO SITUS	CANBY	97013	1c
31E26 01100	BIRKE	BIRKEMEIER FARMS INC	22200 S HAINES RD	CANBY	97013	7
31E26 01200	BIRKE	BIRKEMEIER RICHARD E CO-TRUSTEE	NO SITUS	CANBY	97013	7
31E26 01300	MONTE	MONTECUCCO PAUL A TRUSTEE	22345 S HAINES RD	CANBY	97013	7
31E35 00209	BIRKE	BIRKEMEIER FARMS INC	NO SITUS	CANBY	97013	8
31E35 00400	SCHOS	SCHOSNIG MANFRED A TRUSTEE	10076 S BREMER RD	CANBY	97013	8
31E35 00500	SCHOS	SCHOSNIG FAMILY LIV TRST	10050 S BREMER RD	CANBY	97013	8
31E35 00600	NEWKI	NEWKIRK HEIDI	23453 S BLOUNT RD	CANBY	97013	8
31E35 00700	MANUE	MANUEL FAMILY LAND LLC	NO SITUS	CANBY	97013	8
31E35 00701	MANUE	MANUEL FAMILY LAND LLC	23524 S MULINO RD	CANBY	97013	8
31E35 00800	MULIN	MULINO ROAD PROPERTY LLC	23840 S MULINO RD	CANBY	97013	8
31E35 00801	GUSTA	GUSTAFSON TIMOTHY S	23885 S BLOUNT RD	CANBY	97013	8
31E35 00802	WILTS	WILTSHIRE LYNN R	23869 S BLOUNT RD	CANBY	97013	8
31E35 00803	DEMET	DEMETZ KATERINA C	23855 S BLOUNT RD	CANBY	97013	8
31E35 00900	WEEDM	WEEDMAN KIRK A & CATHY M	10049 S TOWNSHIP RD	CANBY	97013	8
31E35 01000	DRAGT	DRAGT JON D & BRENDA M GUNDERSEN	23951 S BLOUNT RD	CANBY	97013	8
31E35 01001	COLLI	COLLINSON SEAN D & JULIE L	23905 S BLOUNT RD	CANBY	97013	8
31E35 01002	COLLI	COLLINSON SEAN D & JULIE L	NO SITUS	CANBY	97013	8
31E35 01200	SNOOK	SNOOK BARRY D TRUSTEE	NO SITUS	CANBY	97013	8
31E35 01202	SNOOK	SNOOK BARRY D TRUSTEE	23338 S BLOUNT RD	CANBY	97013	8
31E35 01300	SNOOK	SNOOK BARRY D TRUSTEE	23300 S BLOUNT RD	CANBY	97013	8
31E35 01301	KORSN	KORSNESS OLIVER B TRUSTEE	10420 S BREMER RD	CANBY	97013	8
31E35 01400	FAST	FAST ERIC & SARAH	23240 S BLOUNT RD	CANBY	97013	8
41E02 00600	WEBBE	WEBBER SUZANNE C TRUSTEE	24464 S MULINO RD	CANBY	97013	9
41E02 00601	ROSS	ROSS KATTERRINA R G & M J G	10182 S TOWNSHIP RD	CANBY	97013	9

Don Hardy

From: SusanMyers@Canby.com
Sent: Wednesday, September 2, 2026 8:40 PM
To: Don Hardy
Cc: Ryan Potter; Jamie Stickel
Subject: Montecucco Rentals, LLC testimony for UGB Expansion City Council meeting Sept 16, 2026

City Council,

I respectfully submit the following for the record for the public hearing to adopt an amendment to the Canby Urban Growth Boundary. I am preparing this ahead of the meeting package as I am leaving on vacation and am unfortunately unavailable to testify before you in person.

I am a member of the PAC and have appreciated the opportunity to personally participate in this process. Montecucco Rentals, LLC and other Montecucco family members own significant amount of property in Areas 1A, 1C, 5, 6, 7, 8. Many of us have participated in all the Summits, stakeholder "listening" sessions and testified at the Planning Commission meeting in August.

As a whole, we feel the City has done a good job of conducting this process and offering many notices and opportunity for participation and we appreciated everyones efforts. While we wish the state would allow development at the north end of Maple (Area 6) rather than on N. 22nd Ave west of Holly St. (the west end of 1A). We own property in both locations and are disappointed, but reconciled to this fact this is not an option.

The reasons we prefer N. Maple is there is a small strip of land already annexed into the City which we will be developing in the future. This area has the street installed with sewer, water, electricity, stormwater drainage, etc. available for development. The property has one owner Montecucco Rentals which would like to develop more of this property as it has heavy soil that has a shorter growing season and less desirable soil type with less overall production.

Montecucco Rentals and I support the UGB expansion and **request the City bringing in the 73 acres of residential and 25 acres of park land in 1A because the state will always make us come back to Area 1A until it is all in the UGB before allowing the City of Canby to bring in Areas 6 or 10.**

After listening to the staff and the consultants relaying info to the Planning Commission after public testimony was closed, we learned that the 3 ac of Neighborhood Commercial is more restrictive than the 25 ac of park land. Plus, we strongly believe Neighborhood Commercial is more likely to be successful in Areas 2 or 3, not in Area 1A; as Areas 2 and 3 are closer to Territorial which has the demographic to support Neighborhood Commercial. Therefore, **we are asking the 3 acres of Neighborhood Commercial not be included in 1A. We feel strongly about this point.**

Regarding the 25 ac of park land, the state is willing to allow acreage be either park or residential, and will allow the City to take that 25 acres of park land that the City is short and disburse it within the existing City limits. Obviously, an appropriate amount of park land, we understand approx. 9 acres, would remain in 1A to serve that growth. We encourage the City to do this distribution of park land in the future as the City as a whole is short of parks, not just the north end of town.

Last, we ask the City to plan for the transportation system that will serve Areas 5 and 6 in the future. At this time the only Collector street is Holly St. Both Maple and Locust are built to local street standards and the City is not installing a grid street system north of Territorial as it develops piece meal. You will note that Areas 5 and 6 are landlocked because they are surrounded by rivers (Willamette and Molalla) with no exit except to the south. This plan acknowledges Area 5 and 6 will be Canby's future residential areas. With the density the State is force on Canby, we need to carefully consider this issued and plan and install streets with will support the future growth of this area.

Thank you for your consideration.

Respectfully,

Susan Myers
Member of Montecucco Rentals, LLC

On Sep 2, 2026, at 5:13 PM, Jamie Stickel <StickelJ@canbyoregon.gov> wrote:

Hello –

The Canby City Council will hold a public hearing to adopt an amendment to the Canby Urban Growth Boundary (UGB) on **Wednesday, September 16, 2026, at 7:00 pm** in City Council Chambers - located on the first floor of City Hall, 222 NE 2nd Avenue, Canby.

The UGB expansion follows the state-mandated process to provide needed residential, employment, and park lands to meet the city's needs over the next 20 years. Adoption of the proposed boundary is the culmination of a three-year process which involved extensive public engagement including a project advisory committee and community meetings.

The UGB amendment public hearing covers the boundary itself. Residential, employment, and park land use designations for the expansion area will be determined through the on-going Concept Plan process, which will have additional community meetings and a separate hearing in 2027.

For meeting details, including agendas and supporting materials, please visit the [City of Canby Meetings page](#). City Council meeting agendas are typically posted by the Friday preceding the meeting. If you are unable to attend the public hearing in person, City Council meetings are streamed live and recordings are available online through the City's YouTube channel: [City of Canby YouTube Channel](#).

You are receiving this message as you have signed up for notifications regarding Cultivating Canby, the citywide effort to update the Comprehensive Plan and the Transportation System Plan (TSP) Update; and expand the Urban Growth Boundary (UGB).

Should you have any questions, please feel free to reach out to me, or I have copied Don Hardy, City Planning Director, and Ryan Potter, City Planning Manager on this email.

Sincerely,

Jamie Stickel

Economic Development Director | Communications Specialist

City of Canby

222 NE 2nd Avenue | PO Box 930

Canby, OR 97013

(p) 503.266.0701 | (m) 503.545.5808

StickelJ@CanbyOregon.gov



September 16, 2026

Mayor Hodson and City Councilors
City of Canby
222 NE 2nd Avenue
Canby, Oregon 97013

Re: Support for Canby Urban Growth Boundary Amendment

Dear Mayor Hodson and City Councilors,

Unfortunately, I am unable to attend tonight's public hearing in person, but I wanted to make sure my support for the proposed Urban Growth Boundary amendment was included in the public record.

As a Canby resident and member of the Public Advisory Committee (PAC) for the UGB expansion, I fully support the staff recommendation before you.

Having been involved in this process, I have been impressed with the work that has gone into getting us to this point. City staff, consultants, the Planning Commission, the City Council, PAC members, and the community at large have all contributed significant time and effort. Most importantly, there has been substantial community involvement throughout the process. While there were difficult decisions along the way, I believe the process ultimately produced the best possible outcome for Canby.

Regarding some of the questions raised during the Planning Commission hearing, I would support including as much parkland as possible in Area 1A. Doing so gives the City the greatest flexibility as we move into concept planning and determine how this area should ultimately develop. With respect to the Neighborhood Commercial designation in Area 1A, I am less convinced that it is necessary or appropriate in this location. For that reason, I would lean toward leaving it out.

After more than three years of work, I look forward to the successful completion of the UGB amendment process. Just as importantly, I hope the City will move quickly into the next phases—concept planning, comprehensive plan amendments, and Transportation System Plan updates for the expansion areas.

The value of bringing employment land into the UGB will only be fully realized if we continue the planning work necessary to make that land available for annexation and development. There is still significant work ahead, and I believe it is important that we move through these next steps efficiently and without unnecessary delay, particularly for the employment lands. Timely annexation and development of these lands will help create

opportunities for new jobs, private investment, and other important community benefits for Canby.

Thank you to the City Council, Planning Commission, City staff, consultants, PAC members, and everyone in the community who has contributed to this effort. I appreciate the thoughtful process that brought us to this point and encourage the Council to approve the staff recommendation and move this important work forward into the next phase.

Sincerely,

Ethan Manuel

Canby Resident

UGB Public Advisory Committee Member



August 19, 2026



City of Canby

Don Hardy, Community Development Director

Sent via email

RE: Required Timeline and Applicable Rules for Canby's UGB amendment

Dear Director Hardy,

The Department of Land Conservation and Development (DLCD, or the Department) has received the notice of upcoming hearings for a UGB amendment greater than 50 acres from the City of Canby, which will fulfill the City's approved Sequential UGB work program. This letter explains the applicable rule sets, the role of Clackamas County, the meaning of "submit," and the deadline for submission.

Statutory Language

House Bill 2889 (2023), effective July 18, 2023, described as the technical "clean-up bill" to HB 2001 (2023), known as the Oregon Housing Needs Analysis bill, amended Oregon Revised Statute¹ as follows: "To avoid interference with current planning activities or to avoid unjust or surprising results, the Land Conservation and Development Commission may postpone, for cities specified by the commission, the applicability of section 13, 21, 22 or 23, chapter 13, Oregon Laws 2023 (Enrolled House Bill 2001), and the amendments to ORS 197.286, 197.290, 197.296, 197.297 and 197.303 by sections 12 and 25 to 28, chapter 13, Oregon Laws 2023 (Enrolled House Bill 2001), until a date that is not later than January 1, 2027."

This provision allows LCDC to delay the applicability of certain sections of the OHNA Bill, including "13 [197A.210], 21 [197A.280], 22 [197A.270] or 23 [197A.018], chapter 13, Oregon Laws 2023, and the amendments to ORS 197.286, 197.290, 197.296 [renumbered 197A.350], 197.297 [renumbered 197A.335] and 197.303 [renumbered 197A.348] by

¹ HB 2001, section 9(4) (2023), was amended by HB 2889 (2023), and temporarily compiled as a note after ORS 197A.025 (2023).

sections 12 and 25 to 28, chapter 13, Oregon Laws 2023, until a date that is not later than January 1, 2027.

Temporary Rule Adoption

Accordingly, the Land Conservation and Development Commission (LCDC or commission) adopted a temporary rule package at its June 2026 meeting. The temporary rules, as adopted by the commission, provide that any legislative amendment submitted to DLCD for review on or before January 1, 2027, may apply the versions of OAR chapter 660, divisions 8, 21, and 24 that were in effect prior to the OHNA rule amendments. This is an option for cities like Canby already working on major planning efforts to complete their work under the pre-OHNA rule set.

Meaning of “Submit” Under OAR 660-018-0040 and 660-025-0130/0140

For purposes of the January 1, 2027 deadline, “submit” means that the city (and county, where applicable) has completed local adoption and transmitted the adopted amendment to DLCD under OAR 660-018-0040 or OAR 660-025-0130 to 0140. A complete submittal under OAR 660-025-0130 includes the Notice of Decision required by OAR 660-025-0140(1), the adopted ordinance or ordinances, findings and supporting materials, maps and exhibits, the list of participants required by OAR 660-025-0130(1), and the local record or indexed record consistent with OAR 660-025-0130(3). A project is not considered submitted if it is still in local hearings, has been adopted locally but not transmitted, or if only draft materials have been sent. DLCD must receive the adopted amendment package on or before January 1, 2027.

After the city or county adopts a final decision on a UGB amendment or other work task, the local government must send a Notice of Decision to DLCD and to all participants. The date DLCD receives the Notice of Decision package is the operative “submittal” date for purposes of the temporary rules.

County Adoption Requirements

Because the city’s UGB amendment involves land outside the city limits, Clackamas County must also adopt the amendments before they can be submitted to DLCD. The required sequence is that the city first adopts the UGB amendment; the county then adopts the UGB amendment, and the city and county jointly submit the adopted amendments to DLCD under OAR 660-025-0130 to 0140. The January 1, 2027 deadline applies to the final, county-inclusive submittal.

Notice and Objection Process (OAR 660-025-0140)

The Notice of Decision initiates a 21-day objection period during which any person who participated orally or in writing may file an objection with DLCD. If no valid objections are

filed, the Director reviews the submittal. If objections are filed, the DLCD Director reviews the submittal and the objections, addressing the issues raised by the objectors. In either case, the Director has 90 days from the date of submittal to issue a decision.

Components of the Coordinated Package and Applicable Rule Sets

If the city elects to use the pre-OHNA rules under the temporary rules as adopted by the commission, the components of the coordinated package may be reviewed under the pre-OHNA versions Division 24, provided the complete package is submitted to DLCD on or before January 1, 2027.

Consequences of Missing the Deadline

While there is no case law about this topic, the statute could be interpreted to mean that any component submitted after January 1, 2027 must use, as applicable, the most current version of Divisions 8 and 24 and the state OHNA housing allocation. This would require the city to redo its HCA, land need analysis, and UGB justification under the OHNA framework.

Summary

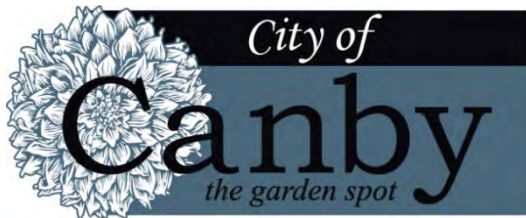
To guarantee legal use of the pre-OHNA rule set, Canby must complete local and county adoption and submit the UGB amendment to DLCD on or before January 1, 2027. "Submit" means DLCD receives the adopted amendment under OAR 660-018-0040 or OAR 660-025-0130 to 0140.

If you have any questions or need further assistance, please contact me at [503-302-0937](tel:503-302-0937), ethan.stuckmayer@dlcd.oregon.gov or DLCD Regional Representative Kelly Reid at (971) 345-1987 or kelly.reid@dlcd.oregon.gov.

Sincerely,



Ethan Stuckmayer
Manager, Housing Division
CC:
Brenda Bateman, DLCD
Kirstin Greene, DLCD
Alexis Hammer, DLCD
Kevin Young, DLCD
Kelly Reid, DLCD



CITY COUNCIL STAFF REPORT

Meeting Date: 9/6/2023

To: The Honorable Mayor Hodson & City Council
Thru: Eileen Stein, Interim City Administrator
From: Don Hardy, Planning Director
Agenda Item: Consider Ordinance No. 1611: Adopting the Economic Opportunities Analysis as part of the City Comprehensive Plan (*First Reading*)
Goal: Align Resources to Address Future Community Growth
Objective: Complete the City's Economic Needs Analysis

Summary

The Planning Commission has forwarded a recommendation of approval to City Council to adopt the Economic Opportunities Analysis (EOA) as part of the City's Comprehensive Plan. The City Council accepted the EOA during their April 19, 2023, hearing, however the Department of Land Conservation and Development requires that the EOA to be adopted as part of the Canby Comprehensive Plan. Below are the findings to incorporate the EOA into the current Canby Comprehensive Plan. Staff is recommending incorporation of the same Planning Commission August 14, 2023 recommendations forwarded to the City Council that are identified in the attached detailed staff report.

Background

Key element of the Economic Opportunities Analysis include:

- Proposed employment growth scenario
- Proposed economic development objectives
- Proposed community development vision

The Canby EOA is intended to serve as a basis for the City to explore and document new information regarding the City's buildable lands inventory (BLI), population and employment trends, and develop policies and objectives aimed at strengthening the local economy. The Canby EOA will serve as the basis for the City to document and adopt local policies and actions that help make the City a more economically viable community for residents, businesses and workers.

The EOA is being completed to accomplish the following:

- Identify the land base to accommodate forecasted jobs.
- Establish employment targets based on economic analysis to establish amount of commercial and industrial acreage needed for 20-year population growth.
- Identify the anticipated acreage for employment land that may be brought into the City's Urban Growth Boundary.
- Use the Economic Analysis as part of the Economic Chapter of the Canby Comprehensive Plan and Transportation System Plan updates.
- Use the Community Development Objectives to further consider policy development in the Comprehensive Plan update.

The major elements of the EOA adoption include 13 Community Development Objectives, the medium growth development scenario and the community development vision statement which are described below, and which received a recommendation of approval from the Planning Commission on August 14, 2023. The Planning Commission added further recommendations shown in bold italics.

Community Development Objectives:

Enhance Canby's positive business environment with adequate commercial, industrial and mixed-use sites to address future growth opportunities.

Planning Commission recommended targeting high tech industries, light manufacturing, agricultural specialty industries, higher education—community college, and satellite location for continuing education.

Plan for Industrial expansion areas east and north of Mulino Rd. Retain and attract businesses that provide quality jobs with high levels of employment per acre.

The Planning Commission requested: That council direct them to review the required employees per acre and make a code recommendation on the required employees per acre and exception criteria for projects below the designated employees per acre.

Provide incentives for targeted job creation and major private investment.

Support expansion in health services.

Planning Commission would like focus to include support services for the health industry, senior living, in addition to outpatient treatment facilities.

Support workforce training and development.

Expand opportunities for the development of workforce housing.

Expand lodging options.

Planning Commission recommended focus on hotel convention center/conference center to support activities at the Fairgrounds and other events in the city.

Fund roads and infrastructure using innovative techniques.

Planning Commission recommended using Urban Renewal funds for major infrastructure and focusing on a radius road system around city to address future road needs as the city expands.

Support arts & visitation, including Agri- and bicycle-tourism.

Planning Commission would like to encourage promoting of a convention center.

Attract downtown redevelopment with integrated mixed-use buildings.

Planning Commission would like to better connect the downtown and the industrial park.

Update design standards and provide incentives for building renovations.

Think Regional and Act Local.

The Planning Commission recommended the medium growth forecast which is noted below identifying the need for 438 acres of industrial employment and 8 acres of commercial employment expansion needed over the next 20-years. A detailed breakdown of the required employment acreage needed for each growth scenario is shown in the following table:

Canby UGB Employment Land Needs (gross buildable unconstrained acres)

Comp. Plan Designation	Land Supply*	Land Need (Demand)**			Land Need (Shortfall)		
		Low	Medium	High	Low	Medium	High
Commercial (RC, DC, HC)	16.4	20.5	24.7	33.9	(4.1)	(8.3)	(17.5)
Industrial/Other Emp. (CM, LI, HI)*	163.0	244.4	601.5	637.8	(81.4)	(438.5)	(474.8)
Total Buildable Land (gross acres)	179.4	264.9	626.2	671.6	(85.5)	(446.8)	(492.2)

* Includes projects in the development pipeline that have no building permit issued as of Jan. 1, 2023.

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

The Planning Commission also supported the Community Development 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.

Discussion

A PowerPoint presentation will be provided for the City Council hearing.

Attachments

- Planning Department Staff Report
- Draft City of Canby Economic Opportunities Analysis, March 17, 2023
- August 28, 2023, Planning Commission Economic Opportunities Analysis Final Findings
- City Council Ordinance
- DLCD PAPA Notice

Fiscal Impact

None

Options

Approve, modify or deny the economic opportunities analysis

Recommendation

Approval of economic opportunities analysis and adopt an ordinance

Proposed Motion

"I move to approve Ordinance 1611: An Ordinance Adopting the Economic Opportunity Analysis as part of the City Comprehensive Plan to a second reading on September 20, 2023."

ORDINANCE NO. 1611

AN ORDINANCE ADOPTING THE ECONOMIC OPPORTUNITY ANALYSIS AS PART OF THE CITY OF CANBY COMPREHENSIVE PLAN

WHEREAS, the City Council accepted the Economic Opportunity Analysis (EOA) on April 19, 2023 which needs to be formally adopted into the Canby Comprehensive Plan; and

WHEREAS, there is a state requirement that the EOA be adopted as part of the City's comprehensive plan; and

WHEREAS, the planning commission recommended approval of the EOA on March 27, 2023; and

WHEREAS, a staff report with appropriate findings have been prepared showing consistency of the EOA comprehensive plan text amendment with the City Municipal Code and statewide planning goals;

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

Section 1. They City of Canby City Council hereby adopts the EOA as a text amendment to the Canby Comprehensive Plan as Exhibit A.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, September 6, 2023 ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, September 20 commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Maya Benham
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 20th day of September, 2023, by the following vote:

YEAS _____

NAYS _____

Brian Hodson
Mayor

ATTEST:

Maya Benham
City Recorder



City of Canby

Planning & Development Services

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

Phone: 503.266.7001

www.canbyoregon.gov

Request:

The City proposes updates to the Comprehensive Plan, including an updated Economic Opportunities Analysis (EOA). City Council accepted the EOA during their April 19, 2023, hearing, however the Department of Land Conservation and Development requires that the EOA to be adopted as part of the Canby Comprehensive Plan. Below are the findings to incorporate the EOA into the current Canby Comprehensive Plan. Staff is recommending incorporation of the same Planning Commission August 14, 2023 recommendations forwarded to the city council that include:

Support of the medium employment growth scenario:

Canby UGB Employment Land Needs (gross buildable unconstrained acres)

Comp. Plan Designation	Land Supply*	Land Need (Demand)**			Land Need (Shortfall)		
		Low	Medium	High	Low	Medium	High
Commercial (RC, DC, HC)	16.4	20.5	24.7	33.9	(4.1)	(8.3)	(17.5)
Industrial/Other Emp. (CM, LI, HI)*	163.0	244.4	601.5	637.8	(81.4)	(438.5)	(474.8)
Total Buildable Land (gross acres)	179.4	264.9	626.2	671.6	(85.5)	(446.8)	(492.2)

* Includes projects in the development pipeline that have no building permit issued as of Jan. 1, 2023.

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

The Community Development Vision:

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.

And, including the following community development objectives:

Community Development Objectives:

1. Enhance Canby's positive business environment with adequate commercial, industrial and mixed-use sites to address future growth opportunities.

Planning Commission recommended targeting high tech industries, light manufacturing, agricultural specialty industries, higher education—community college, and satellite location for continuing education.

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.
Planning Commission requested: that City Council direct them to review the required employees per acre and make a code recommendation on the required employees per acre and exception criteria for projects below the designated employees 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 opportunities for the development of workforce housing.
8. Expand lodging options.

Planning Commission recommended focus on hotel convention center/conference center to support activities at the Fairgrounds and other events in the city.

9. Fund roads and infrastructure using innovative techniques.
Planning Commission recommended using urban renewal funds for major infrastructure and focusing on a radius road system around city to address future road needs as the city expands.
10. Support arts & visitation, including agri- and bicycle-tourism.
Planning Commission would like to encourage promoting of a convention center.

11. Attract downtown redevelopment with integrated mixed-use buildings.
Planning Commission would like to better connect the downtown and the industrial park.

12. Update design standards and provide incentives for building renovations.
13. Think Regional and Act Local.

SUMMARY CONCLUSIONS

This report includes findings regarding each applicable current Comprehensive Plan and Zoning Code criterion. The proposal is consistent with the Comprehensive Plan and Zoning Code criteria for a Zoning Code Text Amendment.

PROPOSAL

The City proposes an amendment to the recently accepted EOA which included the medium growth

scenario and 13 community development objectives. The Portland State University Population Research Center released a new, official population forecast on June 30, 2020 for the City of Canby Urban Growth Boundary that supersedes the 2017 population forecast. The City Council seeks a new EOA that pursues its Economic Vision as allowed by Oregon Planning Goal 9 which is consistent with the official June 30, 2020 population forecast.

COMPLIANCE WITH CITY OF CANBY MUNICIPAL CODE

The Canby Municipal Code defines the requirements for Comprehensive Plan amendment as follows:

Canby Title 16.88.180 Comprehensive Plan Amendments

- A. Authorization to Initiate Amendments.** An amendment to the Comprehensive Plan may be initiated by the City Council, by the Planning Commission, or by the application of a property owner or his authorized agent. The Planning Commission shall, within forty days after closing the hearing, recommend to the City Council approval, disapproval, or modification of the proposed amendment.
- B. Application.** Application procedures shall be as described in Chapter 16.89.
- C. Legislative Plan Amendment Standards and Criteria.** In judging whether or not a legislative plan amendment shall be approved, the Planning Commission and City Council shall consider:
 - 1. The remainder of the Comprehensive Plan of the city, and the plans and policies of the county, state, and local districts, in order to preserve functions and local aspects of land conservation and development;
 - 2. A public need for the change;
 - 3. Whether the proposed change will serve the public need better than any other change which might be expected to be made;
 - 4. Whether the change will preserve and protect the health, safety and general welfare of the residents in the community;
 - 5. Statewide planning goals.
- D. Quasi-judicial Plan Amendment Standards and Criteria.** In judging whether a quasi-judicial plan amendment shall be approved, the Planning Commission and City Council shall consider:
 - 1. The remainder of the Comprehensive Plan of the city, as well as the plans and policies of the county, state, or any local school or service districts which may be affected by the amendments;
 - 2. Whether all required public facilities and services exist or will be provided concurrent with the anticipated development of the area.

3. For proposed Comprehensive Plan amendments, which must consider the long-term adequacy of the transportation system for TPR 660-10-060 compliance, ODOT must be consulted to determine whether a highway project is “reasonably likely to be funded” based on funding projections at that time. (Ord. 740 section 10.8.80, 1984; Ord. 981 section 16, 1997; Ord. 1080, 2001; Ord. 1340, 2011; Ord. 1514, 2019)

16.88.190 Conformance with Transportation System Plan and Transportation Planning Rule

- A. A proposed Comprehensive Plan amendment, zone change or land use regulation change, whether initiated by the city or by a private interest, shall be reviewed to determine whether it significantly affects a transportation facility, in accordance with the Transportation Planning Rule (OAR 660-012-0060). A plan or land use regulation amendment significantly affects a transportation facility if it:
 1. Changes the functional classification of an existing or planned transportation facility;
 2. Changes standards implementing a functional classification system;
 3. As measured at the end of the planning period identified in the adopted plan:
 - a. Allows types or levels of land use that would result in levels of travel or access that are inconsistent with the functional classification of a transportation facility; or
 - b. Would reduce the performance of the facility below the minimum acceptable performance standard identified in the Transportation System Plan;
 - c. Would worsen the performance of a facility that is otherwise projected to perform below the minimum acceptable performance standard identified in the Transportation System Plan.
- B. Amendments to the Comprehensive Plan and land use regulations which significantly affect a transportation facility shall assure that allowed land uses are consistent with the function, capacity, and performance standards (e.g., level of service, volume to capacity ratio, etc.) of the facility identified in the Transportation System Plan. This shall be accomplished by one of the following:
 1. Adopting measures that demonstrate allowed land uses are consistent with the planned function, capacity, and performance standards of the transportation facility.
 2. Amending the TSP or Comprehensive Plan to provide transportation facilities, improvements or services adequate to support the proposed land uses consistent with the requirements of Section – 0060 of the TPR. Such amendments shall include a funding plan or other mechanism so that the facility, improvement or service will be provided by the end of the planning period.
 3. Altering land use designations, densities, or design requirements to reduce demand for vehicle travel and meet travel needs through other modes of transportation.
 4. Amending the TSP to modify the planned function, capacity or performance standards of the transportation facility.
 5. Providing other measures as a condition of development, including transportation system management measures, demand management or minor transportation improvements.

- C. A Traffic Impact Study may be required by the City in accordance with Section 16.08.150. (Ord. 1043, section 3, 2000; Ord. 1237, 2007; Ord. 1340, 2011)

Finding: *The adoption of an Economic Opportunities Analysis and corresponding Comprehensive Plan text revision is a necessary factual basis for the City to craft Economic Policy for the City. The proposed text amendments do not affect the traffic generation and circulation patterns, level of park and recreation facilities, demand for public facilities and services, protection and use of natural resources or compliance with special purpose plans or programs; however, they do provide more opportunities for the City to meet the demand for economic development.*

The proposed text amendments represent a logical implementation of the Comprehensive Plan. The adoption of an Amended Economic Opportunities Analysis provides the City with a factual basis on which to rely when creating economic goals and policies. Goals and policies will be further developed as part of the on-going Comprehensive Plan update process. The current Comprehensive Plan Economic Element Policy 3 identifies that Canby shall encourage economic programs and projects which will lead to an increase in local employment opportunities. The EOA update was deemed by the City Council to be desirable and appropriate during the April 19, 2023, hearing, where it was accepted but not adopted as part of the Canby Comprehensive Plan. The Economic Opportunities Analysis is consistent with the Canby Comprehensive Plan and Transportation System Plan, meets community needs and has been vetted through an in-depth public process that included evaluating alternatives and was vetted with the Oregon State Department of Land Conservation and Development.

The proposed text amendment does not include changes to the Transportation System Plan or significantly affect a transportation facility. The proposed text amendment is in compliance with the Transportation Planning Rule. This standard is met.

(2) The proposed amendment complies with all applicable Statewide Planning Goals and administrative rule requirements.

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

Goal 1 Citizen Involvement

The proposed EOA and Comprehensive Plan text amendment do not specifically address citizen involvement.

This land use application is subject to a City of Canby Type IV land use review, which includes a significant citizen involvement component. This process has been established by the city and determined to be consistent with this goal. The mandatory public notice of the action and decision, and the hearings on this case before the Planning Commission and City Council are all avenues of citizen participation.

Goal 2 Land Use Planning

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

The process identified above was utilized in the drafting of this proposed EOA and Comprehensive Plan Text Amendment. Alternatives have been considered throughout the drafting of the updates. The proposed changes are consistent with and adequate to carry out the Comprehensive Plan.

Goal 3 Agricultural Lands

This goal does not apply because the City does not include areas designated for agricultural use.

Goal 4 Forest Lands

This goal does not apply because the City does not include areas designated for forest use.

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

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

Goal 6 Air, Water and Land Resources Quality

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

Goal 7 Areas Subject to Natural Hazards

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

Goal 8 Recreational Needs

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

Goal 9 Economic Development

The intent of the Economic Opportunities Analysis is to provide the City a factual basis on which to make economic policy decisions. The adoption of the EOA and Comprehensive Plan Text Amendments allows the City to continue to comply with Goal 9 and prepares the City for development in the city in the near term and in the 20-year planning horizon. Therefore, the intent of the Economic Development goal is supported and satisfied with this proposed Amended EOA.

Goal 10 Housing

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

Goal 11 Public Facilities and Services

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

Goal 12 Transportation

The Transportation Planning Rule (TPR), OAR 600-012.0060, requires that, where an amendment to a Comprehensive Plan or zoning regulation would significantly affect an existing or planned transportation facility, the local government shall put in place measures that assure that allowed land uses are consistent with the function, capacity, and performance standards of the facility. The proposed Amended EOA does not, in and of itself, propose any changes to an existing or planned transportation facility. However, the amount of employment land need projected in the Amended EOA has the potential to affect transportation facilities throughout the city. The employment land need identified in the Amended EOA will be used to inform the city's UGB expansion process, in which transportation facility analysis is addressed. In addition, any annexations into the city limits of employment lands identified in the EOA will require TPR analysis. Any impact to the transportation network will be addressed prior to expansion of the city and as such, the proposed zoning code text amendment does not affect the transportation system of the City.

Goal 13 Energy Conservation

There are no identifiable energy consequences of this land use action. The proposed text amendments will not result in any appreciable difference in waste production or recycling compared with development under the existing zoning.

Goal 14 Urbanization

The adoption of this EOA and Comp Plan Text Amendments prepares the City for the expansion of the Urban Growth Boundary, an on-going effort by the City to provide for the employment and housing needs of the City for the next 20 years. Approval of these updates will support the City's on-going compliance with Goal 14.

Goal 15 Willamette River Greenway

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

Goal 16 Estuarine Resources

Goal 17 Coastal Shorelands

Goal 18 Beaches and Dunes

Goal 19 Ocean Resources

The city does not have any estuarine resources, and is not on the Oregon Coast, so goals 16 through 19 do not apply.

Conditions

The hearing body (City Council) shall issue a final written order containing findings and conclusions recommending that the City Council approve, approve with conditions or deny the application for the Comprehensive Plan amendment.

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

CONCLUSION

The Planning Commission at their August 14, 2023 hearing forwarded a recommendation of approval to City Council to the EOA as part of the city Comprehensive Plan. The Planning Commission identified that they did not want to forward a recommendation on the required number of employees per acre (applicable to portions of the City's industrial park) but requested that the City Council direct them to review the required employees per acre and make a recommendation on the required employees per acre and exception criteria for projects below the designated employees per acre. Otherwise, the Planning Commission adopted the findings and conclusions contained in the August 4, 2023 Staff Report and reflected in this staff report.

