

**AGENDA
CANBY URBAN RENEWAL AGENCY SPECIAL MEETING**

March 3, 2021

6:15 PM***

Virtual Meeting/ Council Chambers

Meetings can be viewed on CTV Channel 5 and YouTube:

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

Register in advance for this webinar:

https://zoom.us/webinar/register/WN_L4LhE3a6Sk2SRIPSjHtELA

After registering, you will receive a confirmation email containing information about joining the webinar.

222 NE 2nd Avenue, 1st Floor

Chair Shawn Varwig

Commissioner Christopher Bangs

Vice-Chair Brian Hodson

Commissioner Traci Hensley

Commissioner Greg Parker

Commissioner Sarah Spoon

Commissioner Jordan Tibbals

1. CALL TO ORDER

2. CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS

3. CONSENT AGENDA

A. Minutes from the February 3, 2021, URA Special Meeting. Pg. 1

4. NEW BUSINESS

A. Consider Façade Improvement Grant Application from Yeonsil Jung for a business located at 356 NW 1st Ave (Rice Time). Pg. 2

B. Annual Report

Pg. 11

5. ADJOURN

*The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to Melissa Bisset at 503.266.0733. A copy of this Agenda can be found on the City's web page at www.canbyoregon.gov. Urban Renewal Agency Meetings are typically broadcast live and can be viewed on CTV Channel 5. For a schedule of the playback times, please call 503.263.6287.

****In compliance with social distancing measures to protect the spread of COVID-19, we are requesting that rather than attending in person you watch the recorded meeting on YouTube:**

<https://www.youtube.com/channel/UCn8dRr3QzZYXoPUEF4OTP-A/> **If you do not have access virtually, there are a small number of chairs provided inside so the City is in compliance with public meeting laws and the Governor's Executive Order.**

**CANBY URBAN RENEWAL AGENCY
SPECIAL MEETING MINUTES
February 3, 2021**

PRESIDING: Chair Shawn Varwig

COMMISSIONERS PRESENT: Christopher Bangs, Brian Hodson, Greg Parker, Sarah Spoon, Jordan Tibbals, and Traci Hensley.

STAFF PRESENT: Scott Archer, City Administrator/Agency Director; Joseph Lindsay, City Attorney; Jamie Stickel, Economic Development Director; Calvin LeSueur, Economic Development and Tourism Coordinator; Jerry Nelzen, Interim Public Works Director, and Melissa Bisset, City Recorder/ HR Manager.

OTHERS PRESENT: Mary Hanlon and Chief Jim Davis.

CALL TO ORDER: Chair Varwig called the Special Meeting to order at 6:19 p.m.

CITIZEN INPUT & COMMUNITY ANNOUNCEMENTS: None.

CONSENT AGENDA: ****Vice Chair Hodson moved to adopt the minutes of the January 20, 2021 Urban Renewal Agency Special Meeting. Motion was seconded by Commissioner Bangs and passed 7-0.**

Chair Varwig adjourned the Special Meeting at 7:12 p.m.

Melissa Bisset, CMC
City Recorder

Shawn Varwig
Chair



City of Canby

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

Phone: 503.266.4021
Fax: 503.266.7961
www.canbyoregon.gov

Urban Renewal Agency Staff Report

DATE: March 3, 2021

TO: Honorable Mayor Hodson and Urban Renewal Agency

THRU: Scott Archer, City Administrator

FROM: Calvin LeSueur, Economic Development and Tourism Coordinator

ITEM: Façade Improvement Construction Grant Request

Summary

The City of Canby received an application for a Façade Improvement Construction Grant for the commercial property located at 356 NW 1st Ave for up to \$25,000. The applicant intends to update their façade to improve the property located in historic downtown Canby.

The proposed façade improvement project includes the following:

- New Awning

Main Street Design Committee members also commented:

- “I love the idea of a new awning here. The existing one is tired and outdated. It can be seen from 99E so I’m grateful it will be replaced. My only recommendation is that maybe the owner could get just a slight bit more creative with the font. But as the proposal shows, it would be a huge improvement.”
- “I think this proposed Facade Improvement for Rice Time is a great idea, I think the new awning is much more in keeping with the surrounding buildings. I fully support this proposed improvement.”

Background

Since 2010, The Canby Urban Renewal Agency has funded construction grants of up to \$25,000 to encourage private investment in Canby’s Urban Renewal District. The Façade Improvement Program partners with property owners and businesses to make improvements to the exterior of buildings clearly visible from the street. This partnership helps the Canby Business District revitalize and become more inviting to tenants, customers and residents. This program has been successful in generating design improvements at approximately 3 properties per year in Downtown Canby and along Hwy 99E.

Discussion

This application is strong in that it will replace a damaged and unsightly existing awning.

Attachments

Façade Improvement Application, existing condition photo, design proposal photo, bids from 2 contractors.

Fiscal Impact

Matching grant of up to \$25,000 from the Urban Renewal Agency.

Options

Option 1: Approve matching grant of up to \$25,000 for Yeonsil Jung under the guidelines of the Canby Façade Improvement Program.

Option 2: Decline matching grant of up to \$25,000 for Yeonsil Jung under the guidelines of the Canby Façade Improvement Program.

Recommendation

Staff recommends that the Agency approve allocation of matching grant funds for this project.

Proposed Motion

"I move to approve the matching grant of up to \$25,000 for Yeonsil Jung under the guidelines of the Canby Façade Improvement Program."



Facade Improvement Grant Application

PLEASE NOTE:

Applying for the Canby Façade Improvement Program does not obligate the Canby Urban Renewal Agency to allocate funds for the specified project. Only after review and approval of the application will the Agency authorize funds for the specified project and only after completion of the project pursuant to the Canby Façade Improvement Program will the Agency be obligated to provide the authorized grant.

Date: _____

APPLICANT INFORMATION

Applicant's Name: Yeonsil Jung

Mailing Address: 356 NW 1st Ave.
Canby OR 97013

Phone: 503.820.8033 Email: yeonsil74@yahoo.com

If someone other than the property owner will be the contact person for this project, please list here.

Contact Name: _____

Mailing Address: _____

Phone: _____ Email: _____

PROPERTY INFORMATION

Property Address: 356 NW 1st Ave. Canby OR 97013

Name(s) of owners: Deborah Anderson

Land Use (Zoning) Designation: Restaurant

Tax Lot Number: 1500





Facade Improvement Grant Application

I intend to complete the following (check all that apply):

- Design Services Application (up to \$1,500 reimbursement, no match)
- Façade Construction Application (50% matching grant, up to \$25,000)
- Blade Sign Application (\$200 Reimbursement)

PROJECT VISION/IDEAS:

PLEASE SUBMIT THE FOLLOWING WITH YOUR APPLICATION:

- Pictures of property – several views are preferable – 4"x6" minimum

Please describe desired façade improvements (i.e. blade sign, paint, awnings, cornice repair, windows, etc.) Include any visuals that may assist in describing desired outcomes. Attach additional pages if needed.

Replace old awning.

The following steps are to be completed after meeting with City Staff.

PROPOSED FAÇADE IMPROVEMENTS:

Please provide copies of architectural renderings, including scaled and colored drawings, exterior elevations, site plans showing landscaping, parking and public improvements, and perspective drawings showing building and context appearance. Please also provide a copy of the financial analysis including summary of construction costs as provided by the architect.

CONSTRUCTION QUOTES:

The applicant will provide required quotes based on cost for completing the façade construction. Once all quotes have been received, a contractor will be selected for the project.

- Façade improvements costing \$15,000 or below will require submittal of a minimum of two competitive contractor quotes.
- Façade improvements costing more than \$15,000 will require submittal of a minimum of three competitive contractor quotes





Façade Improvement Grant Application

PLEASE SUBMIT THE FOLLOWING TO SUPPLEMENT YOUR APPLICATION:

- Copies of proposed design
 - Construction quotes
-

CERTIFICATION

I certify to the City of Canby Urban Renewal Agency that ALL of the information contained in this application is true and correct to the best of my knowledge. I acknowledge that the funding source of the Façade Grant program is the City of Canby's Urban Renewal Agency and I understand that I must comply with all the regulations of the Urban Renewal Agency and the City of Canby.


