



AGENDA
STAYTON CITY COUNCIL
Monday, August 19, 2019
Stayton Community Center
400 W. Virginia Street
Stayton, Oregon 97383

CITY COUNCIL WORK SESSION
6:00 p.m. at the Stayton Community Center
The topic of the session is "Rethinking Staff Reports." Work sessions are open to the public. No decisions may be made in a work session.

CALL TO ORDER

7:00 PM

Mayor Porter

FLAG SALUTE

ANNOUNCEMENTS

- a. Additions to the agenda
- b. Declaration of Ex Parte Contacts, Conflict of Interest, Bias, etc.
- c. Introduction of Interim Police Chief and Interim Deputy Police Chief

APPOINTMENTS – None

PUBLIC COMMENTS

If you wish to address the Council, please fill out a "Request for Recognition" form on the table near the door. Speakers are limited to 3 minutes and must state their name and residence.

CONSENT AGENDA

- a. July 1, 2019 City Council Minutes
- b. July 22, 2019 City Council Special Session Minutes
- c. Resolution No. 994, Adopting Appropriation Adjustments to the Fiscal Year 2019-20 Budget

PUBLIC HEARING

Ordinance No. 1035, Annexation Application, Robert & Kay Pendleton, 1660 E. Jefferson Street

- a. Commencement of Public Hearing and Opening Statement
- b. Staff summary
- c. Proponent's case
- d. Persons in favor
- e. Persons opposed
- f. Other interested persons
- g. Rebuttal from Proponent
- h. Close of Hearing
- i. Council Deliberation
- j. Council Decision on Ordinance No. 1035

Ordinance No. 1036, Implementing the Recommendations of the Ordinance No. 1019 Review Committee

- a. Commencement of Public Hearing and Opening Statement
- b. Staff summary
- c. Persons in favor
- d. Persons opposed
- e. Other interested persons
- f. Close of Hearing
- g. Council Deliberation
- h. Council Decision on Ordinance No. 1036

GENERAL BUSINESS

Economic Development Strategies Project

- a. Staff Report – Dan Fleishman
- b. Public Comment
- c. Council Deliberation
- d. Council Decision

COMMUNICATIONS FROM MAYOR AND COUNCILORS

COMMUNICATION FROM CITY STAFF

ADJOURN

FUTURE AGENDA ITEMS

- a. Public Hearing – Code Amendments
- b. Public Hearing – Mobile Food Units
- c. Community / Neighborhood Grant Process
- d. Personnel Manual
- e. Pacific Power Hearing

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or other accommodations for persons with disabilities should be made at least 48 hours prior to the meeting. If you require special accommodations contact Deputy City Recorder Alissa Angelo at (503) 769-3425.

CALENDAR OF EVENTS

AUGUST 2019

Monday	August 19	City Council Work Session	6:00 p.m.	Community Center (north end)
Monday	August 19	City Council	7:00 p.m.	Community Center (north end)
Wednesday	August 21	Library Board	<i>Cancelled</i>	
Monday	August 26	Planning Commission	7:00 p.m.	Community Center (north end)

SEPTEMBER 2019

Monday	September 2	CITY OFFICES CLOSED IN OBSERVANCE OF LABOR DAY		
Tuesday	September 3	City Council	7:00 p.m.	Community Center (north end)
Tuesday	September 10	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Wednesday	September 10	Parks & Recreation Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	September 16	City Council	7:00 p.m.	Community Center (north end)
Wednesday	September 18	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	September 30	Planning Commission	7:00 p.m.	Community Center (north end)

OCTOBER 2019

Tuesday	October 1	Parks & Recreation Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	October 7	City Council	7:00 p.m.	Community Center (north end)
Tuesday	October 8	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Wednesday	October 16	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	October 21	City Council	7:00 p.m.	Community Center (north end)
Monday	October 28	Planning Commission	7:00 p.m.	Community Center (north end)

NOVEMBER 2019

Monday	November 4	City Council	7:00 p.m.	Community Center (north end)
Tuesday	November 5	Parks & Recreation Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	November 11	CITY OFFICES CLOSED IN OBSERVANCE OF VETERAN'S DAY		
Tuesday	November 12	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Monday	November 18	City Council	7:00 p.m.	Community Center (north end)
Wednesday	November 20	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Monday	November 25	Planning Commission	7:00 p.m.	Community Center (north end)
Thursday	November 28	CITY OFFICES CLOSED IN OBSERVANCE OF THANKSGIVING HOLIDAY		
Friday	November 29			

DECEMBER 2019

Monday	December 2	City Council	7:00 p.m.	Community Center (north end)
Tuesday	December 3	Parks & Recreation Board	6:00 p.m.	E.G. Siegmund Meeting Room
Tuesday	December 10	Commissioner's Breakfast	7:30 a.m.	Covered Bridge Café
Monday	December 16	City Council	7:00 p.m.	Community Center (north end)
Wednesday	December 18	Library Board	6:00 p.m.	E.G. Siegmund Meeting Room
Tuesday	December 24	CITY OFFICES CLOSE AT NOON IN OBSERVANCE OF CHRISTMAS HOLIDAY		
Wednesday	December 25	CITY OFFICES CLOSED IN OBSERVANCE OF CHRISTMAS HOLIDAY		

City of Stayton
City Council Meeting Action Minutes
July 1, 2019

LOCATION: STAYTON COMMUNITY CENTER, 400 W. VIRGINIA STREET, STAYTON

Time Start: 7:00 P.M.

Time End: 9:14 P.M.

COUNCIL MEETING ATTENDANCE LOG

COUNCIL	STAYTON STAFF
Mayor Henry Porter	Alissa Angelo, Deputy City Recorder
Councilor Paige Hook	Keith Campbell, City Manager
Councilor Christopher Molin	Dan Fleishman, Director of Planning & Development
Councilor Jordan Ohrt	Lance Ludwick, Public Works Director
Councilor David Patty	Janna Moser, Library Director
Councilor Brian Quigley	Susannah Sbragia, Finance Director
	Rich Sebens, Chief of Police

AGENDA	ACTIONS
REGULAR MEETING	
Announcements a. Additions to the Agenda b. Declaration of Ex Parte Contacts, Conflict of Interest, Bias, etc.	None. Councilor Patty declared ex parte contact in regard to Ordinance No. 1031.
Appointments	None.
Citizen Comments a. James Loftus	Mr. Loftus provided an update on the JPL Museum and requested a letter of support from the Council.
Consent Agenda a. June 17, 2019 City Council Minutes	Motion from Councilor Molin, seconded by Councilor Quigley, to approve the Consent Agenda as presented. Motion passed 5:0.
General Business Economic Development Strategies Project a. Staff Report – Dan Fleishman b. Citizen Comment c. Council Deliberation d. Council Decision	Mr. Fleishman introduced Alisa Pyszka of Bridge Economic Development reviewed the Economic Development Strategy and Action Plan. None. Council discussion of barriers and projects. Motion from Councilor Patty, seconded by Councilor Ohrt, to adopt the Economic Development Strategy and Action Plan as presented.

	<p><u>Council Discussion</u>: Question of implementation and Action Plan recommendation of new Full Time E.</p> <p>Motion failed 2:3 (Molin, Quigley, Hook). Council discussion of the Action Plan’s implementation recommendations.</p> <p>Motion from Councilor Molin, seconded by Councilor Hook, to defer action on the Economic Development Strategy and Action Plan until the August 5, 2019 meeting.</p> <p><u>Council Discussion</u>: Request staff to look into concerns expressed by Council. Councilor Ohrt requested the meeting date be changed to the second meeting in August.</p> <p>Councilor Hook withdrew her second. Councilor Molin withdrew his motion.</p> <p>Motion from Councilor Molin, seconded by Councilor Hook, to defer action on the Economic Development Strategy and Action Plan until the August 19, 2019 meeting. Motion passed 5:0.</p>
<p>Public Hearing Ordinance No. 1031, Amending Licensing Standards for Mobile Food Units</p> <p>a. Commencement of Public Hearing</p> <p>b. Staff Report – Dan Fleishman</p> <p>c. Questions from the Council</p> <p>d. Public Testimony</p>	<p>Mayor Porter opened the hearing at 7:49 p.m. Councilor Patty declared ex parte contact from a downtown business owner.</p> <p>Mr. Fleishman reviewed the staff report.</p> <p>Council discussion of time limits for food trucks on both private and public property, policies for operating hours, downtown parking changes, and other cities regulations.</p> <p><u>Glenn Hilton, 224 N. Third Avenue</u>: Mr. Hilton spoke in opposition of Ordinance No. 1031.</p> <p><u>Harold Brendan, 403 N. Third Avenue</u>: Mr. Brendan spoke in opposition of Ordinance No. 1031.</p> <p><u>Cari Sessums, 510 N. Third Avenue</u>: Ms. Sessums spoke in opposition of Ordinance No. 1031.</p> <p><u>Gerry Aboud, 836 E. Kathy Street</u>: Mr. Aboud spoke in opposition of Ordinance No. 1031.</p> <p><u>Kerry Johnson, 190 E. Ida Street</u>: Mr. Johnson spoke in opposition of Ordinance No. 1031.</p>