Staff recommends the City Council adopt the Economic Opportunities Analysis at their regularly scheduled meeting on September 6, 2023.

Canby, Oregon

Economic Opportunities Analysis

Report

March 17, 2023
(Revised May 18, 2023)

This project was funded in part by a grant from the
Oregon Department of Land Conservation and
Development

ACKNOWLEDGEMENTS

This work is made possible through the extensive input by City staff and the Canby Economic Opportunities Analysis project advisory committee, as well as community members that participated in the planning process. We specifically recognize and appreciate the time and attention dedicated to this work by the following people.

City of Canby Mayor and City Council

Brian Hodson (Mayor)
Traci Hensley (Council President)
Christopher Bangs (Councilor)
Shawn Varwig (Councilor)
Jason Padden (Councilor)
Jim Davis (Councilor)
Herman Maldonado (Councilor)

Project Advisory Committee

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Cindy Moore, Economic Development Coordinator
Amy Oakley, Clackamas Workforce Partnership
Briana Correa, Todos Juntos, Inc.
Susan Myers, Developer Representative
Teresa Sasse, Puddin' River Chocolates
Brian Hodson, Canby Mayor
Jason Padden, Canby City Council
Sarah Spoon, Canby City Council

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Julia Reissmann, 3J Consulting

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*“The best way to enjoy your job is to imagine
yourself without one.” - Oscar Wilde*

Section I. INTRODUCTION

The Canby Economic Opportunities Analysis (EOA) is intended to serve as a basis for the City to explore and document new information regarding the City's buildable land inventory (BLI), population and employment trends, and development policies and objectives aimed at strengthening the local economy. The Canby EOA will serve as a basis for the City to document and adopt local policies and actions that help make the City a more economically viable community for residents, businesses and workers.

I.A. OREGON REGULATORY REQUIREMENTS

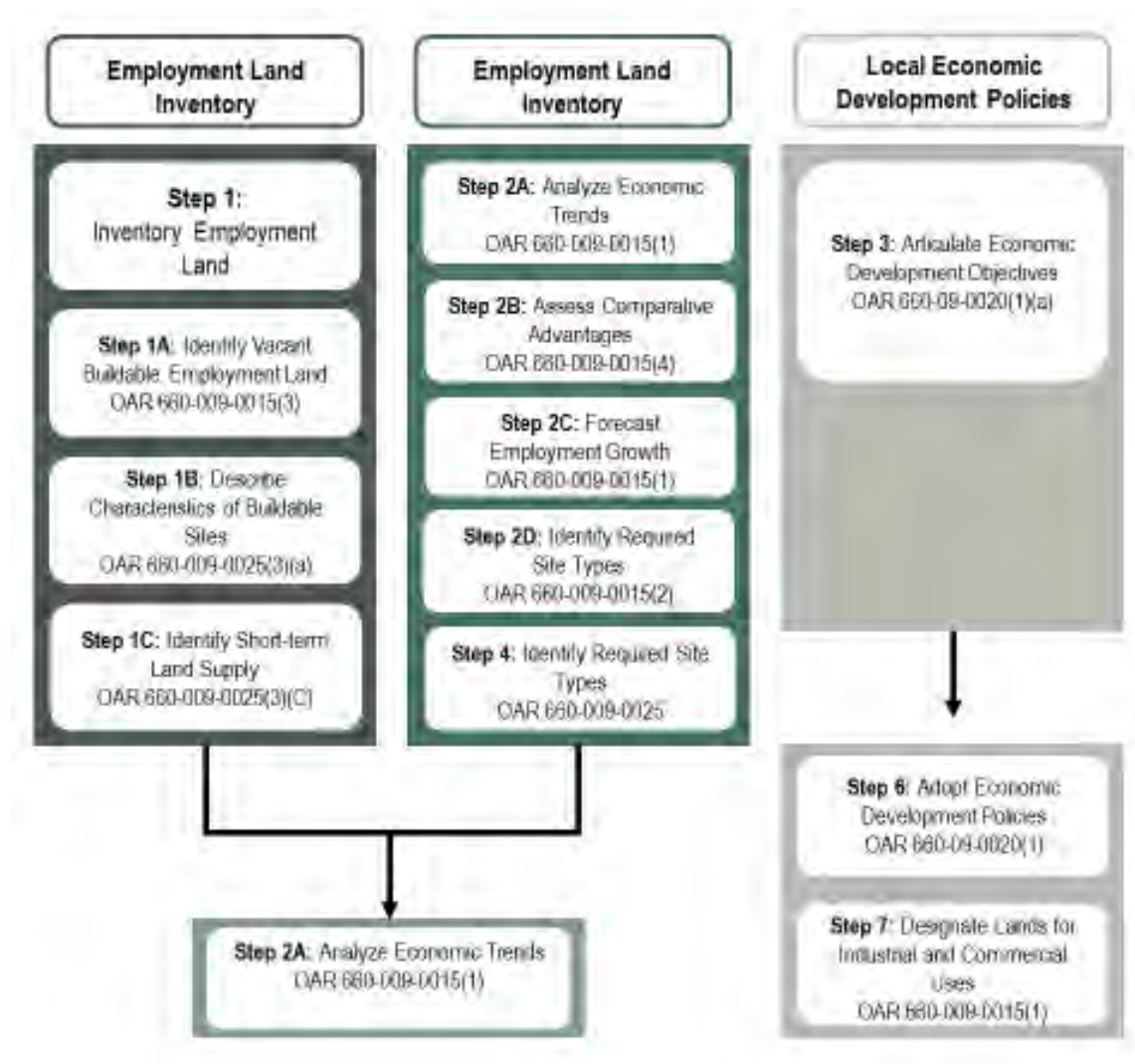
Canby is undergoing a review of its Comprehensive Plan per Oregon requirements. As part of the Comprehensive Plan update, the City must address the requirements of Goal 9 (Economic Development, OAR 660-009). Among other requirements listed in **Appendix A**, Goal 9 requires cities to periodically review and update the following:

- Local vision for strengthening local economies through the adoption of local economic policies that include community economic development objectives;
- Local urban growth requirements (land needs) for providing adequate land needed to accommodate 20-year employment growth forecasts. Land needs are to be based upon:
 - Current analysis of vacant and part-vacant buildable lands that are zoned or planned to accommodate job growth.
 - Forecast land needs based on an Economic Opportunities Analysis that considers global, national and local trends, and is generally consistent with regional growth forecasts or coordinated population growth forecasts.

I.B. METHODOLOGY AND APPROACH

The technical and political approach used for the Canby EOA and related steps are illustrated in **Exhibit 1**. This approach is consistent with the DLCD Goal 9 administrative rule, the supporting OAR 660 guidance, as well as other supporting guidance provided per the DLCD Industrial & Other Employment Lands Analysis Guidebook (2005) and the Economic Development and Employment Land Planning Guidebook (July 2010).

Exhibit 1: Canby EOA Methodology and Approach



Section II. EMERGING TRENDS

This section includes an analysis of economic trends and local competitive advantages according to prepared employment growth forecasts in accordance with OAR 660-009-0015(1-4). The analysis considers local economic development visions, goals, and objectives to inform the growth forecast.

II.A. ECONOMIC OVERVIEW

FCS GROUP conducted an economic overview and market evaluation for office, commercial, industrial, and civic development for the Canby Urban Growth Boundary (UGB). The analysis focused on the expected level of demand for new development related to job growth over the next 20 years.

The United States (U.S.) economy has experienced an economic recovery since the Coronavirus-related economic downturn occurred during early 2019 through 2020. More recently, unemployment rates have declined to near record lows while the national economy has been hampered by persistently high inflation. Current trends reflect positive growth in the U.S. gross domestic product (GDP), which is a measure of the value of goods and services produced. According to Wells Fargo, U.S. GDP is expected to realize a 2.8% year-over-year GDP growth rate in 2022, but little or no real inflation adjusted growth in 2023 and 2024 (**Exhibit 2**).

As shown in **Exhibit 2**, the U.S. Consumer Price Index (CPI), which is a measure of inflation, is estimated to have increased at a rate of 8% in 2022 with anticipated increases of 3.8% in 2023 and 2.5% in 2024.

Exhibit 2: Global GDP and CPI Growth Projections

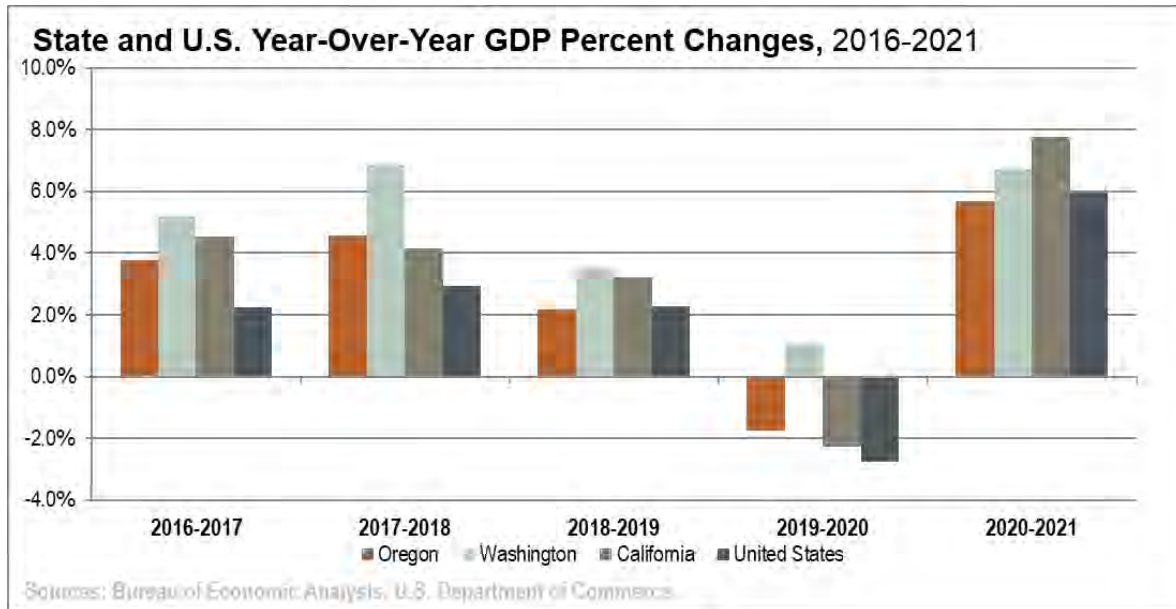
	GDP				CPI			
	2021	2022 Est.	2023 Proj.	2024 Proj.	2021	2022 Est.	2023 Proj.	2024 Proj.
Advanced Economies	5.2%	2.8%	0.2%	1.3%	3.1%	8.0%	5.0%	2.3%
United States	5.9%	2.0%	0.2%	0.0%	4.7%	8.0%	3.8%	2.5%
Eurozone	5.2%	3.2%	-0.7%	2.0%	2.6%	8.5%	6.2%	2.1%
United Kingdom	7.4%	4.4%	-1.5%	1.7%	2.6%	9.2%	8.9%	2.5%
Japan	1.7%	1.4%	1.2%	1.5%	-0.2%	2.4%	1.8%	0.8%
Australia	4.9%	3.8%	1.7%	2.4%	2.8%	6.4%	4.3%	2.9%
Canada	4.5%	3.5%	0.4%	2.4%	3.4%	6.8%	3.4%	1.9%
Developing Economies	6.6%	2.1%	2.8%	3.5%	5.9%	6.6%	5.2%	4.6%
China	8.1%	3.0%	4.9%	4.9%	0.9%	2.1%	2.3%	2.0%
India	8.7%	6.7%	5.8%	6.3%	5.5%	6.8%	4.5%	5.0%
Mexico	4.8%	3.1%	0.7%	1.8%	5.7%	7.9%	5.4%	3.6%
Brazil	4.6%	3.1%	0.4%	1.9%	8.3%	9.0%	5.0%	4.0%

Source: Wells Fargo, forecast as of December 8, 2022.

Abbreviations: GDP = gross domestic product; CPI = consumer price index

Within the U.S., Oregon tends to exceed the national GDP growth rate. According to the U.S. Bureau of Economic Analysis, Oregon had the 8th fastest growing economy in the U.S., increasing at 2.9% per year from 2016-2021 (**Exhibit 3**).

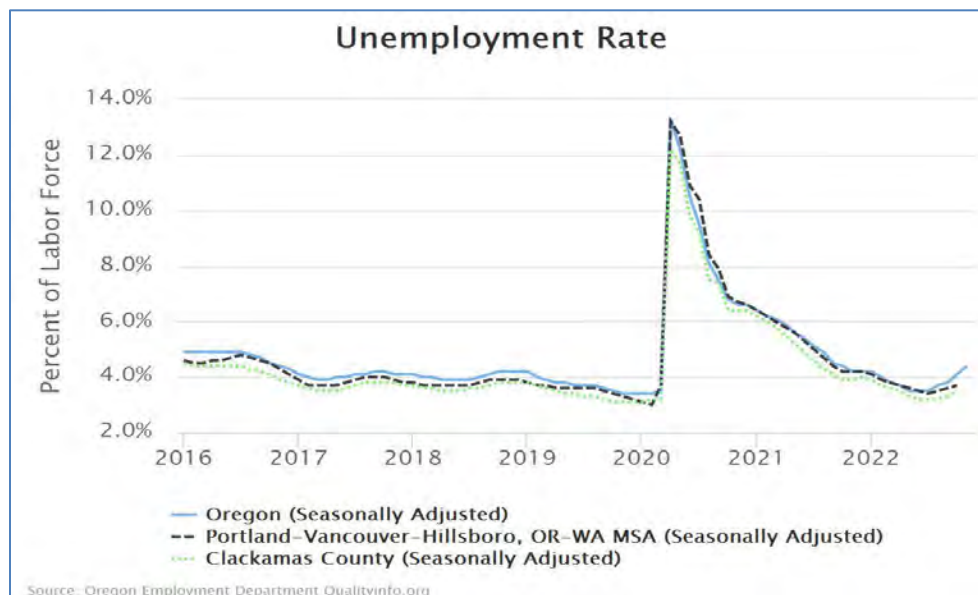
Exhibit 3: GDP Growth in Oregon, the United States, and Selected States



Statewide unemployment rates peaked at a seasonally adjusted rate of 13.3% in April 2020 before falling below 3.5% in July 2022 then ticking up slightly to 4.4% by November 2022 (**Exhibit 4**).

Clackamas County has recorded lower unemployment levels than the state as whole according to the Oregon Employment Department (OED). In October 2022, Clackamas County had an overall unemployment rate of 3.5% with a total employment of 222,549 workers.

Exhibit 4: Unemployment Rates, Clackamas County, Portland MSA, Oregon, 2016-2022



Because the unemployment rate is a measure of the percentage of workers between ages 15 and 64 that are actively looking for a job, it does not reflect factors regarding labor participation rates and underemployment (workers that have accepted low paying jobs since other jobs are not available).

locally). In 2021, labor participation rates (the share of civilian population that is employed or unemployed) were slightly higher in Clackamas County (63.9%) compared with the state (62.6%).

II.B. DEMOGRAPHIC TRENDS

Population has been steadily increasing in Canby, Clackamas County, and Oregon as a whole for the past 20 years. Canby's population increased by 42% from 2000 to 2021, from 12,790 residents in 2000 to 18,171 in 2021 and 18,979 in 2022. Canby's average annual growth rate (AGR) in population consistently outpaced the growth rates recorded in Clackamas County and Oregon during the past 21 years (**Exhibit 5**).

Exhibit 5: Population Trends, 2000-2021

	2000	2010	2020	2021	Avg. Growth Rate	
					2000-2010	2010-2021
Oregon	3,421,399	3,761,925	4,176,346	4,207,177	0.95%	1.02%
Clackamas County	338,391	375,992	422,185	425,316	1.06%	1.13%
City of Canby	12,790	15,829	17,210	18,171	2.15%	1.26%

Sources : U.S. Census, PSU Population Research Center

The long-term population forecasts prepared by Portland State University (PSU) anticipate a continuation of positive growth for Clackamas County. The county is projected to attain a 0.9% AGR between 2020 and 2040. The Canby Urban Growth Boundary (UGB) is projected to grow more quickly than the county, at a rate of 1.3% per year (**Exhibit 6**).

Exhibit 6: Population Projections, 2020-2043

	2020	2022	2025	2030	2035	2040	2043	AGR (2020- 2040)
Clackamas	421,401	429,149	437,222	460,401	483,349	505,622	519,632	0.9%
Canby UGB	18,171	18,655	19,468	20,796	22,234	23,635	24,586	1.3%

Source: Population Research Center, Portland State University, June 30, 2020

In 2020, 87% of Canby's population 25 years and over had graduated from high school, which was a smaller percentage than that of the State (91%), and the County (94%) as shown in **Exhibit 7**. Additionally, 26% of Canby's population 25 years and over had obtained a bachelor's degree and 10% of the city's population had achieved a graduate degree.

Exhibit 7: Educational Attainment of Population 25 years and over, 2020

	Clackamas		
	Oregon	County	Canby
Less than high school	9%	6%	13%
High school	48%	46%	51%
College	30%	34%	26%
Graduate School	13%	13%	10%
Total	100%	100%	100%

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Tables B15003)

Canby workers are far more likely to be employed in manufacturing occupations as compared with Clackamas County and the State. In 2019, nearly 22% of Canby's jobs were in manufacturing,

compared with 11% in Clackamas County and 10% in Oregon. Construction (15%) Retail trade (11%), educational services (8%), accommodation and food service (8%), and health care (8%) also represent significant shares of jobs in Canby (**Exhibit 8**).

Exhibit 8: Occupations for the Employed Population 16 years and over, 2016

	Canby	Clackamas County	Oregon
Agriculture, Forestry, Fishing and Hunting	0.9%	2.7%	2.6%
Utilities	0.5%	0.3%	0.5%
Construction	15.2%	8.8%	6.0%
Manufacturing	21.7%	11.2%	10.1%
Wholesale Trade	6.5%	6.4%	3.9%
Retail Trade	10.9%	11.6%	10.5%
Transportation and Warehousing	2.6%	2.4%	3.6%
Information	2.6%	1.4%	2.0%
Finance and Insurance	2.0%	3.4%	3.0%
Real Estate and Rental and Leasing	0.9%	1.4%	1.5%
Professional, Scientific, and Technical Services	2.5%	6.2%	5.4%
Management of Companies and Enterprises	0.0%	1.5%	2.7%
Admin. & Support, Waste Mgmt.	1.7%	5.0%	5.5%
Educational Services	8.4%	6.5%	8.2%
Health Care and Social Assistance	8.3%	13.8%	14.8%
Arts, Entertainment, and Recreation	1.5%	1.6%	1.7%
Accommodation and Food Services	8.4%	8.1%	9.3%
Other Services (excluding Public Administration)	4.0%	4.6%	4.4%
Public Administration	1.4%	2.9%	4.2%
Total	100%	100%	100%

35)

II.C. INCOME AND EMPLOYMENT TRENDS

Income levels for Canby's residents tend to be below those of Clackamas County but well above the state as a whole. 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 9**).

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

Exhibit 9: Income Trends, 2010-2020

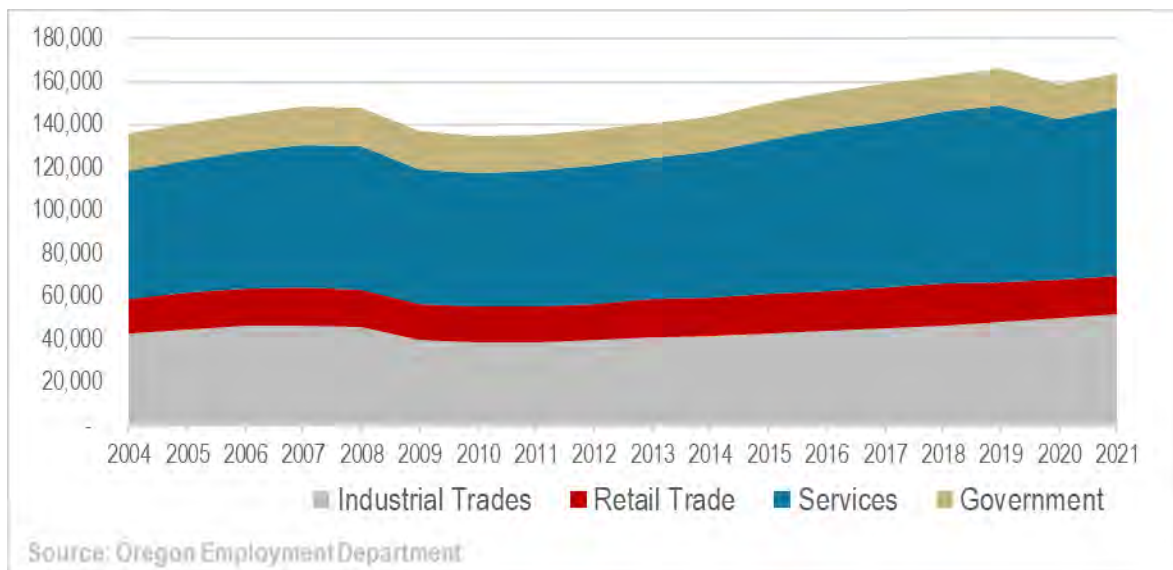
Median Household Income			
	2010	2020	AGR
Canby	\$57,427	\$74,825	2.7%
Clackamas County	\$62,007	\$82,911	2.9%
Oregon	\$49,260	\$65,667	2.9%
Median Family Income Trends			
	2010	2020	AGR
Canby	\$67,370	\$87,173	2.6%
Clackamas County	\$74,905	\$100,172	2.9%
Oregon	\$60,402	\$80,630	2.9%

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Table B20113 and Table B10113).

AGR: average annual growth rate.

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 10**).

Exhibit 10: Employment Trends by Sector in Clackamas County, 2004-2021*

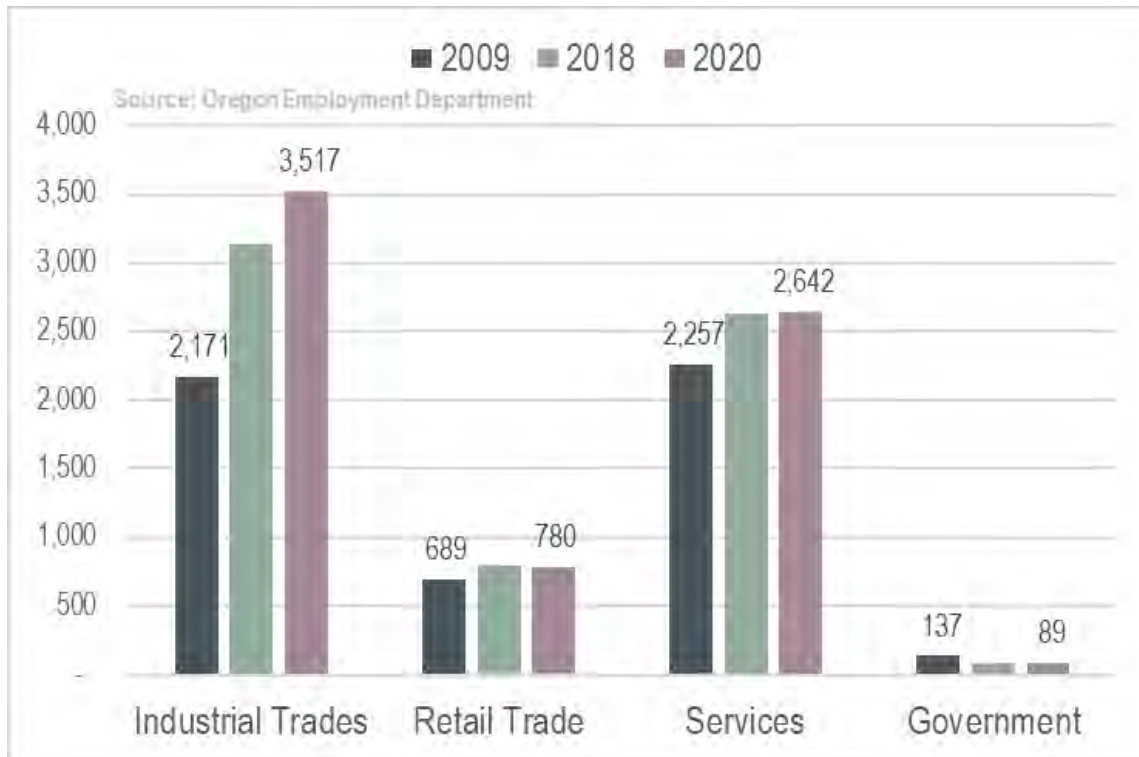


**Note, the job estimates shown above may tend to understate the total number of employees that work in Clackamas County since Oregon Employment Data only includes nonfarm workers that are covered by unemployment insurance. Hence, the OED estimates tend to exclude smaller home-based businesses and part-time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

Employment in Canby has increased significantly in recent years. According to the Oregon Employment Department, the total number of jobs covered by unemployment insurance increased to

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 the retail trade sector which accounted for 11% of all jobs in 2020 (**Exhibit 11**).

Exhibit 11: Employment Trends by Sector in Canby, 2009-2020



Canby's top private employers include a wide range of business types, as shown in **Exhibit 12**. In 2020 there were 11 private employers in Canby that each employed between 100 and 350 workers. These local businesses generated an estimated \$274 to \$316 million in annual GDP.

Exhibit 12: 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 employer 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 13**.

Exhibit 13: 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.

II.D. TARGET BUSINESS CLUSTERS

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.

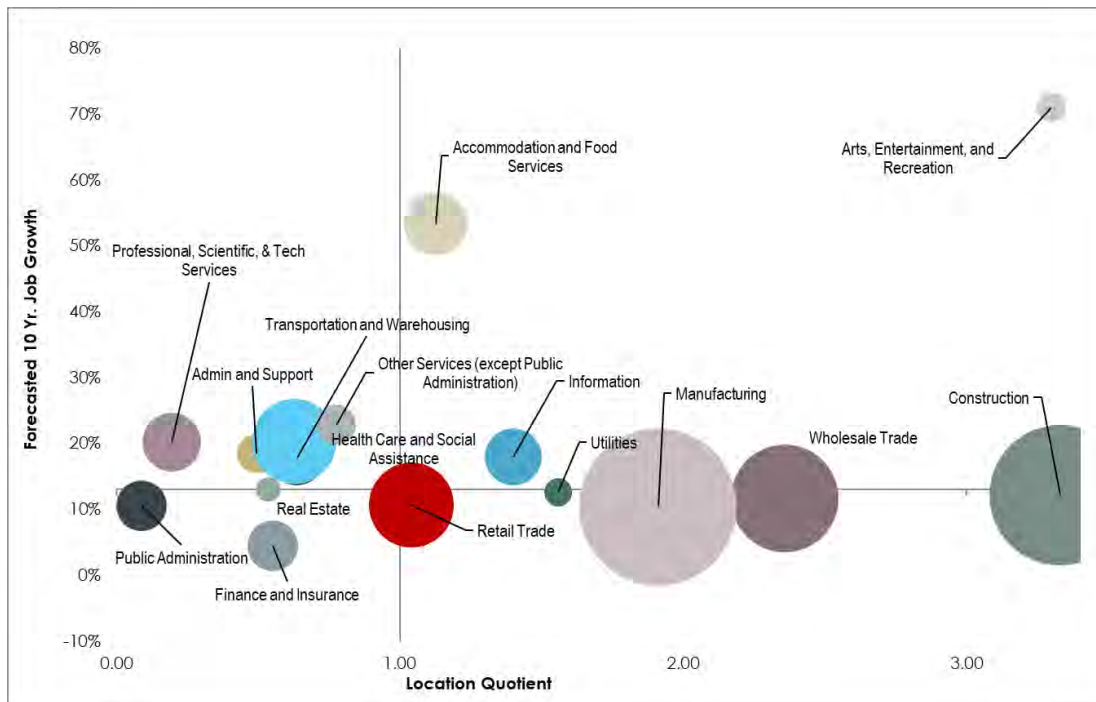
For example, the wholesale trade sector, a cluster which includes Kendal Floral Supply and American Metals, has an LQ of 2.65 which signifies that this business cluster is more than twice as concentrated in Canby than the statewide average (**Exhibit 14**).

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

Exhibit I4: 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 specific clusters of industries to its commercial and industrial lands, as summarized in **Exhibit 15**.

In addition to the target industries listed in Exhibit 15, feedback from stakeholder interviews and public surveys indicated that Canby should also aim to attract additional commercial retail, professional and business services, entertainment/recreation, hotels, and business-to-business supply chains in flexible light industrial buildings. Mixed support was voiced for additional warehousing

and distribution operations in the City given relatively low employment density and wages offered by that sector.

Exhibit I5: Potential Target Industries for Canby

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

Source: FCS GROUP.

II.E. REGIONAL EMPLOYMENT 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 16**, 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 16: Projected Job Growth s 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.

Section III. OPPORTUNITIES AND CONSTRAINTS ANALYSIS

Current market trends regarding visitation, business openings & closures, and perceived market considerations are important factors to consider when evaluating the ability for Canby to retain or attract economic development. A summary of these considerations follows.

III.A. BUSINESS OPENINGS/CLOSURES

Canby has witnessed several notable business openings and expansions over the past four years. **Exhibit 17** summarizes the most significant openings and expansions in the area, ranging from the opening of a manufacturing facility by Caldera International (medical products) to numerous food and beverage establishments.

Exhibit 17: Canby Business Openings and Closures May 2013-2018

Name	Industry	Date
Openings/Expansions		
Siren Song	Leisure and hospitality	9/9/2021
Art-O-Maddic	Retail trade	6/18/2021
B's Bake Shoppe	Leisure and hospitality	8/5/2020
Caldera International	Manufacturing	8/26/2019
Coffee Doodle Doo	Leisure and hospitality	8/9/2019
Wayward Sandwiches	Leisure and hospitality	5/9/2019
Columbia Distributing	Transportation, warehousing and utilities	5/2/2019
Neurotherapeutic Pediatric Therapies	Health care and social assistance	4/24/2019
Baker's Prairie Bakery	Leisure and hospitality	12/12/2018
TMK Creamery	Manufacturing	2/29/2018
HealthMarkets Insurance Agency	Financial activities	2/28/2018
Closures		
Dave's Prescription Shop	Retail trade	5/7/2019
Secret Garden Floral	Retail trade	2/11/2019

Source: Oregon Employment Department.

III.B. INDUSTRIAL LEADS

Over the years, Canby has recorded numerous business leads that have or are currently expressing interest in industrial property in Canby. Selected business leads are listed below.

- Oregon Liquor Control Commission distribution warehouse
- Amazon distribution center which would employ 500

III.C. RETAIL TRADE

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 18** 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 18: 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

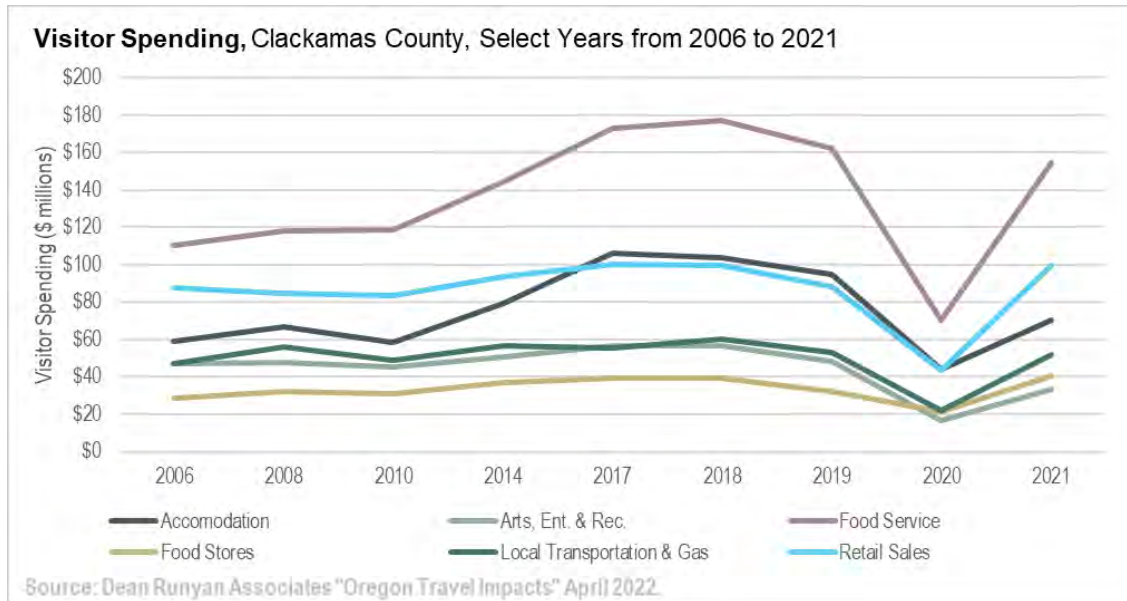
Source: ESRI Business Analyst Online

III.D. VISITATION

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 19 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.

Exhibit 19: Visitor Spending in Millions (2012-2021)



Section IV. EMPLOYMENT GROWTH AND LAND INVENTORY & NEEDS

In light of the trends and opportunities identified above, the Canby EOA Advisory Committee evaluated three alternative employment growth forecasts for the Canby UGB (see **Exhibit 20**).

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 (2023 est.) to 10,935 jobs 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 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 over and above the assumptions shown in 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 20: 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 21** and detailed calculations are provided in **Appendix D**.

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 D**).

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. In other words, this analysis assumes that each vacant or part-vacant tax lot that is zoned for commercial or service

related employment growth (e.g., future retail or office uses) will be developed as mixed use with commercial on the ground level and upper-level housing.