Applicant's Signature

Yeonsil Jung
Print Name

02.13.2021
Date

EMAIL, MAIL OR DELIVER COMPLETED APPLICATION AND REQUESTED DOCUMENTATION TO:

Email: Calvin LeSueur
Economic Development + Tourism Coordinator
LeSueurC@CanbyOregon.gov

Mail: City of Canby
PO Box 930
Canby, OR 97013

Drop: City of Canby | Development Services
222 NE 2nd Ave
Canby, OR 97013



Rice Time Restaurant

ORANGE CHICKEN

THAI-SOBA

OPEN

THAI-PO CHICKEN

URA Packet - Page 7 of 38





Date: February 2, 2021

QUOTATION

FROM THE DESK OF: Joe Spearing |joe@pikeawning.com

7300 SW LANDMARK LANE PORTLAND, OREGON 97224
o: (503)624-5600 | c: (503)758-4084 | www.pikeawning.com

SUBMITTED TO:

Rice Time Restaurant
356 NW 1st Ave
Canby OR, 97013

SITE:

Phone: 503.820.8033

Email: yeonsil174@yahoo.com

INCLUDES:

[1] Welded Frame Awning Recover, complete and installed

- Frame: existing frame
- Size:
 - o 5'3" Height
 - o 22' Wide
 - o 3'6" Wide
- Fabric: Sunbrella 100% acrylic canvas color: to be determined by customer [10 yr. war.]
 - o Seams: Welded
 - o Thread: Tenera by Gortex, lifetime warranty
- Valance: None
- Graphics: One color copy of "Rice Time Restaurant" in standard text

- Cost: **\$3,950**

Quote does not include permits or engineering

Total: \$ 3,950

Sales Terms: 1/2 down and balance due upon completion

Accepted by: _____

Date: _____

Price good 90 days



Quote

Quote Delivery Date 11-Jan-2021
Quote No. 8548
Option __ of __
Valid Until 10-Feb-2021

CUSTOMER

Yeonsil Jung
Rice Time
356 NW 1st Ave
Canby, OR 97013
503-820-8033/503-266-2623
yeonsil74@yahoo.com

DESCRIPTION

Awning Re-cover & graphics

Scope of Work

This quote is to furnish and install a new cover for the existing Lace-On Convex awning at the Rice Time Restaurant. This awning has waterfall design end-caps and is approximately 17' wide and 5' in height. We propose using Sunbrella fabric with a 10 year warranty. Color TBD. Graphics are included - the words "Rice Time Restaurant" will appear on the slope. Final font, size and color TBD.

This quote is subject to a final job site inspection.

Total \$ 3,478.50
Due Now \$ 1,739.25

Availability: Approx. 4-6 weeks after receipt of all information.

TERMS AND CONDITIONS

If you wish to proceed with this agreement: where applicable, please indicate preferred options, sign & return a copy of this agreement for our files.
TERMS: 50% deposit due upon acceptance and balance due upon completion. This becomes a binding contract if accepted by both parties.
CCB #202531

X _____
Signature Date

Print Name

Steve
Account Manager - Rose City Awning & Flag
Steve@rosecityawning.com

2728 NW Nela Street • Portland OR 97210 • Phone: (503) 226-2761(503) 226-2761
www.rosecityawning.com • sales@rosecityawning.com



City of Canby

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

Phone: 503.266.4021
Fax: 503.266.7961
www.canbyoregon.gov

Urban Renewal Agency Staff Report

DATE: March 3, 2021

TO: Chair Varwig and Urban Renewal Agency

THRU: Scott Archer, City Administrator

FROM: Economic Development Director Jamie Stickel and Finance Director Julie Blums

ITEM: Annual Report

Summary

The Economic Development Director and Finance Director will present the 2019-2020 Urban Renewal Agency annual report.

Background

The City of Canby created an Urban Renewal District (URD) in 1999 to diversify the economic base and family wage jobs; maintain an effective, efficient, and safe traffic system for vehicles and pedestrians; improve and retain existing businesses; and improve attractive visual amenities for customers and community members. Throughout the lifetime of the URD, the city has seen investments in infrastructure, façade improvements, city-facilities, public/private partnerships, and more.

Discussion

The Urban Renewal District annual report will be presented to the Urban Renewal Agency. Highlights from the 2019-2020 fiscal year include redevelopment of the former library, creation of a quiet zone, and industrial park access.

In FY 2019-20, the Agency received \$4,079,812 in revenue, which includes tax revenue, miscellaneous revenue, and interest on investments. Expenditures were \$4,497,501. The annual report outlines projects completed in fiscal year 2019-20, prior-year projects, and a financial overview including; maximum indebtedness, remaining debt capacity, increases in incremental accessed value, tax increment revenue, and outstanding debt.

Attachments

- 2019-2020 Urban Renewal Agency annual report

Fiscal Impact

None.

Options

None.

Recommendation

None.

Proposed Motion

None.



City of Canby Urban Renewal Agency

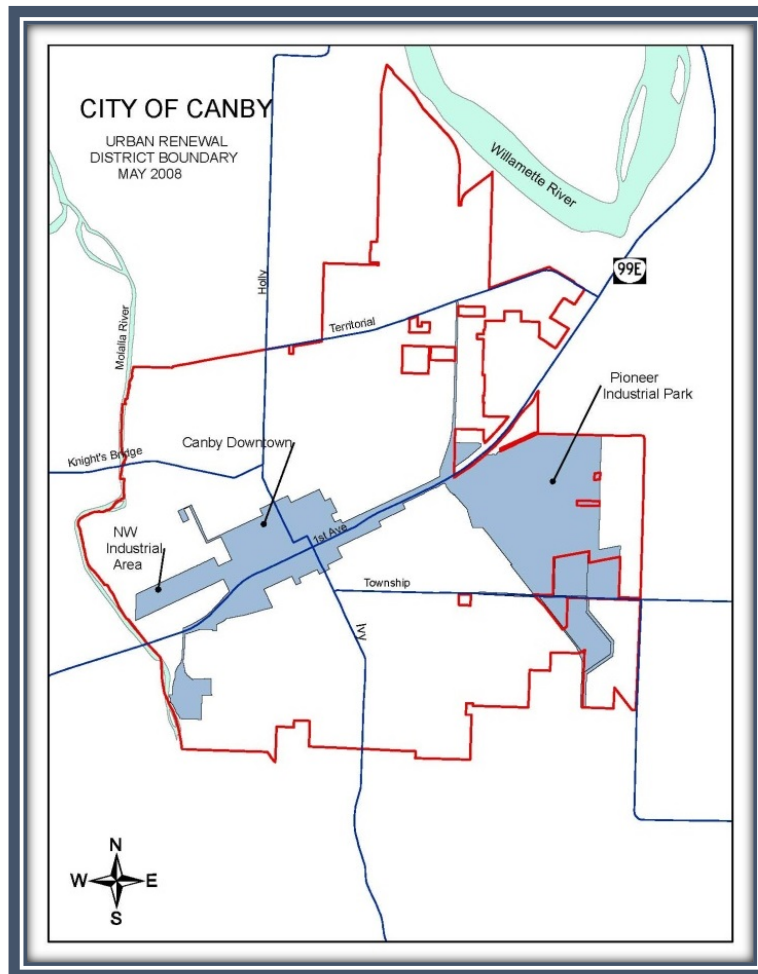
FISCAL YEAR 2019 – 2020 ANNUAL REPORT

Table of Contents

Canby Urban Renewal District Overview.....	1
Tax Increment and Project Funding, How it works.....	2
Frequently Asked Questions.....	3
2019-2020 Projects.....	4
Major Accomplishments since the Inception of the District.....	6
Transportation Project UR District Investment.....	10
Summary of Street and Circulation Projects.....	11
Investments in Downtown Canby.....	12
Public - Private Partnerships.....	13
The Canby Façade Improvement Program.....	15
Financial Overview.....	16
Maximum Indebtedness and Remaining Debt Capacity.....	16
Increase in Incremental Assessed Value.....	17
Increase in Tax Increment Revenue.....	17
Debt Outstanding.....	18
When will the Urban Renewal District End?.....	19
Actual Revenue Impacts on Taxing Entities.....	20
Financial History July 1 2000 – June 30, 2020.....	21
FY2019 – 2020 Actuals and FY2020 – 21 Projections.....	22
Cash Flow Projections FY2021 – 2026.....	23
Increase in Investment and Assessed Value.....	24