<p>e. Questions from the Council</p> <p>f. Staff Summary</p> <p>g. Close Hearing</p> <p>h. Council Deliberation</p> <p>i. Council Decision on Ordinance No. 1031</p>	<p><u>Randy Cranston, 372 Church Street:</u> Mr. Cranston spoke in opposition of Ordinance No. 1031.</p> <p><u>Ken Carey, 1941 Kent Avenue:</u> Mr. Carey spoke in support of Ordinance No. 1031.</p> <p><u>Matt Spenner, 280 E. Water Street:</u> Mr. Spenner spoke in support of Ordinance No. 1031.</p> <p><u>Carmen Nguyen, 8684 Jackson Hill Road, Salem:</u> Ms. Nguyen spoke in support of Ordinance No. 1031.</p> <p>Council inquiry about Snow Peak using private property near their business for food trucks. Further discussion on noise concerns and solutions, limiting food trucks from parking in front of buildings, and time restrictions.</p> <p>Mr. Fleishman provided a staff summary.</p> <p>Mayor Porter closed the hearing at 8:48 p.m.</p> <p>Council discussion of where they stand and what they learned from the public hearing. The Council requested staff do additional research based on comments and concerns expressed during the public hearing.</p> <p>Motion from Councilor Hook, seconded by Councilor Patty, to defer a decision on Ordinance No. 1031 until September 16, 2019 and direct staff to further research and recommend amendments to the Council.</p> <p><u>Council Discussion:</u> Councilor Quigley opposes as this still allows commerce on public property.</p> <p>Motion passed 4:1 (Quigley).</p>
<p>General Business</p> <p>Implementation of New Non-Represented Salary Schedule</p> <p>a. Staff Report – Keith Campbell</p> <p>b. Citizen Comment</p> <p>c. Council Deliberation</p> <p>d. Council Decision</p>	<p>Mr. Campbell reviewed the staff report.</p> <p>None.</p> <p>None.</p> <p>Motion from Councilor Molin, seconded by Councilor Patty, to approve the implementation of the new Non-Represented Salary Schedule as presented.</p> <p><u>Council Discussion:</u> Discussion of merit based step increases.</p> <p>Motion passed 5:0.</p>

<p>Communications from Mayor and Councilors</p>	<p>Mayor Porter provided an update on his Council Liaison activities.</p> <p>Mayor Porter invited Gerry Aboud to share a question he had regarding Ordinance No. 1013.</p> <p>Councilor Hook requested Citizen Comment be modified to Public Comment.</p> <p>Councilor Quigley will be absent at the next meeting.</p> <p>Councilor Ohrt requested staff reach out to Mr. Loftus regarding his request for a letter of support.</p>
<p>Communication from City Staff</p>	<p>Mr. Campbell invited Ms. Sbragia to introduce herself.</p>
<p>Future Agenda Items</p> <ul style="list-style-type: none"> a. Public Hearing – Annexation b. Public Hearing – Ordinance No. 1019 c. Personnel Manual d. SDC Resolution e. City Properties 	

APPROVED BY THE STAYTON CITY COUNCIL THIS 15TH DAY OF JULY 2019, BY A ____ VOTE OF THE STAYTON CITY COUNCIL.

Date: _____

By: _____

Henry A. Porter, Mayor

Date: _____

Attest: _____

Keith D. Campbell, City Manager

Date: _____

Transcribed by: _____

Alissa Angelo, Administrative Services Manager

**City of Stayton
City Council Special Session Meeting Action Minutes
July 22, 2019**

LOCATION: STAYTON COMMUNITY CENTER, 400 W. VIRGINIA STREET, STAYTON

Time Start: 7:00 P.M.

Time End: 8:02 P.M.

COUNCIL MEETING ATTENDANCE LOG

COUNCIL	STAYTON STAFF
Mayor Henry Porter	Alissa Angelo, Administrative Services Manager
Councilor Paige Hook	Keith Campbell, City Manager
Councilor Christopher Molin	Dan Fleishman, Director of Planning & Development (excused)
Councilor Jordan Ohrt	Lance Ludwick, Public Works Director (excused)
Councilor David Patty	Janna Moser, Library Director (excused)
Councilor Brian Quigley	Susannah Sbragia, Finance Director (excused)
	Rich Sebens, Chief of Police (excused)

AGENDA	ACTIONS
REGULAR MEETING	
<p>General Business City Manager Employment Agreement a. Staff Report – Alissa Angelo</p> <p>b. Public Comment</p>	<p>Ms. Angelo reviewed the staff report and answered clarifying questions of the Council.</p> <p><u>Mark Kronquist, 308 E. Water Street</u> spoke in opposition of the employment agreement.</p> <p><u>Randy Cranston, 372 SE Church Street</u> spoke in support of the employment agreement.</p> <p><u>Cari Sessums, 1501 E. Burnett Street</u> shared concern about police services.</p> <p><u>Tom Peterson, 2190 Cardinal Avenue</u> spoke in opposition of the employment agreement.</p> <p><u>Steve Poisson, 1750 E. Pine Street</u> spoke in opposition of the employment agreement.</p> <p><u>Scott Mumeey, 1555 N. Fourth Avenue</u> shared concern about police services.</p> <p><u>Therese Bourdeau, 525 Mill Stream Woods</u> spoke in opposition of the employment agreement.</p> <p><u>Alan Meyer, 2764 E. Pine Street</u> spoke in opposition of the employment agreement.</p>

c. Council Deliberation	<p><u>Gerry Aboud, 836 E. Kathy Street</u> spoke in support of the employment agreement.</p>
d. Council Decision	<p><u>Patti Armstrong, 2155 Nighthawk Avenue</u> expressed concerns about the ongoing issues with Phillips Estates.</p>
	<p>Council members shared their thought process and considerations that went into seeking a continued employment agreement with Mr. Campbell.</p>
	<p>Motion from Councilor Molin, seconded by Councilor Hook, to approve the revised employment agreement with Keith D. Campbell as presented. Motion passed 5:0.</p>

APPROVED BY THE STAYTON CITY COUNCIL THIS 5TH DAY OF AUGUST 2019, BY A ____ VOTE OF THE STAYTON CITY COUNCIL.

Date: _____

By: _____

Henry A. Porter, Mayor

Date: _____

Attest: _____

Keith D. Campbell, City Manager

Date: _____

Transcribed by: _____

Alissa Angelo, Administrative Services Manager



CITY OF STAYTON
M E M O R A N D U M

TO: Henry A. Porter and the Stayton City Council
FROM: Susannah Sbragia, Finance Director
DATE: August 19, 2019
SUBJECT: Resolution No. 994, Adopting appropriation adjustments to the fiscal year 2019-2020 Budget

ISSUE

Resolution No. 994 adopts needed appropriation adjustments for the fiscal year 2019-20 budget.

STAFF RECOMMENDATION

Staff recommends approval of Resolution No. 994 as presented.

BACKGROUND INFORMATION

In early July, the City received a donation of \$30,000 from the Santiam Community Endowment to go toward pool maintenance that was not in the original adopted budget.

FACTS AND FINDINGS

The Council needs to appropriate the funds to spend the donation on the pool.

FISCAL IMPACT

The funds will cover the cost of the pool being resurfaced with no impact to the City budget. The remaining balance after resurfacing of the pool will go toward the fire alarm system being updated. The estimated the cost for the pool resurfacing is \$27,600.

MOTION(S)

Consent Agenda approval.

Resolution No. 994
A RESOLUTION ADOPTING AN ADJUSTMENT TO THE FISCAL YEAR 2019-20 BUDGET
FOR THE GENERAL FUND-POOL

WHEREAS, the City received a donation from the Santiam Community Endowment for the Stayton Family Memorial Pool; and

WHEREAS, pool maintenance has increased by \$30,000 for resurfacing of the Pool and any balance remaining will be applied to updating the fire alarm system at the Pool.

NOW, THEREFORE, BE IT RESOLVED THAT THE STAYTON CITY COUNCIL HEREBY:

1. Adopts the adjustment to the fiscal year 2019-20 budget as followed:

<u>Description</u>	<u>19 - 20 Adopted</u>	<u>Adjustment</u>	<u>Adjusted Budget</u>
Capital Outlay	\$10,000	\$30,000	\$40,000

Approved by the Stayton City Council this 19th day of August 2019.