As such, the Canby buildable land inventory includes the vacant and part-vacant mixed-use zoned tax lots in both the employment land and residential land inventory counts.

Exhibit 21: 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 higher utilization of jobs within existing buildings (refill) and work-at-home allowances, which result in an adjusted (lower) number of total jobs that are projected to require vacant land than would otherwise occur. As shown in **Exhibit 22**, the Canby EOA assumes that approximately 12% of future jobs would not require development of vacant land as a result of potential building refill and work-at-home assumptions, and planned occupancy of new buildings that were currently under construction as of January 1, 2023.

The forecasted number of jobs that would require vacant land ranges from: 2,852 (low growth scenario; 5,963 (medium growth scenario); and 6,640 (high growth scenario).

Exhibit 22: 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 265 acres (low growth scenario), 626 acres (medium growth scenario), and 672 acres (high growth scenario) of gross buildable (unconstrained land area). As shown in **Exhibit 23**, the employment land needs by general

land use type range from 244 to 638 acres for industrial (includes land zoned CM, LI or HI); 20.5 to 33.9 acres for commercial (land zoned CD, HC or Mixed Use). These land demand forecasts assume 2 acres of land will be required for civic uses such as police and fire stations (excludes parks and schools).

Exhibit 23: Employment Land Needs Forecast, Canby UGB

Land Use Classification	Land Need (Demand)*		
	Low	Medium	High
Commercial (DC, HC)	20.5	24.7	33.9
Industrial/Other Emp. (CM, LI, HI)*	244.4	601.5	637.8
Total Buildable Land (gross acres)	264.9	626.2	671.6

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

Excluding public/education, the current overall employment density within Canby is estimated at 14.3 jobs per net buildable acre on developed land zoned for employment uses.

Based on the employment job growth and related land need forecast, the overall employment density within Canby will increase over time. Again, after excluding public/education, the future level of employment density for net new job growth over the next 20 years is estimated to range from 14.4 to 15 jobs per net buildable acre in the medium to higher growth scenarios.¹

¹ Analysis of existing conditions assumes 7,576 private jobs on 527 developed acres zoned for commercial and industrial development in Canby (equates to 14.3 jobs per net acre). Future growth estimates for medium and high growth scenarios assume 6,751 to 7,522 private jobs are added over the next 20 years, requiring 468 to 503 net buildable acres (excludes public facilities) which equates to 14.4 to 15.0 jobs per net acre.

Section V. BUILDABLE LAND INVENTORY & SITE SUITABILITY ANALYSIS

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 as of January 1, 2023.

The BLI findings reflect current zoning categories that allow employment uses. This includes land that is with Comprehensive Plan designations as follows: Downtown Commercial, Commercial/Manufacturing, Highway Commercial, Heavy Industrial and Light Industrial. As shown in **Exhibit 24** (with supporting BLI methodology provided in **Appendix E**), the total remaining BLI includes 179 acres of unconstrained land area within vacant, part vacant and redevelopment lots. The light and heavy industrial land is spread over 48 separate tax lots, and commercial land is spread over 24 separate tax lots.

Exhibit 24: Vacant, Part Vacant and Redevelopable Employment Land, Canby UGB

Comprehensive Plan Category	Developed Land	Permitted	Pipeline	Buildable*	Constrained**	Total
DC - Downtown Commercial	35	0	0	1	0	36
CM - Commercial/Manufacturing	67	0	1	7	0	76
HC - Highway Commercial	67	0	0	12	2	82
HI - Heavy Industrial	67	0	0	26	1	94
LI - Light Industrial	282	14	80	51	1	428
Total	519	14	82	97	5	716

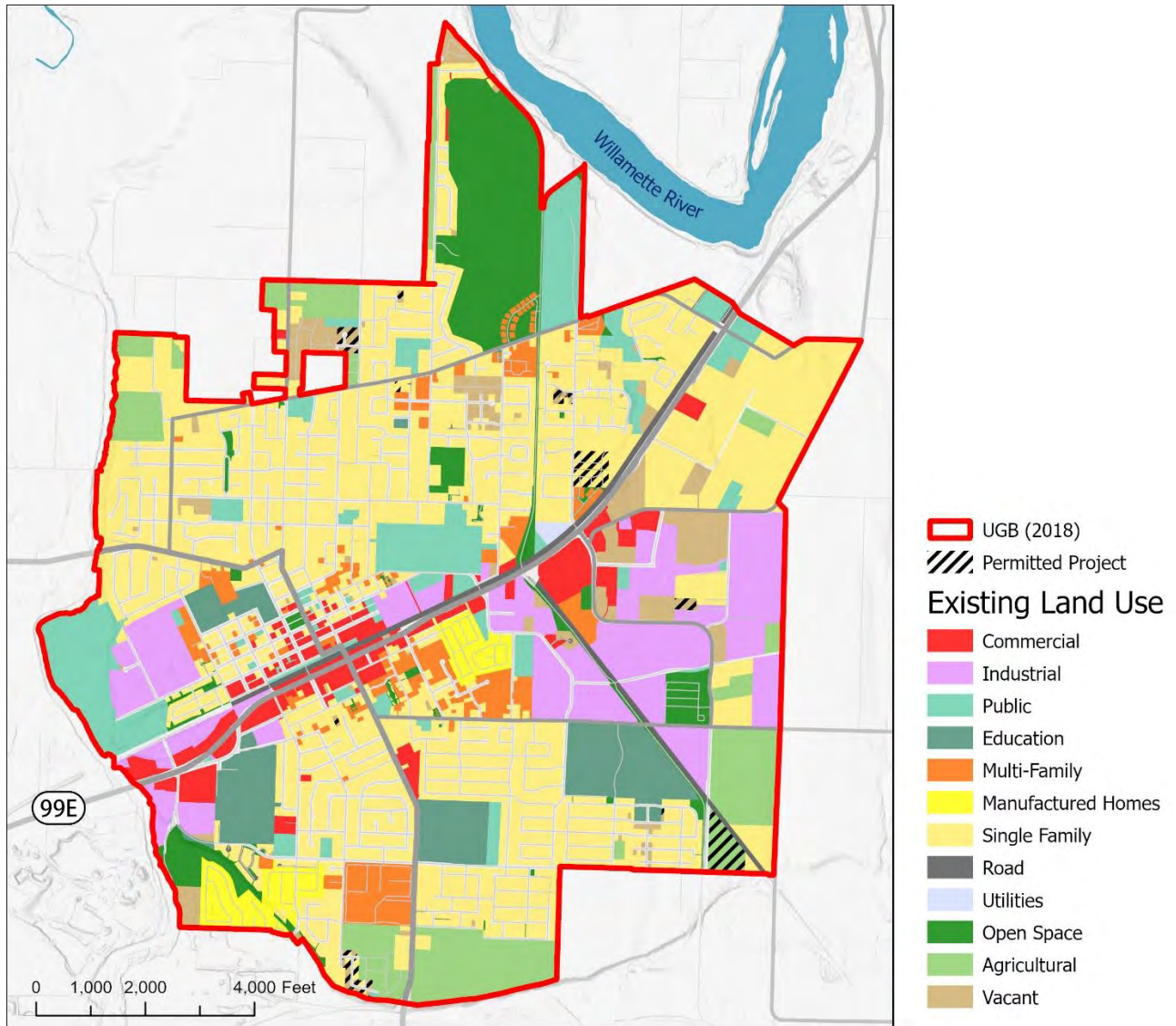
Comprehensive Plan Category	Developed Land*	Buildable Vacant	Constrained Vacant	Buildable Part Vacant	Redevelopment	Total Buildable
RC - Residential Commercial	14	0	0	5	0	6
DC - Downtown Commercial	35	1	0	0	0	1
CM - Commercial/Manufacturing	67	6	0	3	0	8
HC - Highway Commercial	67	10	2	0	2	9
HI - Heavy Industrial	67	16	1	9	0	24
LI - Light Industrial	296	96	1	26	9	131
Total	547	129	5	43	12	179

Source: Canby Buildable Land Inventory; 3J Consulting, March 2023.

As shown in **Exhibits 25 and 26**, 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.

Exhibit 25: Canby UGB Existing Land Use



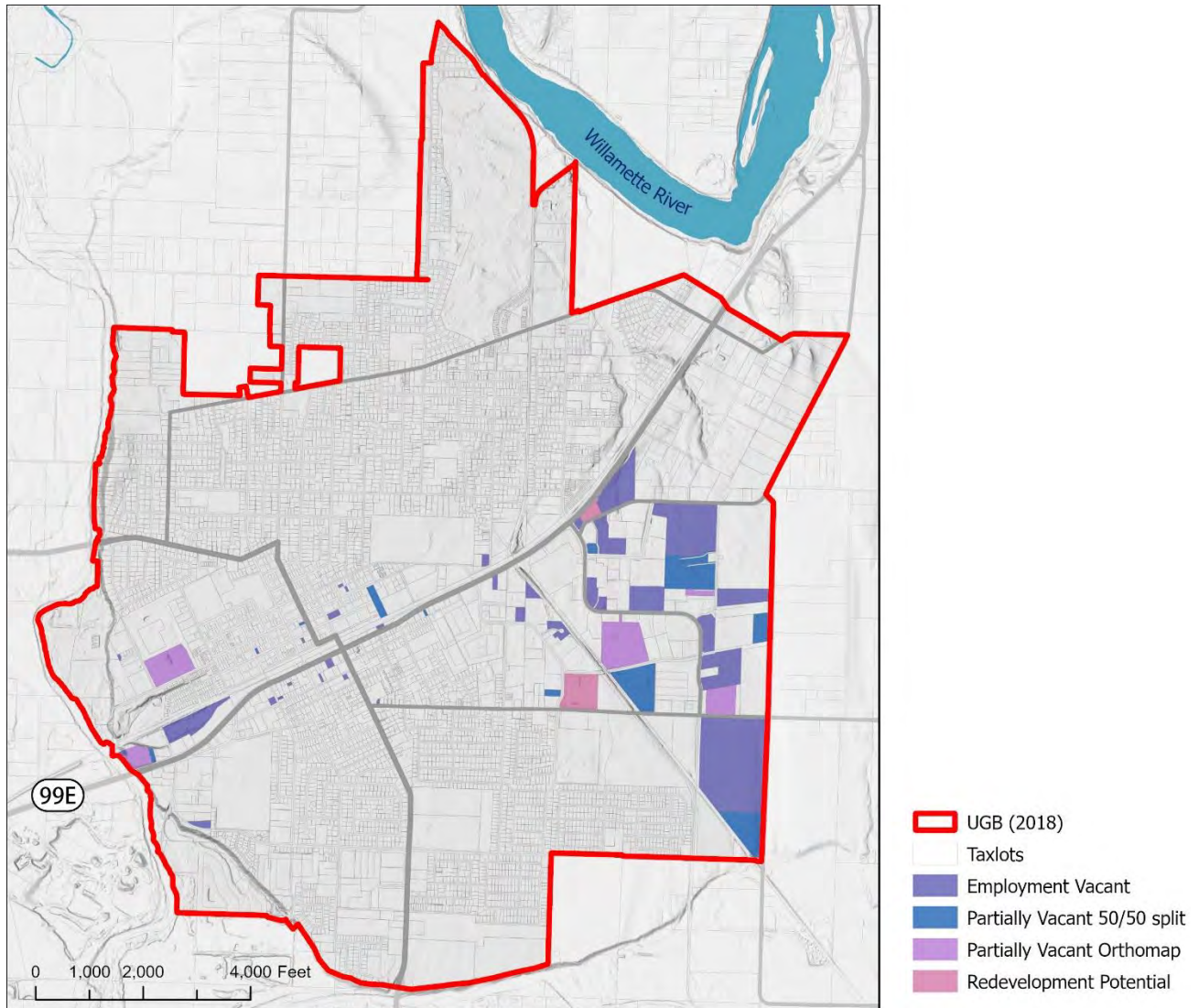
Source: Canby GIS analysis by 3J Consulting, April 2023.

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.

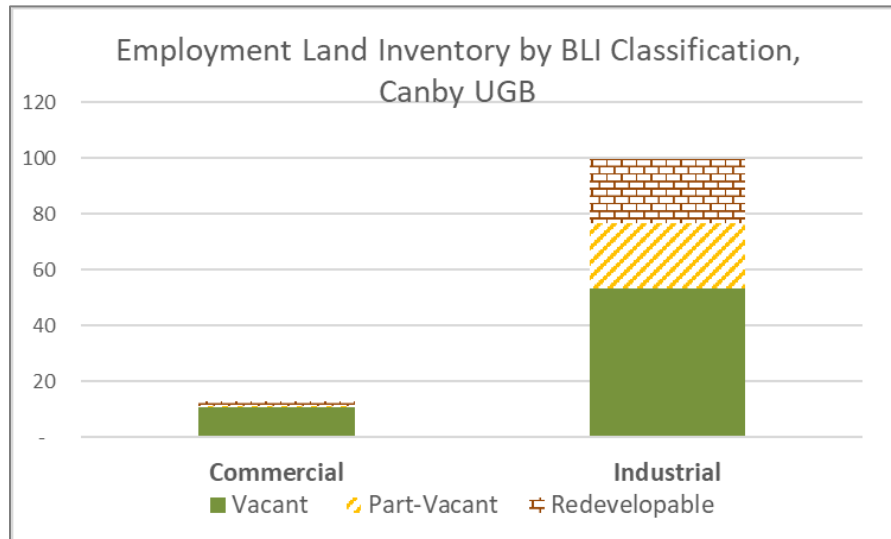
Approximately half of the remaining industrial land inventory is classified as vacant and unconstrained; 25% is classified as part-vacant; and 25% is classified as redevelopable (see **Exhibit 26**).

Exhibit 26: Canby UGB Buildable Employment Land Inventory



Source: Canby GIS analysis by 3J Consulting, April 2023.

Exhibit 27: Buildable Land by Classification



SITE SUITABILITY ANALYSIS

The site suitability analysis compares the remaining buildable land inventory to the projected employment land needs based on market factors detailed above.

As part of the EOA update, it has been determined that all remaining buildable 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.

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 28: Canby Employment Land Need Forecast

Canby UGB Employment Land Needs (gross buildable unconstrained acres)

Comp. Plan Designation	Land Supply*	Land Need (Demand)**			Land Need (Shortfall)		
		Low	Medium	High	Low	Medium	High
Commercial (RC, DC, HC)	16.4	20.5	24.7	33.9	(4.1)	(8.3)	(17.5)
Industrial/Other Emp. (CM, LI, HI)*	163.0	244.4	601.5	637.8	(81.4)	(438.5)	(474.8)
Total Buildable Land (gross acres)	179.4	264.9	626.2	671.6	(85.5)	(446.8)	(492.2)

* Includes projects in the development pipeline that have no building permit issued as of Jan. 1, 2023.

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

Site location, size and infrastructure requirements are important factors to consider when addressing the employment land needs. **Exhibit 29** identifies most likely site requirements under the middle and high employment growth scenarios.

Exhibit 29: 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>	<i>100%</i>
<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)	<i>0.25</i>	<i>1.75</i>	<i>8</i>	<i>15</i>	
<i>Proj. Vacant Land: Middle Scenario (acres)</i>	<i>51.1</i>	<i>146.1</i>	<i>161.0</i>	<i>135.4</i>	494
<i>Proj. Vacant Land: High Scenario</i>	<i>56.9</i>	<i>162.7</i>	<i>179.3</i>	<i>150.7</i>	550
Proj. Distribution of Land Needs	<i>20%</i>	<i>20%</i>	<i>35%</i>	<i>25%</i>	<i>100%</i>
Total Sites Needed: Middle Scenario (sites)	<i>204</i>	<i>83</i>	<i>20</i>	<i>9</i>	317
Total Sites Needed: High Scenario (sites)	<i>228</i>	<i>93</i>	<i>22</i>	<i>10</i>	353
Industrial Capture (sites)	<i>10%</i>	<i>90%</i>	<i>95%</i>	<i>95%</i>	
Industrial Sites Needed: Middle Scenario	<i>20</i>	<i>75</i>	<i>19</i>	<i>9</i>	123
Industrial Sites Needed: High Scenario	<i>23</i>	<i>84</i>	<i>21</i>	<i>10</i>	137
Commercial Capture (sites)	<i>90%</i>	<i>10%</i>	<i>5%</i>	<i>5%</i>	
Commercial Sites Needed: Middle Scenario	<i>184</i>	<i>8</i>	<i>1</i>	<i>0</i>	194
Commercial Sites Needed: High Scenario	<i>205</i>	<i>9</i>	<i>1</i>	<i>1</i>	216

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 30**.

Exhibit 30: Commercial Site Requirements, Middle and High Growth Scenarios

Commercial	Very Small Users	Small Users	Medium Users	Large Users	Total
Jobs on Site (average)	7 jobs	15 jobs	80 jobs	185 jobs	
Range in Site Size (net buildable acres)	Less than 1.0	1 to 3	3 to 10	11 to 20	
Avg. Site Size (net buildable acres)	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 265 to 672 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 31**.

Exhibit 31: Industrial Site Requirements, Middle and High Growth Scenarios

Industrial	Very Small Users	Small Users	Medium Users	Large Users	Total
Jobs on Site (average)	7 jobs	15 jobs	80 jobs	185 jobs	
Range in Site Size (buildable acres)	Less than 1.0	1 to 3	3 to 10	11 to 20	
Avg. Site Size (net buildable acres)	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.

Section VI. COMMUNITY

ECONOMIC 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 B**.

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

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.² 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.

² 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

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.

13. Think Regional and Act Local

- Support, monitor and participate in local and regional economic development organization activities that help Canby define its role within the larger region. Examples include Canby Chamber of Commerce, Clackamas County Economic Development Commission, and Greater Portland Inc.
- Play an active role in regional and state-sponsored economic planning processes to ensure that local business expansion needs are fully understood and can be addressed within the broader market area, if not within the Canby UGB.

APPENDIX A: GOAL 9 OREGON ADMINISTRATIVE RULES

(OAR 660-009-000)

660-009-0000

Intent and Purpose

The intent of the Land Conservation and Development Commission is to provide an adequate land supply for economic development and employment growth in Oregon. The intent of this division is to link planning for an adequate land supply to infrastructure planning, community involvement and coordination among local governments and the state. The purpose of this division is to implement Goal 9, Economy of the State (OAR 660-015-0000(9)), and ORS 197.712(2)(a) to (d). This division responds to legislative direction to assure that comprehensive plans and land use regulations are updated to provide adequate opportunities for a variety of economic activities throughout the state (ORS 197.712(1)) and to assure that comprehensive plans are based on information about state and national economic trends (ORS 197.717(2)).

Statutory/Other Authority: ORS 183 & 197

Statutes/Other Implemented: ORS 197.712

History:

LCDD 7-2005, f. 12-13-05, cert. ef. 1-1-07

LCDC 4-1986, f. & ef. 10-10-86

660-009-0005

Definitions

For purposes of this division, the definitions in ORS chapter 197 and the statewide planning goals apply, unless the context requires otherwise. In addition, the following definitions apply:

- (1) "Developed Land" means non-vacant land that is likely to be redeveloped during the planning period.
- (2) "Development Constraints" means factors that temporarily or permanently limit or prevent the use of land for economic development. Development constraints include, but are not limited to, wetlands, environmentally sensitive areas such as habitat, environmental contamination, slope, topography, cultural and archeological resources, infrastructure deficiencies, parcel fragmentation, or natural hazard areas.
- (3) "Industrial Use" means employment activities generating income from the production, handling or distribution of goods. Industrial uses include, but are not limited to: manufacturing; assembly; fabrication; processing; storage; logistics; warehousing; importation; distribution and transshipment; and research and development. Industrial uses may have unique land, infrastructure, energy, and transportation requirements. Industrial uses may have external impacts on surrounding uses and may cluster in traditional or new industrial areas where they are segregated from other non-industrial activities.
- (4) "Locational Factors" means market factors that affect where a particular type of industrial or other employment use will locate. Locational factors include, but are not limited to, proximity to raw materials, supplies, labor, services, markets, or educational institutions; access to transportation and freight facilities such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes; and workforce factors (e.g., skill level, education, age distribution).
- (5) "Metropolitan Planning Organization (MPO)" means an organization designated by the Governor to coordinate transportation planning on urban land of the state including such designations made subsequent to the adoption of this division. The Longview-Kelso-Rainier MPO is not considered an MPO for the purposes of this division. Cities with less than 2,500 population are not considered part of an MPO for purposes of this division.

(6) “Other Employment Use” means all non-industrial employment activities including the widest range of retail, wholesale, service, non-profit, business headquarters, administrative and governmental employment activities that are accommodated in retail, office and flexible building types. Other employment uses also include employment activities of an entity or organization that serves the medical, educational, social service, recreation and security needs of the community typically in large buildings or multi-building campuses.

(7) “Planning Area” means the area within an existing or proposed urban growth boundary. Cities and counties with urban growth management agreements must address the urban land governed by their respective plans as specified in the urban growth management agreement for the affected area.

(8) “Prime Industrial Land” means land suited for traded-sector industries as well as other industrial uses providing support to traded-sector industries. Prime industrial lands possess site characteristics that are difficult or impossible to replicate in the planning area or region. Prime industrial lands have necessary access to transportation and freight infrastructure, including, but not limited to, rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes. Traded-sector has the meaning provided in ORS 285B.280.

(9) “Serviceable” means the city or county has determined that public facilities and transportation facilities, as defined by OAR 660, divisions 011 and 012, currently have adequate capacity for development planned in the service area where the site is located or can be upgraded to have adequate capacity within the 20-year planning period.

(10) “Short-term Supply of Land” means suitable land that is ready for construction within one year of an application for a building permit or request for service extension. Engineering feasibility is sufficient to qualify land for the short-term supply of land. Funding availability is not required. “Competitive Short-term Supply” means the short-term supply of land provides a range of site sizes and locations to accommodate the market needs of a variety of industrial and other employment uses.

(11) “Site Characteristics” means the attributes of a site necessary for a particular industrial or other employment use to operate. Site characteristics include, but are not limited to, a minimum acreage or site configuration including shape and topography, visibility, specific types or levels of public facilities, services or energy infrastructure, or proximity to a particular transportation or freight facility such as rail, marine ports and airports, multimodal freight or transshipment facilities, and major transportation routes.

(12) “Suitable” means serviceable land designated for industrial or other employment use that provides, or can be expected to provide the appropriate site characteristics for the proposed use.

(13) “Total Land Supply” means the supply of land estimated to be adequate to accommodate industrial and other employment uses for a 20-year planning period. Total land supply includes the short-term supply of land as well as the remaining supply of lands considered suitable and serviceable for the industrial or other employment uses identified in a comprehensive plan. Total land supply includes both vacant and developed land.

(14) “Vacant Land” means a lot or parcel:

(a) Equal to or larger than one half-acre not currently containing permanent buildings or improvements; or

(b) Equal to or larger than five acres where less than one half-acre is occupied by permanent buildings or improvements.

Statutory/Other Authority: ORS 183 & 197

Statutes/Other Implemented: ORS 197.712

History:

LCDD 7-2005, f. 12-13-05, cert. ef. 1-1-07

LCDC 4-1986, f. & ef. 10-10-86

660-009-0010

Application

(1) This division applies to comprehensive plans for areas within urban growth boundaries. This division does not require or restrict planning for industrial and other employment uses outside urban growth boundaries. Cities and counties subject to this division must adopt plan and ordinance amendments necessary to comply with this division.

(2) Comprehensive plans and land use regulations must be reviewed and amended as necessary to comply with this division as amended at the time of each periodic review of the plan pursuant to ORS 197.712(3).

Jurisdictions that have received a periodic review notice from the Department (pursuant to OAR 660-025-0050) prior to the effective date of amendments to this division must comply with such amendments at their next periodic review unless otherwise directed by the Commission.

(3) Cities and counties may rely on their existing plans to meet the requirements of this division if they conclude:

(a) There are not significant changes in economic development opportunities (e.g., a need for sites not presently provided for in the plan) based on a review of new information about national, state, regional, county and local trends; and

(b) That existing inventories, policies, and implementing measures meet the requirements in OAR 660-009-0015 to 660-009-0030.

(4) For a post-acknowledgement plan amendment under OAR chapter 660, division 18, that changes the plan designation of land in excess of two acres within an existing urban growth boundary from an industrial use designation to a non-industrial use designation, or an other employment use designation to any other use designation, a city or county must address all applicable planning requirements, and:

(a) Demonstrate that the proposed amendment is consistent with its most recent economic opportunities analysis and the parts of its acknowledged comprehensive plan which address the requirements of this division; or

(b) Amend its comprehensive plan to incorporate the proposed amendment, consistent with the requirements of this division; or

(c) Adopt a combination of the above, consistent with the requirements of this division.

(5) The effort necessary to comply with OAR 660-009-0015 through 660-009-0030 will vary depending upon the size of the jurisdiction, the detail of previous economic development planning efforts, and the extent of new information on national, state, regional, county, and local economic trends. A jurisdiction's planning effort is adequate if it uses the best available or readily collectable information to respond to the requirements of this division.

(6) The amendments to this division are effective January 1, 2007. A city or county may voluntarily follow adopted amendments to this division prior to the effective date of the adopted amendments.

Statutory/Other Authority: ORS 183 & 197

Statutes/Other Implemented: ORS 197.712

History:

LCDD 7-2005, f. 12-13-05, cert. ef. 1-1-07

LCDD 4-2001, f. & cert. ef. 10-2-01

LCDC 4-1986, f. & ef. 10-10-86

660-009-0015

Economic Opportunities Analysis

Cities and counties must review and, as necessary, amend their comprehensive plans to provide economic opportunities analyses containing the information described in sections (1) to (4) of this rule. This analysis will compare the demand for land for industrial and other employment uses to the existing supply of such land.

(1) Review of National, State, Regional, County and Local Trends. The economic opportunities analysis must identify the major categories of industrial or other employment uses that could reasonably be expected to locate or expand in the planning area based on information about national, state, regional, county or local trends. This review of trends is the principal basis for estimating future industrial and other employment uses as described in section (4) of this rule. A use or category of use could reasonably be expected to expand or locate in the planning area if the area possesses the appropriate locational factors for the use or category of use. Cities and counties are strongly encouraged to analyze trends and establish employment projections in a geographic area larger than the planning area and to determine the percentage of employment growth reasonably expected to be captured for the planning area based on the assessment of community economic development potential pursuant to section (4) of this rule.

(2) Identification of Required Site Types. The economic opportunities analysis must identify the number of sites by type reasonably expected to be needed to accommodate the expected employment growth based on the site characteristics typical of expected uses. Cities and counties are encouraged to examine existing firms in the planning area to identify the types of sites that may be needed for expansion. Industrial or other employment uses with compatible site characteristics may be grouped together into common site categories.

(3) Inventory of Industrial and Other Employment Lands. Comprehensive plans for all areas within urban growth boundaries must include an inventory of vacant and developed lands within the planning area designated for industrial or other employment use.

(a) For sites inventoried under this section, plans must provide the following information:

(A) The description, including site characteristics, of vacant or developed sites within each plan or zoning district;

(B) A description of any development constraints or infrastructure needs that affect the buildable area of sites in the inventory; and

(C) For cities and counties within a Metropolitan Planning Organization, the inventory must also include the approximate total acreage and percentage of sites within each plan or zoning district that comprise the short-term supply of land.

(b) When comparing current land supply to the projected demand, cities and counties may inventory contiguous lots or parcels together that are within a discrete plan or zoning district.

(c) Cities and counties that adopt objectives or policies providing for prime industrial land pursuant to OAR 660-009-0020(6) and 660-009-0025(8) must identify and inventory any vacant or developed prime industrial land according to section (3)(a) of this rule.

(4) Assessment of Community Economic Development Potential. The economic opportunities analysis must estimate the types and amounts of industrial and other employment uses likely to occur in the planning area. The estimate must be based on information generated in response to sections (1) to (3) of this rule and must consider the planning area's economic advantages and disadvantages. Relevant economic advantages and disadvantages to be considered may include but are not limited to:

(a) Location, size and buying power of markets;

(b) Availability of transportation facilities for access and freight mobility;

(c) Public facilities and public services;

(d) Labor market factors;

- (e) Access to suppliers and utilities;
- (f) Necessary support services;
- (g) Limits on development due to federal and state environmental protection laws; and
- (h) Educational and technical training programs.

(5) Cities and counties are strongly encouraged to assess community economic development potential through a visioning or some other public input based process in conjunction with state agencies. Cities and counties are strongly encouraged to use the assessment of community economic development potential to form the community economic development objectives pursuant to OAR 660-009-0020(1)(a).

Statutory/Other Authority: ORS 183 & 197

Statutes/Other Implemented: ORS 197.712

History:

LCDD 7-2005, f. 12-13-05, cert. ef. 1-1-07

LCDC 4-1986, f. & ef. 10-10-86

660-009-0020

Industrial and Other Employment Development Policies

(1) Comprehensive plans subject to this division must include policies stating the economic development objectives for the planning area. These policies must be based on the community economic opportunities analysis prepared pursuant to OAR 660-009-0015 and must provide the following:

(a) Community Economic Development Objectives. The plan must state the overall objectives for economic development in the planning area and identify categories or particular types of industrial and other employment uses desired by the community. Policy objectives may identify the level of short-term supply of land the planning area needs. Cities and counties are strongly encouraged to select a competitive short-term supply of land as a policy objective.

(b) Commitment to Provide a Competitive Short-Term Supply. Cities and counties within a Metropolitan Planning Organization must adopt a policy stating that a competitive short-term supply of land as a community economic development objective for the industrial and other employment uses selected through the economic opportunities analysis pursuant to OAR 660-009-0015.

(c) Commitment to Provide Adequate Sites and Facilities. The plan must include policies committing the city or county to designate an adequate number of sites of suitable sizes, types and locations. The plan must also include policies, through public facilities planning and transportation system planning, to provide necessary public facilities and transportation facilities for the planning area.

(2) Plans for cities and counties within a Metropolitan Planning Organization or that adopt policies relating to the short-term supply of land, must include detailed strategies for preparing the total land supply for development and for replacing the short-term supply of land as it is developed. These policies must describe dates, events or both, that trigger local review of the short-term supply of land.

(3) Plans may include policies to maintain existing categories or levels of industrial and other employment uses including maintaining downtowns or central business districts.

(4) Plan policies may emphasize the expansion of and increased productivity from existing industries and firms as a means to facilitate local economic development.

(5) Cities and counties are strongly encouraged to adopt plan policies that include brownfield redevelopment strategies for retaining land in industrial use and for qualifying them as part of the local short-term supply of land.

(6) Cities and counties are strongly encouraged to adopt plan policies pertaining to prime industrial land pursuant to OAR 660-009-0025(8).

(7) Cities and counties are strongly encouraged to adopt plan policies that include additional approaches to implement this division including, but not limited to:

- (a) Tax incentives and disincentives;
- (b) Land use controls and ordinances;
- (c) Preferential tax assessments;
- (d) Capital improvement programming;
- (e) Property acquisition techniques;
- (f) Public/private partnerships; and
- (g) Intergovernmental agreements.

Statutory/Other Authority: ORS 183 & 197

Statutes/Other Implemented: ORS 197.712

History:

LCDD 7-2005, f. 12-13-05, cert. ef. 1-1-07

LCDC 4-1986, f. & ef. 10-10-86

660-009-0025

Designation of Lands for Industrial and Other Employment Uses

Cities and counties must adopt measures adequate to implement policies adopted pursuant to OAR 660-009-0020. Appropriate implementing measures include amendments to plan and zone map designations, land use regulations, public facility plans, and transportation system plans.

(1) Identification of Needed Sites. The plan must identify the approximate number, acreage and site characteristics of sites needed to accommodate industrial and other employment uses to implement plan policies. Plans do not need to provide a different type of site for each industrial or other employment use. Compatible uses with similar site characteristics may be combined into broad site categories. Several broad site categories will provide for industrial and other employment uses likely to occur in most planning areas. Cities and counties may also designate mixed-use zones to meet multiple needs in a given location.

(2) Total Land Supply. Plans must designate serviceable land suitable to meet the site needs identified in section (1) of this rule. Except as provided for in section (5) of this rule, the total acreage of land designated must at least equal the total projected land needs for each industrial or other employment use category identified in the plan during the 20-year planning period.

(3) Short-Term Supply of Land. Plans for cities and counties within a Metropolitan Planning Organization or cities and counties that adopt policies relating to the short-term supply of land must designate suitable land to respond to economic development opportunities as they arise. Cities and counties may maintain the short-term supply of land according to the strategies adopted pursuant to OAR 660-009-0020(2).

(a) Except as provided for in subsections (b) and (c), cities and counties subject to this section must provide at least 25 percent of the total land supply within the urban growth boundary designated for industrial and other employment uses as short-term supply.

(b) Affected cities and counties that are unable to achieve the target in subsection (a) above may set an alternative target based on their economic opportunities analysis.

(c) A planning area with 10 percent or more of the total land supply enrolled in Oregon's industrial site certification program pursuant to ORS 284.565 satisfies the requirements of this section.

(4) If cities and counties are required to prepare a public facility plan or transportation system plan by OAR chapter 660, division 011 or division 012, the city or county must complete subsections (a) to (c) of this section at the time of periodic review. Requirements of this rule apply only to city and county decisions made at the time of periodic review. Subsequent implementation of or amendments to the comprehensive plan or the public facility plan that change the supply of serviceable land are not subject to the requirements of this section. Cities and counties must:

(a) Identify serviceable industrial and other employment sites. The affected city or county in consultation with the local service provider, if applicable, must make decisions about whether a site is serviceable. Cities and counties are encouraged to develop specific criteria for deciding whether or not a site is serviceable. Cities and counties are strongly encouraged to also consider whether or not extension of facilities is reasonably likely to occur considering the size and type of uses likely to occur and the cost or distance of facility extension;

(b) Estimate the amount of serviceable industrial and other employment land likely to be needed during the planning period for the public facilities plan. Appropriate techniques for estimating land needs include but are not limited to the following:

(A) Projections or forecasts based on development trends in the area over previous years; and

(B) Deriving a proportionate share of the anticipated 20-year need specified in the comprehensive plan.