Canby Urban Renewal District Overview

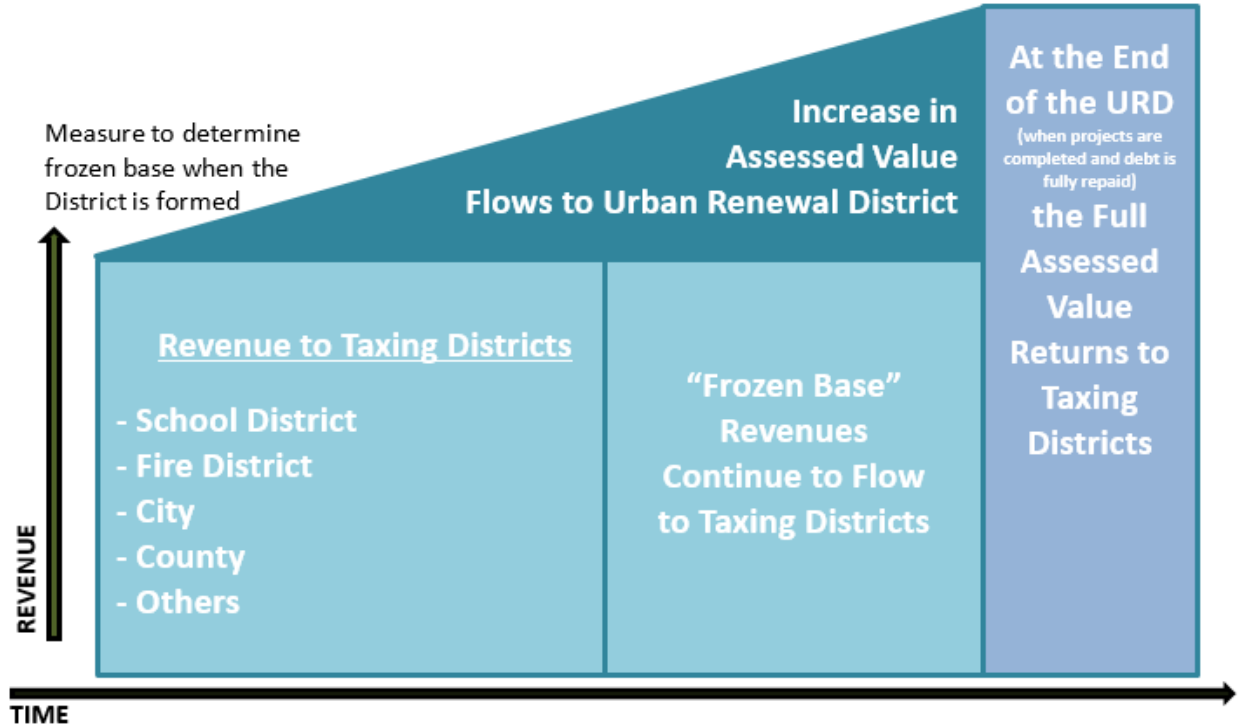
In 1999, Canby established a 573 acre Urban Renewal District that includes the Canby Pioneer Industrial Park, the downtown business area and the northwest industrial park. The District is set to expire when projects are completed and debt is repaid. The Urban Renewal Agency makes decisions on investment projects. The City Council and Mayor serve as the Agency Commission. The City Administrator, Scott Archer, acts as the Urban Renewal Director, and is responsible for ensuring its financial health. Residents are not paying any additional taxes for the Urban Renewal program.



Goals and Objectives of the Canby Urban Renewal Agency

- To diversify economic base and family wage jobs within the district.
- To maintain effective, efficient, and safe traffic system for vehicular and pedestrian users.
- To improve and retain existing businesses.
- To improve attractive visual amenities for customers and community members throughout the district.

Tax Increment and Project Funding, How it works...



When Canby formed the District in 1999 it created an urban renewal district boundary and determined the assessed value in the district of \$65,611,926. This assessed value is the “Frozen Base”.

Throughout the life of the District, all taxing districts continue to receive all tax revenues on this existing assessed value. This base ensures that important community services continue to receive the same level of revenue to support services important to citizens.

The Urban Renewal District invests in projects that will stimulate new development to increase tax revenues. Since 1999 the Canby Urban Renewal District has generated over \$243 million in increased assessed value. Bonds can be issued to fund urban renewal projects of up to \$51.149 million that are repaid with increases in assessed value in the district.

When the Urban Renewal District ends and debt is repaid, all assessed value is redistributed back to taxing districts at a much higher assessed value. The city continues to benefit from urban renewal benefits long after the district dissolves.

Frequently Asked Questions

How are Urban Renewal projects funded?

Revenue for projects comes from “tax increment financing” that directs tax revenues from increasing property values back into the District to spur development. Property in the District had its assessed value “frozen” at 1999 rates when the URD was established. Whatever taxes paid at that time to local taxing districts continue to flow to them at the same rates. Any additional taxes paid after 1999, due to an increase in the assessed value of the property, are directed to projects in the District. Projects in the Urban Renewal District are financed by selling bonds that are repaid with revenue generated in the District. The Canby Urban Renewal Agency decides which projects or programs to fund.

Am I paying for Urban Renewal? It shows up on my tax statement.

You are not paying any additional taxes for Urban Renewal. The County Tax Assessor shows the equivalent of taxes on property tax statements. The formation of an urban renewal area does not change what property owners pay in taxes or add any new taxes. Urban Renewal does redistribute taxes already paid by property owners. Property taxes, which are based on assessed values, may rise as the value of property rises with urban renewal improvements in the area. However, in most cases increases are limited to no more than 3% per year.

Where is the Agency getting \$51+ million to invest in Urban Renewal projects?

The City does not have cash for projects. Development projects are funded by selling bonds. When the Urban Renewal District was formed on November 3, 1999, a maximum indebtedness of \$51,149,000 was set. Bonds are issued to fund projects and programs that meet the goals of the Urban Renewal Plan. The bonds are paid back from increased property tax value and tax revenues generated by new investment in the district over time.

What can the Urban Renewal Agency invest in and how can the funds be used?

Urban Renewal funds can research the feasibility of, plan for, and fund capital projects like roads, utilities, and other infrastructure. The Urban Renewal Agency can also purchase and improve property, assemble sites, build buildings, or repair or rehabilitate them for sale or lease them for private or public sector use. It can relocate businesses to free-up property for redevelopment. The Agency cannot fund projects or programs outside of the district*, or fund promotion, events, and ongoing maintenance. (*a project that has a nexus and is a district benefit can be funded.)

Doesn't this hurt other taxing districts?

Taxing districts still receive the revenues they did when the District was formed. When the district dissolves, taxing districts have a higher tax base (and higher revenues) than they would have without the district. The “loss” to schools is indirect because they are now funded based on a state formula instead of by property taxes.

2019-2020 Projects

Redevelopment of the Former Library Building

When the new library and civic building opened in October 2016, it left the former 10,961 square foot library building vacant. The building is located at 292 N. Holly Street at a strategic corner of N 3rd Avenue and Holly Street at Wait Park. The Urban Renewal Agency desires to return the building to the tax rolls, generate revenue for the city, and attract private sector investment, jobs and development to the core downtown area. In preparation, the building was emptied of furniture and remaining materials, and cleaned. A concept design was created to inspire ideas around a public market and flexible creative office space.

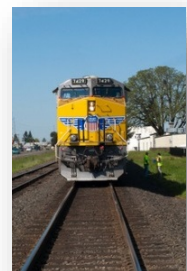
Agency staff marketed the property for lease or sale in 2017 and in 2018. While the city received interesting and varied offers, the Agency chose to retain the building and redevelop it into a public market with small office spaces. The city applied for and received an Oregon Main Street Revitalization grant for \$200,000 to assist in the redevelopment of the building. The city worked with LRS Architects on a feasibility study and cost estimates. Ultimately, the estimates were too high and there was renewed interest from private entities in sale and/or lease of the building. The City re-opened a Request for Expressions of Interest in February 2020 and continued to work on finding a potential tenant.



Creation of a Quiet Zone for Downtown Canby

The City of Canby is pursuing a Quiet Zone for the downtown intersections at Elm, Grant, and Ivy. Currently, railroad engineers are required to sound their horns prior to approaching public crossings and continuously through downtown each time a train passes. This noise discourages outdoor activity, which in turn can negatively impact the economic vitality of our downtown business district. The Federal Railroad Administration (FRA), determines whether Canby can proceed with the project.

The City has contracted with PBS Engineering + Environmental to design and complete the Quiet Zone project. PBS has had success with Quiet Zone projects in other cities. The design process began in fall 2018 to construct safety improvements for a Canby quiet zone that would greatly reduce train horn blasts in downtown. The district is adjacent to the Union Pacific Railroad main line with approximately 30 trains per day passing through town.



To address this long term concern, URA staff has pursued funding and developed acceptable solutions to address safety concerns. The Oregon Department of Transportation awarded a \$137,951 grant in fall 2017. In winter 2018, the Urban Renewal Agency received permission to lead the project. Preliminary engineering began fall 2018 with construction to follow.

The project will rebuild the NE corner of Elm Street at 99E to better accommodate trucks at this tight intersection on the cities truck route. The power pole in the 99E sidewalk will be moved east. Three 73 to 80 foot non-traversable medians will be installed at Ivy, Grant and Elm from each railroad crossing arm toward NW 1st Avenue and Highway 99E. The Agency has budgeted funds for the completion of this project in 2020-2021.