Date: _____

By: _____
Henry A. Porter, Mayor

Date: _____

By: _____
Keith D. Campbell City Manager



CITY OF STAYTON
M E M O R A N D U M

TO: Mayor Henry Porter and the Stayton City Council
FROM: Dan Fleishman, Director of Planning and Development
DATE: August 19, 2019
SUBJECT: Annexation Application, Robert & Kay Pendleton, 1660 E Jefferson St

ISSUE

The issue before the City Council is a public hearing on an application for the annexation for approximately 1.4 acres of land at 1660 E Jefferson St and to assign Low Density Residential zoning to the property. Following the public hearing, the Council will be requested to consider Ordinance 1035 that will annex the property and adopt a new Official Zoning Map.

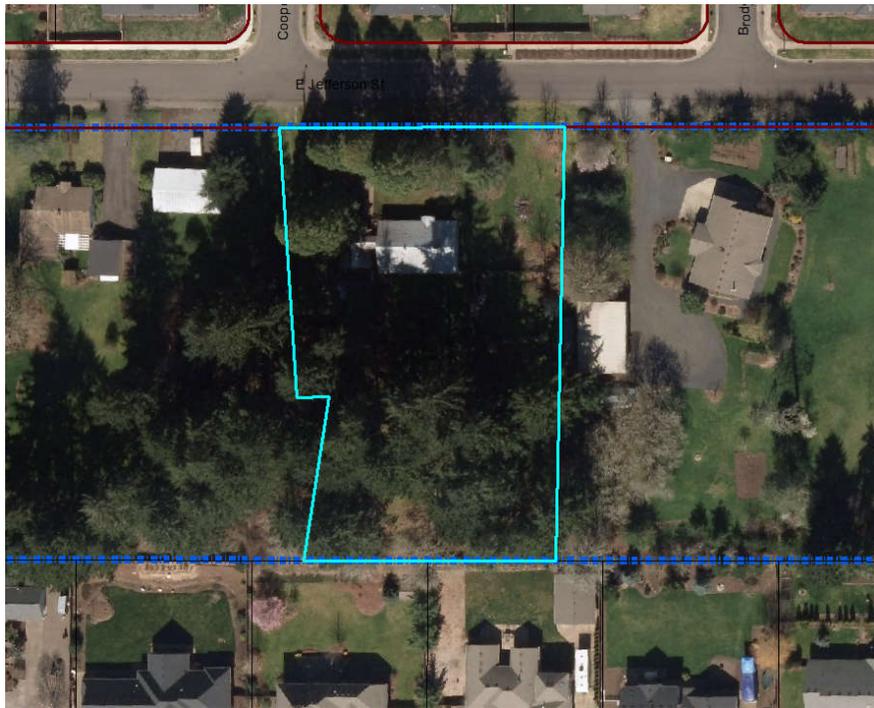
This issue had been scheduled for the July 15 Council meeting, which was cancelled. The hearing was rescheduled for the August 5 Council meeting, which was also cancelled. The applicant has submitted a letter indicating they may not be able to be in attendance at the August 19 meeting due to travel previously scheduled. The applicant has requested the Council conduct the hearing regardless of their attendance. An August 7 letter from the applicant is included in the packet.

BACKGROUND INFORMATION

The territory proposed for annexation is a 1.4 acre parcel of land on the south side of E Jefferson St. The property is developed with a single family detached dwelling. A March, 2014 aerial photo of the property is shown on the following page.

ANALYSIS

This report presents the Planning Staff's summary and analysis concerning this application. It was developed after seeking input from other City departments and agencies. As is routine for all applications that appear before the Planning Commission, notice of the application was sent to the City of Stayton Public Works, Stayton Cooperative Telephone Company, Pacific Power, NW Natural Gas, Stayton Fire District, Marion County Public Works, Marion County Planning Division, Santiam Water Control District and the North Santiam School District. No comments were received or concerns raised by these agencies regarding the annexation.



Attached is an application for annexation from Robert and Kay Pendleton. The application consist of the application form and the applicant’s narrative. Also attached is the Planning Commission’s order, containing its recommendation.

Annexation Criteria

Section 17.12.210 of the Land Use and Development Code contains six criteria for approval of applications for annexation. The sixth criterion applies only to contract annexations and is not applicable to this application. The other five criteria are:

- a. Need exists in the community for the land proposed to be annexed.
- b. The site is or is capable of being serviced by adequate City public services including such services as may be provided subject to the terms of a contract annexation agreement between the applicant and the City.
- c. The proposed annexation is property contiguous to existing City jurisdictional limits.
- d. The proposed annexation is compatible with the character of the surrounding area and complies with the urban growth program and policies of the City of Stayton.
- e. The annexation request complies or can be made to comply with all applicable provisions of state and local law.

Criteria b, c, and e are fairly objective and leave little for interpretation. Sewer and water facilities are available in E Jefferson St. This application was filed because the septic system on the property has failed. The applicants have connected the home to the City sewer system. As part of allowing the sewer connection, staff required the applicants to execute an agreement for future annexation, and the applicants decided to submit the application at this time. The area to be annexed is contiguous to the City Limits on two sides and provisions of the state law – process and consent of landowners – have been or will be followed.

This leaves the other two criteria for more careful scrutiny and analysis. The “need” for any annexation may always be debated. The application narrative merely includes a statement regarding the necessity of connecting to city sewer. Some additional information, which is reflected in the draft ordinance is presented below.

The 2013 Stayton Comprehensive Plan update included a Buildable Lands Inventory (BLI). The 2013 BLI provides the following information on projected growth and need for additional land in the community. At that time, there were 114 lots comprising 106 acres of vacant land inside the City limits in the Low, Medium, and High Density Residential Zones. The projected population for the City in 2030 (at a growth rate of 1.6%) was 11,359 people, requiring an additional 1,281 dwellings. To meet that need, the City Comprehensive Plan indicates the expected need of additional 320 acres of residential land to be annexed into the City. Since the time that analysis was conducted, the City has annexed 40 acres of residential land.

There are currently 86 vacant lots totaling 100 acres within the City limits that are residentially zoned.

Only two subdivisions have been platted in the past 5 years. Four subdivisions have been platted in the past 10 years. The total number of lots in each and the current status is shown in the table below.

Recent Subdivisions in Stayton

Subdivision Name	Year Platted	No of Lots	Existing Homes	Vacant Lots
Roth Estates	2009	12	13	0
Phillips Estates, Phase 1	2009	20	16	4
Phillips Estates, Phase 2	2014	26	5	21
Wildlife Meadows	2017	44	39	7

In addition, there is a possible third phase of the Phillips Estates subdivision, accounting for a potential of 10 lots, the Lambert Place subdivision with 51 lots, the Evergreen Subdivision with four vacant lots, and the E Virginia St Terrace with four lots that have received preliminary plan approval from the Planning Commission but not yet been platted with Marion County.

Though there are 87 parcels totaling 100 acres in the City and residentially zoned, staff estimates that there are only 76 parcels totaling 61 acres of vacant property within the City limits that is residentially zoned and reasonably available for development. Lack of utility availability, ownership by a governmental entity, wetlands and floodplain issues constrain the ability of the remaining land to be available for development. Within the LD zone there are 61 lots reasonably available for development. In the MD zone there are 14 vacant lots. There is only one vacant lot in the High Density Residential Zone. With 4 acres, it has the potential capacity for 50 to 60 dwelling units.