(c) Review and, if necessary, amend the comprehensive plan and the public facilities plan to maintain a short-term supply of land. Amendments to implement this requirement include but are not limited to the following:

(A) Changes to the public facilities plan to add or reschedule projects to make more land serviceable;

(B) Amendments to the comprehensive plan that redesignate additional serviceable land for industrial or other employment use; and

(C) Reconsideration of the planning area's economic development objectives and amendment of plan objectives and policies based on public facility limitations.

(d) If a city or county is unable to meet the requirements of this section, it must identify the specific steps needed to provide expanded public facilities at the earliest possible time.

(5) Institutional Uses. Cities and counties are not required to designate institutional uses on privately owned land when implementing section (2) of this rule. Cities and counties may designate land in an industrial or other employment land category to compensate for any institutional land demand that is not designated under this section.

(6) Compatibility. Cities and counties are strongly encouraged to manage encroachment and intrusion of uses incompatible with industrial and other employment uses. Strategies for managing encroachment and intrusion of incompatible uses include, but are not limited to, transition areas around uses having negative impacts on surrounding areas, design criteria, district designation, and limiting non-essential uses within districts.

(7) Availability. Cities and counties may consider land availability when designating the short-term supply of land. Available land is vacant or developed land likely to be on the market for sale or lease at prices consistent with the local real estate market. Methods for determining lack of availability include, but are not limited to:

(a) Bona fide offers for purchase or purchase options in excess of real market value have been rejected in the last 24 months;

(b) A site is listed for sale at more than 150 percent of real market values;

(c) An owner has not made timely response to inquiries from local or state economic development officials; or

(d) Sites in an industrial or other employment land category lack diversity of ownership within a planning area when a single owner or entity controls more than 51 percent of those sites.

(8) Uses with Special Siting Characteristics. Cities and counties that adopt objectives or policies providing for uses with special site needs must adopt policies and land use regulations providing for those special site needs. Special site needs include, but are not limited to large acreage sites, special site configurations, direct access to transportation facilities, prime industrial lands, sensitivity to adjacent land uses, or coastal shoreland sites designated as suited for water-dependent use under Goal 17. Policies and land use regulations for these uses must:

(a) Identify sites suitable for the proposed use;

(b) Protect sites suitable for the proposed use by limiting land divisions and permissible uses and activities that interfere with development of the site for the intended use; and

(c) Where necessary, protect a site for the intended use by including measures that either prevent or appropriately restrict incompatible uses on adjacent and nearby lands.

Statutory/Other Authority: ORS 183 & 197

Statutes/Other Implemented: ORS 197.712

History:

LCDD 7-2005, f. 12-13-05, cert. ef. 1-1-07

LCDC 4-1986, f. & ef. 10-10-86

[660-009-0030](#)

Multi-Jurisdiction Coordination

(1) Cities and counties are strongly encouraged to coordinate when implementing OAR 660-009-0015 to 660-009-0025.

(2) Jurisdictions that coordinate under this rule may:

(a) Conduct a single coordinated economic opportunities analysis; and

(b) Designate lands among the coordinating jurisdictions in a mutually agreed proportion.

APPENDIX B: COMMUNITY OUTREACH SUMMARY

The City of Canby has initiated a process to update its economic data and policies and identify tools to help encourage job growth.

The community outreach process entailed the following techniques:

- **EOA Advisory Committee Meetings:** three separate meetings were held between April 2022 and October 2022 to discuss key issues and opportunities; and to review interim findings and recommendations. The advisory committee included:
 - Kelly Reid and Leigh McIlvaine, Oregon Dept. of Land Conservation and Development
 - Cindy Moore, Economic Development Coordinator
 - Amy Oakley, Clackamas Workforce Partnership
 - Briana Correa, Todos Juntos, Inc.
 - Susan Myers, Developer Representative
 - Teresa Sasse, Puddin' River Chocolates
 - Brian Hodson, Canby Mayor
 - Jason Padden, Canby City Council

Input provided by the advisory committee served to address diverse local perspectives.

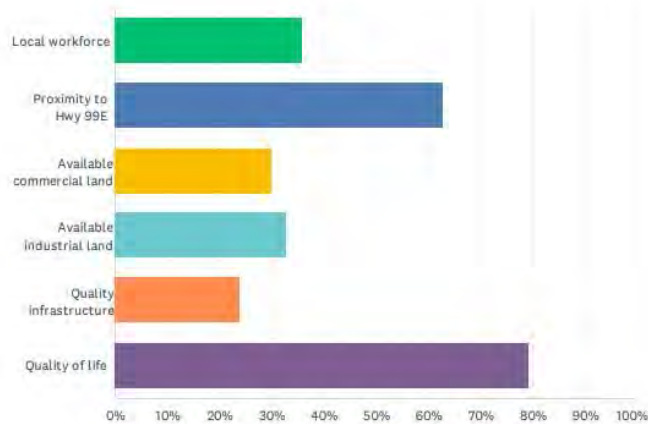
- **Joint City Council/Planning Commission Meeting.** This meeting was held in November 2022 to review and discuss draft findings and recommendations.
- **Stakeholder Interviews.** From April through October 2022, the consultant team interviewed key stakeholders such as local business owners, employers, and developers. Findings included:
 - Desire to provide additional light industrial and flex buildings.
 - Support for continued downtown development with adequate parking.
 - Support for a wide mix of employment sites for small, medium and large businesses.
 - Maintaining a positive business friendly environment with streamlined permitting for new business development.
 - Acknowledgement of the importance of adding attainable housing for people that work in Canby.
- **Community Survey.** An online survey was conducted during the Summer/Fall 2022. There were 70 responses to that survey, with responses summarized below.

Businesses Like...

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

Answered: 57 Skipped: 7

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

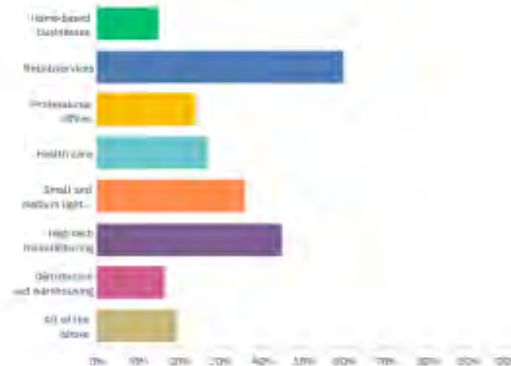


Types of businesses or jobs needed...

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

Answered: 27 Skipped: 1

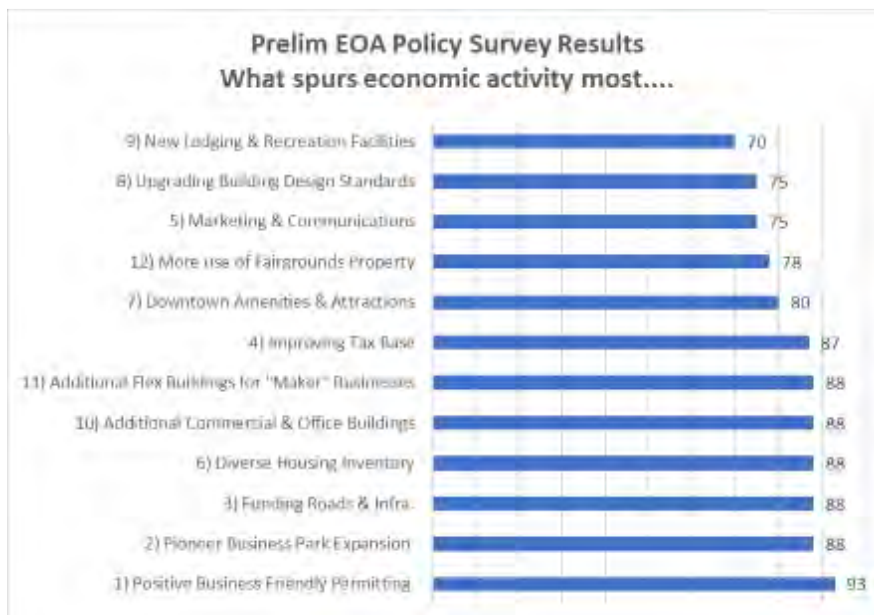
1. Retail/services
2. High tech jobs
3. Small & medium light industrial (flexible buildings)
4. Health services
5. Prof. Offices
6. Lodging
7. Recreational amenities



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*

The input received during the EOA planning process was considered by the EOA Advisory Committee, City staff and City Council and utilized to help develop the recommended EOA goals, objectives, policies and actions identified in this document.

Appendix C. Regional Employment Growth Forecast

	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%

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

Contact: Amy Vander Vliet, Regional Economist, Amy.S.Vandervliet@employ.oregon.gov, (971) 804-2099

Oregon Employment Department, Workforce and Economic Research Division

	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%
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.

Contact: Amy Vander Vliet, Regional Economist, Amy.S.Vandervliet@employ.oregon.gov, (971) 804-2099

Oregon Employment Department, Workforce and Economic Research Division

Appendix D. 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	216
Services	737	914	1,374
Government & Education	20	24	24
Total Job Growth	3,178	6,775	7,546
Proj. Jobs not requiring vacant land*	403	815	934
Proj. Jobs on Vacant Land	2,775	5,960	6,611

* 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	216
Services	737	914	1,374
Government & Education	20	24	24
Total	3,178	6,775	7,546

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	369	-	147	-	-	221	737
Industrial	-	-	671	1,231	336	-	2,238
Government/Other Public	-	20	-	-	-	-	20
Total	369	20	837	1,231	336	385	3,178

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	-	24	-	-	-	-	24
Total	457	24	1,893	3,098	845	458	6,775

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	-	-	22	-	-	194	216
Services	687	-	275	-	-	412	1,374
Industrial	-	-	1,780	3,263	890	-	5,932
Government/Other Public	-	24	-	-	-	-	24
Total	687	24	2,076	3,263	890	606	7,546

Source: FCS GROUP based on local market assumptions.

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	4,000	3,000	-	-	-	10,000	17,000
Medium	5,000	4,000	-	-	-	11,000	20,000
High	8,000	4,000	-	-	-	15,000	27,000

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	67,000	12,000	373,000	1,111,000	504,000	183,000	2,250,000
Medium	83,000	14,000	843,000	2,796,000	1,267,000	218,000	5,221,000
High	125,000	14,000	925,000	2,945,000	1,335,000	288,000	5,632,000

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

	Office	Government	Flex/Bus. Park	Gen. Industrial	Warehouse	Retail	Total
Low	5.5	1.7	42.8	127.5	72.3	15.0	264.9
Medium	6.8	2.0	96.8	320.9	181.8	17.9	626.2
High	10.2	2.0	106.2	338.0	191.5	23.6	671.6

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)	5.5	-	-	-	-	15.0	20.5
Mixed Use	-	-	-	-	-	-	-
Public	-	1.7	-	-	-	-	1.7
General Industrial & Flex	-	-	42.8	127.5	72.3	-	242.7
Total	5.5	1.7	42.8	127.5	72.3	15.0	264.9

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	-	2.0	-	-	-	-	2.0
General Industrial & Flex	-	-	96.8	320.9	181.8	-	599.5
Total	6.8	2.0	96.8	320.9	181.8	17.9	626.2

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	-	-	-	-	23.6	33.9
Mixed Use	-	-	-	-	-	-	-
Public	-	2.0	-	-	-	-	2.0
General Industrial & Flex	-	-	106.2	338.0	191.5	-	635.8
Total	10.2	2.0	106.2	338.0	191.5	23.6	671.6

Canby UGB Land Needs for Employment (gross buildable acres)

General Land Use	Low	Medium	High
Commercial (CD, HC)	20	25	34
Industrial (CM, LI, HI)	243	599	636
Public & Education (excl. schools & parks)	2	2	2
Total Land Need (unconstrained acres)	265	626	672

Source: findings based on preceding assumptions.

Appendix E: 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:

Comprehensive 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)
- 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

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

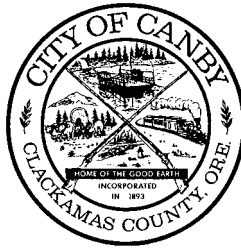
Based on state guidelines and data provided by the City, the following constraints have been deducted from the residential lands inventory.

- 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%.



BEFORE THE PLANNING COMMISSION OF THE CITY OF CANBY

A LEGISLATIVE AMENDMENT TO THE
ADOPTED CITY OF CANBY
COMPREHENSIVE PLAN

)
)
)

FINDINGS, CONCLUSION & FINAL ORDER
CPA 23-02
Economic Opportunities Analysis

NATURE OF THE APPLICATION

Planning Staff initiated a legislative amendment to the City of Canby Comprehensive Plan consisting of an update to the City's Economic Opportunities Analysis (EOA). The technical information in the EOA will inform and guide later stages of the City's Comprehensive Plan Update, which is underway.

HEARINGS

The Planning Commission considered application **CPA 23-02** at the duly noticed hearing on August 14, 2023. The purpose of this hearing was for Planning Staff to receive a recommendation from Planning Commission to forward on to City Council.

CRITERIA AND STANDARDS

In judging whether to recommend approval of the proposed Comprehensive Plan amendment, the Planning Commission determines whether criteria from the Land Development and Planning Ordinance are met. Applicable criteria and standards were reviewed in the Staff Report dated August 4, 2023 and presented at the August 14, 2023 meeting of the Canby Planning Commission.

FINDINGS AND REASONS

The Staff Report was presented and oral testimony from Planning Staff was received at the public hearing. Planning Staff recommended adoption of the proposed Comprehensive Plan Amendment (**CPA 23-02**). No conditions of approval were identified or recommended by Planning Staff.

At the public hearing, the Planning Commission concurred with the findings of EOA in its entirety, including the following:

- Community Vision
- Economic Development Objectives
- Medium Growth Scenario

By its concurrence with the findings in the Staff Report, the Planning Commission found that the EOA document and associated Comprehensive Plan Amendment were consistent with the following provisions of the Land Development and Planning Ordinance:

- **Section 16.88.180, Comprehensive Plan Amendments, and**
- **Section 16.88.190, Conformance with Transportation System Plan and Transportation Rule**

Finding: The adoption of an EOA and corresponding Comprehensive Plan text revision is a necessary factual basis for the City to craft Economic Policy for the City. The proposed text amendments do not affect the traffic generation and circulation patterns, level of park and recreation facilities, demand for public facilities and services, protection and use of natural resources or compliance with special purpose plans or programs; however, they do provide more opportunities for the City to meet the demand for economic development.

The proposed text amendments represent a logical implementation of the Comprehensive Plan. The adoption of an Amended Economic Opportunities Analysis provides the City with a factual basis on which to rely when creating economic goals and policies. Goals and policies will be further developed as part of the on-going Comprehensive Plan update process. The current Comprehensive Plan Economic Element Policy 3 identifies that Canby shall encourage economic programs and projects which will lead to an increase in local employment opportunities. The EOA update was deemed by the City Council to be desirable and appropriate during the April 19, 2023, hearing, where it was accepted but not adopted as part of the Canby Comprehensive Plan. The Economic Opportunities Analysis is consistent with the Canby Comprehensive Plan and Transportation System Plan, meets community needs and has been vetted through an in-depth public process that included evaluating alternatives and was vetted with the Oregon State Department of Land Conservation and Development.

The proposed text amendment does not include changes to the Transportation System Plan or significantly affect a transportation facility. The proposed text amendment is in compliance with the Transportation Planning Rule. This standard is met.

The Planning Commission also concurred with the findings in the Staff Report related to the Comprehensive Plan Amendment's compliance with applicable **Statewide Planning Goals** and administrative rule requirements:

- **Goal 1, Citizen Involvement**

Finding: The proposed EOA and Comprehensive Plan text amendment do not specifically address citizen involvement. This land use application is subject to a City of Canby Type IV land use review, which includes a significant citizen involvement component. This process has been established by the city and determined to be consistent with this goal. The mandatory public notice of the action and decision, and the hearings on this case

before the Planning Commission and City Council are all avenues of citizen participation.

- **Goal 2, Land Use Planning**

Finding: This statewide goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out Comprehensive Plan. The process identified above was utilized in the drafting of this proposed EOA and Comprehensive Plan Text Amendment. Alternatives have been considered throughout the drafting of the updates. The proposed changes are consistent with and adequate to carry out the Comprehensive Plan.

- **Goal 3, Agricultural Lands**

Finding: This goal does not apply because the City does not include areas designated for agricultural use.

- **Goal 4, Forest Lands**

Finding: This goal does not apply because the City does not include areas designated for forest use.

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

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

- **Goal 6, Air, Water and Land Resources Quality**

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

- **Goal 7, Areas Subject to Natural Hazards**

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

- **Goal 8, Recreational Needs**

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

- **Goal 9, Economic Development**

Finding: The intent of the Economic Opportunities Analysis is to provide the City a factual basis on which to make economic policy decisions. The adoption of the EOA and Comprehensive Plan Text Amendments allows the City to continue to comply with Goal 9

and prepares the City for development in the city in the near term and in the 20-year planning horizon. Therefore, the intent of the Economic Development goal is supported and satisfied with this proposed Amended EOA.

- **Goal 10, Housing**

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

- **Goal 11, Public Facilities and Services**

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

- **Goal 12, Transportation**

Finding: The Transportation Planning Rule (TPR), OAR 600-012.0060, requires that, where an amendment to a Comprehensive Plan or zoning regulation would significantly affect an existing or planned transportation facility, the local government shall put in place measures that assure that allowed land uses are consistent with the function, capacity, and performance standards of the facility. The proposed Amended EOA does not, in and of itself, propose any changes to an existing or planned transportation facility. However, the amount of employment land need projected in the Amended EOA has the potential to affect transportation facilities throughout the city. The employment land need identified in the Amended EOA will be used to inform the city's UGB expansion process, in which transportation facility analysis is addressed. In addition, any annexations into the city limits of employment lands identified in the EOA will require TPR analysis. Any impact to the transportation network will be addressed prior to expansion of the city and as such, the proposed zoning code text amendment does not affect the transportation system of the City.

- **Goal 13, Energy Conservation**

Finding: There are no identifiable energy consequences of this land use action. The proposed text amendments will not result in any appreciable difference in waste production or recycling compared with development under the existing zoning.

- **Goal 14, Urbanization**

Finding: The adoption of this EOA and Comp Plan Text Amendments prepares the City for the expansion of the Urban Growth Boundary, an on-going effort by the City to provide for the employment and housing needs of the City for the next 20 years. Approval of these updates will support the City's on-going compliance with Goal 14.

- **Goal 15, Willamette River Greenway**

Finding: The Willamette Greenway does include the southern shoreline of the Willamette River on the north side of the City. However, the greenway does not extend into the Urban

Growth Boundary and, therefore, encroachment of potential urban uses should not be a problem. Furthermore, most, if not all, of the greenway is in the floodplain; therefore, development will be restricted to comply with Federal Flood Insurance requirements. The City does not have any estuarine resources, and is not on the Oregon Coast, so goals 15 through 19 do not apply.

The Planning Commission identified that they did not want to forward a recommendation on the required number of employees per acre (applicable to portions of the City's industrial park) but requested that the City Council direct them to review the required employees per acre and make a recommendation on the required employees per acre and exception criteria for projects below the designated employees per acre. Otherwise, the Planning Commission adopted the findings and conclusions contained in the August 4, 2023 Staff Report.

CONCLUSION

In summary, the Planning Commission adopted the analysis and conclusions contained in the Staff Report, concluding that the proposed Comprehensive Plan Amendment met all applicable approval criteria and recommending that City Council adopt the **Economic Opportunities Analysis (CPA 23-02)** as articulated in the written order below.

ORDER

THE PLANNING COMMISSION of the City of Canby recommends that the City Council **approve** Comprehensive Plan Amendment **CPA 23-02**.

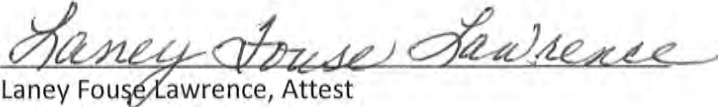
I CERTIFY THAT THIS ORDER, CPA 23-02, Economic Opportunities Analysis, was presented to and APPROVED by the Planning Commission of the City of Canby on the 14th of August 2023.



Matt Ellison
Planning Commission Chair



Don Hardy
Planning Director



Laney Fouse Lawrence, Attest
Recording Secretary

ORAL DECISION: August 14, 2023

Name	Aye	No	Abstain	Absent
Matt Ellison, Chair	x			
Dan Ewert, Vice-Chair	x			
Michael Hutchinson				x
Jennifer Driskill	x			
Judi Jarosh	x			
Hannah Ellison				x
Craig Lewelling	x			

WRITTEN DECISION: August 28, 2023

Name	Aye	No	Abstain	Absent
Matt Ellison, Chair				
Dan Ewert, Vice-Chair				
Michael Hutchinson				
Jennifer Driskill				
Judi Jarosh				
Hannah Ellison				
Craig Lewelling				

From: [DLCD Plan Amendments](#)
To: [Laney Fouse Lawrence](#)
Subject: Confirmation of PAPA Online submittal to DLCD
Date: Monday, July 10, 2023 4:18:45 PM

Canby

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

Local File #: TA 23-02

DLCD File #: [004-23](#)

Proposal Received: 7/10/2023

First Evidentiary Hearing: 8/14/2023

Final Hearing Date: 9/6/2023

Submitted by: fousel

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



CITY COUNCIL Staff Report

Meeting Date: 9/16/2026

To: The Honorable Mayor Hodson & City Council
Thru: Randy Ealy, Interim City Administrator
From: James Murphy, Police Captain
Agenda Item: Consider **Ordinance No. 1681**: An Ordinance Authorizing the Interim City Administrator to purchase one (1) Police vehicle for the Canby Police Department of \$54,665.49.
(*Second Reading*)
Goal: Provide a police vehicle for assigned duties for the City of Canby.
Objective: Maintain services

Summary

As per FY27 budget, Canby Police Department (CPD) seeks authorization to purchase one (1) new Ford Expedition 4x4, from Gresham Ford. This vehicle will retire the oldest vehicle in the fleet, and be utilized for police duties as assigned.

Background

Currently, CPD operates patrol and call out duties, 24 hours a day, seven days a week, 365 days a year. CPD must perform police functions in all weather and terrain environments. A reliable and functional vehicle is essential to patrol all areas, respond quickly to emergencies and transport suspects.

Discussion

With the purchase of the Ford Expedition 4x4, CPD will be removing a 2008 Honda Odyssey van from the fleet. Due to the high mileage and engine runtime, the Honda Odyssey's reliability is in question. The purchase of the Ford Expedition 4x4 will allow for reassignment of vehicles and guarantee reliability.

Attachments

- Ordinance No. 1681
- Price Quote from Gresham Ford

Fiscal Impact

The City of Canby approved a budget for FY27 (100-108-421-7470) that allows for the purchase of two vehicles- and outfitting- of \$145,000. The first vehicle was purchased for \$48,851 and outfitted for another \$20,000. This second budget purchase is for \$54,665.49 and will be outfitted for approximately \$15,000. This should leave a budget remainder of approximately \$6,500.

Recommendation

Staff recommends that the City Council authorize staff to execute and issue, on behalf of the City of Canby (Canby Police Department), the necessary Purchase Orders to Gresham Ford.

Proposed Motion

"I move to adopt **Ordinance No. 1681**, An Ordinance authorizing the City Administrator to Purchase One Ford Expedition 4x4 from Gresham Ford in the amount of \$54,665.49."

ORDINANCE NO. 1681

AN ORDINANCE AUTHORIZING THE INTERIM CITY ADMINISTRATOR TO PURCHASE ONE (1) FORD EXPEDITION 4X4 FOR CANBY POLICE DEPARTMENT FROM GRESHAM FORD IN THE AMOUNT OF \$54,665.49.

WHEREAS, the City of Canby, through Canby Police Department (CPD), intends to purchase one (1) Ford Expedition 4x4, to support patrol, administration and on-call services;

WHEREAS, the funding for this vehicle purchase is included in the proposed budget for Fiscal Year 2026–2027 for the City of Canby;

WHEREAS, the purchase complies with ORS 279.820–279.855 and will be made through Statewide Price Agreement No. 1659, established for the State of Oregon and authorized participants of the Oregon Cooperative Purchasing Program (ORCPP) to acquire Ford brand vehicles;

WHEREAS, Gresham Ford submitted the quote under Statewide Price Agreement No. 1659, offering the required vehicle at \$54,665.49 each; and

WHEREAS, pursuant to Statewide Price Agreement No. 1659, all purchase orders accepted by Gresham Ford constitute separate contracts.

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

Section 1: The Interim City Administrator is hereby authorized and directed to make, execute, and deliver in the name of the City of Canby (Canby Police Department), and on its behalf, the appropriate Purchase Order (contract) with Gresham Ford for the procurement of one (1) Ford Expedition 4x4, for a total Purchase Order Amount: Fifty Four Thousand Six Hundred Sixty-Five Dollars Forty-Nine Cents (\$54,665.49).

Section 2: The effective date of this Ordinance shall be October 16, 2026.

SUBMITTED to the Canby City Council and read for the first time at a regular meeting held on Wednesday, September 2, 2026. This ordinance is ordered posted in accordance with the Canby City Charter and scheduled for second reading and final adoption at a regular City Council meeting on Wednesday, September 16, 2026, at 7:00 p.m. in the Council Chambers located at 222 NE 2nd Avenue, Canby, Oregon.

Maya Benham, CMC
City Recorder

PASSED on the second and final reading by the Canby City Council at a regular meeting thereof on the 16th day of September, 2026, by the following vote:

YEAS_____

NAYS_____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder

Fleet Price Quote

Gresham Ford-1999 East Powell Blvd. Gresham, OR 97080



Janet Teran

Government and Commercial Fleet Manager

Military Deliveries

State of Oregon Contract #1659

Cell: 503.333.2891

Office: 503.665.0101

Fax: 503.665.0497

Janet@GreshamFord.com

Quoted to:	Canby Police Department		
	James Murphy		
Office:	503-266-0715	Date Quoted	8/3/2026
Cell:		This Quote is per one vehicle	
E-Mail	MurphyJ@canbypolice.com		
		Contract FIN	QS045
		End User FIN	QR898

Vehicle Quoted:	Model Code	U1G Expedition SSV XL 4x4
	Model Year	2027

Quote:	Item Code	Item Description	Price
Base		U1G Expedition SSV XL 4x4	\$ 54,194.00
Color	YZ	Oxford White	incl.
Interior	C	XL Cloth	incl.
Interior Color	E	Dark Gray	incl.
Trim	102A	Equip. Group	incl.
Engine	998	3.5L EcoBoost® V6 Engine	incl.
Transmission	44U	10-Speed Automatic Transmission	incl.
Emissions	425	50 States Emissions	incl.
	153	Front License Plate Bracket	incl.

Cost of Vehicle \$ 54,194.00

Oregon Vehicle Privilege Tax \$ 270.97

Oregon Corporate Activity Tax \$ 200.52

E-Plates N/A

Delivered to Canby, Oregon

Total Vehicle Quote \$ 54,665.49

#66



CITY COUNCIL Staff Report

Meeting Date: 9/16/2026

To: The Honorable Mayor Hodson & City Council
Thru: Randy Ealy, Interim City Administrator
From: Nathan Templeman, Aquatic Manager
Agenda Item: Consider **Ordinance No. 1682**: authorizing the Interim City Administrator to execute Amendment No. 2 to the professional services agreement with Scott Edwards Architecture, LLP for the Canby Swim Center Remodel, increasing the current agreement by \$57,700, maintaining a cumulative project limit of \$249,999 for all SEA services, and extending the agreement through April 1, 2027. (*Second Reading*)

Summary

Staff requests authorization for the Interim City Administrator to execute Amendment No. 2 to the City's professional services agreement with Scott Edwards Architecture, LLP (SEA) for the Canby Swim Center Remodel. The amendment will provide additional contract capacity for value engineering and related design revisions, continued construction administration, and project closeout. This amendment will maintain an aggregate limit of \$249,999 for all SEA services associated with this continuous project; and extend the agreement through April 1, 2027.

Background

SEA has provided architectural services associated with the Swim Center project since 2020, including early locker-room and concept-design work. The City entered into the current professional services agreement with SEA on October 3, 2025, for design services associated with the Canby Swim Center Remodel. The original agreement was structured around a Construction Manager/General Contractor delivery method.

In April 2026, after the City directed the project to proceed using a Design-Bid-Build delivery method, SEA submitted an Additional Services Request (ASR). The executed ASR became Amendment No. 1 and added \$10,550 for additional bidding specifications and procurement services. Amendment No. 1 expressly excluded value engineering following bid opening.

The public bidding process has required more effort than initially anticipated. SEA has billed the available bidding fee and the April ASR, and additional services are now expected as the City evaluates project scope, potential value engineering, contract award, construction administration, and closeout.

Discussion

The project is at a stage where continued involvement by the architect of record is important. SEA and its consultant team have detailed knowledge of the existing facility, the project documents, the public bidding process, and the issues identified during bid review. Maintaining that continuity will allow the City to evaluate cost-saving measures, revise the drawings and specifications so they remain aligned with the work ultimately authorized, respond to construction-phase questions, and complete project closeout without introducing a new design team during a critical phase.

Because the final extent of value engineering and design revision is not yet known, staff recommends establishing additional contract capacity up to the City's aggregate project limit rather than returning to Council for each incremental adjustment.

Amendment No. 2 would then increase the current agreement by \$57,700, resulting in an amended current agreement amount of \$234,000 and a cumulative amount not to exceed \$249,999 for all SEA services associated with the project. Services would be performed only as authorized and billed in accordance with the agreement. Any need for professional services beyond the aggregate ceiling would require a new procurement process or other action consistent with the City's contracting requirements.

The amendment would also extend the agreement through April 1, 2027, to cover the anticipated construction and closeout period. All other terms of the original agreement and Amendment No. 1 would remain unchanged unless expressly modified by Amendment No. 2.

Attachments

Ordinance No. 1682

Fiscal Impact

Finance has identified \$152,824 in actual SEA services associated with the continuous Swim Center project before Amendment No. 2. Amendment No. 2 would increase the current agreement of \$176,300 by \$57,700, resulting in an amended current agreement amount of \$234,000. The cumulative amount authorized for all SEA services associated with the project would not exceed \$249,999. Expenditures will be charged to account 275-275-455-7200, Building Improvements over \$5,000. The Swim Center local option levy was approved to support operation and maintenance of the existing Canby Swim Center. Those revenues are not a funding source for construction of a new or replacement aquatic facility. Accordingly, investment in the continued operation, repair, and modernization of the existing Swim Center uses levy-supported resources for the facility and purposes for which they were approved rather than preserving those funds for a replacement facility they cannot finance.

Options

- Adopt Ordinance No. 1682 authorizing the Interim City Administrator to execute Amendment No. 2.
- Do not adopt the ordinance and direct staff to return with additional information or a different approach.

Recommendation

Staff recommends Council adopt Ordinance No. 1682, authorizing the Interim City Administrator to execute Amendment No. 2 with SEA.

Proposed Motion

"I move to adopt **Ordinance No. 1682**, authorizing the Interim City Administrator to execute Amendment No. 2 to the professional services agreement with Scott Edwards Architecture, LLP for the Canby Swim Center Remodel, increasing the current agreement by \$57,700, maintaining a cumulative project limit of \$249,999 for all SEA services, and extending the agreement through April 1, 2027."

ORDINANCE NO. 1682

AN ORDINANCE AUTHORIZING THE INTERIM CITY ADMINISTRATOR TO EXECUTE AMENDMENT #2 WITH SCOTT EDWARDS ARCHITECTURE, LLP IN THE AMOUNT OF \$57,700 FOR THE DESIGN DEVELOPMENT/VALUE ENGINEERING, CONTINUED CONSTRUCTION ADMINISTRATION, AND PROJECT CLOSE OUT FOR THE REMODEL OF THE CANBY SWIM CENTER.

WHEREAS, the City of Canby entered into a professional services agreement for the Canby Swim Center Remodel on October 3, 2025;

WHEREAS, in April, 2026, the City of Canby executed Amendment #1 for \$10,550 to include services associated with bidding specifications and procurement services, expressly excluding value engineering services;

WHEREAS, the City of Canby feels that it is vital to maintain the continuity of services by Scott Edwards Architecture, LLP for value engineering, responding to construction-phase questions, and completing the project close out;

WHEREAS, this amendment will increase the aggregate limit of all services of Scott Edwards Architecture, LLP for this project to \$249,999.

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

Section 1. The Interim City Administrator is hereby authorized, on behalf of the City of Canby, to execute Amendment #2 with Scott Edwards Architecture LLP in an amount not to exceed \$57,700 for the remodel design/value engineering. construction administration, and project close out at the Canby Swim Center for a total aggregate limit of all services to \$249,999.

Section 2. The effective date of this Ordinance shall be October 16, 2026.

SUBMITTED to the Canby City Council and read the first time at a regular meeting thereof on Wednesday, September 2, 2026, ordered posted as required by the Canby City Charter; and scheduled for second reading on September 16, 2026, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor, Canby, Oregon.

Maya Benham, CMC
City Recorder

PASSED on the second and final reading by the Canby City Council at a regular meeting thereof on September 16, 2026, by the following vote:

YEAS_____

NAYS_____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder



CITY COUNCIL Staff Report

Meeting Date: 9/16/2026

To: The Honorable Mayor Hodson & City Council
Thru: Randy Ealy, Interim City Administrator
From: Nathan Templeman, Aquatic Manager
Agenda Item: Consider **Ordinance No. 1683**: An Ordinance Authorizing the Interim City Administrator to Execute a Construction Contract with INLINE Commercial Construction, Inc., dba INLINE, for the Canby Swim Center Remodel in the Amount of \$1,244,837.44, Declaring an Emergency. (*Second Reading*)

Summary

Staff requests that the City Council approve the first reading of an ordinance authorizing the Interim City Administrator to execute a construction contract with **In Line Commercial Construction, Inc.**, dba INLINE, for the Canby Swim Center Remodel. The proposed award includes the \$1,118,931.00 base bid and Alternate No. 2 for project phasing and required temporary facilities in the amount of \$125,906.44, for a total construction contract of \$1,244,837.44.