Industrial Park Access:

The City of Canby is looking to address access from Highway 99E to the Canby Pioneer Industrial Park. Industrial Park developers are required to complete traffic studies to identify the impacts additional traffic will bring to the area. Traffic studies evaluate existing transportation, trip generation and distribution, and future transportation conditions. As more industrial businesses move to Canby, traffic studies received by the city have noted the need to mitigate the amount of traffic that utilizes the main road throughout the industrial park – Sequoia Parkway. The City is working on both short-term and longer-term solutions to access within the park.



The City of Canby worked to install a traffic signal at the intersection of Hazel Dell Way and Sequoia Parkway. This signal will help to ensure safety for citizens and visitors entering and exiting the Canby Market Center, as well as those cars and trucks driving to and from the Canby Pioneer Industrial Park. This is the first step to mitigate traffic and increase safety at the beginning of the industrial park. Clackamas County will maintain the signal for the City as it currently does for several other cities within the county.

In June 2019, the Urban Renewal Agency approved two resolutions which lay the groundwork for the new connector road from the industrial park to Highway 99. The first resolution approved the expansion of the Urban Renewal District boundary to include a parcel of 3.71 acres, located at 2392 SE 1st Avenue, adjacent to the Canby Pioneer Industrial Park. The second resolution approved the purchase and sale agreement between the City of Canby and Par 3 Investments for the property located at 2392 SE 1st Avenue. The purchased property is one of five properties the proposed collector street will traverse. The alternative access road will come to fruition approximately 3 – 5 years.

Major Accomplishments since the Inception of the District

Fire District Investments:

The Urban Renewal Agency has spent \$1,255,000 to fulfill the 1999 plan commitment to the Canby Fire District. These investments have improved Canby Fire District's fire protection rating and enhanced emergency response into the Urban Renewal District. Specifically, these funds paid for:

- A Fire Engine and the equipment to replace the existing 1999 Engine.
- An Emergency Medical Unit to replace a Medic Unit with an excess of 215,000 miles. The Medic Unit is stationed at the main fire station and utilized for the City of Canby.
- The remodel at the Main Fire Station.



The Rosenbauer Commander Fire Truck pictured is now serving the community with a larger pump, better turning radiuses, better ergonomics and large nozzles to help firefighters combat the fires that larger buildings bring us in the URD. It will also access areas downtown better that have been narrowed over time.



***Above: Before (left) and after (right) painting the front of the Fire Department Building.
Below: Before (left) and after (right) painting the rear of the building.***



The Urban Renewal Agency has studied, planned and coordinated projects, leveraged resources or provided funding for the following initiatives to attract businesses and new investment to the city. This public investment has stimulated private investments to occur more quickly and on a much larger scale. Public investments in infrastructure and beautification have stimulated private investments that pay the majority of new building construction and renovation costs.

Sequoia Parkway Extension:

The last segment of the Sequoia Parkway in the Canby Pioneer Industrial Park was completed in spring 2014. Canby's Urban Renewal Agency invested \$3.8 million in the project to make the final phase of the park development ready. This project entailed building a bridge over the Oregon Pacific Railroad line, paving the street extension, adding sidewalks, and installing most of the utilities.

The project was completed almost \$350,000 under budget. The extension added critical transportation access and other infrastructure to 60 acres of prime land which is actively on the market. The project also provides efficient internal circulation within the park. The new road begins near Township Road and the American Steel facility and connects to SW 13th Avenue.



The 1st Avenue Redevelopment Project:

The \$2.4 million streetscape improvement project was completed in winter 2012. Improvements included new street construction, sidewalks, parking lot, street lights, planters, street furniture, monument signs and undergrounding of utilities. The core downtown area from along NW 1st Avenue, between Ivy and Elm Streets was transformed.

Private property investment in new facades along 1st Avenue was made in many locations several new retail businesses have been launched. Other projects since construction ended include four sequoia trees at Ivy, Grant and Elm and five sculptures installed on art plinths. Decorative garden themed bicycle racks were a gift from the Canby Ford Leadership Class and festive lights adorn the street trees to attract attention to downtown from Highway 99e.



Canby Police Facility:

The \$9 million facility is 36,000 SF of state-of-the-art space for the Canby Police Department with approximately 10,000 SF of "shelled" space for future growth. The building is designed for maximum energy efficiency and was completed in August 2012.

The new building also houses Canby Municipal Court and features an often used 1,700 SF. Community Room. The facility provides more space and resources for emergency response, crime research, and evidence storage.

It is designated as an Emergency Operations Center built to higher seismic standards using non-combustible materials with backup power and generator. This ensures that the facility is a safe place to handle a wide variety of emergency response needs.



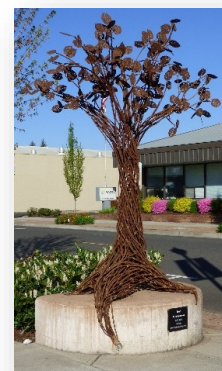
The Canby Pioneer Industrial Park:

The Urban Renewal Agency investment in roads and infrastructure has laid the foundation for successfully recruiting industrial and traded sector businesses the Canby Pioneer Industrial Park. Since 1999, the agency has incrementally built roads and installed utilities needed to make industrial sites development ready. The Park has since attracted \$130 million in private sector investments. This infrastructure investment has helped attract eleven new industrial companies and created 800 new jobs. These include Fred Meyer and ancillary retail businesses, Premier Gear, Pioneer Pump, Shimadzu, Providence, Dragonberry Produce, Wilco, Vata, Pump Tech, Cascade Engineering Technologies, Anderson Quality Springs, Kendall Floral, Columbia Distributing, and BE Group. American Steel built a 192,000 square foot steel distribution company just outside the district, generating almost \$300,000 a year in tax revenues. Industrial sites are actively being marketed for sale or lease. Many are recently recertified industrial sites.



Public Art:

Five sculptures have been installed along the south side of 1st Avenue between Ivy and Elm Streets in Canby's Downtown. Also, a large metal wall creation by a local artist was installed on the front of the new Civic Building. These original art pieces add character and sense of place to Canby's downtown.



Transportation Project UR District Investment (Approximately \$6 million)

Sequoia Parkway:

This three lane arterial road extends from Highway 99 E to 13th Avenue provides the primary access route and utilities to the Canby Pioneer Industrial Park. The parkway has robust utility infrastructure including sanitary sewer, electricity, water, telephone, gigabit broadband access, cable, and gas service. Street lights, sidewalks, bike lanes and landscaping make the park attractive and accessible for trucks, cars, pedestrians and cyclists.



Hazel Dell Way:

This local road also has all utilities in place. Businesses now located here include Kendall Floral, Meadow Burke, Anderson Quality Spring, Active Water Sports, OCI Reimers, and Canby Area Transit. Several smaller vacant industrial sites are actively on the market for development.

4th Avenue:

This east-west connection from Redwood Street to Sequoia Parkway provides an alternate access route to Highway 99 E at Pine Street. Companies include Shimadzu, USA, BE Group, and Pac International lots ready for development.

Walnut Street:

This local street connects the eastern part of the industrial park to Sequoia Parkway and opens over 40 acres for development. The road was funded as a local improvement district and coordinated by the URA. Utilities extend to most sites. The final road and infrastructure extension to 1st Avenue will be completed with development on adjacent sites.



Summary of Street and Circulation Projects

PROJECT	STATUS
NW and NE 1st Ave. From North Ivy to North Elm and UP Parking Lot	Done
NW and NE 2nd Ave. from North Ivy to North Elm	Done
NW and NE 3rd Ave. – Ivy to Elm	½ Done - Grant to Elm dropped
NW and NE 4th Ave. – Ivy to Elm	½ Done - Grant to Elm dropped
N Ivy, Holly, Grant – N 1st to N 4th	Done
SW 1st Ave. – Old Pacific to 99E	3/4th Done - Elm to Grant dropped
SW and SE 2nd Ave. – Behind McDonalds to Locust in front of Chamber Office	Done
SW 4th Ave. – Old Pacific (Birch) to South Elm	Done
Sequoia Parkway – 99E to SE 13th (Phases 1-5)	Done
SE 4th Avenue – End to Mulino Road	Not Complete
Industrial Park Collectors – Shown in Industrial Area Master Plan	Not complete
Township Road – S. Redwood to Mulino Road	Not Complete
S Berg Parkway 99E to SW 13th Street	Done
99E Access Improvements	Not all complete
N Berg Parkway – 99E to NW 3rd	Not Complete



Map of Industrial Area Improvements
Yellow = Done, Red = Future Phase



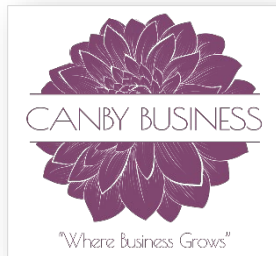
Map of Downtown improvements
Yellow = Done, Red = Future Phase

Investments in Downtown Canby

Streetscape improvements

Downtown investments include paving, lighting, seating, landscaping, banners and amenities on 1st and 2nd Avenues. The north side of Second Avenue and a vacant pad on the south side are well positioned for private sector redevelopment. A \$2 million investment of Urban Renewal District funds built a new streetscape and public parking lot.