The City’s growth rate from 2000 and 2018 has been at an average annual rate of about 1%, with a population change of 1,000 people. The Marion County Coordinated Growth projection for 2030 is 11,360, reflecting a 1.6% average annual growth rate for the next twenty years. At a 1.6% growth rate from the most recent certified population estimate of the City, there would be the need for 541 new dwellings units over the next 10 years. At an average of 5 units per acre for single family development, there would be the need for all of the existing vacant land

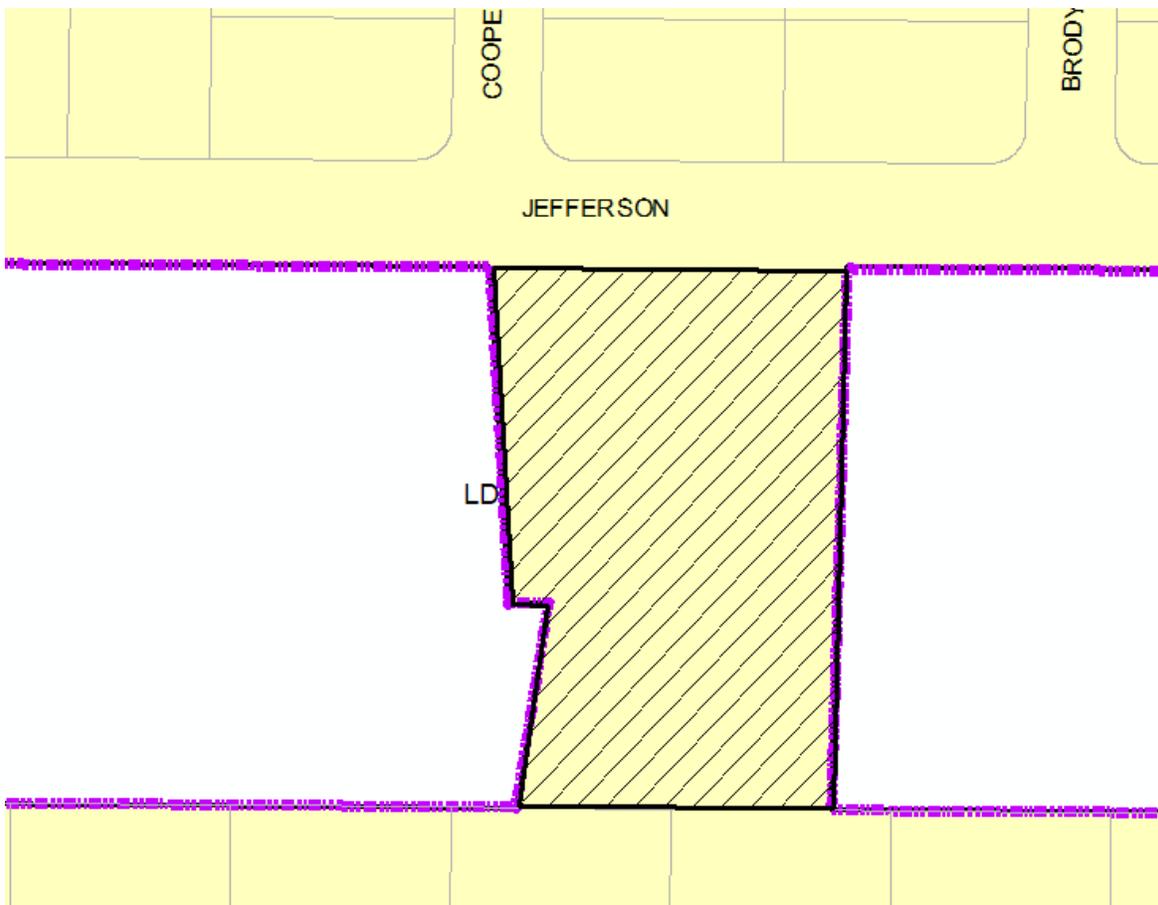
in the City and 40 acres of land beyond the vacant land considered reasonably available for development to accommodate this number of homes.

RECOMMENDATION

The Planning Commission has recommended approval of the application and that the City Council assign Low Density Residential zoning to the property, as indicated in their attached order.

The staff also recommends approval as reflected in the draft ordinance that is included in the packet.

The illustration below shows a portion of the revised Zoning Map, should Ordinance 1035 be enacted. The crossed hatched area is the proposed territory to be annexed.



There may be testimony at the public hearing that requires the findings in the draft ordinance be modified to reflect that testimony.

Finally, Ordinance 1025 adopts a new zoning map because the current map has been amended so many times there is not room to note additional amendments.

OPTIONS AND MOTIONS

The City Council is presented with the following options.

1. Approve the application and the first consideration of Ordinance 1035

Move to approve the application of Robert and Kay Pendleton (Land Use File #7-04/19) for annexation, assign Low Density Residential Zoning to the property and adopt a new Official Zoning Map by enacting Ordinance No 1035 as presented.

The City Recorder shall call the roll and the names of each Councilor present and their vote shall be recorded in the meeting minutes. If the vote is unanimous, Ordinance No. 1035 is enacted and will be presented to the Mayor for his approval.

If the vote is not unanimous, Ordinance No. 1035 will be brought before the Council for a second consideration at the September 16, 2019 meeting.

2. Approve the application and the first consideration of Ordinance 1035 with modifications

Move to approve the application of Robert and Kay Pendleton (Land Use File #7-04/19) for annexation, assign Low Density Residential Zoning to the property and adopt a new Official Zoning Map by enacting Ordinance No 1035 with the following changes ... and direct staff to incorporate these changes into the Ordinance before the Ordinance is presented to the City Council for a second consideration.

The City Recorder shall call the roll and the names of each Councilor present and their vote shall be recorded in the meeting minutes. If the first consideration is approved, Ordinance No. 1035 will be brought before the Council for a second consideration at its September 16, 2019 meeting.

3. Deny the application

Move to deny the applications of application of Robert and Kay Pendleton (Land Use File #7-04/19) for annexation and direct staff to prepare a draft Order of Denial for consideration by the City Council.

4. Continue the hearing until September 16, 2019.

I move the City Council continue the public hearing on the application of Robert and Kay Pendleton (Land Use File #7-04/19) until September 16, 2019.

5. Close the hearing but keep the record open for submission of written testimony.

I move the City Council close the hearing on the application of Robert and Kay Pendleton (Land Use File #7-04/19) but maintain the record open to submissions by the applicant until September 2, allowing 7 days for review and rebuttal and then an additional 7 days for the applicant to reply, with final closure of the record on September 16, 2019.

6. Close the hearing and record, and continue the deliberation to the next meeting.

I move the City Council continue the deliberation on the application of Robert and Kay Pendleton (Land Use File #7-04/19) until September 16, 2019.



Submit Via Email

CITY OF STAYTON APPLICATION FOR ANNEXATION

PROPERTY OWNER: Robert and Kay Pendleton
Address: 418 East Jefferson Street
City/State/Zip: Stayton, OR 97383
Phone: 503-881-0568 Email: rpendleton@wvi.com

APPLICANT: Same
Address: _____
City/State/Zip: _____
Phone: _____ Email: _____

APPLICANT'S REPRESENTATIVE: _____
Address: _____
City/State/Zip: _____
Phone: _____ Email: _____

CONSULTANTS: Please list below planning and engineering consultants.

PLANNING	ENGINEERING
Name: _____	Name: _____
Address: _____	Address: _____
City/State/Zip: _____	City/State/Zip: _____
Phone: _____	Phone: _____
Email: _____	Email: _____

Select one of the above as the principal contact to whom correspondence from the Planning Department should be addressed:

- owner
- applicant
- applicant's representative
- planning consultant
- engineer

LOCATION:

StreetAddress: 1660 East Jefferson Street

Assessor's Tax Lot Number and Tax Map Number:

Map:091W11CA00500. Code 02900040. Acct # R3465

Closest Intersecting Streets: East Jefferson and 15th Avenue

CURRENT COMPREHENSIVE PLAN DESIGNATION: Residential

ZONE MAP DESIGNATION PROPOSED WITH ANNEXATION: Low Density Residential

SIGNATURE OF APPLICANT: *Bob Pendleton*

DO NOT WRITE BELOW THIS LINE

Application received by: *AP Leathman* Date: *5-03-2019* Fee Paid: \$ *1,800.00* Receipt No. *10.002992*
Land Use File# *7-04/19*

QUESTIONS TO BE ADDRESSED IN NARRATIVE STATEMENT

The Stayton Planning Commission, with assistance from the Planning Department and the Public Works Department will use the information provided by the applicant to analyze the merits of this application. A decision to approve or deny the application is made based on how well the applicant presents information to show the application meets the standards and criteria set forth in the Stayton Land Use and Development Code 17.12.210.5. Please provide the following information in full and attach a narrative statement to this application.

1. **NEED:** What is the demonstrated need for this property to be annexed into the City?
2. **ADEQUATE UTILITIES:** How will the proposed annexation obtain or maintain adequate utility systems (including water, sewer, surface water drainage, power, and communications), and connections, including easements, to properly serve the subject property in accordance with accepted City standards?

All public improvements must meet City of Stayton standard specifications. All design plans must be approved by the City prior to construction. The City will inspect all construction.

a. List public services currently available to the site:

- Water Supply: 8 - inch line available in E Jefferson St Street.
- Sanitary Sewer: 8 - inch line available in E Jefferson St Street.
- Storm Sewer: 18 - inch line available in E Jefferson St Street.
- Natural Gas: - inch line available in E Jefferson St Street.
- Telephone: is (or) is not available in E Jefferson St Street.
- Cable TV: is (or) is not available in E Jefferson St Street.
- Electrical: is (or) is not available in E Jefferson St Street.

b. Will existing City public services need to be replaced or upgraded to accommodate the demands created by the annexation? yes no

3. Is the subject property contiguous to the city limits? yes no
4. Is the proposed annexation compatible with the character of the surrounding area and does it comply with the urban growth program and policies of the City?
5. How does the proposed annexation comply, or will be made to comply with all applicable provisions of state and local law?
6. If the proposed annexation is a contract annexation, does the proposal include the cost of City facility and service extensions as calculated by the Public Works Director?