The ordinance is scheduled for second reading on September 16, 2026. Contract execution will remain subject to completion of the required award findings, notice and protest process, and revised construction schedule.

Background

The Canby Swim Center Remodel will renovate the facility lobby, office area, locker rooms, and restrooms; construct an accessible family changing room; complete accessibility improvements; and replace or modify associated mechanical, plumbing, electrical, and lighting systems. The project was advertised and bid as a formal public improvement under ORS Chapter 279C. Four bids were received and publicly opened on July 23, 2026. The Canby City Council serves as the City's Local Contract Review Board.

Alternate No. 2 provides project phasing and required temporary facilities intended to limit disruption to Swim Center operations during construction. Staff recommends including this work in the construction contract.

Discussion

The proposed action would award the base bid to INLINE and include Alternate No. 2 for a total construction contract of \$1,244,837.44.

Because the originally anticipated Notice to Proceed date has passed, a revised construction schedule must be incorporated into the final contract before execution.

Following completion of the award findings, the City will issue or confirm the Notice of Intent to Award and observe the required protest period. Before commencing work, INLINE must execute the approved contract and provide the required bonds, insurance, and preconstruction documentation.

Attachments

Ordinance No. 1683
July 23, 2026, Bid Tally
INLINE Bid Proposal

Fiscal Impact

The proposed INLINE construction contract is \$1,244,837.44 and will be charged to **account 275-275-455-7200**, Building Improvements over \$5,000. A supplemental budget may be needed after the value engineering phase is complete.

The Swim Center local option levy supports operation, maintenance, repair, and modernization of the existing Canby Swim Center. Levy revenues are not available to construct a new or replacement aquatic facility. The proposed remodel therefore invests available Swim Center resources in the continued operation and modernization of the existing facility.

Options

1. Adopt **Ordinance No. 1683**, subject to completion and approval of the highlighted bidder, award, and schedule.
2. Do not adopt the ordinance and direct staff to return with additional information or a different project approach.

Recommendation

Staff recommends Council adopt **Ordinance No. 1683**, subject to Legal/procurement approval of the bidder and award findings and completion of the remaining highlighted items before contract execution.

Proposed Motion

"I move to adopt **Ordinance No. 1683**, Authorizing the Interim City Administrator to execute a construction contract with In Line Commercial Construction, Inc., dba INLINE, for the Canby Swim Center Remodel in an amount not to exceed \$1,244,837.44, Declaring an Emergency."

ORDINANCE NO. 1683

AN ORDINANCE AUTHORIZING THE INTERIM CITY ADMINISTRATOR TO EXECUTE A CONTRACT WITH INLINE COMMERCIAL CONSTRUCTION, INC IN THE AMOUNT OF \$1,244,837.44 FOR THE CONSTRUCTION COMPONENT OF THE CANBY SWIM CENTER REMODEL PROJECT.

WHEREAS, the City of Canby has heretofore informally advertised and received (4) bid responses to a formal public procurement for the construction for the Canby Swim Center Remodel Project;

WHEREAS, the City of Canby acknowledges the Canby Swim Center is in need of upgrades to continue to serve the community and visitors to the facility;

WHEREAS, bids were received and publicly opened on July 23, 2026;

WHEREAS, INLINE Commercial Construction, Inc was selected as the successful bidder.

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

Section 1. The Interim City Administrator is hereby authorized, on behalf of the City of Canby, to enter into the contract with INLINE Commercial Construction, Inc. in an amount not to exceed \$1,244,837.44 for the construction of the Canby Swim Center Remodel Project.

Section 2. The City Council finds that the public health and safety require that this Ordinance be effective immediately upon its enactment. Therefore, the City Council declares an emergency and this Ordinance shall be effective immediately upon its enactment.

SUBMITTED to the Canby City Council and read the first time at a regular meeting thereof on Wednesday, September 2, 2026, ordered posted as required by the Canby City Charter; and scheduled for second reading on September 16, 2026, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor, Canby, Oregon.

Maya Benham, CMC
City Recorder

PASSED on the second and final reading by the Canby City Council at a regular meeting thereof on September 16, 2026, by the following vote:

YEAS_____

NAYS_____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder



CANBY SWIM CENTER REMODEL - BID TALLY

Date: 7/23/2026
Time: 2:00PM

	CONTRACTOR NAME	BID FORM	BID GUARANTEE	ACKNOWLEDGEMENTY OF ADDENDA 01	ALTERNATE FORM	PROPOSED SCHEDULE OF VALUES	RESPONSABILITY DETERMINATION FORM	NON-COLLUSION AFFIDAVIT FORM	NON-DISCRIMINATORY CERTIFICATION FORM	BASE BID	ALT 1	ALT 2	1ST TEAR	TIME RECEIVE
1	PETRA DESIGN BUILD, LLC	X	X	X	X	X	X	X	X	\$669,915.00	\$25,000.00	\$14,000.00	X	1:39 PM
2	FIRST CASCADE CORP	X	X	X	X	X	X	X	X	\$1,157,000.00	\$35,000.00	\$50,000.00	X	2:19 PM
3	INLINE	X	X	X	X	X	X	X	X	\$1,118,931.00	\$44,880.46	\$125,906.44	X	2:52 PM
4	TH BUILDERS CORP.	X	X	X	X	X	X	X	X	\$1,191,094.00	-\$5,000.00	\$16,000.00	X	2:46 PM
5														
6														
7														
8														
9														
10														
11														
13														
14														
15														



Canby



Scott
Edwards
Architecture

Canby Swim Center Locker Room Remodel

Attendance Sheet 07/23/2026

	Company	Contact Name	Email
1	Petra Design Build	Eli Kimmel	Eli@petradesignbuild.com
2	Inline Construction	Lizzy Nelson	bids@inlinc-cc.com
3	First Cascade	Madison Pihl	madisonP@firstcascade.com
4	TH TH Builders	Isaac Harris	IsHarris@THBPOX.com
5			
6			
7			
8			
9			
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11			
12			
13			
14			
15			
16			
17			
18			



Canby



Scott
Edwards
Architecture

Canby Swim Center Locker Room Remodel

	Company Name	Bid Received	Date	Time
1	Petm Design Build LLC	X	07/23	1:39.
2	First Cascade Corp	X	07/23	1:53
3	Inline	X	07/23	1:56.
4	TH Builders Corp	X	07/2	1:58
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				

**SECTION 00 41 33
BID FORM**

SECTION 00 41 33 - BID FORM

1.1 BID INFORMATION

- A. Bidder: In Line Commercial Construction, Inc. dba INLINE.
- B. Project Name: Canby Swim Center Remodel
- C. Project Location: Canby, Oregon
- D. Owner: City of Canby
- E. Architect: Scott Edwards Architecture, LLP.
- F. Architect Project Number: 20132.

1.2 CERTIFICATIONS AND CONTRACTOR'S FEE

- A. Base Bid, Single-Prime (All Trades) Contract: The undersigned Bidder, having carefully examined the Procurement and Contracting Requirements, Conditions of the Contract, Drawings, Project Manual, Specifications, and all subsequent Addenda, as prepared by Scott Edwards Architecture, LLP and Architect's consultants, having visited the site, and being familiar with all conditions and requirements of the Work, hereby agrees to furnish all material, labor, equipment, and services necessary to complete the construction of the above-named project, according to the requirements of the Procurement and Contracting Documents, for the Cost of the Work as defined in the Contract Documents, for the stipulated sum of:

- 1. One million one hundred eighteen thousand Dollars (\$ 1,118,931).
~~three hundred thirteen~~ nine hundred thirty-one

1.3 BID GUARANTEE

- A. The undersigned Bidder agrees to execute a contract for this Work in the above amount and to furnish surety as specified within **10** days after a written Notice of Award, if offered within **90** days after receipt of bids, and on failure to do so agrees to forfeit to Owner the attached cash, cashier's check, certified check, U.S. money order, or bid bond, as liquidated damages for such failure, in the following amount constituting ten percent (10%) of the Base Bid amount above:

- 1. One hundred eleven thousand eight hundred Dollars (\$ 111,893).
ninety-three

- B. In the event Owner does not offer a Notice of Award within the time limits stated above, Owner will return to the undersigned the cash, cashier's check, certified check, U.S. money order, or bid bond.

1.4 FIRST TIER SUBCONTRACTOR DISCLOSURE

- A. The undersigned Bidder understands that the following additional form must be submitted within **TWO HOURS** following the bid date and time for the bid to be complete. The Owner must reject a bid as non-responsive if a bidder fails to submit the following form:

- 1. First Tier Subcontractor Disclosure Form – Section 00 45 21.

**SECTION 00 41 33
BID FORM**

1.5 TIME OF COMPLETION

- A. The undersigned Bidder proposes and agrees hereby to commence the Work of the Contract Documents on a date specified in a written Notice to Proceed to be issued by the owner and shall fully complete the Work within the number of calendar days or by the listed substantial completion timeline as outlined in Section 00 11 13 "Advertisement for Bids" under the project schedule.

1.6 ACKNOWLEDGEMENT OF ADDENDA

- A. The undersigned Bidder acknowledges receipt of and use of the following Addenda in the preparation of this Bid:

1. Addendum No. 1, dated 07/17/2026.
2. Addendum No. 2, dated _____.
3. Addendum No. 3, dated _____.
4. Addendum No. 4, dated _____.
5. Addendum No. 5, dated _____.
6. Addendum No. 6, dated _____.
7. Addendum No. 7, dated _____.

1.7 BID SUPPLEMENTS

- A. The following supplements are a part of this Bid Form and are attached hereto:

1. Bid Form Supplement - Bid Bond Form.
2. Bid Alternates Supplement – Alternates Form.

1.8 CONTRACTOR'S LICENSE

- A. The undersigned further states that it is a duly licensed contractor, for the type of work proposed, in the State of Oregon, and that all fees, permits, etc., pursuant to submitting this proposal have been paid in full.

1.9 SUBMISSION OF BID

- A. Respectfully submitted this 23rd day of July, 2026.
In Line Commercial Construction, Inc.
- B. Submitted By: _____ dba INLINE (Name of bidding firm or corporation).
- C. Authorized Signature: Jeff Rule (Handwritten signature).
- D. Signed By: Jeff Rule (Type or print name).
- E. Title: VP of Preconstruction (Owner/Partner/President/Vice President).

END OF DOCUMENT

**SECTION 00 43 23
ALTERNATES FORM**

SECTION 00 43 23 - ALTERNATES FORM

1.1 BID INFORMATION

- A. Bidder: In Line Commercial Construction, Inc. dba INLINE.
- B. Project Name: Canby Swim Center Remodel
- C. Project Location: Canby, Oregon
- D. Owner: City of Canby
- E. Architect: Scott Edwards Architecture, LLP.
- F. Architect Project Number: 20132.

1.2 BID FORM SUPPLEMENT

- A. This form is required to be attached to the Bid Form.

1.3 DESCRIPTION

- A. The undersigned Bidder proposes the amount below be added to or deducted from the Base Bid if particular alternates are accepted by Owner. Amounts listed for each alternate include costs of related coordination, modification, or adjustment.
 - 1. Cost-Plus-Fee Contract: Alternate price given below includes adjustment to Contractor's Fee.
- B. If the alternate does not affect the Contract Sum, the Bidder shall indicate "NO CHANGE."
- C. If the alternate does not affect the Work of this Contract, the Bidder shall indicate "NOT APPLICABLE."
- D. The Bidder shall be responsible for determining from the Contract Documents the affects of each alternate on the Contract Time and the Contract Sum.
- E. Owner reserves the right to accept or reject any alternate, in any order, and to award or amend the Contract accordingly within **90** days of the Notice of Award unless otherwise indicated in the Contract Documents.
- F. Acceptance or non-acceptance of any alternates by the Owner shall have no affect on the Contract Time unless the "Schedule of Alternates" Article below provides a formatted space for the adjustment of the Contract Time.

1.4 REFERENCE SECTIONS

- A. See Section 01 23 00 "Alternates" for complete information.

1.5 SCHEDULE OF ALTERNATES

- A. Alternate No. 01: Large format tile in lieu of concrete broom finish.
 - 1. ADD X DEDUCT NO CHANGE NOT APPLICABLE .
 - 2. Forty-four thousand eight hundred eighty-and Dollars
(\$ 44,880.46). forty-six cents
- B. Alternate No. 02: Phasing of project and required temporary facilities.

SECTION 00 43 23
ALTERNATES FORM

1. ADD X DEDUCT ____ NO CHANGE ____ NOT APPLICABLE ____.
2. One hundred twenty five thousand nine hundred six Dollars
(\$125,906.44). and forty-four cents

1.6 SUBMISSION OF BID SUPPLEMENT

- A. Respectfully submitted this 23rd day of July, 2026.
In Line Commercial Construction, Inc.
- B. Submitted By: dba INLINE (Name of bidding firm or corporation).
- C. Authorized Signature: Jeff Rule (Handwritten signature).
- D. Signed By: Jeff Rule (Type or print name).
- E. Title: VP of Preconstruction (Owner/Partner/President/Vice President).

END OF DOCUMENT

AIA® Document G703® - 1992

Continuation Sheet

AIA Document G702®, Application and Certification for Payment, or G732™, Application and Certificate for Payment, Construction Manager as Adviser Edition, containing Contractor's signed certification is attached.
Use Column I on Contracts where variable retainage for line items may apply.

APPLICATION NO:

001

APPLICATION DATE:

July 23, 2026

PERIOD TO:

ARCHITECT'S PROJECT NO:

Canby Swim Center Bid

A	B	C	D	E	F	G		H	I
ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		MATERIALS PRESENTLY STORED (NOT IN D OR E)	TOTAL COMPLETED AND STORED TO DATE (D + E + F)	%(G ÷ C)	BALANCE TO FINISH (C - G)	RETAINAGE (IF VARIABLE RATE)
			FROM PREVIOUS APPLICATION (D + E)	THIS PERIOD					
01	GR'S AND GC'S	232,313.360.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
02	EXISTING CONDITIONS	100,4880.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
03	CONCRETE	70,3720.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
04	MASONRY	19,9270.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
06	WOOD, PLASTICS, COMPOSITES	70,1070.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
07	THERMAL & MOISTURE PROTECTION	15,0000.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
08	OPENINGS	73,9870.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
09	FINISHES	94,5300.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
10	SPECIALTIES	118,3220.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
11	EQUIPMENT	1,5000.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
12	FURNISHINGS	1,8980.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
22	PLUMBING	147,7100.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
23	HVAC	66,2770.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
26	ELECTRICAL	104,0000.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
		0.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
ALT 1	TILE	44,880.460.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
ALT 2	PHASING	125,906.440.00	0.00	0.00	0.00	0.00	0.00%	0.00	0.00
	GRAND TOTAL	1,289,717.00\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	\$0.00

1,289,717

Document A310™ – 2010

Conforms with The American Institute of Architects AIA Document 310

Bid Bond

CONTRACTOR:

(Name, legal status and address)
INLINE Commercial Construction, Inc.
18880 SW Shaw St
Beaverton, OR 97007

SURETY:

(Name, legal status and principal place of business)
Merchants Bonding Company (Mutual)
P.O. Box 14498
Des Moines, IA 50306-3498

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

OWNER:

(Name, legal status and address)
City of Canby
222 NE 2nd Ave
Canby, OR 97013

BOND AMOUNT: \$ Ten Percent (10%) of the Total Bid Amount

PROJECT:

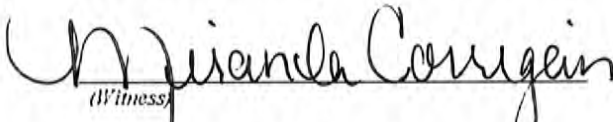
(Name, location or address, and Project number, if any)
Canby Swim Center Remodel
1150 S. Ivy St.
Canby, OR 97013

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

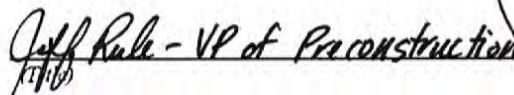
When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 23rd day of July 2026


(Witness)


(Witness)

INLINE Commercial Construction, Inc.
(Principal) (Seal)


(Title)

Merchants Bonding Company (Mutual)
(Surety) (Seal)


(Title) Nicholas Fredrickson
Attorney-in-Fact



S-0054/AS 8/10

MERCHANTS

BONDING COMPANY™

POWER OF ATTORNEY

Know All Persons By These Presents, that MERCHANTS BONDING COMPANY (MUTUAL) and MERCHANTS NATIONAL BONDING, INC., both being corporations of the State of Iowa, and MERCHANTS NATIONAL INDEMNITY COMPANY, an assumed name of Merchants National Bonding, Inc., (herein collectively called the "Companies") do hereby make, constitute and appoint, individually,

Abigail A Bonney; Alec Gumpfer; Andrew Kerslake; Brenda Nolin; Chris Larson; Deanna M French; Elizabeth R Hahn; Gina Wilmink; Greg Lagreid; Gregory C Ryerson; Guy P Armfield; Jana M Roy; Janteane Blyton; John R Claeys; Katelyn Cooper; Kyle Dozier; Michelle Bench; Mindee L Rankin; Nicholas Fredrickson; Rebecca Sarmiento; Robin Baird; Roger Kaltenbach; Ronald J Lange; Sahana Collins; Sandy L Boswell; Scott A Garcia; Scott Fisher; Scott McGilvray; Sharon L Pope; Susan B Larson; William M Smith

their true and lawful Attorney(s)-in-Fact, to sign its name as surety(ies) and to execute, seal and acknowledge any and all bonds, undertakings, contracts and other written instruments in the nature thereof, on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

This Power-of-Attorney is granted and is signed and sealed by facsimile under and by authority of the By-Laws adopted by the Board of Directors of the Companies.

"The President, Secretary, Treasurer, or any Assistant Treasurer or any Assistant Secretary or any Vice President shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

"The signature of any authorized officer and the seal of the Company may be affixed by facsimile or electronic transmission to any Power of Attorney or Certification thereof authorizing the execution and delivery of any bond, undertaking, recognizance, or other suretyship obligations of the Company, and such signature and seal when so used shall have the same force and effect as though manually fixed."

In connection with obligations in favor of the Florida Department of Transportation only, it is agreed that the power and authority hereby given to the Attorney-in-Fact includes any and all consents for the release of retained percentages and/or final estimates on engineering and construction contracts required by the State of Florida Department of Transportation. It is fully understood that consenting to the State of Florida Department of Transportation making payment of the final estimate to the Contractor and/or its assignee, shall not relieve this surety company of any of its obligations under its bond.

In connection with obligations in favor of the Kentucky Department of Highways only, it is agreed that the power and authority hereby given to the Attorney-in-Fact cannot be modified or revoked unless prior written personal notice of such intent has been given to the Commissioner - Department of Highways of the Commonwealth of Kentucky at least thirty (30) days prior to the modification or revocation.

In Witness Whereof, the Companies have caused this instrument to be signed and sealed this 28th day of May, 2026.



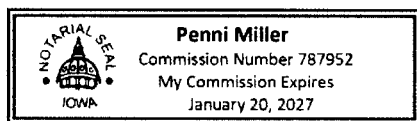
MERCHANTS BONDING COMPANY (MUTUAL)
MERCHANTS NATIONAL BONDING, INC.
MERCHANTS NATIONAL INDEMNITY COMPANY

By

Larry Taylor

STATE OF IOWA
COUNTY OF DALLAS ss.

On this 28th day of May, 2026, before me appeared Larry Taylor, to me personally known, who being by me duly sworn did say that he is President of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY; and that the seals affixed to the foregoing instrument are the Corporate Seals of the Companies; and that the said instrument was signed and sealed in behalf of the Companies by authority of their respective Boards of Directors.



(Expiration of notary's commission
does not invalidate this instrument)

Penni Miller

Notary Public

I, Elisabeth Sandersfeld, Secretary of MERCHANTS BONDING COMPANY (MUTUAL), MERCHANTS NATIONAL BONDING, INC., and MERCHANTS NATIONAL INDEMNITY COMPANY do hereby certify that the above and foregoing is a true and correct copy of the POWER-OF-ATTORNEY executed by said Companies, which is still in full force and effect and has not been amended or revoked.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Companies on this 23 day of JULY, 2026.



Elisabeth Sandersfeld

Secretary

**SECTION 00 43 93
BID SUBMITTAL CHECKLIST**

SECTION 00 43 93 - BID SUBMITTAL CHECKLIST

1.1 BID INFORMATION

- A. Bidder: In Line Commercial Construction, Inc. dba INLINE.
- B. Project Name: Canby Swim Center Remodel
- C. Project Location: Canby, Oregon
- D. Owner: City of Canby
- E. Architect: Scott Edwards Architecture, LLP.
- F. Architect Project Number: 20132.

1.2 BIDDER'S CHECKLIST

- A. In an effort to assist the Bidder in properly completing all documentation required, the following checklist is provided for the Bidder's convenience. The Bidder is solely responsible for verifying compliance with bid submittal requirements.
- B. Attach this completed checklist to the outside of the Submittal envelope.
 - 1. Used the Bid Form provided in the Project Manual.
 - 2. Prepared the Bid Form as required by the Instructions to Bidders.
 - 3. Indicated on the Bid Form the Addenda received.
 - 4. Attached to the Bid Form: Proposed Schedule of Values Form.
 - 5. Attached to the Bid Form: Alternates Form
 - 6. Submitted 2 hours following the bid due date and time: First Tier Contractor Form.
 - 7. Attached to the Bid Form: Responsibility Determination Form.
 - 8. Attached to the Bid Form: Bid Bond for the amount required.
 - 9. Bid envelope shows name and address of the Bidder.
 - 10. Bid envelope shows the Bidder's Contractor's License Number.
 - 11. Bid envelope shows name of Project being bid.
 - 12. Bid envelope shows name of Prime Contract being bid, if applicable.
 - 13. Bid envelope shows time and day of Bid Opening.
 - 14. Verified that the Bidder can provide executed Performance Bond and Payment Bond.
 - 15. Verified that the Bidder can provide Certificates of Insurance in the amounts indicated.

END OF DOCUMENT

**SECTION 00 45 13
RESPONSIBILITY DETERMINATION FORM**

RESPONSIBILITY DETERMINATION FORM

Project Name: Canby Swim Center Remodel

Bid Number: 20132

Business Entity Name: In Line Commercial Construction, Inc. dba INLINE

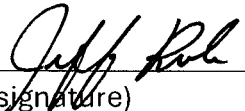
CCB License Number: 51880

Date: 07/23/2026

I, Jeff Rule, hereby certify that the following statements are true and correct regarding In Line Commercial Construction, Inc. dba INLINE (company name):

- ☒ [X] Has available the appropriate financial capacity, material, equipment, facility and personnel resources and expertise, or the ability to obtain the resources and expertise, necessary to meet all contractual responsibilities.
- ☒ [X] Holds current licenses that businesses or service professionals operating in this state must hold in order to undertake or perform the work specified in the contract.
- ☒ [X] Is covered by liability insurance and other insurance coverage in amounts required and specified in the solicitation documents and is able to provide current certificates of insurance upon request.
- ☒ [X] Qualifies as a carrier-insured employer or a self-insured employer under ORS 656.407, or has elected coverage under ORS 656.128, and is in good standing with applicable workers' compensation requirements.
- ☒ [X] Has disclosed the bidder's first-tier subcontractors in accordance with ORS 279C.370, when required, and has complied with all applicable subcontractor disclosure requirements.
- ☒ [X] Has a satisfactory record of performance, including a history of completing projects in accordance with contract requirements, schedules, and budgets, with no material defaults, terminations for cause, or documented performance deficiencies or contractual default in the last 5 years. Bidder may provide a written explanation and any supporting documentation for the City's consideration in determining responsibility.
- ☒ [X] Has a satisfactory record of integrity and business ethics, including no convictions, suspensions, falsification of information, or other actions indicating lack of honesty, responsibility, or professional reliability. No prior dissatisfactory performance review. For example, documented findings of deficient performance related to quality of work, failure to meet schedules or contract requirements. Bidders who have experienced any such event may provide a written explanation and any supporting documentation for the City's consideration in determining responsibility.
- ☒ [X] Is qualified legally to contract with the City of Canby.

SECTION 00 45 13
RESPONSIBILITY DETERMINATION FORM


(signature)

Jeff Rule
(name)

VP of Preconstruction
(title)

**SECTION 00 45 23
NON-COLLUSION AFFIDAVIT FORM**

Canby Swim Center Remodel

I, Jeff Rule, state that I am the VP of Preconstruction
(Name) (Title)

of In Line Commercial Construction, Inc. dba INLINE and that I am
(Name of Firm)

authorized to make this affidavit on behalf of my firm and its owners, directors, and officers. I am the person responsible in my firm for the price(s) and the amount of this bid.

I state that:

- (1) The price(s) and amount of this bid have been arrived at independently and without consultation, communication, or agreement with any other prime contractor, bidder, or potential bidder, except as disclosed in the attached appendix.
- (2) Neither the price(s) nor the amount of this bid, and neither the approximate price(s) nor approximate amount of this bid, have been disclosed to any other firm or person who is a bidder or potential bidder, and they will not be disclosed before bid opening.
- (3) No attempt has been made or will be made to induce any firm or person to refrain from bidding on this Project, or to submit a bid higher than this bid, or to submit any intentionally high or non-competitive bid or other form of complementary bid
- (4) The bid of my firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other non-competitive bid.
- (5) The above-named firm, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted of or found liable for any act prohibited by state or federal law in any jurisdiction involving conspiracy or collusion with respect to bidding on any public contract, except as described on the attached appendix.

**SECTION 00 45 23
NON-COLLUSION AFFIDAVIT FORM**

I state that the above-named firm understands and acknowledges that the above representations are material and important and will be relied on by the Canby Swim Center Remodel in awarding the Contract(s) for which this bid is submitted. I understand, and my firm understands, that any misstatement in this affidavit is and shall be treated as fraudulent concealment from the Canby Swim Center Remodel of the true facts relating to this submission of bids for this Contract.

I make these statements under penalty of perjury.

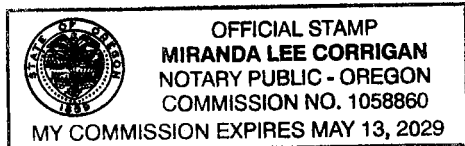
Jeff Rule
Signature

Jeff Rule
Print Name

VP of Preconstruction
Title

STATE OF OREGON)
County of Washington) ss

Sworn to and subscribed before me this 23 day of July, 2026.



Miranda Corrigan
Notary Public for Oregon

**SECTION 00 45 33
NON-DISCRIMINATORY CERTIFICATION**

TO: **City of Canby**
222 NE 2nd Ave.
PO Box 930
Canby, OR 97013

PROJECT: **Canby Swin Center Remodel**

This information must be submitted with the Bid Form.

In Line Commercial Construction, Inc. dba INLINE hereby certifies that it has not discriminated and will not discriminate in violation of Subsection (1) of ORS 279A.110 against any minority, women, or emerging small business enterprise in obtaining any required subcontract.

"ORS 279A.110 (1) **Discrimination in Subcontracting Prohibited**; (1) a bidder or proposer who competes for or is awarded a public contract may not discriminate against a subcontractor in the awarding of a subcontract because the subcontractor is a minority, women or emerging small business enterprise certified under ORS 200.055."

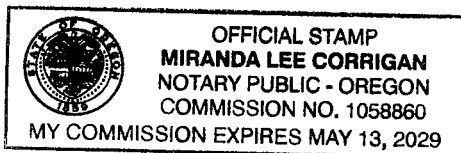
In Line Commercial Construction, Inc. dba INLINE
Contractor

By: Jeff Rule Jeff Rule, VP of Preconstruction
Print Name and Title

State of Oregon)

County of Washington)

SUBSCRIBED AND SWORN to before me on this 23 day of July, 2026



Miranda Corrigan
Notary Public of Oregon
My commission expires May 13, 2029

SECTION 00 45 21
FIRST TIER SUBCONTRACTOR DISCLOSURE FORM

Project Name: Canby Swim Center Remodel

Bid Closing Date & Time: July 23, 2026, 2:00 pm local time.

Required First Tier Subcontractor Deadline: July 23, 2026, 4:00 pm local time.

Form Submitted by (bidder name): In Line Commercial Construction, Inc. dba INLINE

Contact Name: Mike Day Phone Number: 503-858-9273 In Line Commercial Construction, Inc. dba

This form must be submitted at the location specified in the Advertisement for Bid on the advertised bid closing date and within two working hours after the advertised bid closing time. Failure to submit this form by the disclosure deadline will result in a nonresponsive bid. A nonresponsive bid will not be considered for award.

List below the name of each subcontractor that will be furnishing labor or will be furnishing labor and materials and that is required to be disclosed, the category of work that the subcontractor will be performing and the dollar value of the subcontract. Enter "NONE" if there are no subcontractors that need to be disclosed.

Firm Name <u>Building Material Specialties, Inc.</u>	Category of Work to be Performed <u>Div 10 Specialties</u>
Address <u>PO Box 1014/201 SW Spring St</u> Hillsboro, OR 97123	CCB Number <u>58313</u>
City, State, Zip <u>Hillsboro, OR 97123</u>	Subcontract Amount <u>115,903</u>
Firm Name <u>Steele Electric LLC</u>	Category of Work to be Performed <u>Div 26 Electrical</u>
Address <u>7741 SW Cirrus Drive</u>	CCB Number <u>186140</u>
City, State, Zip <u>Beaverton, OR 97008</u>	Subcontract Amount <u>104,600</u>
Firm Name <u>American Heating, Inc.</u>	Category of Work to be Performed <u>Div 23 HVAC</u>
Address <u>5035 SE 24th Ave</u>	CCB Number <u>33135</u>
City, State, Zip <u>Portland, OR 97202-4765</u>	Subcontract Amount <u>62,275</u>

Add additional pages if necessary.

SECTION 00 45 21
FIRST TIER SUBCONTRACTOR DISCLOSURE FORM

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Contact Name: Mike Day Phone Number: 503-858-9273

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List below the name of each subcontractor that will be furnishing labor or will be furnishing labor and materials and that is required to disclosed, the category of work that the subcontractor will be performing and the dollar value of the subcontract. Enter "NONE" if there are no subcontractors that need to be disclosed.

Firm Name <u>Plumb Solutions</u>	Category of Work to be Performed <u>Div 22 Plumbing</u>
Address <u>PO Box 2152</u>	CCB Number <u>241882</u>
City, State, Zip <u>Fairview, OR 97024</u>	Subcontract Amount <u>151,752</u>
Firm Name	Category of Work to be Performed
Address	CCB Number
City, State, Zip	Subcontract Amount
Firm Name	Category of Work to be Performed
Address	CCB Number
City, State, Zip	Subcontract Amount

Add additional pages if necessary.



CITY COUNCIL Staff Report

Meeting Date: 9/16/2026

To: The Honorable Mayor Hodson & City Council
Thru: Pete Wood, Human Resources Director
From: Emily Guimont, BERRY, ELSNER & HAMMOND
Agenda Item: Consider **Ordinance No. 1684**: An Ordinance Authorizing Mayor Hodson to Enter into an Interim City Administrator Employment Agreement between the City of Canby and Randy Ealy. (*Second Reading*)
Goal: N/A
Objective: N/A

Summary

Enclosed is the proposed employment agreement, Interim City Administrator. This employment agreement, if authorized, will be effective upon execution until June 30, 2028. The contract also includes updates on benefits, medical coverage, and performance. Because the Interim City Administrator is currently employed under an employment agreement, execution of this proposed employment agreement will have the effect of terminating the current employment agreement.

Background

Mr. Ealy was hired on June 23, 2025, as Canby's Interim City Administrator. The City Council (led by Councilor Jim Davis) has entered into discussions with the Interim City Administrator, HR Director Pete Wood and city legal Counsel Emily Guimont in proposing the Interim City Administrator with an extension through June 30, 2028. HR Director Wood will present City Council with an update and review of the proposed language contained in the Interim City Administrator contract extension during the regular City Council on September 2, 2026.

Discussion

Key Points of Contract: Term of the contract is from effective immediately until June 30, 2028.

No changes to Interim City Administrator duties. The City Council and Interim City Administrator will conduct six-month discussions to review performance.

Based on comparables of similar sized cities, employee compensation is proposed at an annual salary of \$198,000. The City agrees to provide medical coverage, at the same level as other City of Canby non-represented, exempt management employees. The City covers ninety percent of the monthly premium payment. The City agrees to continue contributions into the Public Employee's Retirement System and provided the employee with a deferred compensation rate of 5%.

No change to the Separation language: The employee may resign with thirty (30) calendar days' notice. The City may terminate employment without cause by providing thirty (30) calendar days' notice or may

terminate for cause, as defined in contract. In the event the City terminates the contract, the employee shall receive severance equal to three (3) months' salary payable in a lump sum within ten (10) days.

Leave: Upon execution of contract, the employee is credited with forty (40) hours of vacation and continues to earn an annual rate of 55 hours of paid administrative leave, The Interim City Administrator receives a vacation and sick leave benefits equivalent other City of Canby non-represented, exempt management employees.

Options

1. Approve Ordinance No. 1684 and authorize Mayor Hodson to execute an employment agreement with Randy Ealy.
2. Do not Approve Ordinance No. 1684 and do not authorize Mayor Hodson to execute an employment agreement with Randy Ealy.

Attachments

1. Ordinance No. 1684
2. Employment Contract with Randy Ealy

Recommendation

Staff recommends Council approve Ordinance No. 1684.

Proposed Motion

"I move to adopt **Ordinance No. 1684**: An Ordinance Authorizing Mayor Hodson to Enter into an Interim City Administrator Employment Agreement between the City of Canby and Randy Ealy."