The Canby Main Street Program



This multifaceted program was launched in 2010 and dedicates staff and funding to promote economic vitality of the downtown commercial district, revitalize buildings and street environments, and promote downtown. A four point approach includes a focus on design, economic vitality, promotions, and organization. Projects include outreach to support local businesses, promotions and events, administering the Canby Façade Improvement Program.

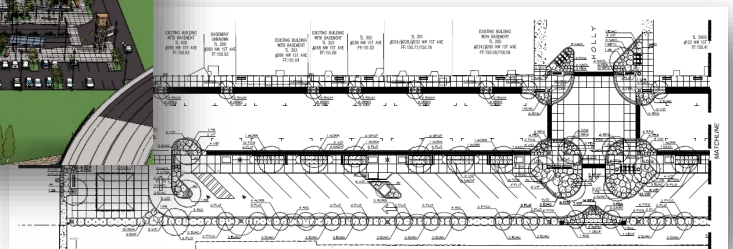
Entry Gateway Signs

Seven large, attractive signs now welcome visitors to Canby in strategic locations along Highway OR 99E, and at the gateways to downtown at Elm, Grant and Ivy Streets. The signs reinforce the “Canby the Garden Spot” theme in attractive stone monument signs.

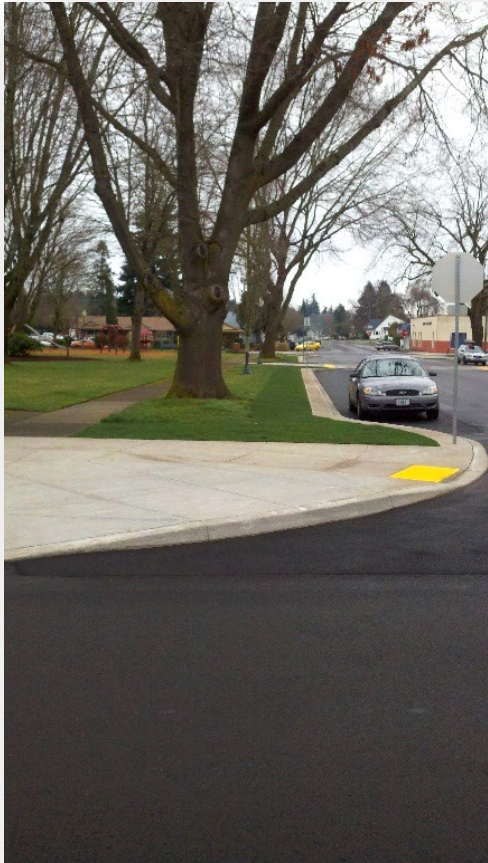


Preparing for Development

The city has also modernized and updated its sign code and design standards to ensure that future development is attractive and consistent. Other efforts include the development of the Canby Downtown Plan, and feasibility studies for housing, hotel, office, and other types of development.



Wait Park Frontage Road Improvements:



This project was completed December 2011 for approximately \$603,000. The project provided new roadway surfaces on all the frontage streets and pervious pavement in all of the parking areas and improved sidewalks and crossings. The project included a mid-block sidewalk crossing and bump outs at each intersection to improve safety for pedestrians. The planter strips along the park frontage were expanded to add to the green space and a better surrounding for the existing trees. Enhanced power and lighting was added to the Gazebo in 2017.



Public - Private Partnerships

Canby Cinema 8

This \$5.5M project added an eight-screen cinema that opened in 2010 and provides an additional recreational amenity and attraction to downtown Canby. The theater shows first-run movies as well as custom and discount screenings to meet local preferences. The city invested in the oversized parking lot for more parking options for employees and visitors.



The Andrus Office Building



The city partnered with property owners to conduct a feasibility study for potential redevelopment of the site. This study led to the 2008 construction of a two-story 6,000 sq. ft. + professional building adjacent to Wait Park. Most of the building is now occupied.

Redevelopment of the Canby Civic Block



Almost a full block in the downtown has been transformed over the past few years with new retail and apartment development, and restaurants and other businesses that will locate in renovated former city buildings. The 58,000 SF Dahlia Building completed construction in summer 2018 with the grand opening was held on Thursday, August 9th. The new \$15 million building brought 69 market rate apartments and 8,000 SF of new retail space to Canby. Creating housing options in downtown has long been a goal of the Agency and the community. The former City Hall and Police Building will be renovated for new restaurant and commercial space.

The Civic Block is located on Ivy and Holly between 1st and 2nd Avenues. The former Canby city hall, council chambers, finance building, and the development services building were located there. The City vacated these buildings when it moved to its new facility at 222 NE 2nd Avenue.

The Urban Renewal Agency wanted to attract new private sector development. An extensive Request for Expressions of Interest process in late 2014 to developers generated several attractive proposals. Hanlon Development was chosen to partner with the Agency to develop the site. The Agency has contributed staff resources, land, and funding for systems development charges, brownfields assessments (from grant funds), and other joint development costs to the project.

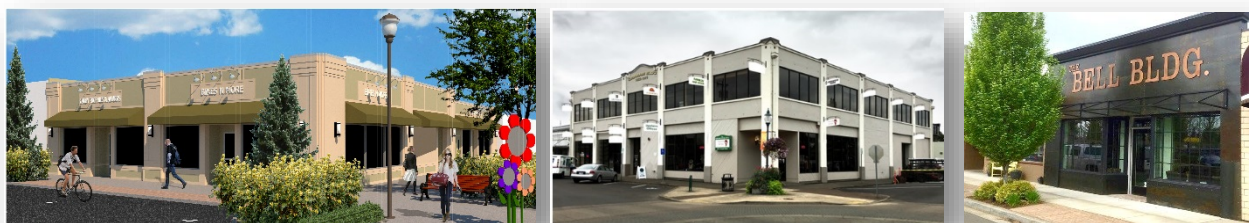
The Canby Façade Improvement Program

Façade Improvements:

The City of Canby has a Façade Improvement Program which provides a reimbursable, matching grant to business and properties within the Urban Renewal District. The amount of applications the city receives and the amount each business or property needs to complete their projects varies. In 2019 – 2020, the City’s Economic Development Department received three applications from two applicants. The applications were from Chad Johnson who owns the State Farm Insurance office on HWY 99 and from Peter Hostetler for his two buildings on HWY 99 that house Hearts and Hair and Equipment NW. The improvements were completed on all three buildings in the 2019 – 2020 fiscal year.

Completed Façade Improvement Projects to Date		
Advantage Mortgage	Canby Station	Kiwanis Thrift Store
Altenhofen Quilt Store	CH Accounting	Ladybug Chocolates
American Legion	Countryside Living	Liquor - Appliance Store
Anderson Fair Place	Cutsforth Thriftway	Mike’s Place
Bell Building	Davies Clinic	Parson’s Pharmacy
Berg Property, LLC.	Ebner’s Custom Meats	Peter Hostettler
Canby Clinic	Graham Building Blade Signs	State Farm Insurance
Canby Herald Building	Grant Station/Bricks and Minifigs	T-Line Design
Canby Music		Trinity Counseling

This matching grant program provides an enticing incentive and technical assistance for building owners to make their buildings more attractive. The program offers up to \$1,500 for design, \$1,500 for construction documents, and a 50% match up to \$25,000 for façade improvement construction. Businesses have enhanced the district by using the program for both large and small projects.