August 7, 2019

Memo to: Stayton City Council
From: Bob and Kay Pendleton
Re: Annexation Request

In April, we responded to an emergency situation at our rental house at 1660 East Jefferson Street: the old septic system had failed, and it was evident that the only reasonable solution was to hook up to the City sewer system.

Since the house had not yet been annexed into the City, and the existing well provides excellent water, we requested advice and permission from the Planning and Public Works Departments to begin the process of hooking up to the available sewer line stub on Jefferson Street as soon as possible. The water line to the house may be hooked up in the far future.

Both Planning and Public Works departments responded expeditiously and favorably, and we immediately started the process of annexation, filing all the required forms and paying the appropriate fees to the City and County in May. Also, we agree to pay the appropriate Parks and Recreation System Development fee when annexation is complete.

A Non-Remonstrance Agreement was signed with the City, and so we proceeded, and the house was connected to the City sewer system in June, resolving the health hazard and providing assurance of normalcy for us and our dependable renter.

At the June 24 Planning Committee hearing, there was no public testimony against the annexation, and the annexation was approved and sent on to the City Council for final approval at its July meeting. However, the July City Council meeting was cancelled, and rescheduled for August 5. That hearing has now been postponed to August 19.

We are not able to attend the August 19 hearing to testify in favor, but we don't expect any objections to this minor annexation, so therefore we ask the Council to accept the Planning Committee's approval of this annexation request...and our apology for missing the hearing on August 19.

Respectfully,

Bob Pendleton

Kay Pendleton

BEFORE THE STAYTON PLANNING COMMISSION

In the matter of
the application of
Robert & Kay Pendleton

)
) Annexation
) File #7-04/19
)

ORDER OF APPROVAL

I. NATURE OF APPLICATION

The applicant has submitted an application to annex a 1.4-acre parcel into the city limits.

II. PUBLIC HEARING

A public hearing was held on the application before the Stayton Planning Commission on June 24, 2019. At that hearing the Planning Commission reviewed Land Use File #7-04/19 applications for annexation and subdivision and it was made part of the record.

III. FINDINGS OF FACT

A. EXISTING CONDITIONS

1. The owners of the property and the applicants are Robert L & Kay L Pendleton.
2. The parcel can be described as: Township 9, Range 1 West of the Willamette Meridian, Section 11CA, Tax Lot 500.
3. The property is currently outside of the City Limits and zoned Marion County Urban Transition (UT-20).
4. The property is located at 1660 E Jefferson St. The entire property is approximately 1.4 acres in area with approximately 200 feet of frontage on E Jefferson St and approximately 306 feet of depth. The property is currently developed with a single family dwelling constructed in the 1950s. The existing dwelling was served by a private water supply well and private subsurface wastewater disposal system. The wastewater disposal system has failed and the owners have connected to the City sewer system.
5. The property to the east is not yet annexed into the City, is zoned Marion County Urban Transition (UT-20) and is developed with a single family dwelling. The properties to the north, are zoned Low Density Residential (LD), were annexed in 2005, and are developed with single family dwellings. The property to the west is zoned Marion County Urban Transition (UT-20) and is developed as a single family dwelling. The properties to the south are zoned LD, were annexed in 1996, and are developed with single family dwellings. Neighboring single family residential properties within the City range in size from 10,700 square feet to 18,300 square feet in area.

B. PROPOSAL

The proposal is to annex 1.4 acres of land into the City. The applicant has proposed that Low Density Residential zoning be applied at the time of annexation.

C. AGENCY COMMENTS

The following agencies were notified of the proposal: City of Stayton Public Works, Stayton Cooperative Telephone Company, Pacific Power, NW Natural Gas, Stayton Fire District, Marion County Public Works, Marion County Planning Division, Santiam Water Control District and the North Santiam School District.

No review comments were received.

D. PUBLIC COMMENTS

The Planning Department notified all owners of property within 300 feet of the subject property and has not received any public comment on these applications prior to the public hearing.

E. ANALYSIS

Annexation applications are required to satisfy approval criteria contained within Stayton Municipal Code (SMC) Title 17, Section 17.12.210.

F. REVIEW CRITERIA

Pursuant to SMC 17.12.210.4 the following criteria must be demonstrated as being satisfied by the application:

- a. Need exists in the community for the land proposed to be annexed.*

Finding: The 2013 Stayton Comprehensive Plan update included a Buildable Lands Inventory (BLI). The 2013 BLI provides the following information on projected growth and need for additional land in the community. At that time, there were 114 lots comprising 106 acres of vacant land inside the City limits in the Low, Medium, and High Density Residential Zones. The projected population for the City in 2030 (at a growth rate of 1.7%) was 11,359 people, requiring an additional 1,281 dwellings. To meet that need, the City Comprehensive Plan indicates the expected need of additional 320 acres of residential to be annexed into the City. Since the time that analysis was conducted, the City has annexed 40 acres of residential land.

Staff has calculated information on current buildable lands as follows. There are currently 86 vacant lots totaling 100 acres within the City limits that are residentially zoned.

Only two subdivisions have been platted in the past 5 years. Four subdivisions have been platted in the past 10 years. The total number of lots in each and the current status is shown in the table below.

In addition, there is a possible third phase of the Phillips Estates subdivision, accounting for a potential of 10 lots, the Lambert Place subdivision with 51 lots, the Evergreen Subdivision with four vacant lots, and the E Virginia St Terrace with four

lots that have received preliminary plan approval from the Planning Commission but not yet been platted with Marion County.

Recent Subdivisions in Stayton

Subdivision Name	Year Platted	No of Lots	Existing Homes	Vacant Lots
Roth Estates	2009	12	13	0
Phillips Estates, Phase 1	2009	20	16	4
Phillips Estates, Phase 2	2014	26	5	21
Wildlife Meadows	2017	44	39	7

Though there are 86 parcels totaling 100 acres in the City and residentially zoned, staff estimates that there are only 76 parcels totaling 61 acres of vacant property within the City limits that is residentially zoned and reasonably available for development. Lack of utility availability, ownership by a governmental entity, wetlands and floodplain issues constrain the ability of the remaining land to be available for development. Within the LD zone there are 61 lots reasonably available for development. In the MD zone there are 14 vacant lots. There is only one vacant lot in the High Density Residential Zone. With 4 acres, it has the potential capacity for 50 to 60 dwelling units.

The City’s growth rate from 2000 and 2018 has been at an average annual rate of about 1%, with a population change of 1,000 people. The Marion County Coordinated Growth projection for 2030 is 11,360, reflecting a 1.6% average annual growth rate for the next twenty years. At a 1.6% growth rate from the most recent certified population estimate of the City, there would be the need for 541 new dwellings units over the next 10 years. At an average of 5 units per acre for single family development, there would be the need for all of the existing vacant land in the City and 60 acres of land beyond the vacant land considered reasonably available for development to accommodate this number of homes.

b. The site is or is capable of being serviced by adequate City public services, including such services as may be provided subject to the terms of a contract annexation agreement between the applicant and the City.

Finding: There is an 8-inch water main in E Jefferson St. There is an 8-inch sewer main in E Jefferson St. There is an 18-inch stormwater main in E Jefferson St.

c. The proposed annexation is property contiguous to existing City jurisdictional limits.

Finding: The property is adjacent to the City limits to the north and to the south.

d. The proposed annexation is compatible with the character of the surrounding area and complies with the urban growth program and the policies of the City of Stayton.

Finding: No development activity is proposed by the applicants. The application has been submitted due to failure of the subsurface wastewater disposal system on the property and the need to connect to the City sewer system.

e. *The annexation request complies or can be made to comply with all applicable provisions of state and local law.*

Finding: The criteria of ORS 222 apply to the adoption of an annexation ordinance which is a City Council action. The property owners have consented to the annexation.

f. *If a proposed contract annexation, the terms and conditions, including the cost of City facility and service extensions to the annexed area shall be calculated by the Public Works Director.*

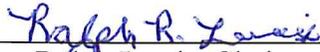
Finding: The proposed annexation is not a contract annexation.

IV. CONCLUSION

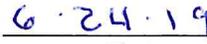
Based on the above findings, the Planning Commission concludes that the application meets the criteria for approval in SMC 17.12.210.4.