ORDINANCE NO. 1684

AN ORDINANCE AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDED EMPLOYMENT CONTRACT WITH THE INTERIM CITY ADMINISTRATOR

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

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

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

WHEREAS, the City of Canby would like Randy Ealy to continue in his role as Interim.

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

Section 1. Mayor Hodson is hereby authorized to execute the Interim City Administrator Employment Agreement, attached to this Ordinance as Exhibit A, on behalf of the City.

Section 2. This Ordinance shall take effect on the 16th day of October, 2026.

SUBMITTED to the Canby City Council and read the first time at a regular meeting therefore on Wednesday, September 2, 2026, ordered posted as required by the Canby City Charter; and scheduled for second reading on Wednesday, September 16, 2026, commencing at the hour of 7:00 PM in the Council Chambers located at 222 NE 2nd Avenue, 1st Floor Canby, Oregon.

Maya Benham, CMC
City Recorder

PASSED on second and final reading by the Canby City Council at a regular meeting thereof on the 16th of September, 2026 by the following vote:

YEAS _____

NAYS _____

Brian Hodson
Mayor

ATTEST:

Maya Benham, CMC
City Recorder

INTERIM CITY ADMINISTRATOR EMPLOYMENT AGREEMENT

THIS INTERIM CITY ADMINISTRATOR EMPLOYMENT AGREEMENT (“Agreement”) is entered between the City of Canby, an Oregon municipal corporation (“City”) and Randy Ealy (“Employee”) to establish Employee’s terms and conditions of employment as Interim City Administrator of City.

WHEREAS, the City Council has determined that it is in the public interest to appoint Employee to serve the City and community in this role, and that Employee is uniquely qualified and prepared based on his career service in local government administration, and

WHEREAS, Employee is willing to serve City in the capacity of Interim City Administrator,

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties mutually agree as follows.

TERMS OF AGREEMENT:

SECTION 1. EMPLOYMENT, DUTIES, AUTHORITY, AND CODE OF ETHICS

City agrees to employ Employee as Interim City Administrator. Employee agrees to serve as Interim City Administrator and to be responsible for all administrative actions of the City, exercising the authority given to him by state law, the City Charter and Municipal Code, and as otherwise delegated by the City Council to the City Administrator.

SECTION 2. TERM AND REVOCATION

- A. The term of this Agreement shall be effective immediately upon its execution through June 30, 2028, or upon termination in accordance with this Agreement.
- B. The parties’ execution of this Agreement shall serve as the parties’ mutual agreement to terminate the Interim City Administrator Contract between the parties, dated May 15, 2026 (“Previous Contract”). Termination of the Previous Contract is effective immediately upon execution of this Agreement. Termination of the Previous Contract shall not obligate the City to pay severance to Employee under Section 5.3 of the Previous Contract.

SECTION 3. BASE SALARY

- A. City agrees to pay Employee for services rendered as Interim City Administrator an annual base salary of \$198,000, payable at the same intervals and on the same dates as other City of Canby non-represented, exempt management employees are paid. City may deduct from pay such amounts as are required or permitted by law to be deducted from pay.

- B. At its discretion, the City Council may review and adjust salary and benefits at any time.
- C. City agrees to provide Employee with the Cost of Living (COLA) increases as provided to other City of Canby non-represented, exempt management employees

SECTION 4. HEALTH INSURANCE AND RETIREMENT CONTRIBUTIONS

- A. City agrees to provide coverage and to make required premium payments for Employee for comprehensive medical and dental insurance, long-term disability insurance, and life insurance on the same basis as provided to other City of Canby non-represented, exempt management employees.
- B. City agrees to contribute into the Public Employee's Retirement System, on Employee's behalf, an amount equal to that same percentage of salary as provided to other City of Canby non-represented, exempt management employees.
- C. City will provide Employee with deferred compensation at a rate of 5%. Employee is responsible for establishing a 457(b) account with one of the City's approved and participating vendors. Employee may elect to contribute up to the annual limit and catch-up provision set by the IRS.

SECTION 5. VACATION, SICK LEAVE, OTHER LEAVE AND HOLIDAYS

- A. Employee shall be credited with a lump sum of forty (40) hours of vacation upon the effective date of this Agreement and shall accrue vacation at the same rate as provided to other City of Canby non-represented, exempt management employees.
- B. Employee shall be entitled to earn and accrue sick leave benefits on the same terms as other City of Canby non-represented, exempt management employees. Upon retirement under the City's retirement plan, Employee shall be compensated for fifty percent (50%) of the accumulated but unused sick leave. The number of hours of sick leave for which compensation is provided shall not exceed 500 hours.
- C. The City will allow Employee to take protected leave (FMLA, OFLA, PLO) in accordance with State and Federal law. Employee shall utilize all accrued paid leave in excess of sixty (60) hours prior to taking unpaid leave.
- D. City agrees to provide Employee with the same holidays and paid leave benefits as provided to other City of Canby non-represented, exempt management employees.
- E. City will provide Workers Compensation insurance in accordance with the same terms as provided to other City of Canby non-represented, exempt management employees.

SECTION 6. HRA/VEBA

City agrees to provide Employee with the same HRA/VEBA benefits as provided to other City of Canby non-represented, exempt management employees.

SECTION 7. DUES AND SUBSCRIPTIONS. PROESSIONAL DEVELOPMENT, LOCAL CIVIC CLUBS, OUTSIDE ACTIVITIES AND GENERAL EXPENSES

- A. City agrees to pay for the professional dues and subscriptions necessary for the Employee's membership in national, regional, state, and local associations and organizations necessary for Employee's continued professional development.
- B. City encourages the professional growth and development of Employee and acknowledges that participation in professional conventions, short courses, seminars, and conferences can contribute to professional growth and development. City shall permit a reasonable amount of time for Employee to attend.
- C. Employer acknowledges the value of having Employee participate and be directly involved in local civic clubs or organizations. Accordingly, Employer will pay for two (2) membership fees and/or dues to enable Employee to become an active member in local service or civic clubs.

SECTION 8. VEHICLE/CELL PHONE/PUBLIC RECORDS

- A. Employee shall have the use of an automobile provided by City to be used for City-related business only, at City's expense. The City of Canby refers to GSA rules and rates for business travel.
- B. Due to the nature of this position, Employee is required to maintain use of a cell phone, laptop or tablet computer, City email account, remote VPN access to the City's computer services and access to databases and City financial systems for business purposes.
- C. Employee further agrees to maintain public records and cooperate with City in producing such records in the event of an applicable public records request of whether this Agreement is in effect or has terminated for any reason.

SECTION 10. HOURS OF WORK

- A. Employee is expected to be present at City Hall during the City's normal business hours during the workweek, unless otherwise attending meetings on behalf of the City at alternate locations. He will attend all work sessions, regular meetings, and other meetings as requested by the Council.
- B. Employee shall provide reasonable written notice to the City Council when Employee anticipates an absence from the City for three or more business days.

SECTION 11. COUNCIL GOALS

- A. The City Council and Employee shall define such mutual City goals and Employee performance objectives which they determine necessary for the proper operation of the City and attainment of the City Council's policy objectives. The parties shall further establish a relative priority among those goals and objectives. The goals and objectives

will be reduced to writing by the Employee upon approval by the City Council. Employee will provide a quarterly report on progress toward addressing the goals and objectives as requested by City Council. The City Council and Employee shall meet at least once per year to define and modify the goals and objectives.

SECTION 12. PERFORMANCE EVALUATION

- A. The City Council shall conduct a performance evaluation after six (6) months of employment under this Agreement and at one (1) year of employment under this Agreement which may include a facilitator knowledgeable in local government administration, at Employee's request. Thereafter, performance evaluations shall be conducted annually, with or without a facilitator. The cost of the facilitator will be paid by the City.
- B. The parties agree that the performance evaluation process defined herein is designed to ensure that the parties regularly communicate effectively on matters which relate to the conduct of City business. It is understood by the parties that any determination by the City Council that the Employee has met or exceeded expectations does not bar, in any way, the City's right not to renew this Agreement or to terminate pursuant to Section 13.

SECTION 13. SEPARATION FROM EMPLOYMENT

- A. Resignation. Employee may terminate this Agreement at any time by providing a minimum of 30 calendar day's written notice of Employee's voluntary resignation.
- B. Termination Without Cause. It is understood that Employee works at-will and that this Agreement may be terminated by the City at any time without cause. City or Employee may terminate this Agreement for any reason by providing to the other at least 30 calendar days' written notice of the intent to terminate.
- C. Termination for Cause. City may terminate this Agreement immediately if:
 - 1. Employee fails or refuses to comply with the written policies, standards, and regulations of the City that are now in existence or that may, from time to time be established;
 - 2. The City has reasonable cause to believe Employee has committed fraud, misappropriated City funds, goods or services to either his own or some other private third party's benefit and/or other act(s) or misconduct which the City Council believes is/are detrimental to the City and/or its interests;
 - 3. Employee is unable to perform his job functions; or
 - 4. Employee is not bondable at normal rates.
- D. Termination for Cause Process. However, before any final decision is made to terminate Employee for cause under Section 13.C, Employee shall be given prior

written notice of the allegations against him and an opportunity to respond in person or in writing to such allegations. Termination Compensation as referenced under Section 13.E will not be paid if Employee is terminated under this subsection.

- E. Termination Compensation. In the event of termination of Employee's employment by the City pursuant to Section 13.B. Employee shall receive three (3) months' salary and COBRA continuation coverage as severance compensation, provided Employee signs a full and final release of all claims, known or unknown, arising out of his employment or termination from employment, as a condition precedent to receiving severance compensation. Severance shall be paid in one lump sum within ten (10) business days of the effective date of separation and receipt of signed release of all claims.
- F. Accrued Vacation and Administrative Time-Off Upon Termination. Termination or resignation in good standing as provided in Section 13.A or Section 13.B. shall entitle Employee to a lump sum payment equivalent to all accrued vacation and administrative time-off benefits.

SECTION 14. INDEMNIFICATION

City agrees to defend, hold harmless, and indemnify Employee from all demands, claims, suits, actions, and legal proceedings brought against Employee in Employee's individual capacity, or in his official capacity as agent and employee of the City, as to any actions of Employee within the scope of his employment.

SECTION 15. WAIVER OF BREACH

Waiver by the City or Employee of any breach of any provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or a waiver of this Agreement.

SECTION 16. BONDING

City shall bear the cost of any fidelity or other bonds required of Employee as required by the City Charter, or by any law or ordinance.

SECTION 17. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

- A. The parties may, from time-to-time, agree to modify the terms of this Agreement, provided that the amendment is reduced to writing, and signed by both parties.
- B. All provisions of the City Charter, Municipal Code, policies, regulations, rules of the City relating to holidays, and other fringe benefits and working conditions, as they now exist or hereafter may be amended, also shall apply to Employee as they would to other City of Canby non-represented, exempt management employees, in addition to the benefits provided in this Agreement and as except as otherwise modified by this Agreement. In the event of a discrepancy between the City's generally applicable standards or policies and a provision of this Agreement, this Agreement shall control.

SECTION 18. SEVERABILITY

If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, it shall be severed from this Agreement. The remainder of this Agreement shall not be affected and shall remain in full force and effect.

SECTION 19. NOTICES

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

City: City Council
Attn: Human Resources Director
City of Canby
222 NE 2nd Avenue
Canby, Oregon 97013

Employee: Randy Ealy



Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service. City and Employee may modify the addresses for such notices provided such modification is given in writing under the provisions of this section.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement voluntarily and upon proper authority, in duplicate, on this _____ day of _____, 2026.

CITY OF CANBY

EMPLOYEE

Brian Hodson
Mayor

Randy Ealy
Interim City Administrator

Date: _____

Date: _____



City of Canby Bi-Monthly Report
Department: Administration
For Months of: July & August 2026

To: The Honorable Mayor Hodson & City Council
From: Maya Benham, Administrative Director/ City Recorder
Prepared by: Teresa Ridgley, Deputy City Recorder
Through: Randy Ealy, Interim City Administrator
Date: 9/16/2026

2025-2027 Council Goals & Objectives:

N/A

Statistics:

Boards and Commissions Vacancies (current)

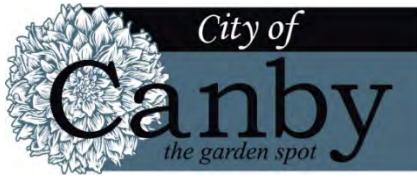
Board/ Commission/ Committee	Vacancy	Applications Received	Status
Heritage & Landmarks Commission (Regular & Student Positions)	2	1	1 Term ends 6/30/2029. Student position term ends at end of school year.
Transit Advisory Committee	2	0	Terms end 3/31/2029.

Public Records Requests

Processed 19 public records requests.

Liquor License/ Noise Variance Applications

There was one noise variance application.



City of Canby Bi-Monthly Report
Department: Municipal Court
For Months of: July and August, 2026

To: The Honorable Mayor Hodson & City Council
 From: Maya Benham, Administrative Director/ City Recorder
 Prepared by: Jessica Roberts, Municipal Court Supervisor
 Through: Randy Ealy, Interim City Administrator
 Date: September 16, 2026

2025-2027 Council Goals & Objectives:

Not Applicable

Statistics:

Monthly Statistics	July	August
Misdemeanors		
Offenses Filed	36	24
Cases Filed	20	13
Warrants Issued	13	7
Misdemeanor Case Detail		
Diversion/Deferred Sentence	2	5
Offenses Dismissed	3	3
Offenses Sentenced	2	8
Traffic & Other Violations		
Offenses Filed	297	267
Cases/Citations Filed	210	181
Parking Citations Filed	7	3
Traffic & Other Violations Case Detail		
Diversion (Good Driver Class/MIP)	36	37
Dismissal (Fix It Tickets)	31	21
Dismissed by Judge, City or Officer	14	21
Sentenced by Judge	45	65
Handled by Violations Bureau	66	83
Guilty by Default	72	84
Traffic and Criminal Trials		
Court Trial (Misdemeanor)	0	0
Jury Trial	0	0
Traffic Trial	7	9
Defendant Accounts Referred to Collections	\$32,026.25	\$28,447.50
Fines & Surcharges Collected	\$45,563.32	\$58,366.57

Explanation of terms:

Canby Municipal Court has jurisdiction over all city and state traffic offenses, City Code violations and misdemeanors committed within city limits.

1. Difference between Offenses Filed vs. Cases Filed
 - Multiple offenses (charges) can be filed on any one defendant from a single traffic stop or arrest.
 - “Offenses Filed” reflects this number. “Cases Filed” refers to a single defendant’s matter before the court.
2. Guilty by Default. When a defendant does not appear or contact the court on their scheduled court date a defaulted conviction is entered against them on the following Thursday. A court clerk processes the default convictions.
3. The court’s Violations Bureau Order allows court clerks to accept pleas, offer a deferred sentence program (if qualified) and set a payment plan, under the Judge’s authority.

If a defendant qualifies, the clerks can offer an option to participate in an informative driving education course for a fee to the court. If there are no convictions during the following six months, the case will be dismissed.

Current programs and to qualify:

- Good Drivers Program (no prior traffic convictions in the last five years and no further convictions for 6 months)
 - 1st Offender - Minor in Possession of Alcohol/Marijuana citation
4. The court offers a Fix It program, which allows the defendant to have a citation dismissed if an issue with their vehicle, registration or license is fixed. There is a \$50 dismissal fee owed for each fixed violation.

Department Activities:

The month of July brought the highest amount of filed misdemeanor cases in 2026. Traffic citations have increased substantially in July and August. The court dockets remain full and busy.



City of Canby Bi-Monthly Report
Department: Economic Development
For Months of: July & August 2026

To: The Honorable Mayor Hodson & City Council
From: Jamie Stickel, Economic Development Director
Through: Randy Ealy, Interim City Administrator
Date: September 16, 2026

2025-2027 Council Goals & Objectives:

Goal 3.1 Receive Recommendations from Street Maintenance Fee Task Force and Update Fees

- On July 22nd, the City Council and Street Maintenance Task Force held a joint work session on the street maintenance program. City staff from public works, economic development, and finance presented along with staff from Kittelson & Associates, the engineering firm who has been contracted to assist in updating the City's street maintenance fee. Members of City Council and the Street Maintenance Task Force received a presentation on the street maintenance program, potential changes to the fee, and a discussion of next steps. Kittelson & Associates will meet with the Street Maintenance Task Force in September with an updated presentation reflective of the questions and comments from the joint work session. The task force will then provide final recommendations to City staff, who will bring the recommendations forward to City Council for approval.

Canby Business Connection: The City's Canby Business Connection initiative continues to highlight and support local businesses through featured stories in the Canby Advantage Magazine. Each month, the program showcases a local business to increase community awareness, celebrate entrepreneurship, and encourage residents and visitors to shop, dine, and support local.

In July, the Business Connection featured The Barn Door Boutique, highlighting the locally owned retail business and its unique selection of clothing, accessories, and gifts. The feature showcased the boutique's role in providing a distinctive shopping experience in downtown Canby while recognizing the creativity, dedication, and entrepreneurial spirit behind the business.

August's feature showcased FOB Taproom, highlighting the local gathering place and its contribution to Canby's growing food, beverage, and entertainment scene. The feature recognized FOB Taproom's welcoming atmosphere and commitment to creating a space where residents and visitors can connect, enjoy locally crafted beverages, and experience another unique destination within the community.

Each Business Connection feature offers more than just a business profile; it shares the stories behind the people and businesses that help shape Canby's local economy. By highlighting the passion, creativity, and investment of local entrepreneurs, the initiative encourages residents to discover and support businesses throughout the community while strengthening connections between businesses and the customers they serve. Through the Canby Business Connection, the City's Economic Development program continues to promote local commerce and recognize the businesses whose success contributes to Canby's vibrant and resilient economy.

First Thursday Night Market: The City of Canby's First Thursday Night Market continued to draw strong attendance and create a lively atmosphere throughout downtown in July and August. The July market celebrated the Fourth of July with a festive theme that brought the community together and encouraged residents and visitors to enjoy an evening of shopping, dining, and activities throughout downtown. The event saw great attendance and was complemented by Cutsforth's Mini Car Show, which added another popular attraction and helped increase activity throughout the district.

August's market celebrated Canby's Big Weekend, bringing together several of the community's signature events and attractions. The evening highlighted Canby's Big Night Out, Cutsforth's Cruise-In, the Swan Island Dahlia Festival, and the Basil & Art Festival, creating a vibrant weekend atmosphere and encouraging visitors to explore

multiple destinations and activities throughout the community. The First Thursday Night Market's community scavenger hunt added to the excitement, inviting participants to search downtown for mini cars, while a bouncy house provided additional family-friendly entertainment. The Children's Entrepreneurship Market also continued on First Avenue, giving young entrepreneurs an opportunity to showcase and sell their products while gaining hands-on business experience. Cutsforth's Mini Car Show further complemented the evening by drawing additional visitors and activity to the area.

Strong attendance at both markets generated increased foot traffic for downtown businesses, restaurants, vendors, and participating community events. By bringing together local businesses, entrepreneurs, families, and community attractions, the First Thursday Night Market continues to serve as an important economic development and community-building initiative. The continued growth and variety of activities demonstrate the market's ability to encourage residents and visitors to spend more time in Canby, explore local businesses, and experience the many events and destinations that make the community unique.

Window Paint Contest: The City partnered with the Canby Chamber of Commerce and the Clackamas County Fairgrounds to host the third year of the Window Paint Contest designed to promote Canby's established August events while encouraging local businesses to participate in the community's seasonal activities. The contest incentivized businesses to creatively showcase events including Canby's Big Night Out Street Dance, Cutsforth's Cruise-In, Swan Island Dahlia Festival, Basil + Art Festival, Canby Farmer's Market, the Clackamas County Fair + Rodeo, and the Swan Island Dahlia Run through themed window paintings displayed throughout the community.

The window paintings provided a unique and highly visible way for residents and visitors to learn about the many events taking place in Canby during August. By bringing the event themes directly into storefronts, the contest helped create excitement throughout the business community while encouraging visitors attending these events to explore downtown, shop, dine, and support local businesses. The collaboration also strengthened connections between the City, local businesses, the Canby Chamber, and major community event partners.

More than a dozen local businesses participated in the contest, creating colorful and engaging displays that added to the festive atmosphere throughout Canby. The strong participation demonstrated the enthusiasm of local businesses to help promote the community and its signature events. Winners will be announced at the September Canby Chamber Luncheon, providing an opportunity to recognize the participating businesses and celebrate the success of this collaborative community promotion.

Canby's Independence Day Celebration: The Canby community came together in impressive numbers on Saturday, July 4th, 2026, to celebrate the annual Canby Independence Day Celebration. The day began with the welcome return of the Pancake Breakfast at Knight Elementary School, hosted by the Canby Historical Society, before the lively parade through Downtown Canby kicked off at 10 a.m., drawing thousands of residents and visitors who lined the streets to enjoy the patriotic procession.

Throughout the day, attendees enjoyed a wide array of family-friendly activities, including a bustling street fair, bounce houses, face painting, a game truck, the Canby Fire obstacle course, a Beer Garden, and more. Wait Park served as a central hub of entertainment, featuring a performance by 21 Turns Band at the Gazebo. Meanwhile, Infamous Soul kept energy high in the Beer Garden with dynamic live music. The celebration was a resounding success, bringing joy to the community and creating lasting memories for all who attended.

The Economic Development Department extends heartfelt thanks to the dedicated teams from Public Works, Parks, Canby Police, and Canby Fire for their invaluable support in making this cherished event possible. Their hard work and commitment played a vital role in ensuring a safe and enjoyable Independence Day for everyone.



Cultivating Canby: The Urban Growth Boundary (UGB) Concept Planning PAC met on Thursday, July 16th. The meeting focused on a review of existing conditions in the UGB study area and a discussion of the opportunities and constraints for future development. The PAC meeting was well attended and included property owners, developers, community members, utility providers, City Councilors and more. During the meeting, the consultants

presented an overview of each subsection which had been studied as part of the UGB expansion, during which they explained whether it is proposed to be brought in with the UGB expansion and methodology behind it.

Additionally, the City of Canby held the Community Summit #6 on Tuesday, August 11th. The Community Summit was held at Cutsforth's Town Hall. Don Hardy (Planning Director) provided a presentation along with consultants from 3J Consulting. Following the presentation, attendees participated in a mapping exercise regarding the types of zoning they would like to see in the areas that have been identified as likely to be brought in with the UGB expansion. The exercise is similar to other Community Summits, though the effort is getting more targeted as city staff and the consultants identify the areas that are proposed to be included with the UGB expansion.

Daphne Glen Park Grand Opening: The Daphne Glen Park Grand Opening was held on Tuesday, August 18th. The community was invited along with City Council, Parks & Recreation Advisory Board, and city staff. The event was commemorated with speeches by Parks & Recreation Advisory Member Jim Simnitt, City Councilor and Parks & Recreation council liaison Jim Davis, HHP staff, and Council President Traci Henlsey. The official "kick off" was attended by Canby's youth who kicked soccer balls to celebrate the opening. Kona Ice was on hand from 2:00-5:00p with shaved ice for attendees. A commemorative coin with the park's namesake – the daphne plant – as well as the date, and the City of Canby logo was created for city officials, community members involved in the project, and those who attended the event.



Canby's Big Night Out Street Dance: Canby's Big Weekend kicked off on Friday, August 28th, with the popular Big Night Out Street Dance. This vibrant community celebration featured participation from more than 15 local businesses—including new additions Sip & Slice and Fultano's Pizza—and offered a variety of family-friendly activities, including bounce houses, an arcade truck, a photo booth, face painting, a cornhole competition, and lively entertainment throughout the evening. The entertainment kicked off with the Radio Riots, followed by Paradise of Samoa, and headlined with Brandon Jones. The high-energy evening set a festive tone for a fun-filled weekend across Canby.

Throughout the weekend, the beloved Swan Island Dahlia Festival was in full bloom, showcasing over 15,000 dahlias across more than 375 stunning varieties. Visitors enjoyed live music, painting classes, food trucks, and a range of family-friendly attractions. The festival continues through September 30th, offering plenty of opportunities for guests to experience the beauty of the dahlias.

On Saturday, August 29th, Cutsforth's Cruise-In drew a remarkable crowd, featuring hundreds of classic and custom cars in Downtown Canby. Thousands of attendees enjoyed the chance to explore local businesses, visit with car enthusiasts, and support community nonprofits gathered at Wait Park. The Canby Farmers Market also took place downtown, adding to the vibrant atmosphere with fresh produce and artisan goods.



Also part of the weekend's festivities was The Flower Farmer's annual Basil + Art Festival. This unique event blended art and agriculture with wine tasting, art demonstrations, train rides, farm-fresh produce, and a featured gallery exhibit. Guests enjoyed a wide range of engaging activities in a picturesque setting, rounding out an unforgettable weekend in Canby.

Downtown Canby Cleanup: Economic Development staff was approached by members of the VFW and American Legion about coordinating a downtown cleanup event. The cleanup will be focused on NW 1st Avenue and NW 2nd Avenue as an end of the season cleaning. Economic Development staff met with the coordinators in late August, along with the Interim Public Works Director to talk through the steps of the project and identify any ways the City of Canby can assist in the cleanup. The City Litter Patrol event is scheduled for Tuesday, September 15th at 8:00a, and coordinators hope to be finished by 10:00a.



City of Canby Bi-Monthly Report
Department: Finance
For Months of: July & August 2026

To: The Honorable Mayor Hodson & City Council
From: Denise LaRue, Finance Director
Prepared by: Katy Joyner, Financial Analyst
Through: Randy Ealy, Interim City Administrator
Date: September 16, 2026

2025-2027 Council Goals & Objectives: See Department Activities

Statistics: Attached

Department Activities:

In addition to providing services and responding to inquiries from both internal and external customers, the Finance Department reports the following items of interest for this period.

- The FY26 interim audit was completed by staff with the auditors in July and August as scheduled, as well as making significant progress preparing for the audit fieldwork scheduled for October 5 through October 16.
- The FY2026-2027 Adopted Budget was submitted to the County, and the annual certification of property taxes was submitted to the County, as well as certification of 69 unpaid sewer accounts with balances being sent to the County assessor.
- Payroll has been busy importing new rates and manually calculating retro pay for the organization. This includes COLA, insurance rates and processing final checks as well as setting up new employees.
- The end of the fiscal year means cleaning house in Finance; the prior year's documents are stored in boxes in the record room and clean binders and shelves will soon be filled again. Following retention rules and disposing of older files and documents is part of the clean up as well.
- The Finance Team participated in the following meetings, training and events this period:
 - o Council Meetings
 - o Leadership Meetings
 - o NIGP Forum
 - o Safety Meetings
 - o Finance Team meetings

Statistics FY 2026 & 2027

SEP-OCT FY26	NOV-DEC FY26	JAN-FEB FY26	MAR-APR FY26	MAY-JUN FY26	JUL-AUG FY27
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Accounts Payable

Invoices	464	522	490	547	531	486
Invoice Entries	1,154	983	1,219	1,498	1,301	941
Encumbrances	27	38	40	22	13	53
Manual Checks	2	3	2	2	1	2
Total Checks and Voucher	318	213	319	333	340	298

Payroll

Timesheets Processed	530	426	416	413	516	410
Total Checks and Vouchers	610	498	484	482	596	474
New Hires/Separations	6 / 2	1 / 4	2 / 2	2 / 2	3 / 3	2 / 2

Transit Tax Collection

Forms Sent	1,235	1,851	126	1,229	1,222	33
Accounts Opened/Closed	32 / 31	31 / 38	25 / 22	33 / 46	40 / 13	48 / 28
Returns Posted	903	475	60	806	403	1,129

Utility Billing

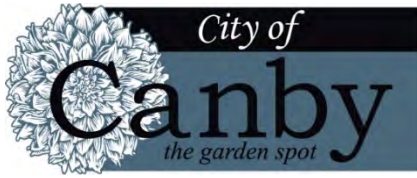
Bills sent	10,564	10,588	10,605	10,623	10,634	10,668
Counter payments	68	78	73	86	75	90
Accounts opened/closed	65 / 48	60 / 45	47 / 43	81/70	73/59	61/57
Lien payoffs completed	48	20	20	25	73	54
Lien payoff inquiries	52	22	42	79	69	57
Collection / Past Due Notices sent	185	205	189	190	184	136
Accounts sent to WCB	0	0	0	0	0	0

General Ledger

Total Journal Entries	211	253	302	309	270	280
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Cash Receipts Processed

Finance	889	674	1,227	1,093	810	1,164
Utility	223	176	195	207	237	262



City of Canby Bi-Monthly Report
Department: Fleet
For Months of: July & August 2026

To: The Honorable Mayor Hodson & City Council
 From: Todd Wood, Transit/ Fleet/ IT Director
 Prepared by: Robert Stricker, Lead Mechanic
 Through: Randy Ealy, Interim City Administrator
 Date: 9/16/2026

Jul-26

Department	Work Orders	Repair Cost	Fuel Cost	Total Cost
Administration	0	\$0.00	\$0.00	\$0.00
Adult Center	4	\$1,100.03	\$431.35	\$1,531.38
IT Department	0	\$0.00	\$0.00	\$0.00
Facilities	0	\$0.00	\$79.30	\$79.30
Wastewater Collections	2	\$2,940.60	\$486.36	\$3,426.96
Wastewater Treatment	0	\$0.00	\$0.00	\$0.00
Parks	6	\$826.43	\$1,774.39	\$2,600.82
Police	10	\$2,222.26	\$7,343.84	\$9,566.10
Streets	8	\$666.54	\$2,670.57	\$3,337.11
Fleet Services	0	\$0.00	\$94.28	\$94.28
Canby Area Transit (CAT)	10	\$17,002.19	\$16,425.23	\$33,427.42
Total	40	Total		\$54,063.37

Aug-26

Department	Work Orders	Repair Cost	Fuel Cost	Total Cost
Administration	0	\$0.00	\$0.00	\$0.00
Adult Center	2	\$154.17	\$483.73	\$637.90
Facilities	0	\$0.00	\$0.00	\$0.00
IT Department	0	\$0.00	\$0.00	\$0.00
Wastewater Collections	3	\$20,450.72	\$455.16	\$20,905.88
Wastewater Treatment	4	\$2,374.26	\$492.60	\$2,866.86
Parks	6	\$845.78	\$1,276.02	\$2,121.80
Police	11	\$4,036.54	\$9,017.50	\$13,054.04
Streets	6	\$1,668.84	\$2,661.77	\$4,330.61
Fleet Services	0	\$0.00	\$153.19	\$153.19
Canby Area Transit (CAT)	14	\$5,618.28	\$16,611.64	\$22,229.92
Total	46	Total		\$66,300.20



City of Canby Bi-Monthly Report
Department: Administration
For Months of: July and August 2026

To: The Honorable Mayor Hodson & City Council
From: Peter Wood, HR Director
Prepared by: Same as above
Through: Randy Ealy, Interim City Administrator
Date: September 16, 2026

2025-2027 Council Goals & Objectives:

N/A

Human Resources Summary

The City of Canby's Human Resources Department continues to advance the long-term goals and objectives of the City and Council through effective HR management. The City recently completed the contract for the Interim Police Chief with Chief Jose Gonzalez.

Key Recruiting Statistics

The City recently recruited the following positions: Wastewater Maintenance Technician, Swim Center Program Coordinator. The City is currently in the process of hiring a Head Lifeguard, two Parks Maintenance Workers I, and a Lateral Police Officer. The Public Works Director recruitment began on September 5th.

The City currently has the following openings: Office Specialist II (Public Works), Office Specialist I (Transit).
– Part time.

Upcoming Retirements

Anticipate 1-2 Canby Police Department officer retirements in the next 120 days.

Human Resources Events and Processes

The City hosted a Health Benefits Fair on August 12, 2026, providing employees with an opportunity to meet with our health benefit partners and insurance providers. Approximately 45 City employees attended and had the opportunity to learn more about their health benefits and ask questions directly from our providers. An Open Enrollment Briefing is scheduled for September 30, 2026, to provide employees with additional information about the upcoming open enrollment period and benefit options.

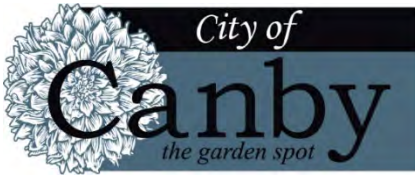
Training: Mandatory Training for all City employees on September 16, Creating a Culture of Civility and Respect. First Aid and CPR tentatively scheduled for October 16, for members of Public Works and Wastewater Plant.

The City scheduled OSHA consultation visits to Public Works and Wastewater on September 3 and September 8. These visits are pre-planned and coordinated assistance visits intended to help the City

evaluate and strengthen OSHA compliance and workplace safety practices. The consultations provide an opportunity to identify potential areas for improvement and ensure the City continues to maintain a safe and compliant workplace.

Rewrite of City Personnel Policy is ongoing and is a significant project. The policy was last revised in 2006 and requires updates to reflect current Human Resources practices and statutory changes. Additional policies are currently in draft form; Canby Heat Illness Policy and Procedures, and the City's Award policy.

End of Summer BBQ. End of Summer BBQ for City Employees is scheduled for September 23rd at Canby Grove Conference Center.