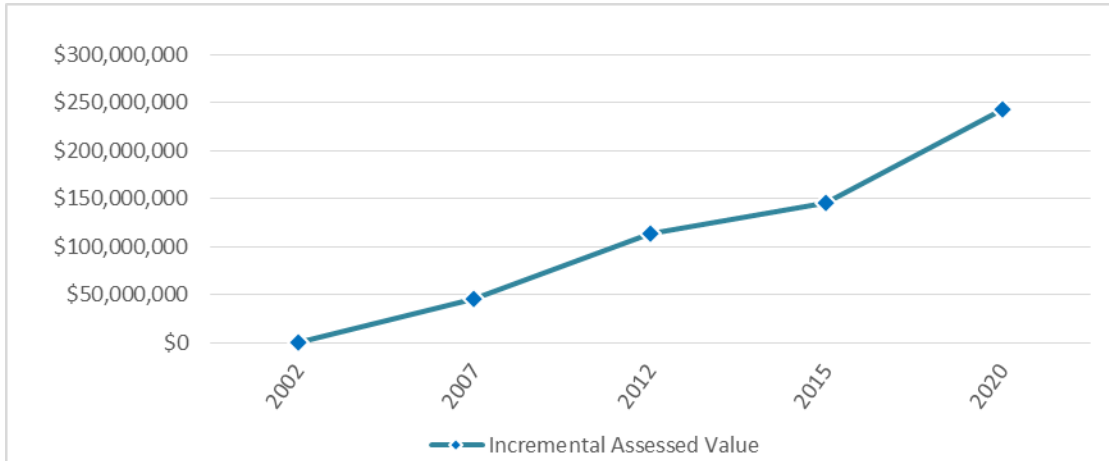
Financial Overview

Maximum Indebtedness and Remaining Debt Capacity

Maximum Indebtedness (MI)	\$ 51,149,000
Unreserved Revenue	5,934,367
Total Available for URA Projects	<u>57,083,367</u>
Expenditures against MI	
1st Ave Redevelopment	2,430,195
Railroad Property Acquisition	600,448
Police Station	9,417,402
Office Building Renovation	99,796
Library/City Hall Renovation	9,894,916
Sequoia Parkway Projects	7,815,531
Hazel Dell Way	1,136,477
Berg Parkway	368,352
NW 2nd Street & Public Parking Lot	2,474,857
Walnut Street Improvements	880,817
Township Road	163,195
Police Property Acquisition	800,000
Railroad Quiet Zone	352,424
Civic Block Redevelopment	1,503,281
URD Projects	993,295
Canby Fire Dept	1,515,000
Gateway Projects	345,631
Signal @ Sequoia & Hazel Dell	775,023
Industrial Park Connection to 99E	606,470
Beautification & Marketing	140,131
RARE Program	103,500
Façade Improvement Program	406,424
Other Misc. Projects	378,223
Materials & Services	<u>7,156,078</u>
Total Expenditures of MI as of 6/30/2020	<u>50,357,466</u>
Remaining Debt Capacity Available for Future Projects	<u><u>\$ 6,725,901</u></u>

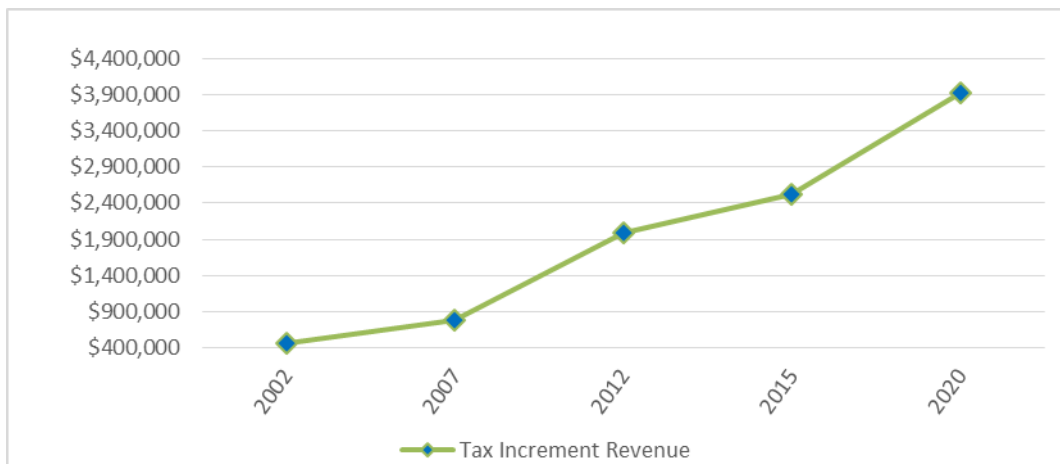
Increase in Incremental Assessed Value

The incremental assessed value of the Urban Renewal District has grown from \$25,630,009 in FY2003 to \$242,923,175 in FY 2020, which is an 848% increase over 17 years.



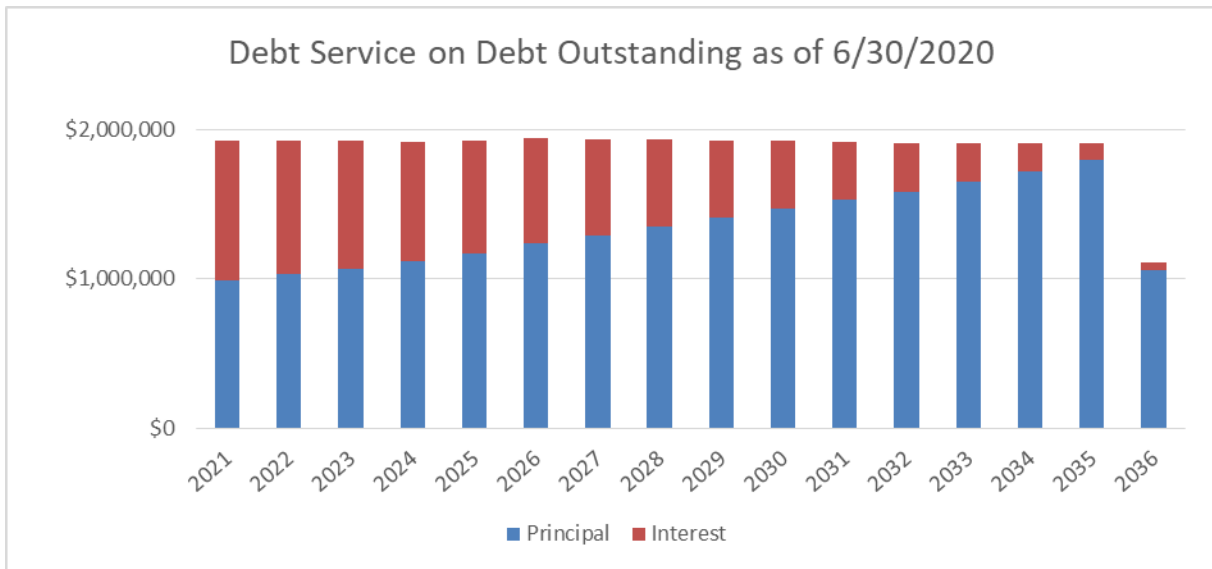
Increase in Tax Increment Revenue

The tax increment revenue for the Urban Renewal District was \$451,315 in FY 2002 and has increased to \$3,925,359 in FY 2020, which is a 770% increase over 18 years.

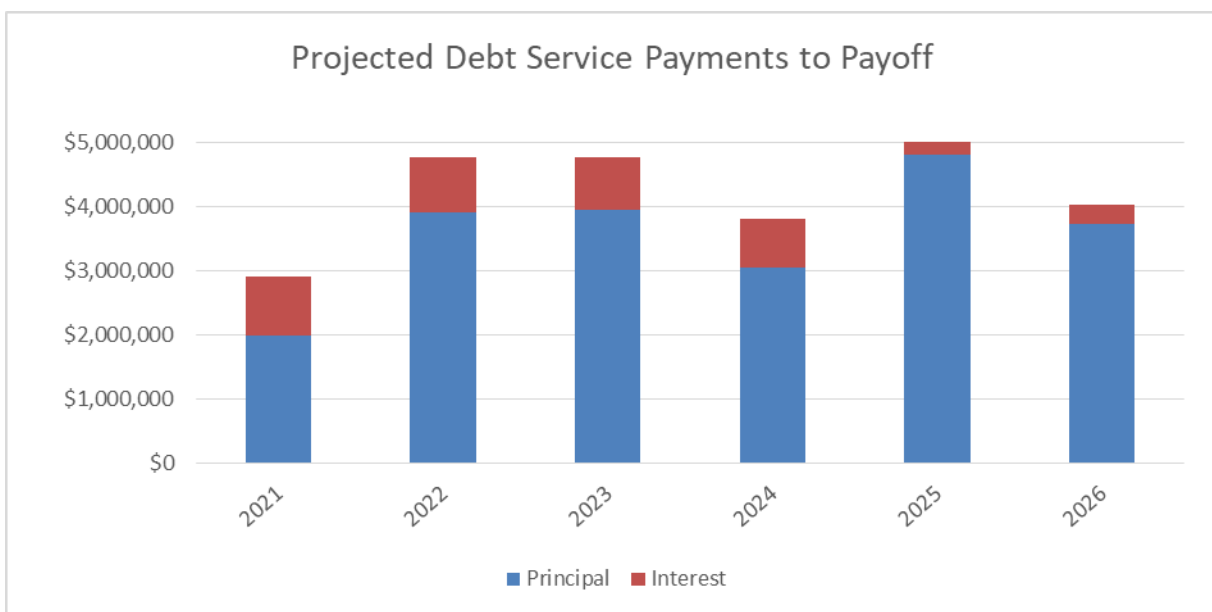


Debt Outstanding

As of June 30, 2020 the Agency had principal debt outstanding of \$21,464,387, total debt service if debt is repaid in accordance with their required schedules is \$29,927,504 and has a final maturity of June 1, 2036, see chart below.