V. ORDER

Based on the Findings and Conclusions above, the Planning Commission recommends approval of the application for annexation to the City Council and amendment of the Official Zoning Map to designate the property as Low Density Residential.



Ralph Lewis, Chairperson



Date



Dan Fleishman,

Planning and Development Director



Date

ORDINANCE NO. 1035

AN ORDINANCE ANNEXING INTO THE CITY OF STAYTON CERTAIN REAL PROPERTY LOCATED ON E JEFFERSON ST; CHANGING THE ZONING OF THE PROPERTY FROM MARION COUNTY URBAN TRANSITIONAL (UT) TO CITY OF STAYTON LOW DENSITY RESIDENTIAL (LD); AND ADOPTING A NEW OFFICIAL ZONING MAP

WHEREAS, Robert & Kay Pendleton have initiated annexation of that certain real property located in the southwest quarter of Section 11, Township 9 South, Range 1 West, Willamette Meridian, Marion County, Oregon, more particularly described in Exhibit A attached hereto and incorporated herein, and further illustrated on a map shown in Exhibit B attached hereto and incorporated herein;

WHEREAS, Robert & Kay Pendleton, representing a majority of the property owners of the property, have consented to the annexation of the property;

WHEREAS, on April 30, 2019, pursuant to ORS 222.125 and Stayton Municipal Code (SMC) Section 17.12.210, Robert & Kay Pendleton filed with the City of Stayton, Oregon, an annexation application and a request to assign Low Density Residential zoning to the annexed territory;

WHEREAS, the applicant's proposal is to annex the property with the intent of connecting the existing single family dwelling on the property to the City sewer system;

WHEREAS, a public hearing was held on the application before the Stayton Planning Commission on June 24, 2019;

WHEREAS, the territory to be annexed is contiguous to the City Limits on two sides;

WHEREAS, the nearby properties in the City Limits are zoned Low Density Residential;

WHEREAS, territory to be annexed is currently zoned Urban Transition (UT-20), and the applicant has requested that the territory to be annexed be zoned Low Density Residential in accordance with the Stayton Comprehensive Plan Map;

WHEREAS, the City of Stayton City Council held a public hearing as required by law on August 19, 2019;

WHEREAS, the City of Stayton City Council makes findings of fact regarding the application as contained in Exhibit C attached hereto and incorporated herein;

WHEREAS, the City of Stayton City Council concludes, based on the findings of fact contained in Exhibit C, that the application meets the criteria for approval in SMC 17.12.210.5; and

WHEREAS, the April 1, 2013 Official Zoning Map of the City Stayton has no more room to note amendments on its face;

NOW THEREFORE, the City of Stayton ordains:

Section 1. Pursuant to ORS 222.125, the Stayton City Council hereby proclaims the annexation to the City of Stayton, Oregon, of territory in the southwest quarter of Section 11, Township 9 South, Range 1 West, Willamette Meridian, Marion County, Oregon, the legal description of which is described in Exhibit A, which is attached hereto and by reference incorporated herein.

Section 2. Pursuant to ORS 222.005 the Stayton City Recorder shall provide by certified mail to all public utilities, telecommunication facilities, and franchise holders operating within the City a written notice of each site address to be annexed as recorded on the Marion County assessment and tax roles, a legal description and map of the proposed boundary change, and a copy of this ordinance. This notice shall be mailed within (10) ten working days of the passage of this Ordinance.

Section 3. Pursuant to ORS 222.010 the Stayton City Recorder shall, within ten (10) days of the passage of this Ordinance, send to the Marion County Clerk and Marion County Assessor a report of the annexation including a detailed legal description of the new boundaries established by the City.

Section 4. Pursuant to ORS 308.225(2) the Stayton City Recorder shall provide to the Oregon Department of Revenue a copy of this Ordinance, containing the legal description and map of the territory being annexed.

Section 5. Pursuant to ORS 222.177 the Stayton City Recorder shall provide to the Oregon Secretary of State a copy of this Ordinance, containing the legal description and map of the territory being annexed, and a copy of documents indicating consent of the property owner.

Section 6. Stayton Municipal Code Section 17.16.020.3.b is hereby amended to delete reference to the April 1, 2013 Official Zoning Map and to insert reference to the August 15, 2019 Stayton Official Zoning Map which shall include the annexed territory as Low Density Residential.

Section 7. Upon adoption by the Stayton City Council and the Mayor's signing, this Ordinance shall become effective 30 days after the date of signing.

ADOPTED BY THE CITY COUNCIL this 19th day of August, 2019.

CITY OF STAYTON

Signed: _____, 2019

BY:

Henry A Porter, Mayor

Signed: _____, 2019

ATTEST:

Keith D. Campbell, City Administrator

EXHIBIT A, Annexation Area

A tract of land located in the Southwest One-Quarter of Section 11, Township 9 South, Range 1 West, Willamette Meridian, Marion County, Oregon, being more particularly described as follows:

Beginning at an iron pipe 6.444 chains South and 31.44 Chains East of the Quarter Corner between Sections 10 and 11 in Township 9 South Range 1 West of the Willamette Meridian, in Marion County, Oregon; thence South 305.94 feet to an iron pipe; thence West 178.96 feet to an iron pipe; thence N 7° 32' East 116.70 feet to an iron pipe; thence S 89° 40' West 22.25 feet to an iron pipe; thence N. 4° 10' West 192.37 feet to an iron pipe on the south line of a public road; thence East 199.40 feet along the South line of said road to the iron pipe at the place of beginning.