City of Canby Bi-Monthly Report
Department: IT
For Months of: July & August 2026

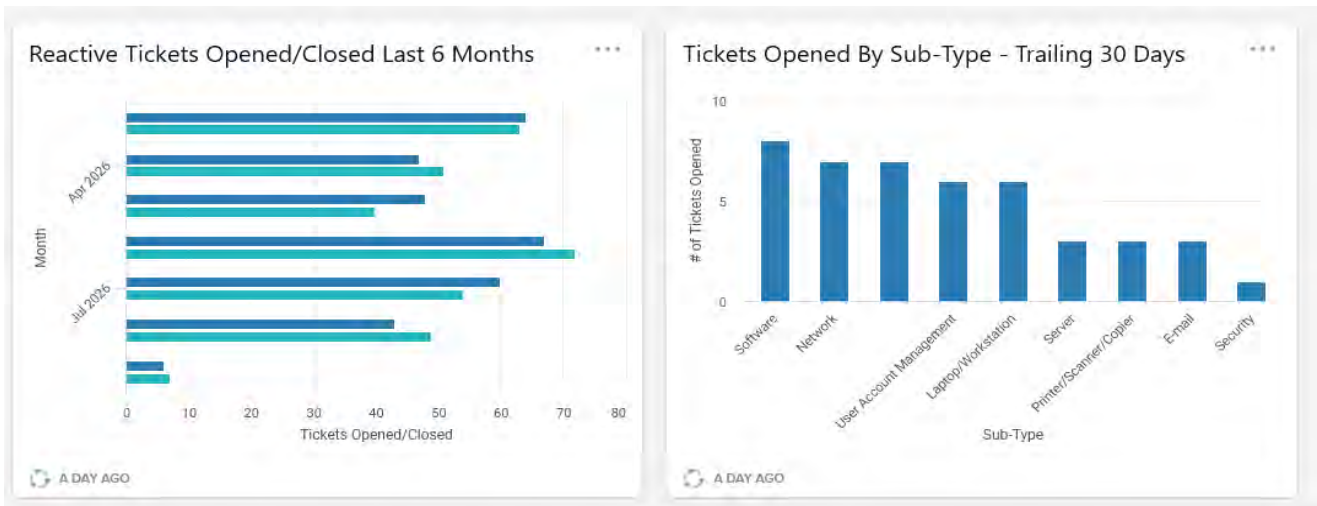
To: The Honorable Mayor Hodson & City Council
From: Todd Wood, Transit/ Fleet/ IT Director
Prepared by: Same as above
Through: Randy Ealy, Interim City Administrator
Date: September 16, 2026

2025-2027 Council Goals & Objectives:

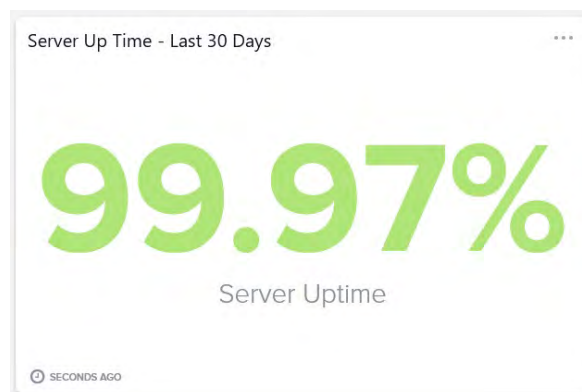
Goal 1: Promote Financial Stability
[See Department Activities Below](#)

Tickets:

Tickets Resolved in FY 27: 96
Tickets Resolved this period: 96
Open Tickets as of this report: 56



Server Status during this period:



System Security Status:

PROCESS INSIGHTS

During this time frame, your cybersecurity platform **analyzed 30,634,841 process events** to identify suspicious processes that could lead to malware execution.

Of those events, there were **91 process signals detected** through automated and human analysis. None of the detected signals were suspicious in nature, thus no further investigation was warranted by your security team.

PROCESS INSIGHTS EVENT TRIAGE



SUMMARY

During the time frame of this report, your cybersecurity platform **analyzed 30,701,526 events** from **181 entities** on your network.

Of those events, there were **397 signals detected** through automated and human analysis. None of the detected signals were suspicious in nature, thus no further investigation was warranted by your security team. This defense strategy continues to reduce your risk, which maximizes your security and minimizes cyberattack damage to your business.

ENTITIES PROTECTED



PERSISTENT FOOTHOLDS

During this time frame, your cybersecurity platform **analyzed 63,602 autorun events** to discover persistent footholds that, if not remediated quickly, could become malicious threats to your business.

Of those events, there were **285 autorun signals detected** through automated and human analysis. None of the detected signals were suspicious in nature, thus no further investigation was warranted by your security team.

RANSOMWARE CANARIES

During this time frame, your cybersecurity team monitored **2,700 canary files deployed** on Windows endpoints, which acted as early warning signals for ransomware on your network.

Like the old canary in the coal mine, Ransomware Canaries enable faster and earlier detection of potential ransomware incidents. When deployed, small lightweight files are placed on all protected endpoints—and if those files are modified or changed in any way, an investigation is conducted.

CANARIES IN YOUR MINE

516

Protected User Profiles

with **2,700** total canary files, deploying multiple canary files per user

0

Ransomware Incidents Reported

across **181** endpoints

Department Activities:

Staff continue to replace outdated PCs with newer supported devices.

The City website is currently in transition to a new platform which will result in a new color scheme and a new layout. Expected final rollout will happen in October.

New Tricaster for Council chambers has been installed and is in operation.

Polar is currently evaluating all switches due for replacement in 2027.



City of Canby Bi-Monthly Report
Department: Library
For Months of: July & August 2026

To: The Honorable Mayor Hodson & City Council
 From: Marisa Ely, Library Director
 Prepared by: Same as above
 Through: Randy Ealy, Interim City Administrator
 Date: 9/16/2026

2025-2027 Council Goals & Objectives:

Promote Financial Stability: *Develop a Plan to Fund Current and Expanded Library Services*

Statistics

 CANBY PUBLIC LIBRARY JUL/AUG '26 SNAPSHOT	
Items added to the collection - 1,531 	Room reservations 175
Holds filled 8,445	 New cards 264
Checkouts  Digital: 11,032 Physical: 45,774	Self-Directed, Outreach, Inreach: 21 events - 1,018 participants
Items checked in 42,000	 Adult events - 5 Participants - 65
Reference interactions - 3,275 	Children/Family events - 13 Participants - 1,172
Visitors 17,705	 Teen events - 4 Participants - 18

Department Activities:

- Grant-funded *Career Center* stats:

Computer sessions:	Pages printed:	Supplies used:	Users found success:
21	269	6	2

- Our Summer Teen Intern, Finley, completed her internship at the end of August. She did so much for the library during her 11-week internship, and we miss her already!
- We hosted two Red Cross Blood Drives, and they collected **48 units** of blood, which could save **144 lives**!
- Our annual Lego Competition took place in July. The voted #1 winner went to build titled, "The Magic of the Library"!
- Kiwanis Club of Canby generously donated **\$10,000** to the library's Maker Lab to help us continue providing STEAM programming!
- Library volunteers completed **2,308 hours** in FY 25-26. That is a 23% increase over FY 24-25!
- Our quarterly All-Ages Volunteer Day on August 22nd was a blast!
- Annual Summer Reading Program statistics:
 - Kids: **803** sign-ups | **286** finishers
 - Teens: **213** sign-ups | **47** finishers
 - Adults: **290** sign-ups | **104** finishers

- Upcoming events:

- Minecraft Club*, Sept 8th and 22nd at 4:30pm
- Good Death/Good Life Cafe*, Sept 9th at 10:30am
- Computer Basics*, Sept 15th at 11am
- Watercolor Workshop for Adults*, Sept 19th at 1pm
- Garlic Class & Giveaway*, Sept 26th at 1pm
- Spice Club*, begins Oct 1st





**City of Canby Bi-Monthly Report
Department: Development Services
For Months of: July and August 2026**

To: The Honorable Mayor Hodson & City Council
From: Don Hardy, Planning Director
Prepared by: Laney Fouse Lawrence, Planning Technician
Through: Randy Ealy, Interim City Administrator
Date: 9/16/2026

2025-2027 Council Goals & Objectives:

Complete the UGB Expansion Process

- A planning commission UGB Work Session was held on August 10 and a planning commission hearing was held on August 24.
- A UGB and UGB Concept Planning Community Summit was held on August 11.
- A City Council UGB work session will occur on September 2 and an adoption hearing on September 16.
- A Clackamas County UGB Expansion pre-application conference will occur on September 10.

Complete the City's Development Code Update

- The consultant team for the code audit is continuing performing its initial assessment of the existing code's compliance with state law, including recently passed housing laws.
- The city council will have a work session on September 9 regarding state legislative changes for land use permitting of housing in Canby.

Statistics:

Land Use Application Activity:¹

1. **Pre-Application Conferences** held for the period of July 1 – August 31, 2026: 1 Church expansion and multi-use gymnasium.
2. **Pre-Construction Conferences** held for the period of July 1 – August 31, 2026: 1 Hope Village Site Improvements.
3. **Site Plans Submitted for Zoning Conformance**, July 1 – August 31, 2026: 30 site plan review applications were submitted and have been or are being released for building permits
4. **Signs Submitted for Plan Review**, July 1 – August 31, 2026: 2 signs: Groundworks, Canby Eyecare,
5. **Planning Commission Activity:**
 1. Agenda Items Reviewed July 1 – August 31, 2026: During this period, the Planning Commission:
 - a. Held a public hearing on August 24, 2026, to adopt the Urban Growth Boundary.
 - b. Participated in a work session on August 10, 2026, for a proposed Urban Growth Boundary Amendment which was presented by staff and 3J Consulting.

¹ Note that the applications listed here do not capture the department's full backlog of active land use applications and site plan reviews, many of which were either submitted prior to this reporting period or have been submitted but are currently deemed incomplete applications.



City of Canby Bi-Monthly Report
Department: Public Works
For Months of: July & August 2026

To: The Honorable Mayor Hodson & City Council
From: Spencer Polack, Interim Public Works Director
Prepared by: Kimberly Holm, Office Specialist
Through: Randy Ealy, Interim City Administrator
Date: 9/16/2026

Facilities Maintenance Department

Statistics:

Facilities	Total Hours
July	1,081
August	768

Department Activities:



Ventilating the Public Works Warehouse Generator

Parks Department

Statistics:

July hours: 1,033.5

August hours: 1,017

Department Activities:

Sewer Collections Department

Statistics:

Sewer	July Total Hours	August Total Hours
Sewer Cleaning	6	0
Sewer Maintenance/Repair	18	0
Sewer TVing	0	0
Lift Station Maintenance	31	16
Locating Utilities	18	41
Sewer Inspections	14	14

Department Activities: sewer and pressure line repair



Streets Department

Streets	July Total Hours	August Total Hours
Street Maintenance	350	417
Sidewalk Inspections	2	0
Driveway Approach Inspections	0	0
Street Sign Manufacturing	12	0
Street Sign Maintenance	8	5
Street Light Repair	4	0
Tree Maintenance	228	8
Dump Truck	0	4

Department Activities:

Sinkhole repair on NE 4th and N Knott



Storm Water

Statistics:

Storm Water	July Total Hours	August Total Hours
Catch Basin Maintenance	6	0
Drywell Maintenance	25	8
Erosion Control Inspections	3	0
Storm line Maintenance/Repair	92	20
Storm Line Inspections	1	4
Drying Beds	0	0

Department Activities: catch basin maintenance





City of Canby Bi-Monthly Report
Department: Canby Swim Center
For Months of: July & August 2026

To: The Honorable Mayor Hodson & City Council
From: Nathan Templeman, Aquatic Program Manager
Prepared by: Same as Above
Through: Randy Ealy, Interim City Administrator
Date: 9/16/2026

2025-2027 Council Goals & Objectives: N/A. See Department Activities.

Statistics (see attached):

Combined attendance for July-August 2026 totaled 12,792 visits, compared to 14,346 over the same period in 2025 (-10.8% year over year). July attendance totaled 7,415 visits compared to 8,557 in July 2025, while August attendance totaled 5,377 visits compared to 5,789 the prior year.

Several programs showed strong year-over-year growth, including Morning Water Exercise, Afternoon and Evening Public Swim, Evening Lap Swim, and Canby Gators participation.

The largest decreases were in lesson-based programming, including Morning and Evening Lessons, Parent/Child/Family Swim, and Penguin Club. Those declines were at least partially the result of quality and safety controls implemented this summer. Class sizes, swimmer placements, and participation were managed more deliberately to ensure the programs could be operated safely and effectively.

Year-to-date attendance for FY 26-27 through August stands at 12,792 visits, compared to 14,346 at the same point in FY 25-26.

Department Activities

Staffing:

Noelia Chihuahua Cerriteno joined the Swim Center as Program Coordinator on August 31. Noelia comes to Canby most recently from the City of Eugene and previously spent several years with Tualatin Hills Park & Recreation District. Recruitment for the Head Guard position is also in its final stages. We are especially grateful to Human Resources for keeping both recruitments moving while managing several other significant senior-level hires for the City.

Annual Maintenance:

The Swim Center completed its annual maintenance closure during the final week of August. This year's shortened closure focused on draining, cleaning, and refilling the pool; deep-cleaning the facility; painting the pool decks; and completing several minor deferred-maintenance items. Wastewater provided the equipment needed to drain the pool, and Canby Fire District supplied the hoses used to refill it. Their assistance allowed staff to complete the work efficiently and reopen after only one week.

Renovation:

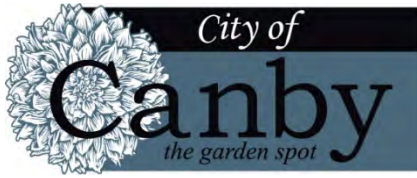
At its September 2 meeting, the City Council advanced the ordinance authorizing award of the Swim Center remodel contract to Inline Commercial Construction. A second reading is scheduled for September 16. Staff and the design team continue to work through contract, design, and construction-planning details. Additional information regarding the construction schedule and impacts on Swim Center operations will be shared as those details are confirmed.

JUL 2026 Canby Swim Center Monthly Attendance Numbers

	ADMIT 2025	ADMIT 2026	PASS 2025	PASS 2026	TOTAL 2025	TOTAL 2026	YTD TOTAL 25-26	YTD TOTAL 26-27	
MORNING LAP	48	47	374	289	422	336	422	336	
ADULT RECREATION SWIM	74	48	393	459	467	507	467	507	
MORNING WATER EXERCISE	62	117	139	203	201	320	201	320	
PARENT/CHILD/FAMILY SWIM	758	0	0	271	758	271	758	271	
MORNING PUBLIC LESSONS	2030	0	0	1710	2030	1710	2030	1710	
SCHOOL LESSONS	0	0	0	0	0	0	0	0	
NOON LAP	58	45	224	256	282	301	282	301	
AFTERNOON PUBLIC	520	685	33	49	553	734	553	734	
PENGUIN CLUB	0	0	460	312	460	312	460	312	
CANBY H.S. SWIM TEAM	0	0	0	0	0	0	0	0	
CANBY GATORS	0	0	810	690	810	690	810	690	
MASTER SWIMMING	0	0	0	0	0	0	0	0	
EVENING LESSONS	1898	0	0	1503	1898	1503	1898	1503	
EVENING LAP SWIM	49	47	58	68	107	115	107	115	
EVENING PUBLIC SWIM	500	558	49	58	549	616	549	616	
ADULT LESSONS	10	0	0	0	10	0	10	0	
GROUPS AND RENTALS	0	0	0	0	0	0	0	0	
OUTREACH SWIMMING	10	0	0	0	10	0	10	0	
TOTAL ATTENDANCE	6,017	1,547	2,540	5,868	8,557	7,415	8,557	7415	

AUG 2026 Canby Swim Center Monthly Attendance Numbers

	ADMIT 2025	ADMIT 2026	PASS 2025	PASS 2026	TOTAL 2025	TOTAL 2026	YTD TOTAL 25-26	YTD TOTAL 26-27	
MORNING LAP	45	33	267	209	312	242	734	578	
ADULT RECREATION SWIM	39	35	272	300	311	335	778	842	
MORNING WATER EXERCISE	40	99	134	146	174	245	375	565	
PARENT/CHILD/FAMILY SWIM	476	0	0	230	476	230	1234	501	
MORNING PUBLIC LESSONS	1544	0	0	1160	1544	1160	3574	2870	
SCHOOL LESSONS	0	0	0	0	0	0	0	0	
NOON LAP	82	62	200	174	282	236	564	537	
AFTERNOON PUBLIC	533	411	26	83	559	494	1112	1228	
PENGUIN CLUB	0	0	360	228	360	228	820	540	
CANBY H.S. SWIM TEAM	0	0	0	0	0	0	0	0	
CANBY GATORS	0	0	264	650	264	650	1074	1340	
MASTER SWIMMING	0	0	0	0	0	0	0	0	
EVENING LESSONS	1110	0	0	1020	1110	1020	3008	2523	
EVENING LAP SWIM	51	58	48	61	99	119	206	234	
EVENING PUBLIC SWIM	253	343	45	75	298	418	847	1034	
ADULT LESSONS	0	0	0	0	0	0	10	0	
GROUPS AND RENTALS	0	0	0	0	0	0	0	0	
OUTREACH SWIMMING	0	0	0	0	0	0	10	0	
TOTAL ATTENDANCE	4,173	1,041	1,616	4,336	5,789	5,377	14,346	12,792	



City of Canby Bi-Monthly Report
Department: Transit
For Months of: July and August 2026

To: The Honorable Mayor Hodson & City Council
From: Todd Wood, Transit/ Fleet/ IT Director
Prepared by: Same as above
Through: Randy Ealy, Interim City Administrator
Date: September 16, 2026

2025-2027 Council Goals & Objectives:

Goal 1: Promote Financial Stability

[See Grant Activities below](#)

Goal 3: Plan a transportation system that eases the impacts of growth

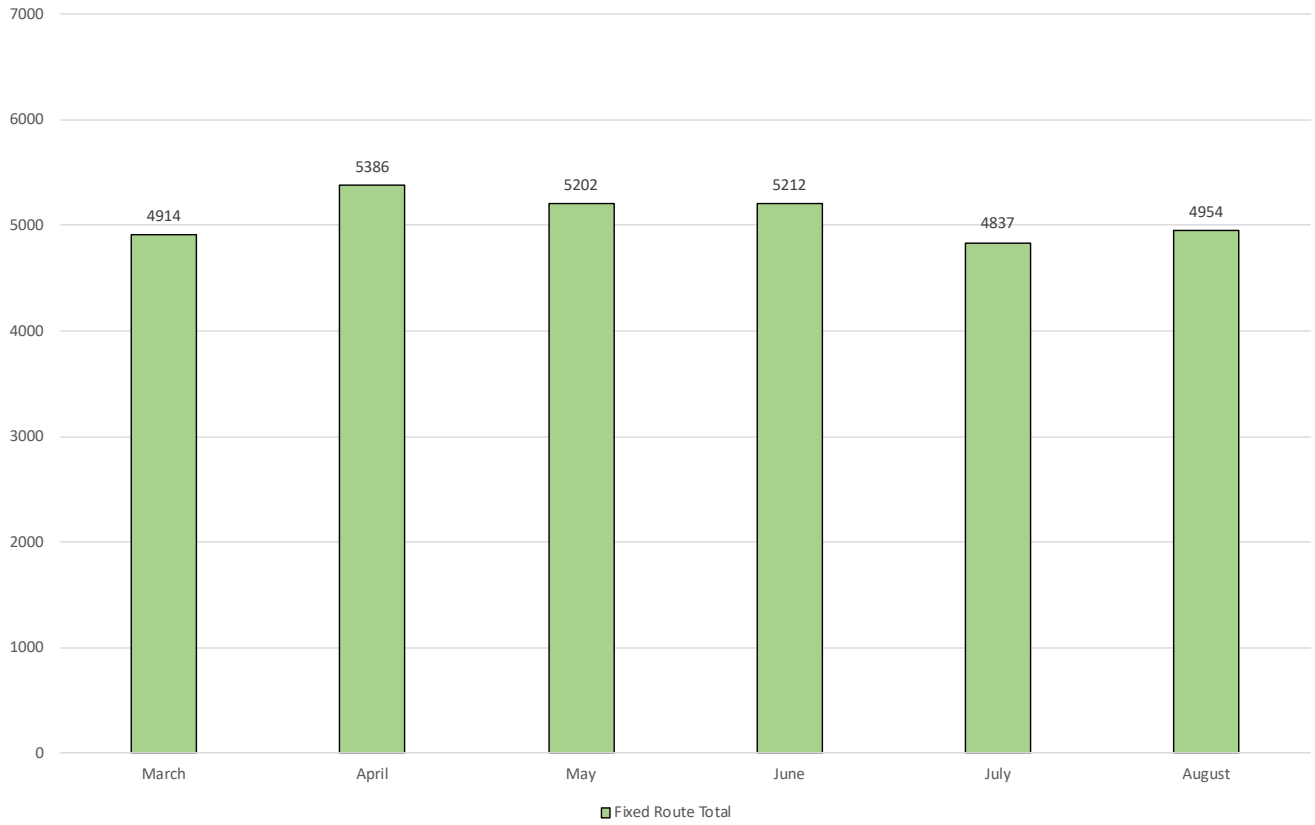
[See Transit Statistics below](#)

Statistics:

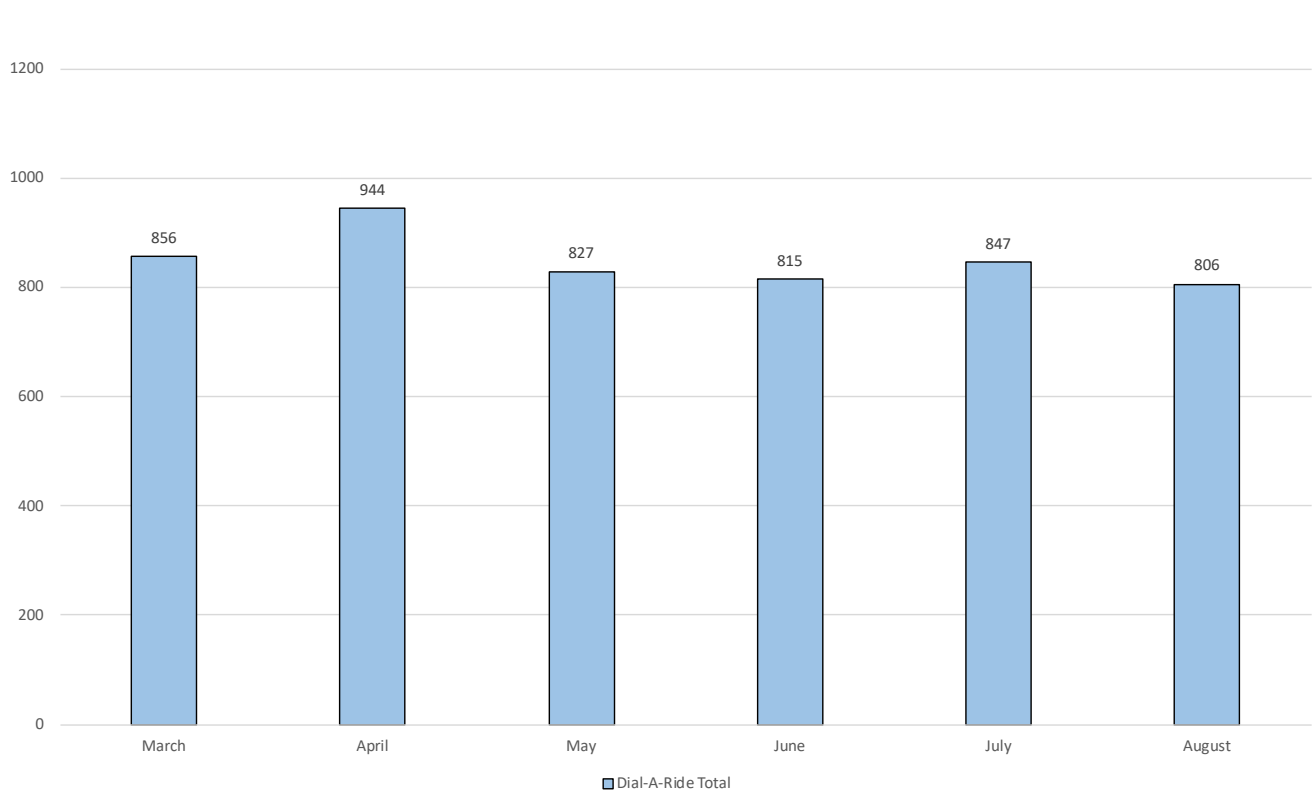
July average daily weekday daily 99x route ridership:	195trips
July average daily weekend daily 99x route ridership:	114 trips
August average daily weekday daily 99x route ridership:	204 trips
August average daily weekend daily 99x route ridership:	132 trips
July average daily weekday Dial-a-Ride route ridership:	33 trips
July average daily weekend Dial-a-Ride route ridership:	29 trips
August average daily weekday Dial-a-Ride route ridership:	32 trips
August average daily weekend Dial-a-Ride route ridership:	29 trips
July average daily weekday daily Loop route ridership:	108 trips
July average daily weekend daily Loop route ridership:	85 trips
August average daily weekday daily Loop route ridership:	113 trips
August average daily weekend daily Loop route ridership:	70 trips

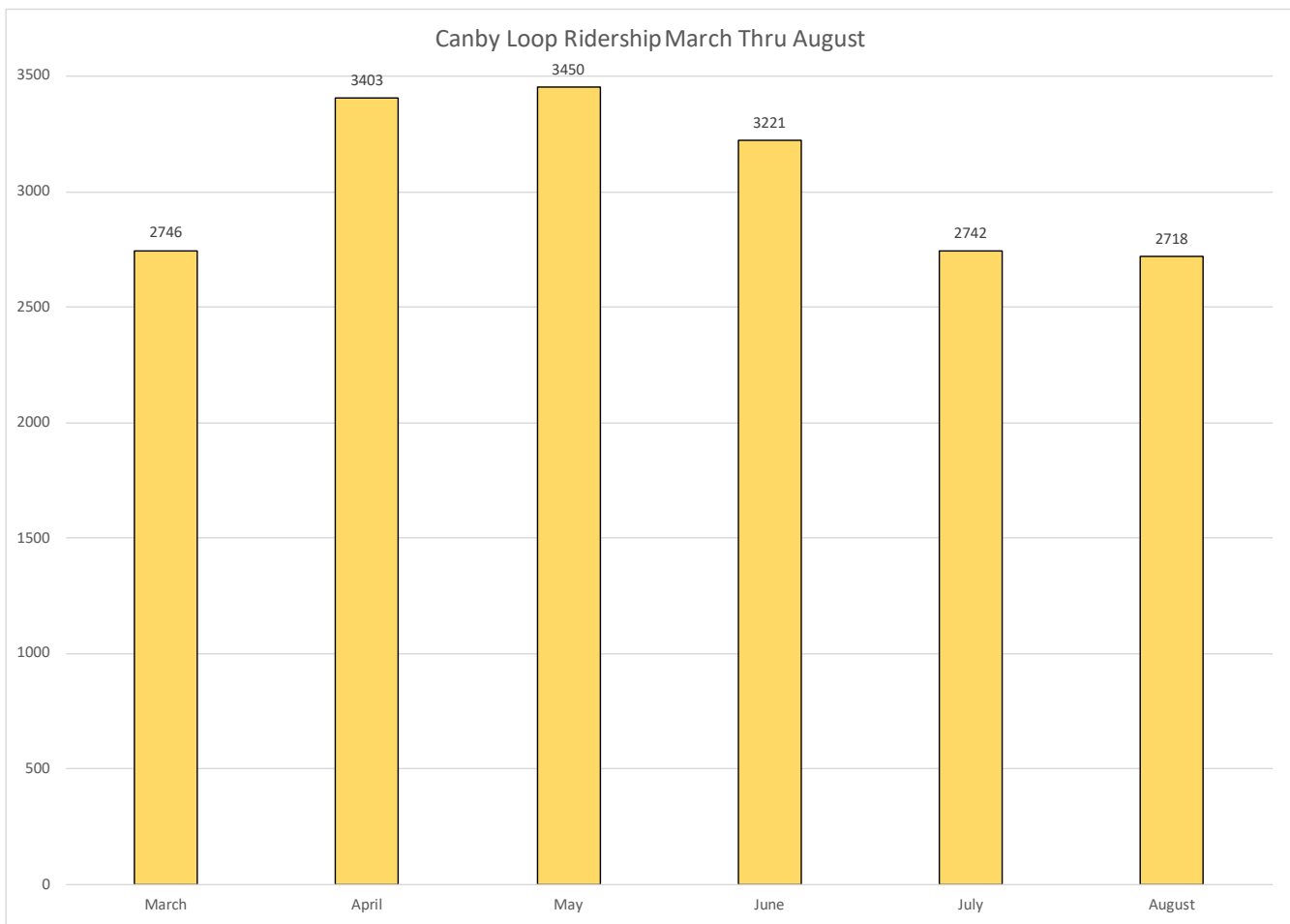
Transit Service is holding steady on the 99x and Dial-a-Ride. The loop has seen it's seasonal fluctuation with school being out resulting in slightly lower ridership.

99x Ridership March Thru August



Dial-A-Ride Ridership March Thru August





Department Activities:

1) Grant Activities:

Submitted Final Reports for 5311, 5310, STIF For FY 26
 Submitted Quarterly Charter Reports
 Preparing for STIF Grant Application for FY 28-29

2) New Vehicles:

Transit has received our new Cutaway Vehicle:



It will serve our 99x and Loop routes.

3). New Route Schedule September 7, 2026:

Transit started a new schedule on September 7, 2026 based on the transit masterplan:

- Woodburn hourly service: Better alignment to ridership and funding received for that service area.
- New Woodburn routing: Due to construction Transit will no longer service the BiMart Parking lot, but will instead route around the block and come out on Industrial Way.
- Oregon City more frequent service: every 20 to 40 minutes in accordance with the transit master plan to allow more options to reach both Oregon City and TriMet Services.
- Loop Schedule adjustments: Due to increased ridership we have adjusted the times to improve on time performance and better align with school times as well as fill in some gaps and improve consistency.

4). Transit Advisory

Transit advisory has updated meeting from every other month to every Quarter to better align with regulatory reporting. The next meeting will be October 22nd in the Mt Hood Room at 6pm. We will be discussing Quarterly results, Finances, and Route change performance.



City of Canby Bi-Monthly Report
Department: Wastewater Treatment Plant
For Months of: July and August 2026

To: The Honorable Mayor Hodson & City Council
 From: Patrick Mahoney, WWTP Supervisor
 Prepared by: Same as above
 Through: Randy Ealy, Interim City Administrator
 Date: 9/16/2026

Wastewater Treatment Plant (WWTP) NPDES Permit Compliance

NPDES Permit Parameter	NPDES Permit Limit	WWTP - July Monthly Avg	WWTP - August Monthly Avg
Biochemical Oxygen Demand (CBOD)	10 mg/l	2 mg/l	2 mg/l
Total Suspended Solids (TSS)	10 mg/l	1 mg/l	2 mg/l
BOD Removal Efficiency	85%	99%	99%
TSS Removal Efficiency	85%	99%	99%

The WWTP Team Gets Work Done and Welcomes a New Maintenance Tech, Marcus McLean

The WWTP maintained 100% NPDES permit compliance throughout July and August, with zero safety incidents reported.

- **NEW** WWTP Maintenance Technician. Marcus McLean
- 4 Tours given.
- *NACWA Gold Award* received for 2025.
- **DEQ Facility Audit & Inspection. 8/5/26**
- OSU partnership research sampling for: The Flu, SARS-CoV-2, RSV and Measles.
- Vegetation and Fire Safety management.
- FOG Program review.
- CIS Site Appraisal. 8/31/26
- *Confined Space Training. 7/28/26*
- *Fall Protection Training. 8/20/26*
- Delivery of New Trailer Mounted Diesel Pump. Ordinance #1664
- Gordian/APEX UV Disinfection Expansion CIP. Ordinance #1677

Solids Processing			
Month	WWTP Solids Processed	WWTP - Belt Press Operation	Solids Hauled to Heard Farms
July	887,000 gallons	20 days	102 wet tons/3 loads
August	897,200 gallons	21 days	200 wet tons/6 loads



CITY COUNCIL Staff Report

Meeting Date: 9/16/2026

To: The Honorable Mayor Hodson & City Council
Thru: Randy Ealy, Interim City Administrator
From: Same as above
Agenda Item: League of Oregon Cities 2027-28 Legislative Priorities
Goal: Service to Canby's 2025-2027 City Council Goals & Objectives
Objective: Support Municipal Home Rule Authority

Summary

It is that time of year where the League of Oregon Cities (LOC) is surveying its' members to determine topline Legislative Strategies for the upcoming 2027 Legislative Session beginning in February of 2027.

Discussion

Mayor Hodson and Council President Hensley, as per Canby tradition, will facilitate a Council conversation on September 16 where they will present approximately 10 of the LOC draft priorities so that we can come to a "**Top 5**" legislative priority list as the City of Canby. Ultimately, the LOC Board will meet at their Annual LOC meeting in October and formally adopt a set of priorities based on the ranking process submitted by member cities. The deadline to submit is 5:00pm on September 25, 2026.

Attachments

Twenty-page document for the LOC entitles "2027-28 LOC Legislative Priorities."

Recommendation

Staff recommends that the Mayor & Council determine a "**Top 5**" list of legislative priorities that are to be submitted for consideration by the LOC Board during their Annual October Board meeting.

Proposed Motion

"I move to adopt the "**City of Canby Top 5 Legislative Priority List**" as determined by the Mayor and City Council of Canby, Oregon on September 16, 2026, during a regularly scheduled Council meeting."

