



# **City of Canby**

## **Urban Growth Boundary Expansion**

### **Report – Executive Summary**

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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 and 3.7 acres of associated neighborhood commercial land need, 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  |
| Neighborhood Commercial                                                           | 3.7 acres   |
| Parks                                                                             | 25.7 acres  |
| Employment (including commercial and industrial properties and public facilities) | 439.2 acres |
| Total Preliminary UGB Expansion Land Need                                         | 541.7 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, 3.6 acres of associated neighborhood commercial, 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 up to 25.7 acres of park land from Subarea 1a to the UGB to accommodate some or all of the park land deficit.

Recommendation: Add up to 3.6 acres of neighborhood-serving commercial land from Subarea 1a to the UGB.

#### **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.

Recommendation: Consider whether park land is appropriate for this area.

#### **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.

Recommendation: Consider whether park land is appropriate for this area.

#### **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: Pursue addition of 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: Pursue addition of 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.

Recommendation: Consider whether park land is appropriate for this area.

#### **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.

Recommendation: Consider whether park land is appropriate for this area.

### **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.

Recommendation: Consider whether park land is appropriate for this area.

### **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**

| <b>Subarea</b> | <b>Gross Acres</b> | <b>Gross UGB Acres</b> | <b>Unconstrained Residential Acres</b> | <b>Unconstrained Nbhd Comm Acres</b> | <b>Unconstrained Park Acres</b> | <b>Unconstrained Employment Acres</b> | <b>Total Unconstrained Acres</b> |
|----------------|--------------------|------------------------|----------------------------------------|--------------------------------------|---------------------------------|---------------------------------------|----------------------------------|
| 1a             | 115.9              | 115.9                  | 73.1                                   | Up to 3.7                            | Up to 25.7                      |                                       | Up to 102.5*                     |
| 1b             | 50.0               | 50.0                   |                                        |                                      |                                 | 42.3                                  | 42.3                             |
| 1c             | 34.3               | 34.3                   |                                        |                                      |                                 | 34.3                                  | 34.3                             |
| 11             | 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               |                        |                                        |                                      |                                 |                                       |                                  |
| <b>TOTAL</b>   | <b>1,555.4</b>     | <b>529.4</b>           | <b>73.1</b>                            | <b>Up to 3.7</b>                     | <b>Up to 25.7</b>               | <b>389.6</b>                          | <b>Up to 492.1</b>               |

\*Subject to City decisions about neighborhood-serving commercial and park land in Subarea 1a.

Figure ES1. Urban Growth Boundary Expansion Recommendation