DRAFT

EXHIBIT B, Map of Annexation Area

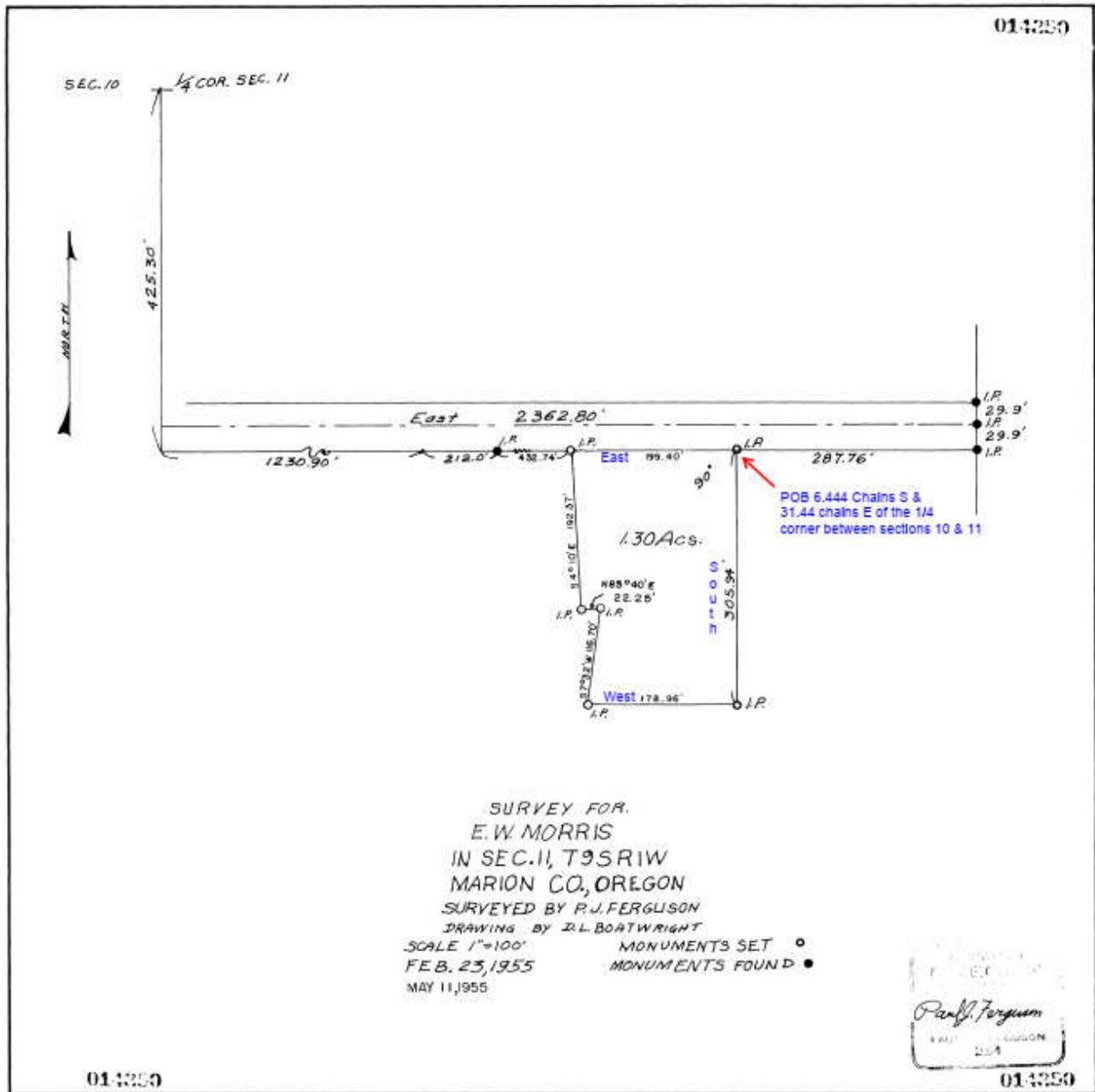


EXHIBIT C, CITY COUNCIL FINDINGS OF FACT

LAND USE FILE #7-04/19

A. EXISTING CONDITIONS

1. The owners of the property and the applicants are Robert L & Kay L Pendleton.
2. The parcel can be described as: Township 9, Range 1 West of the Willamette Meridian, Section 11CA, Tax Lot 500.
3. The property is currently outside of the City Limits and zoned Marion County Urban Transition (UT-20).
4. The property is located at 1660 E Jefferson St. The entire property is approximately 1.4 acres in area with approximately 200 feet of frontage on E Jefferson St and approximately 306 feet of depth. The property is currently developed with a single family dwelling constructed in the 1950s. The existing dwelling was served by a private water supply well and private subsurface wastewater disposal system. The wastewater disposal system has failed and the owners have connected to the City sewer system.
5. The property to the east is not yet annexed into the City, is zoned Marion County Urban Transition (UT-20) and is developed with a single family dwelling. The properties to the north, are zoned Low Density Residential (LD), were annexed in 2005, and are developed with single family dwellings. The property to the west is zoned Marion County Urban Transition (UT-20) and is developed as a single family dwelling. The properties to the south are zoned LD, were annexed in 1996, and are developed with single family dwellings. Neighboring single family residential properties within the City range in size from 10,700 square feet to 18,300 square feet in area.

B. PROPOSAL

The proposal is to annex 1.4 acres of land into the City. The applicant has proposed that Low Density Residential zoning be applied at the time of annexation.

C. AGENCY COMMENTS

The following agencies were notified of the proposal: City of Stayton Public Works, Stayton Cooperative Telephone Company, Pacific Power, NW Natural Gas, Stayton Fire District, Marion County Public Works, Marion County Planning Division, Santiam Water Control District and the North Santiam School District.

No review comments were received.

D. PUBLIC COMMENTS

The Planning Department notified all owners of property within 300 feet of the subject property and has not received any public comment on the application prior to the public hearing.

E. ANALYSIS

Annexation applications are required to satisfy approval criteria contained within Stayton Municipal Code (SMC) Title 17, Section 17.12.210.

F. REVIEW CRITERIA

Pursuant to SMC 17.12.210.4 the following criteria must be demonstrated as being satisfied by the application:

a. *Need exists in the community for the land proposed to be annexed.*

Finding: The 2013 Stayton Comprehensive Plan update included a Buildable Lands Inventory (BLI). The 2013 BLI provides the following information on projected growth and need for additional land in the community. At that time, there were 114 lots comprising 106 acres of vacant land inside the City limits in the Low, Medium, and High Density Residential Zones. The projected population for the City in 2030 (at a growth rate of 1.7%) was 11,359 people, requiring an additional 1,281 dwellings. To meet that need, the City Comprehensive Plan indicates the expected need of additional 320 acres of residential to be annexed into the City. Since the time that analysis was conducted, the City has annexed 40 acres of residential land.

Staff has calculated information on current buildable lands as follows. There are currently 86 vacant lots totaling 100 acres within the City limits that are residentially zoned.

Only two subdivisions have been platted in the past 5 years. Four subdivisions have been platted in the past 10 years. The total number of lots in each and the current status is shown in the table below.

In addition, there is a possible third phase of the Phillips Estates subdivision, accounting for a potential of 10 lots, the Lambert Place subdivision with 51 lots, the Evergreen Subdivision with four vacant lots, and the E Virginia St Terrace with four lots that have received preliminary plan approval from the Planning Commission but not yet been platted with Marion County.

Recent Subdivisions in Stayton

Subdivision Name	Year Platted	No of Lots	Existing Homes	Vacant Lots
Roth Estates	2009	12	13	0
Phillips Estates, Phase 1	2009	20	16	4
Phillips Estates, Phase 2	2014	26	5	21
Wildlife Meadows	2017	44	39	7

Though there are 86 parcels totaling 100 acres in the City and residentially zoned, staff estimates that there are only 76 parcels totaling 61 acres of vacant property within the City limits that is residentially zoned and reasonably available for development. Lack of utility availability, ownership by a governmental entity, wetlands and floodplain issues constrain the ability of the remaining land to be available for development. Within the LD zone there are 61 lots reasonably available for development. In the MD zone there are 14 vacant lots. There is only one vacant lot in the High Density Residential Zone. With 4 acres, it has the potential capacity for 50 to 60 dwelling units.

The City's growth rate from 2000 and 2018 has been at an average annual rate of about 1%, with a population change of 1,000 people. The Marion County Coordinated Growth projection for 2030 is 11,360, reflecting a 1.6% average annual growth rate for the next twenty years. At a 1.6% growth rate from the most recent certified population estimate of the City, there would be the need for 541 new dwellings units over the next 10 years. At an average of 5 units per acre for single family development, there would be the need for all of the existing vacant land in the City and 60 acres of land beyond the vacant land considered reasonably available for development to accommodate this number of homes.

b. *The site is or is capable of being serviced by adequate City public services, including such services as may be provided subject to the terms of a contract annexation agreement between the applicant and the City.*

Finding: There is an 8-inch water main in E Jefferson St. There is an 8-inch sewer main in E Jefferson St. There is an 18-inch stormwater main in E Jefferson St.

c. The proposed annexation is property contiguous to existing City jurisdictional limits.

Finding: The property is adjacent to the City limits to the north and to the south.

d. The proposed annexation is compatible with the character of the surrounding area and complies with the urban growth program and the policies of the City of Stayton.

Finding: No development activity is proposed by the applicants. The application has been submitted due to failure of the subsurface wastewater disposal system on the property and the need to connect to the City sewer system.

e. The annexation request complies or can be made to comply with all applicable provisions of state and local law.

Finding: The criteria of ORS 222 apply to the adoption of an annexation ordinance which is a City Council action. The property owners have consented to the annexation.

f. If a proposed contract annexation, the terms and conditions, including the cost of City facility and service extensions to the annexed area shall be calculated by the Public Works Director.

Finding: The proposed annexation is not a contract annexation.

DRAFT



CITY OF STAYTON
M E M O R A N D U M

TO: Mayor Henry Porter and the Stayton City Council
FROM: Dan Fleishman, Director of Planning and Development
DATE: August 19, 2019
**SUBJECT: Ordinance 1036, Implementing the Recommendations of
the Ordinance 1019 Review Committee**

ISSUE

The issue before the City Council is a public hearing on Ordinance 1036, which would amend the Stayton Municipal Code relative to smoking on public sidewalks and maintenance requirements for non-residential properties. The Code changes in the draft ordinance were proposed by the Ordinance 1019 Review Committee appointed by the City Council last November.

BACKGROUND

In March 2018, Revitalize Downtown Stayton presented to the City Council a set of Code amendments to address the conditions of property, primarily in the downtown area. The Council indicated its willingness to consider the amendments and requested that staff convert the proposal in the proper format of an ordinance. Ordinance 1019 was presented to the City Council at their April 16 2018 meeting and, after some amendments, was enacted in early June.

Ordinance 1019 amended two chapters of existing code and enacted a new chapter in Title 15 of the Municipal Code. Section 1 of the Ordinance requires people to pick up their pet waste, except on their own property. Section 2 of the Ordinance prohibits smoking or vaping outside the front street façade of any building in the downtown area. Section 3 of the Ordinance establishes standards for the maintenance of non-residential properties in the downtown area. These standards require property to be kept free from debris, trash and other materials; that weeds be removed from the front of buildings, and that awnings be kept in good repair, moss free and be illuminated.

Shortly after enactment of the Ordinance, the City Council received comments about the smoking requirements. The Council suspended enforcement of the Ordinance in September. Upon receiving additional comments at their meetings, the City Council held a hearing on November 5 regarding the provisions of the Ordinance. Following that hearing, the Council voted to establish a committee to review the Ordinance and charged the Committee with recommending to the Council modifications and suggestions for the Ordinance.