Priorities For Consideration Per Interim City Administrator (Need to vote for 5):

~~Promote The Equitable Development of Sustainable Telecom Infrastructure~~

Maintain Local Control of a Safe, Modern Right of Way

~~Support Equitable Access to Technology~~

~~Support Responsible Municipal Use of Technology~~

Support Municipal Cybersecurity Proficiency

~~Administrative Procedures Act Reform~~

~~Public Meetings Law Clarity~~

~~Funding and Coordination for Shelter and Homeless Response~~

~~Full Funding and Streamlining for Housing Production~~

~~Land Availability and Land Use Streamlining~~

Invest in Community Energy Resilience/Disaster Planning

~~Support Expedited Local Renewable Energy Generation~~

Support Increased Energy Transmission Capacity

~~Maintain Affordable Energy While supporting Grid Hardening and Modernization~~

~~Resource Programs for Energy Efficiency Planning and Project Development~~

~~Support Administrative Capacity~~

~~Targeted Prevailing Wage Changes~~

Alcohol Revenue Modernization

Emergency Communication System Resources

Strengthening Economic and Workforce Development

2027 Transportation Package

~~Cautious Adoption of Autonomous Vehicles~~

~~City Supported Street Sign Traditions~~

Infrastructure Funding

~~Water Reuse~~

~~Ratepayer Assistance~~

Water Workforce Development



League of Oregon Cities

2026 Member Voter Guide
2027-28 LOC Legislative Priorities

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2026 Member Voter Guide

Background: The LOC [policy committees](#) are the foundation of the League's policy development process. Each even-numbered year, the LOC appoints city officials to serve on these committees. They receive informational briefings, analyze policy and technical issues, and ultimately recommend positions and strategies for the upcoming two-year legislative cycle. We want to acknowledge officials that dedicated their time and expertise to develop the priorities – *thank you* for supporting the LOC in crafting a strong agenda to support our legislative work.

This year, seven committees identified 27 legislative policy priorities to advance to the full membership and LOC Board of Directors. It's important to understand that the issues that do not rise to the top based on member ranking are not diminished with respect to their value to the policy committee or the LOC's advocacy. These issues will still be key components of the LOC's legislative portfolio for the next two years.

Ballot/Voting Process: Each city is asked to review the recommendations from the each of the policy committees and provide input to the LOC Board of Directors, which will formally adopt the LOC's 2027-28 legislative agenda. While each city may have a different process when evaluating the issues, it's important for cities to engage with their mayor and entire council to ensure the issues are evaluated and become a shared set of priorities. During its October meeting, the LOC Board will formally adopt a set of priorities based on the ranking process through the survey and their evaluation.

Each city is permitted **one** ballot submission. **Once your city has reviewed the proposed legislative priorities, please complete the electronic ballot to indicate the top five (5) issues that your city would like the LOC to focus on during the 2027-28 legislative cycle.** The lead administrative staff member (city manager, city recorder, etc.) will be provided with a link to the electronic ballot. If your city did not receive a ballot link or needs an alternative way to vote, please reach out to Meghyn Fahndrich at mfahndrich@orcities.org and Nicole Stingh at nstingh@orcities.org.

Important Deadline: The deadline for submitting your city's vote is **5 p.m. on Friday, September 25, 2026.**

Broadband, Cybersecurity, Artificial Intelligence (AI), and Telecommunications Committee

LOC Contact: Greg Miller, gmliller@orcities.org

PROMOTE THE EQUITABLE DEVELOPMENT OF SUSTAINABLE TELECOM INFRASTRUCTURE

RECOMMENDATION: The LOC recognizes and has prioritized broadband access, and telecom infrastructure more broadly, as an “essential service” and will advocate for affordable, safe, reliable, high-speed infrastructure development and access in every city. This includes but is not limited to: supporting expansion of service options for municipalities; increasing rural cellular infrastructure; and maintaining open access to networks that provide choice to community members.

Background: Advancements in telecommunications technology have ushered in unprecedented investments in infrastructure development aimed at providing broadband access and other communication modalities to all. Deploying infrastructure in Oregon must be done equitably across the state’s diverse landscape and focus on addressing current coverage gaps as well as statewide infrastructure that serves all.

MAINTAIN LOCAL CONTROL OF A SAFE, MODERN RIGHT OF WAY

RECOMMENDATION: The LOC will oppose any legislation seeking to preempt local control of municipal rights-of-way (ROW). The LOC will also support legislation aimed at codifying home rule management of the local ROW and the revenue derived from use of the ROW, while encouraging ROW users to timely upgrade and replace their infrastructure lost to natural disaster.

Background: Home rule authority and local ROW management allow local governments to safely manage ROW issues that arise after work is complete, and when the ROW work-related permit may no longer be in effect. It ensures that utilities installing facilities in the ROW have financial protections like insurance in place, which help protect the public using the ROW and other entities whose infrastructure may be damaged during utility work. It ensures that local taxpayers will not have to pay costs associated with utilities’ use of the ROW. It also ensures accountability through a variety of enforcement mechanisms.

SUPPORT EQUITABLE ACCESS TO TECHNOLOGY

RECOMMENDATION: The LOC will support policies such as the Oregon Lifeline Program to ensure digital inclusion. The LOC will also continue to monitor implementation of the

U.S. Department of Justice’s website accessibility rule implementation and support municipal resource opportunities for accessibility. Finally, the LOC will support funding for programs that increase digital skills, equity, and adoption.

Background: All individuals regardless of physical, financial, or any other barrier have a right to access advancements in telecom technology.

SUPPORT RESPONSIBLE MUNICIPAL USE OF TECHNOLOGY

RECOMMENDATION: The LOC will support legislation that acknowledges forward-thinking regulations, taking into account the rapid evolution of telecom systems. The LOC may also support agency policy options that include municipal telecom resilience and concepts such as municipal AI assessments, and an “AI Sandbox” to further understanding of AI risks and other technological advancements in a controlled environment. In this work, the LOC will work to prevent unfunded mandates.

Background: Advancements in technology, including but not limited to AI, have demonstrated operational efficiencies, yet those come with risks if not implemented correctly and used safely. The LOC is cautiously optimistic about the use of AI and other tools that increase service and operational efficiency, but recognizes that some regulation may be necessary to define appropriate municipal uses and foster an atmosphere of responsibility and data safety.

SUPPORT MUNICIPAL CYBERSECURITY PROFICIENCY

RECOMMENDATION: The LOC opposes unfunded mandates and will advocate for technical support and funding to give all cities access to innovative technology, enhanced state programs, cybersecurity notification resources and assistance protecting critical infrastructure and data during cyber-attacks.

Background: Cybercriminals target municipalities as vulnerable systems holding valuable personal data and financial records. Historical underfunding of cybersecurity, antiquated system architecture, and lack of cybersecurity training contribute to the increasing trend in municipal cyberattacks. Cyberattacks can impact services with dire consequences for residents. Hackers typically look for the easiest entry path, and local governments often lack the resources to respond.

General Government Committee

LOC Contact: Charlie Conrad, cconrad@orcities.org

ADMINISTRATIVE PROCEDURES ACT REFORM

RECOMMENDATION: The LOC will advocate for the comprehensive modernization of the Oregon Administrative Procedures Act (APA) to restore regulatory transparency, strict alignment with legislative intent, and meaningful public accountability across all state agencies. This advocacy should include:

- Standardizing the rulemaking process across all state agencies to eliminate regulatory fragmentation;
- Strengthening public and expert participation in all rulemaking and workgroup processes;
- Establishing independent oversight and auditing of fiscal impact statements;
- Limiting and restricting the use of emergency rulemaking to actual crises; and
- Reforming judicial deference standards to ensure state agencies remain answerable to elected leaders and voters.

Background: Established in 1971, the Oregon APA is the legal framework that dictates how state agencies create regulations. However, the system has not seen a major update in decades, resulting in an unpredictable regulatory environment. Because there is no single standard for all agencies, different departments often pass conflicting rules that make compliance incredibly difficult for organizations on the ground. Furthermore, many key agencies report to independent boards rather than the governor, which creates an accountability vacuum. Recent state court decisions have compounded the issue by granting agencies broad leeway, ruling that their regulations do not strictly have to align with the original legislative intent.

This regulatory breakdown directly impacts local governments. When uncoordinated state agencies issue overlapping or conflicting rules, cities are left trapped in the middle—forced to navigate a maze of contradictory mandates that drain municipal staff time and stretch city budgets. Furthermore, because recent court rulings have stripped away traditional checks on administrative reach, cities have lost the ability to challenge flawed, 'one-size-fits-all' state regulations that ignore local realities. This loss of local control and financial stability necessitates reform. Protecting municipal home rule, ensuring local voices are actually heard during the rulemaking process, and restoring a sense of predictability and fairness to how state policies are implemented on the ground is necessary.

PUBLIC MEETINGS LAW CLARITY

RECOMMENDATION: The LOC will advocate for a comprehensive statutory reset of the Oregon Public Meetings Law to restore operational functionality and practicality for local governments while protecting public transparency. This priority includes the following provisions:

- Establishing an Intentionality Requirement: Limit serial meeting violations strictly to actions taken "knowingly and intentionally" to protect volunteer elected officials from penalties for good-faith, inadvertent errors.
- Streamlining Complaint Enforcement: Authorize the Oregon Government Ethics Commission (OGE) to immediately dismiss incomplete, trivial, or bad-faith complaints.
- Holding the Right Entity Accountable: Shift personal liability for purely administrative errors—such as delayed meeting notices—away from individual elected officials and onto the public body as an institution.
- Expanding the "Cure" Process: Provide flexible, accessible avenues for local governments to address and correct procedural complaints, including decision rescission or public acknowledgement with a corrective action plan.
- Right-Sizing Training Requirements: Reform mandatory compliance training to occur once per elected term rather than annually, while allowing incoming officials to complete the requirement prior to being sworn in.

Background: Oregon's Public Meetings Law prohibits local elected officials from deliberating in private, a rule that includes a ban on "serial meetings," where separate, smaller discussions are held over time that may add up to a quorum. Recent Oregon Government Ethics Commission (OGE) rules and training on this topic have created widespread confusion, leaving public officials deeply uncertain about how they can communicate with each other, their residents, or the media. A diverse work group of local leaders and legislators spent months negotiating a bipartisan fix during the 2026 legislative session, but Governor Kotek ultimately vetoed the bill, calling for stakeholders to return to the drawing board for the 2027 session. Today, the interpretation of this law remains highly contentious, and ongoing discrepancies create massive structural ambiguities and political tensions, making it incredibly difficult for local leaders to effectively govern.

To make the public meetings law workable, several practical fixes are urgently needed to save taxpayer resources and provide clarity to local officials. The current system: forces volunteer leaders to face personal liability for minor staff mistakes like late meeting notices; offers no clear way for cities to self-correct simple procedural errors; and requires repetitive annual training. To keep local governments functioning, the state

must shield individual officials from administrative liability, allow the OGEC's staff to quickly dismiss trivial or bad-faith complaints, create a clear path for cities to self-correct honest mistakes, and right-size compliance training to once per elected term.

Housing, Land Use, and Community Development Committee

LOC Contact: Alexandra Ring, aring@orcities.org

FUNDING AND COORDINATION FOR SHELTER AND HOMELESS RESPONSE

RECOMMENDATION: The LOC opposes cuts to the state shelter system funding and supports continued state investments in a comprehensive homeless response system to fund eviction prevention, shelter, and rehousing. These investments should include:

- Strengthening our coordinated regional homeless response;
- Funding a range of shelter types in cities across the state, including alternative shelter models, safe parking programs; and
- Funding eviction prevention, rapid rehousing, outreach, case management, staffing and administrative support, and other related services.

Background: The LOC recognizes that to end homelessness, a cross-sector coordinated approach to delivering services, housing, and programs is needed. Cities are not social service providers and largely do not have the additional revenue sources to fund new services outside their core services, amid ongoing budget cuts. Despite historic legislative investments in recent years, communities continue to struggle to support and rehouse Oregonians experiencing homelessness. In 2025, the Legislature passed HB 3644, which created the Statewide Shelter Program, a comprehensive funding program for state supported local shelters based in regional coordination. In addition to the statutory framework, the Legislature passed a funding package of \$204 million to support sheltering efforts in the 2025-2027 biennium, with \$102 million as the new baseline level of funding for all biennium through 2034. In a tight budget environment, the Legislature's ability and interest in continuing these investments is unclear.

As Oregon continues to face increasing rates of unsheltered homelessness, the LOC is committed to strengthening a regionally based, state-supported homeless response system to ensure all Oregonians can equitably access stable housing and maintain secure, thriving communities. Regional coordination is key to the system's success, and the state, cities, and counties must be part of the solution together.

FULL FUNDING AND STREAMLINING FOR HOUSING PRODUCTION

RECOMMENDATION: The LOC will seek opportunities to address structural barriers to

production of different housing options at the regional and state level. This includes:

- Streamlining state agency programs, directives, funding metrics, and grant timelines that impact development;
- Accurate tracking of units produced on the ground, rather than units unlocked;
- Aligning state programs with local capital improvement and budget timelines; and
- Increasing connections between affordable housing resources at Oregon Housing and Community Services (OHCS) with the land use directives in the Oregon Housing Needs Analysis (OHNA) and Climate Friendly and Equitable Communities (CFEC) programs at the Oregon Department of Land Conservation and Development (DLCD).

Additionally, the LOC will advocate maintaining and increasing state investments to support the development and preservation of a range of needed housing types and affordability, including:

- Publicly supported affordable housing and related services;
- Affordable homeownership;
- Permanent supportive housing;
- Affordable modular and manufactured housing;
- Middle housing types; and
- Moderate-income workforce housing development.

Background: Recent legislation and executive orders have made significant changes to the state's land use planning process, including new housing production directives for cities and counties. And yet, housing production levels remain below our state's current needs. The state should prioritize implementation, funding, and coordination of existing programs in the 2027-2028 legislative sessions before considering any new policies, including direct funding for housing production to address the underlying economic challenges that prevent production.

LAND AVAILABILITY AND LAND USE STREAMLINING

RECOMMENDATION: The LOC supports updates and streamlining statutes to better support good land use planning and land availability for all needs. This includes:

- Refining land use statutes to provide more clarity and legal certainty for cities;
- Clarifying wetland statutes and inventories to allow efficient and orderly urbanization of land within urban growth boundaries (UGBs);
- Streamlining UGB expansion and swap processes for residential, commercial, and

industrial land;

- Improving urban reserves process and land prioritization; and
- Funding for technical assistance for code audits and updates to comply with new state statutes.

Background: Oregon's land use system has undergone substantial change over the past decade, without revisions to the underlying structure. Years of layering legislation with different requirements and new interpretations of existing law have increased regulatory complexity that cities must navigate to be compliant within Oregon's land use system. Complying with state land use laws has become expensive, time-consuming and confusing, and prevents cities from having sufficient land for all needs (housing, industrial, and commercial). This has created challenges for ensuring that communities have sufficient supplies of land for all types of development, impacting other the housing and economic development priorities of the state.

Energy and Environment Committee

LOC Contact: Greg Miller, gmliller@orcities.org

INVEST IN COMMUNITY ENERGY RESILIENCE/DISASTER PLANNING

RECOMMENDATION: The LOC will engage in efforts to provide planning resources, technical assistance and funding to cities preparing to withstand, maintain and recover their energy needs in the event of a disaster. This includes resources for energy efficiency and/or local energy generation like biomass, solar, hydro, biogas, and generators. It also includes virtual power plants, microgrids, energy storage, and other solutions that help cities and their communities increase energy resilience.

Background: Frequency and severity of natural disasters and growing regional energy shortages have demonstrated the potential to cripple Oregon communities during an emergency. Intentional disaster planning and community energy resource development can be costly, but will contribute to Oregon cities' resilience and ongoing viability during floods, seismic events, drought, wildfires, and energy brown/blackouts.

SUPPORT EXPEDITED LOCAL RENEWABLE ENERGY GENERATION

RECOMMENDATION: The LOC will continue to support traditional large renewable energy development and transmission projects while mitigating impacts on local control. To support Oregon clean/renewable energy targets and increased capacity, the LOC also supports local initiatives to develop alternative/renewable energy sources that fit the needs of each city.

Background: Recent studies of projected Pacific Northwest energy load growth in the next five years show a projected shortfall of 3GW (3,000,000kw) by 2030. That shortfall compounds by 2035. Viability of Oregon cities depends upon increased reliable energy generation.

SUPPORT INCREASED ENERGY TRANSMISSION CAPACITY

RECOMMENDATION: The LOC will explore and support initiatives that increase renewable energy transmission while mitigating impacts on local control.

Background: Large scale renewable energy is largely produced east of the Cascade divide. Maximizing current transmission and developing new capacity to make renewable energy available to all regions is an important factor in achieving equitable community energy resilience while meeting Oregon decarbonization and climate goals.

MAINTAIN AFFORDABLE ENERGY WHILE SUPPORTING GRID HARDENING AND MODERNIZATION

RECOMMENDATION: The LOC will support initiatives that balance necessary grid modernization against manageable rate increases for cities and residents.

Background: Growing and modernizing Oregon's aging electric grid is necessary. However, upgrades and increased capacity are challenging. Utilities are not insulated from recent inflation and face unprecedented increases in equipment and infrastructure costs. Customers are also seeing increased rates due to rising utility infrastructure costs and spending on wildfire mitigation.

RESOURCE PROGRAMS FOR ENERGY EFFICIENCY PLANNING AND PROJECT DEVELOPMENT

RECOMMENDATION: The LOC will support legislation that further supports Community Renewable Energy Programs, Green Bank Concepts, Home Energy Rebates, Solar and Storage Rebates, Electrification Incentives.

Background: Oregon's 241 incorporated cities are at the forefront of delivering on Oregon's climate and energy goals: building decarbonization, energy efficiency and renewable energy generation. These mandates, while important, fall largely upon local governments that are perpetually constrained financially. Continued legislative allocations to support climate/energy programs and local governments will be paramount to continue taking the incremental steps necessary to achieve the state's 2030 greenhouse gas reduction targets and 2040 emissions elimination goals.

SUPPORT ADMINISTRATIVE CAPACITY

RECOMMENDATION: The LOC will support state budgets that increase targeted agency capacity needed to adequately and efficiently provide technical assistance, permitting and resources to municipalities related to state and federal energy and climate goals. This includes fully funded and staffed local programs dedicated to implementation of state climate and decarbonization initiatives, especially those related to guidance derived from federal agencies.

Background: Looming large in the Pacific Northwest are concerns about federal energy policies and utility capabilities to meet Oregon's clean energy targets. Additional capacity at the state level will support communities that are navigating changing guidance and requirements.

Finance, Taxation, and Economic Development Committee

LOC Contact: Colette Tipper, ctipper@orcities.org

TARGETED PREVAILING WAGE CHANGES

RECOMMENDATION: The LOC will advocate for targeted changes to prevailing wage requirements that: recognize urgent needs for Oregon communities; consider the impact of inflation; and maintain the original intent of Oregon's prevailing wage law. This includes supporting reoccurring legislation to exempt publicly financed facilities aimed at addressing the housing crisis (affordable housing, shelters, day centers) and the lack of childcare, as well as efforts to address mounting infrastructure needs impacting housing and economic development. The LOC will support additional clarity around split determination issues that are impacting growth, ensuring cities can proactively prepare for growth without impacting future, private developments.

Background: Prevailing wage rates are minimum hourly rates a contractor must pay its employees under public works contracts; and while there are federal and state prevailing wage rates, the recommendation above impacts state prevailing wage laws. The wage rates vary by occupation and region, with the rates being set by the Oregon Bureau of Labor & Industries (BOLI). Oregon law requires prevailing wages to be paid on a project if it hits one of two specific triggers: the public agency trigger or the public funding trigger:

1. Public Agency Trigger - If a project meets the definition of a "public works" under ORS 2798C.800(6)(a) and the total cost of the project is \$50,000 or more. Examples of qualifying projects include roads, buildings, and improvements – whether it's new construction, renovation, painting, demolition, or the removal of hazardous waste. The \$50,000 threshold was set in 2005. If adjusted for inflation, the threshold would be roughly \$86,000.
2. Public Funding Trigger - A project might be private, but it uses \$750,000 or more of

taxpayer money. The same types of projects qualify for the public funding trigger. Note: there are very specific exceptions of public money being used that do not trigger prevailing wages (see ORS 279C.810(1)(a) and OAR 839-025-0004(11)(b)). The \$750,000 threshold was set in 2007. If adjusted for inflation, the threshold would be roughly \$1.2 million.

Additionally, Oregon law states that in the case of public-private partnerships, BOLI shall divide the project to separate the private and public aspects of the project. The public aspects of the project will be subject to prevailing wage, while the private aspects will not. [This recently impacted developments in the Willamette Valley](#). Developable lots with publicly funded infrastructure should not mean that private projects automatically prevail.

ALCOHOL REVENUE MODERNIZATION

RECOMMENDATION: The LOC will advocate for alcohol tax revenue modernization that generates increased shared revenues for cities. This includes support for recommendations from the HB 3610 Task Force on Alcohol Pricing to increase beer and wine taxes while preserving the existing 34% revenue-sharing distribution to cities. This may also include legislation removing the preemption on local alcohol taxes.

Background: Cities have significant public safety costs related to alcohol consumption and must receive revenue commensurate to the cost of providing services related to alcohol. In considering an increase, the LOC will balance the economic and consumer pressures impacting breweries across the state.

Oregon is a control state and the Oregon Liquor and Cannabis Commission (OLCC, formerly known as the Oregon Liquor Control Commission) acts as the sole importer and distributor of liquor. Cities and other local governments are preempted from imposing alcohol taxes. In exchange, cities receive approximately 34% share of net state alcohol revenues. The OLCC has also imposed a 50-cent surcharge per bottle of liquor since the 2009-2011 biennium, which is directed towards the state's general fund. Oregon's beer tax has not increased since 1978 and is \$2.60 per barrel, which equates to about 8.4 cents per gallon, or less than 5 cents on a six-pack. Oregon's wine tax is 67 cents per gallon and 77 cents per gallon on dessert wines. Oregon has one of the lowest beer taxes in the country ([source](#)) and the wine tax is closer to national average ([source](#)).

EMERGENCY COMMUNICATION SYSTEM RESOURCES

RECOMMENDATION: The LOC will support legislation enhancing the effectiveness of the state's emergency communications system through an increase in the 9-1-1 tax. Inflationary factors have lessened the impact of the [emergency communications tax](#). State estimates indicate that this revenue covered 40% of dispatch center costs, but that

figure is inaccurate, with some communities receiving as little as 20-25%.

Background: Oregon's 9-1-1 tax was increased to \$1.00 per line or prepaid transaction effective January 1, 2020, and further increased to \$1.25 effective January 1, 2021. Before this change from 2019's HB 2449, the rate had been 75 cents since 1995. The new tax increase on 9-1-1 expires January 1, 2030. Most cities will not receive this state shared revenue directly, as the city share is directed to the public safety answering point (PSAP) provider connected to the statewide network, and most of these are managed by counties or a regional entity, rather than a city. The PSAPs are only partially funded through the state's Emergency Communications Tax, with the balance of operating costs coming primarily from property taxes. Local governments receive approximately 60% of 9-1-1 taxes, but the taxes generally covered less than 25% of the costs of total PSAP operations before the recent rate increases. Ratios of individual PSAP costs to taxes received vary. The local government share of the state tax is distributed 1% to each county, with the remainder distributed per capita.

STRENGTHENING ECONOMIC AND WORKFORCE DEVELOPMENT

RECOMMENDATION: The LOC will support efforts to modernize and strengthen Oregon's existing economic development programs while advocating to maintain local flexibility and autonomy over local revenues. The LOC's advocacy includes strengthening and increasing funding for current state programs like Enterprise Zones (EZ), Long Term Rural Enterprise Zone (LTREZ), the Strategic Investment Program (SIP), the Industrial Site Loan Fund, Brownfield programs, and infrastructure programs, as well as new efforts to support a healthy economy.

The LOC will also support efforts to strengthen Oregon's workforce development initiatives that help to meet critical workforce shortages experienced by public and private employers throughout the state. The LOC will advocate for policies and investments that strengthen local talent pipelines, expand access to workforce education and training, and help communities recruit and retain the skilled workforce needed to support and grow a healthy economy.

Background: Communities across the state have leveraged local economic development incentive programs (Enterprise Zones (EZ), Long Term Rural Enterprise Zone (LTREZ), Strategic Investment Program (SIP), etc.) to support strong local economies, community investment, and long-term economic growth. These programs are intentionally designed to provide local governments with flexibility to attract and retain industries that align with local economic priorities, infrastructure capacity, and workforce needs. The EZ and LTREZ programs provide local governments the option to offer a temporary full exemption from property taxes for qualified new business investment, while the SIP program allows local governments to offer a 15-year partial exemption on the value of new property exceeding a specified investment threshold.

These incentive programs are critical tools for maintaining Oregon's national competitiveness and generating substantial long-term benefits through job creation, enhanced economic activity, infrastructure investment, and increased tax revenues. Local governments absorb the primary impact of temporary property tax exemptions and provide the infrastructure and public services necessary to support development, while the state realizes significant revenue gains through increased income tax collections and broader economic activity generated by these investments. As the state increasingly benefits from local economic development efforts, it should also be a stronger financial partner in supporting and sustaining these programs. Preserving local discretion, predictability, and flexibility within economic development programs remains essential to ensuring communities can effectively compete for and support major economic development opportunities.

Public and private employers across the state are having trouble filling critical workforce needs. As an example, Oregon respondents to the [2025 Associated General Contractors of America Workforce Survey](#) indicate that 56% expect to hire new employees and 54% have increased headcount in the last year. However, 52% of respondents report trouble hiring due to a lack of qualified and credentialed candidates. This challenge rings true for cities. Cities have reported trouble filling wastewater treatment positions due to lack of qualified candidates, while community colleges are neglecting to start programs because of the high cost of running them.

Transportation Committee

LOC Contact: Nicole Stingham, nstingham@orcities.org

2027 TRANSPORTATION PACKAGE

RECOMMENDATION: The LOC supports a robust transportation package that supports Oregon's multi-jurisdictional, multi-modal, and safety-oriented transportation system. Recognizing that Oregonians don't always know who owns what route they rely on, any revenue should support our shared transportation system. The LOC believes this is most effective through a statewide revenue source rather than more administratively burdensome and inequitable local revenue methods that are unable to ensure that all users pay their fair share (including through user fees).

Cities and locally owned transportation systems rely on a strong state partner to meet our shared goals of a system that moves people from "point a to point b" safely and effectively. In addition, the conditions of state and county routes impact cities by both directing additional traffic on city streets and affecting how residents get to where they need to go safely. This requires system expansion to be secondary to restoring funds in grant programs and transit services, protecting existing programs, and an overall focus on operation and maintenance.

Background: After a failed package in 2025, efforts are underway on a 2027 package to address the known need for state, county, and city infrastructure. The State Highway Fund (SHF) is the primary revenue source for the state's transportation infrastructure, and comes from various sources, including gas and diesel tax, weight mile tax, vehicle registration fees, vehicle title fees, and driver's license fees. These funds are distributed using a 50-30-20 formula, with 50% going to the state, 30% to counties, and 20% to cities. Continued investment in transportation infrastructure is critical for public safety objectives such as the Safe Routes to Schools and the Great Streets programs. In addition to those grant programs, local communities rely on the Statewide Transportation Improvement Fund and Oregon Community Paths resources. These programs are essential in cities to support efficient, convenient, safe, cost-effective transportation systems that are open to all members of our communities.

CAUTIOUS ADOPTION OF AUTONOMOUS VEHICLES

RECOMMENDATION: The LOC will advocate for necessary tools to support communities as autonomous vehicles (AVs) come to Oregon, particularly for private for-hire AVs. Cities are proactively and cautiously preparing for new technology, like autonomous vehicles, and it's crucial to get the regulations right to ensure proper coordination, alignment between all stakeholders, and flexibility as the technology is evolving rapidly.

AVs will impact city goals and requirements, ultimately impacting their transportation system plans. Cities must not be preempted in their ability to permit (as it relates to private for-hire AVs) and regulate the use of this new technology on city infrastructure. Cities should have the ability to:

- Ensure AVs follow the rules of the road and can receive traffic violations like human drivers, and that law enforcement officials are trained on ways to disengage an AV;
- Require geofenced areas to have operational standards based on the local needs or goals (like limiting 0 passenger trips), to accommodate special events, or to address infrastructure challenges that prevent safe deployment of technology;
- Allow revenue generation to offset costs for training law enforcement and first responders; and
- Limit the number of AVs that are allowed to operate in a city, potentially scaling up as predetermined performance benchmarks are reached.

At the same time, the LOC supports federal authority to determine if and when an AV is street ready. In addition, the state should determine cyber safety standards, insurance requirements, vehicle registration, and other activities.

Background: With new technologies comes new and unforeseen challenges and opportunities. AVs offer the ability to improve traffic safety by limiting human error, as

industry data shows. AVs could also promote other economic activity and create access to our transportation system. At the same time, there are key risks to mitigate as we learn lessons from cities across the nation that have operated with AVs. One lesson – a slow rollout will help companies identify and address issues as they arise. From navigating weather to power outages, San Francisco transportation officials have learned a lot and shared that with the LOC's Transportation Policy Committee. Despite AVs being in operation for years, the California Department of Motor Vehicles recently created rules around traffic citations for AVs nearly two years after their state legislature passed authorizing legislation. Oregon would benefit from waiting until the technology has advanced, being a fast follower rather than an early adapter. In addition, Oregon should balance support for industry and competition with public trust and public good.

In addition, for more than 40 years, the state of Oregon has recognized that for-hire services like taxis and other vehicles for-hire are a necessary part of the transportation system and has left regulation to local authorities (see ORS 221.485, ORS 221.495). Private for-hire AVs should have higher standards for city regulation versus privately owned vehicles.

CITY SUPPORTED STREET SIGN TRADITIONS

RECOMMENDATION: The LOC will advocate to allow cities to support community activities and fundraisers through signs on light poles. Many cities hang signs on street light poles to recognize holidays, and in some cases these signs are sold as a fundraiser to support chambers, downtown organizations, or other community causes (examples include Mother's Day flowers and Christmas ornaments). State statute prevents this if the sign is visible from a state highway. The LOC will work to create flexibility for cities to support these fundraisers even if they are visible from a state highway.

Background: State statute prevents "advertising signs" within view of state highways, even if they are not on state right-of-way. The state considers advertising to be any exchange of compensation, regardless of its intended purpose. While this is a long-standing statute that is not actively consistently enforced, it has recently prevented one community from supporting a fundraiser for their downtown association. The LOC Transportation Policy Committee is flexible on the solutions and has directed staff to work with the Oregon Department of Transportation on bill language to address this in the least administratively burdensome manner, which will likely include a waiver for fundraising efforts that are endorsed by a city.

Water and Wastewater Committee

LOC Contact: Michael Martin, mmartin@orcities.org

INFRASTRUCTURE FUNDING

RECOMMENDATION: The LOC will advocate for increased and sustained investments in drinking water, wastewater, stormwater, and water reuse infrastructure needed to support housing production, economic development, public health, and environmental protection. This includes: expanding flexible, low-cost financing tools that reduce ratepayer burden; supporting infrastructure capacity needed for housing and economic development; investing in aquifer storage and recovery projects; protecting system development charge authority; and sustaining infrastructure financing programs, including the Special Public Works Fund, which help communities address critical infrastructure needs. The LOC will advocate for policies that recognize the increasing costs associated with regulatory compliance, environmental protection, and workforce needs.

Background: Water infrastructure (drinking water, wastewater, stormwater, and reuse) is essential to supporting housing production, economic development, public health, and environmental protection in communities across Oregon. Cities own and operate drinking water, wastewater, stormwater, and water reuse systems that require ongoing investment to maintain reliability, comply with state and federal regulations, and serve existing and future residents.

The 2024 LOC Infrastructure Survey identified approximately \$6.4 billion in water infrastructure needs statewide. Cities continue to face increasing costs associated with aging infrastructure, regulatory compliance, environmental requirements, workforce challenges, and inflationary factors.

Without adequate infrastructure capacity, communities may struggle to accommodate needed housing development and economic growth. State investments should support direct infrastructure projects and proven financing programs that help communities plan, construct, and upgrade critical facilities. State programs like the Special Public Works Fund play an important role in helping communities address critical infrastructure needs.

WATER REUSE

RECOMMENDATION: The LOC will advocate for policies and investments that support the development and expansion of water reuse projects throughout Oregon. This includes: funding for planning, design, and construction; clear and predictable regulatory pathways; and technical assistance for local governments. The LOC will support

maintaining local flexibility to implement community-specific reuse solutions that protect public health and environmental quality.

Background: The Legislature has recognized the value of water reuse through [House Bill 2169 \(2025\)](#). Despite growing interest in water reuse, many communities face financial, technical, and regulatory barriers that limit the development of water reuse. Cities need funding, technical assistance, and regulatory certainty to evaluate and implement reuse projects that meet local needs. As Oregon continues to invest in water infrastructure and community resilience, water reuse should be recognized as an important tool that complements existing water management strategies and helps communities achieve long-term sustainability goals.

RATEPAYER ASSISTANCE

RECOMMENDATION: The LOC will advocate for improved affordability for drinking water and wastewater customers while maintaining the financial stability necessary to operate, maintain, and improve local utility systems. This includes state-supported water and wastewater ratepayer assistance programs, and policies that consider affordability impacts on residents.

Background: Cities face the challenge of balancing affordability for residents with the investments necessary to maintain safe and reliable utility systems. State-supported ratepayer assistance programs and increased participating in infrastructure funding can help reduce financial burdens on households while preserving the financial sustainability of local utilities and ensuring continued access to essential water services. In 2025, the Legislature introduced [House Bill 3527](#), which requested \$11 million to continue funding the program, but the bill did not advance out of the budget committee.

WATER WORKFORCE DEVELOPMENT

RECOMMENDATION: The LOC will advocate for investments in workforce development programs that support the recruitment, training, certification, and retention of drinking water and wastewater professionals. This includes: support for operator-in-training and apprenticeship programs; certification and reciprocity improvements; regional training opportunities; and funding that helps communities develop and maintain a qualified water workforce.

Background: Oregon cities depend on certified operators and other utility professionals to provide safe drinking water, protect water quality, maintain regulatory compliance, and operate increasingly complex infrastructure systems. Water utilities across the state face growing challenges of recruiting, training, and retaining qualified personnel.

Investments in workforce development, training infrastructure, and career pathways will

help ensure communities have the skilled workforce necessary to operate and maintain critical water infrastructure systems. The Legislature recently recognized the importance of this workforce with [House Bill 4007 \(2026\)](#), which established a “Water Professionals Appreciation Week” annually in October.