All of the outstanding debt has provisions for prepayment subsequent to a specified date the latest being June 1, 2022 for the Series 2012 debt. If the prepayment provisions were executed on or after the first dates allowed total debt service is estimated to be \$25,444,159.

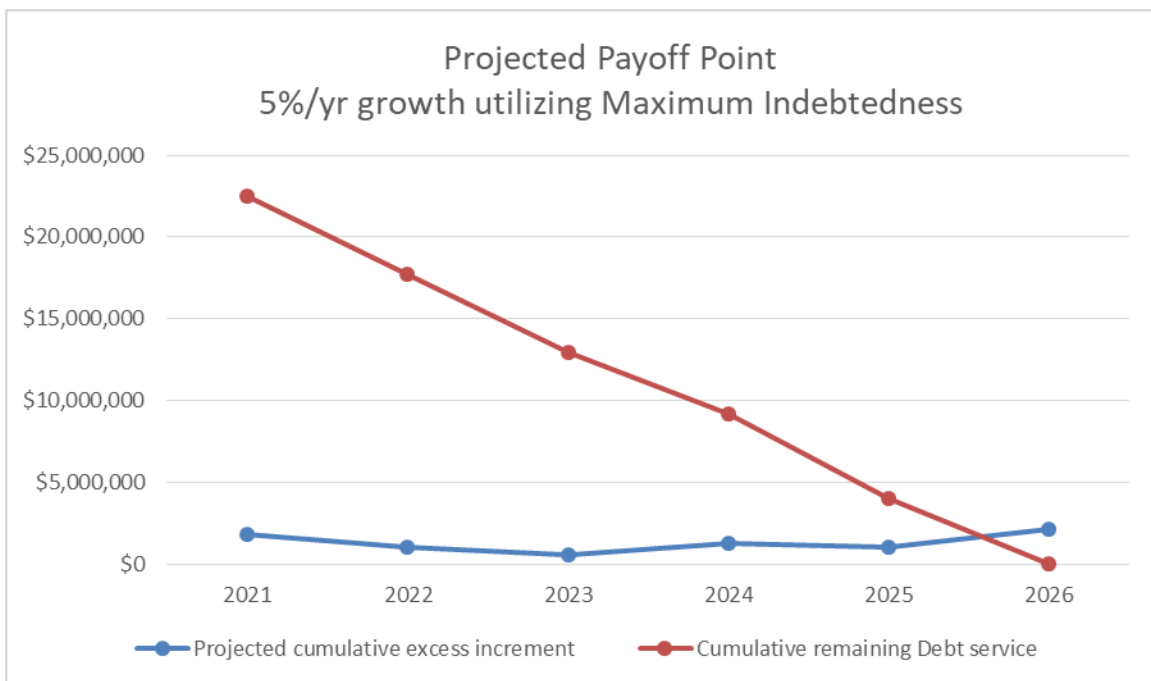


When will the Urban Renewal District End?

In accordance with ORS 457.075 the district cannot be terminated until all **indebtedness** to which a portion of tax increment is pledged for payment is **fully repaid**. As noted on the previous page if no additional debt is issued and debt is paid in accordance with current maturity schedules, debt would be fully repaid **June 1, 2036**. Because of limitations on early debt repayment the earliest the debt could be paid off is **June 1, 2022**, however the District will not have collected enough tax increment to be in a position to fully repay the debt at this time. Collection of tax increment is dependent on the growth in assessed value of property within the district.

Projected Payoff Point

Assuming no additional debt is issued and the URD continued operations utilizing the maximum indebtedness of the plan and we continue an average revenue growth of 5% the URA should have sufficient funds to pay debt in full in fiscal year 2025-2026. If revenue growth exceeds 5% debt could be repaid sooner.

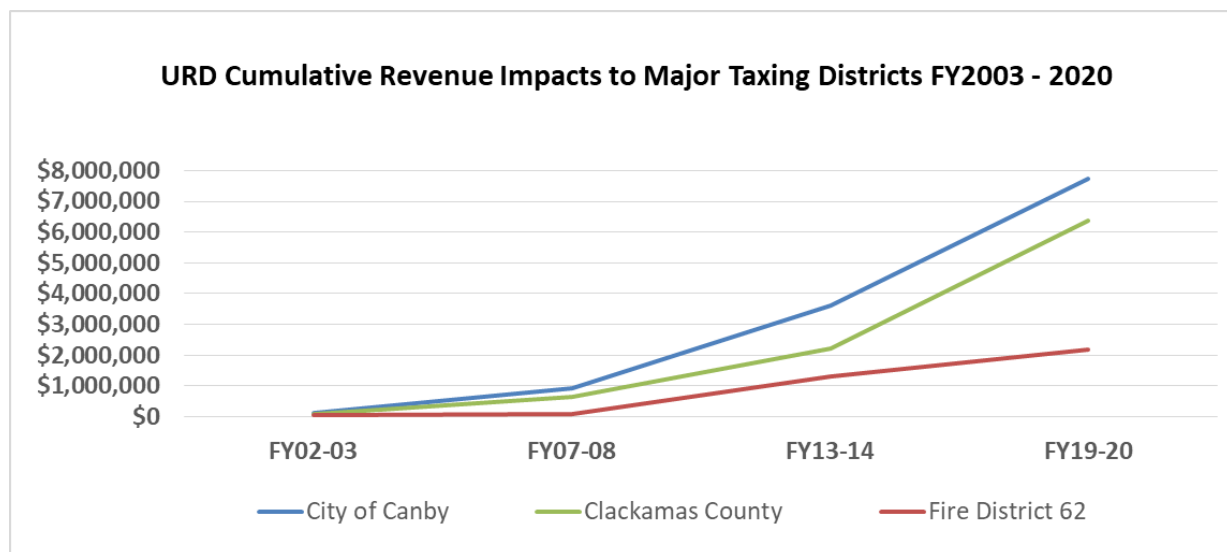


Actual Revenue Impacts on Taxing Entities

The table below outlines the tax increment revenue forgone on assessed value over the frozen base of each taxing entity over the life of the Canby Urban Renewal District. As outlined in the Increase in Investment and Assessed Value discussion, without new development the estimated assessed value as of FY 2019-20 would have only been \$118,502,436 which means that the revenue to the taxing entities would have been significantly lower than the tax increment below.

Fiscal Year	Incremental Assessed Value	Clackamas County	City & Swim local option levy	Clackamas		Clackamas		School District 86	Vector Control	Total URA Tax Levied
				Education Service District (ESD)	Fire District 62	Community College	Port of Portland			
2003	\$ 25,630,009	\$ 70,814	\$ 105,623	\$ 10,689	\$ 44,760	\$ 22,046	\$ 2,004	\$ 229,293	\$ 148	\$ 485,378
2004	27,605,609	76,503	113,075	11,497	57,407	23,634	2,156	242,404	160	526,836
2005	30,095,360	79,362	115,737	11,917	59,667	26,015	2,266	250,416	168	545,547
2006	36,455,667	94,848	140,027	14,353	71,413	30,643	2,730	289,525	1,145	644,684
2007	45,754,420	117,548	175,414	17,775	88,687	35,737	3,368	335,665	1,403	775,597
2008	70,663,442	200,483	276,955	27,133	135,158	55,486	5,081	496,023	2,236	1,198,557
2009	84,594,830	240,675	331,390	32,511	162,119	66,986	6,110	585,641	2,727	1,428,160
2010	105,350,665	349,833	412,168	40,648	202,277	80,948	7,687	762,421	3,375	1,859,357
2011	110,160,549	363,316	431,134	42,317	210,842	82,363	8,009	790,870	3,584	1,932,435
2012	113,623,888	373,727	444,776	43,528	222,612	82,287	8,192	807,341	3,665	1,986,128
2013	129,695,901	423,711	514,777	49,386	251,564	96,015	9,401	903,747	3,921	2,252,522
2014	140,836,393	458,472	560,747	53,364	273,239	102,553	10,047	1,000,347	4,429	2,463,198
2015	145,094,306	471,968	577,564	54,951	281,265	105,604	10,345	1,024,605	4,563	2,530,865
2016	156,228,016	508,363	621,156	59,143	302,595	119,685	11,186	1,096,319	979	2,719,426
2017	161,504,123	526,378	641,345	61,391	257,404	123,659	11,547	1,133,544	1,023	2,756,291
2018	189,065,276	585,713	659,501	71,559	300,238	144,519	13,534	1,316,846	1,245	3,093,155
2019	216,862,421	673,311	756,658	82,238	345,169	165,966	15,554	1,499,648	1,324	3,539,868
2020	242,923,175	750,750	847,688	91,815	445,059	182,579	17,347	1,588,544	1,577	3,925,359
Total Payments directly from URA to the Fire District					(1,515,000)					
Total	\$6,365,778	\$7,725,736	\$ 776,217	\$2,196,474	\$1,546,726	\$146,563	\$14,353,200	\$37,671	\$ 34,663,364	

Note: Information broken out in the same format as above is not available prior to FY02-03. The district levied tax increment totaling \$451,315 in FY01-02.



Financial History July 1, 2000 – June 30, 2020

RECEIPTS	20 Year Total	Percent
Tax Increment-Current & Prior	\$ 34,237,634	45.83%
Debt Proceeds	34,227,524	45.82%
Grants	299,050	0.40%
LID Principal & Interest Payments	1,514,871	2.03%
Bond Interest Rebate (ARRA)	509,815	0.68%
Sale of Property	1,200,000	1.61%
Interest Revenue	715,618	0.96%
Misc. Income & Donations	1,994,063	2.67%
Total Receipts	\$ 74,698,575	100%

DISBURSEMENTS	20 Year Total	Percent
Materials & Services	\$ 7,156,078	9.88%
Capital Projects		
1st Ave Redevelopment	2,430,195	3.35%
Railroad Property Acquisition	600,448	0.83%
Police Station	9,417,402	13.00%
Office Building Renovation	99,796	0.14%
Library/City Hall Renovation	9,894,916	13.65%
Sequoia Parkway Projects	7,815,531	10.79%
Hazel Dell Way	1,136,477	1.57%
Berg Parkway	368,352	0.51%
NW 2nd Street & Public Parking Lot	2,474,857	3.42%
Walnut Street Improvements	880,817	1.22%
Township Road	163,195	0.23%
Police Property Acquisition	800,000	1.10%
Railroad Quiet Zone	352,424	0.49%
Civic Block Redevelopment	1,503,281	2.07%
URD Projects	993,295	1.37%
Canby Fire Dept	1,515,000	2.09%
Gateway Projects	345,631	0.48%
Signal @ Sequoia & Hazel Dell	775,023	1.07%
Industrial Park Connection to 99E	606,470	0.84%
Beautification & Marketing	140,131	0.19%
RARE Program	103,500	0.14%
Façade Improvement Program	406,424	0.56%
Other Projects	378,223	0.52%
Debt Service	22,108,585	30.51%
Total Disbursements	\$ 72,466,051	100%
Ending Fund Balance	\$ 2,232,524	

FY2019 – 2020 Actuals and FY2020 – 21 Projections

RECEIPTS	Actual FY 2019-20	Projected FY 2020-21
Beginning Fund Balace	\$ 2,650,213	\$ 2,232,524
Tax Increment-Current & Prior	3,803,715	4,226,735
Grants	-	139,951
LID Principal & Interest Payments	115,203	20,480
Bond Interest Rebate (ARRA)	24,033	45,000
Interest Revenue	63,458	22,600
Misc. Income & Donations	73,403	9,888
Total Receipts	\$ 6,730,025	\$ 6,697,178

DISBURSEMENTS	Actual FY 2019-20	Projected FY 2020-21
Materials & Services		
Due to City	\$ 368,763	\$ 350,000
Fire Dept Capital Projects	471,543	-
Façade Improvement Program	45,859	75,000
Misc. Materials & Services	20,833	50,000
Capital Projects		
Railroad Quiet Zone	250,048	1,071,468
Signal at Sequoia & Hazeldell	710,768	77,696
Grant St Arch	51,851	251,715
Industrial Park to 99E Connection	606,470	10,000
Renovation of the Old Library	22,187	-
URD Projects	20,302	58,550
Debt Service	1,928,877	2,923,620
Total Disbursements	\$ 4,497,501	\$ 4,868,049
Ending Fund Balance	\$ 2,232,524	\$ 1,829,129

Cash Flow Projections FY2021 – 2026

	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Beginning Fund Balance	\$ 2,232,524	\$ 1,829,129	\$ 1,055,383	\$ 554,177	\$ 1,303,251	\$ 1,038,055
Revenue						
Property Tax - Current Year	4,166,735	4,375,072	4,593,825	4,823,517	5,064,692	5,317,927
Prior Yr Prop Tax	60,000	50,000	50,000	50,000	50,000	50,000
Grants	139,951	-	-	-	-	-
LID8 & LID10	20,480	-	-	-	-	-
Interest	22,600	20,000	20,000	20,000	20,000	20,000
Misc. Income	54,888	54,000	52,000	50,000	48,000	10,000
Total Resources	\$ 6,697,178	\$ 6,328,201	\$ 5,771,208	\$ 5,497,694	\$ 6,485,943	\$ 6,435,982
Expenditures						
Operations						
Due to City	\$ 350,000	\$ 375,000	\$ 350,000	\$ 325,000	\$ 300,000	\$ 275,000
Materials & Services	25,000	20,000	15,000	10,000	10,000	10,000
Fire Dept	-	-	-	-	-	-
Beautification	25,000	25,000	15,000	10,000	-	-
Façade Grants	75,000	50,000	50,000	25,000	-	-
Capital Projects						
URD Projects	50,000	30,000	20,000	10,000	-	-
Industrial Park Connection to 99E	10,000	-	-	-	-	-
Signal at Sequoia & Hazeldell	77,696	-	-	-	-	-
Railroad Quiet Zone	1,071,468	-	-	-	-	-
Grant St Arch	251,715	-	-	-	-	-
Wait & Community Park	8,550	-	-	-	-	-
Debt Service						
2009 Township Rd, Berg & Sequoia Pkwy	1,152,111	-	-	-	-	-
2010 1st Ave Redevelopment	219,241	216,950	213,375	209,450	205,175	995,550
2011 Police Facility	538,955	3,538,955	3,539,243	2,589,180	-	-
2012 Library/Civic Bld. & Sequoia Pkwy	1,013,313	1,016,913	1,014,413	1,015,813	4,932,713	3,032,813
Total Requirements	\$ 4,868,049	\$ 5,272,818	\$ 5,217,031	\$ 4,194,443	\$ 5,447,888	\$ 4,313,363
Ending Fund Balance	\$ 1,829,129	\$ 1,055,383	\$ 554,177	\$ 1,303,251	\$ 1,038,055	\$ 2,122,619
Projected MI Remaining	\$ 4,879,440	\$ 4,453,440	\$ 4,075,440	\$ 3,765,440	\$ 3,523,440	\$ 3,268,440

Increase in Investment and Assessed Value

The assessed valuation of the property in the Urban Renewal District (URD) when it was formed was \$65,611,926. This is called the frozen base. The City of Canby and all the other taxing entities--such as the school district and the fire district—continue to receive tax revenues based on the frozen value for the life of the URD.

The total assessed value of the URD as of June 30, 2020 was \$305,535,101. The difference between the frozen value and the current assessed value is \$242,923,175. The taxes on this increase in assessed valuation by all the taxing entities, including the City of Canby, are called the “tax increment” and are the revenue source for the URD.

How much would the assessed valuation of the land in the URD have increased without urban renewal? There is no way to answer this question accurately. If the frozen assessed valuation of the land had increased by 3% each year, the assessed valuation at June 30, 2020 would have been \$118,502,437.

So it is reasonable to assume that any assessed valuation increase beyond \$118,502,437 would be due to development in the URD. What is not possible to pin down is what part of the \$190,032,664 additional assessed valuation increase is due to the URD-funded public improvements. Year over year the average increase due to development is \$10 million (15%).

Stated another way:

6/30/2020 assessed valuation of the URD	\$ 309,000,000
Frozen value	<u>\$ 66,000,000</u>
Increase in assessed valuation	\$ 243,000,000
Less: Increase due annual 3%	<u>(\$ 53,000,000)</u>
Increase Due to Development	\$ 190,000,000

For More Information Please Contact:

Scott Archer, Urban Renewal Director
503-266-4021 or ArcherS@CanbyOregon.gov
222 NE 2nd Avenue, Canby, Oregon 97013