RECOMMENDATIONS FROM COMMITTEE

The Committee was made up of representation of downtown property owners, downtown business owners, business employees, Revitalize Downtown Stayton and two alternate members. The Committee was chaired by Councilor Quiqley, met on three occasions and was assisted in its deliberations by the Planning and Development Director and the Police Chief. The Committee reviewed all portions of Ordinance 1019 and made a number of recommendations that were transmitted to the City Council in April.

DESCRIPTION OF PROPOSED AMENDMENTS

The Committee has recommended a number of amendments to the Municipal Code, which have been incorporated into draft Ordinance 1036.

Section 1 of the Ordinance amends Section 8.12.040.5 of the Code. Currently the Code prohibits smoking or vaping outside the front street façade of a building in the downtown area. State law prohibits smoking within 10 feet of the doorway, an openable window, or any ventilation facility of any business. The 10-foot restriction in state law leaves only small areas along the sidewalk along N Third Ave where smoking is legal. The Committee's recommendation is that the Code be amended to prohibit smoking on a public sidewalk within 20 feet of the doorway of a business. While, as drafted, this provision would apply City-wide, Staff's analysis is that there are very few doorways to businesses within 20 feet of a public sidewalk except in the downtown area.

Sections 2 and 3 of the Ordinance modify Chapter 15.12 such that the Chapter would apply City-wide, not just in the Downtown Core.

Section 4 of the Ordinance modifies the requirements for landscape beds and planters to be less subjective and be more clear.

Section 5 of the Ordinance modifies the requirements for awning maintenance to be more specific and to require removal of the frame if an awning is removed from building. It repeals the requirement that awnings in the downtown area provide illumination of the sidewalk in front of the building.

Section 6 of the Ordinance replaces the awning illumination requirement with a requirement that all buildings along N Third Ave, between E Water St and E Burnett St provide illumination visible from the exterior of the building and provides a number of options for achieving this requirement and standards for the brightness and color of the lighting.

OPTIONS AND MOTIONS

The City Council is presented with the following options.

1. Continue the hearing

Move to continue the public hearing until September 16, 2019.

2. Close the hearing and approve the first consideration of Ordinance 1036

Move to approve Ordinance No 1036 as presented.

The City Recorder shall call the roll and the names of each Councilor present and their vote shall be recorded in the meeting minutes. If the vote is unanimous, Ordinance No. 1036 is enacted and will be presented to the Mayor for his approval.

If the vote is not unanimous, Ordinance No. 1036 will be brought before the Council for a second consideration at the September 16, 2019 meeting.

3. Close the hearing and approve the Ordinance with modifications

Move to approve Ordinance No. 1036 with the following changes ... and direct staff to incorporate these changes into the Ordinance before the Ordinance is presented to the City Council for a second consideration.

The City Recorder shall call the roll and the names of each Councilor present and their vote shall be recorded in the meeting minutes. If the first consideration is approved, Ordinance No. 1036 will be brought before the Council for a second consideration at its September 16, 2019 meeting.

4. Close the hearing and retain the Code unchanged, and reinstate enforcement of Ordinance 1019

Move to reinstate enforcement of the Code provisions enacted by Ordinance 1019.

ORDINANCE NO. 1036

AN ORDINANCE AMENDING STAYTON MUNICIPAL CODE TITLES 8 AND 15 REGARDING CONDUCT ON PUBLIC SIDEWALKS AND MAINTENANCE OF COMMERCIAL PROPERTIES

WHEREAS, in June 2018 the Stayton City Council enacted Ordinance 1019 restricting smoking of tobacco in the Downtown area and establishing standards for the maintenance of commercial properties;

WHEREAS, following comments about the impact of the smoking restrictions on certain businesses, In September 2018 the City Council voted to suspend enforcement of the Ordinance 1019;

WHEREAS, the City Council held a public hearing in November of 2018 on the provisions in Ordinance 1019;

WHEREAS, following the public hearing the City Council appointed a committee to review the provisions enacted by Ordinance 2019;

WHEREAS, the committee appointed by the City Council recommended changes to smoking restrictions and to the property maintenance standards; and

WHEREAS, the City of Stayton City Council held a public hearing on the proposed Code amendments on August 19, 2019.

NOW THEREFORE, the City of Stayton ordains:

Section 1. Stayton Municipal Code Section 8.12.040.5 is hereby amended as follows:

5. Smoking of tobacco, marijuana, or any other substances including E-Cigarettes and use of smokeless tobacco is prohibited at any City-owned property, park and facilities. Smoking or vaping is prohibited on the sidewalk of a public street outside the front street facade within twenty (20) feet of the doorway of any building in the area designated as Downtown in the Comprehensive Plan Map and properties on both sides of N First Ave between Water St and Washington St ~~business establishment~~. Smoking is defined as inhaling, exhaling, breathing, or carrying any lighted cigar, cigarette, E-cigarette, vape pen, or other tobacco product in any manner or in any form. No ashtrays or cigarette butt containers shall be placed on the sidewalk of a public street within twenty (20) feet of the doorway of any business establishment.

Section 2. Stayton Municipal Code Section 15.12.010 is hereby amended as follows:

15.12.010 PURPOSE

This Chapter is intended to protect the ~~Downtown Core~~ City of Stayton from blight, deterioration, and decay as a result of properties in a condition or state that potentially would have an adverse effect on the value, utility, and habitability of property within the City. Such properties may:

1. Pose hazards to the public health, safety, and welfare.
2. Cause potential damage to adjoining and nearby properties. A property which is merely unkempt or vacant for long periods may reduce the value of adjoining and

nearby property, and the habitability and economic well-being of the City may be materially and adversely affected.

3. Be a cause and source of blight in both residential and non-residential neighborhoods, especially when the person in charge of the building fails to actively maintain and manage the building to ensure that it does not become a liability to the neighborhood.
4. Discourage economic development and retard appreciation of property values.
5. Serve as a potential fire hazards and can jeopardize the ability of owners of neighboring property from securing or maintaining affordable fire insurance.
6. Potentially cause increased need for police protection due to misuse of the property by persons not having permission or right to use the property.
7. Be the core and cause of spreading blight

It is the responsibility of property ownership to prevent owned property from becoming a burden to the neighborhood and community and a threat to the public health, safety, or welfare. It is also in the community's best interest not to lose unique buildings, and in the best interest of the owner to maintain their investment.

Section 3. Stayton Municipal Code Section 15.12.020 is hereby amended as follows:

15.12.020 SCOPE OF REGULATIONS

The regulations included in this Chapter shall be in effect and control the use of property used for business and mixed business/residential purposes and public places ~~only~~ within the ~~Downtown Core of the City. The Downtown Core is defined as that area designated Downtown on the Stayton Comprehensive Plan Map and both sides of N First Ave from Water St to Washington St.~~

Section 4. Stayton Municipal Code Section 15.12.040 is hereby amended as follows:

15.12.040 WEEDS AND PLANTS TO BE CONTROLLED

Plant material shall be cut down or destroyed between the building facade and the street unless planted in a container or tree well by the building owner, occupant, or city. Plant material shall be removed between buildings, and in alleyways. Planted materials in landscape beds and planters shall be maintained to keep them healthy and attractive weed free.

Section 5. Stayton Municipal Code Section 15.12.050 is hereby amended as follows:

15.12.050 ~~ILLUMINATION AND~~ MAINTENANCE OF AWNINGS

1. Awnings shall ~~be in good repair and free of moss or algae~~ not be torn, frayed, ripped, faded, or stained, soiled, or dirty.
2. ~~Awnings shall not be internally illuminated. However, lighting which provides illumination to the sidewalk and signage is required from dusk to midnight. If an awning cover is removed, the building owner shall remove the frame and any supports for the awning.~~

Section 6. Stayton Municipal Code Section 15.12.055 is hereby enacted:

15.12.055 ILLUMINATION OF BUILDINGS

The purpose of this section is to provide uniformity of lighting of building exterior and interior retail areas in the downtown area in order to provide an inviting atmosphere within the pedestrian-oriented portion of the City.

1. Buildings along N Third Avenue, between E Water Street and E Burnett Street shall provide illumination visible from the exterior of the building. Illumination shall be provided by:
 - a. Light fixtures on or in an awning or canopy overhanging the sidewalk;
 - b. Light fixtures attached to the exterior of the building;
 - c. Lights attached around the perimeter of a window frame; or
 - d. Interior lighting within a window.
2. Lighting shall be white light, a minimum of 1,000 lumens, with temperature rating of 5000K or less.
3. Illumination shall be provided between dusk and 11:00 pm.

Section 7. Upon adoption by the Stayton City Council and the Mayor's signing, this Ordinance shall become effective 30 days after the date of signing.

ADOPTED BY THE CITY COUNCIL this 19th day of August, 2019.

CITY OF STAYTON

Signed: _____, 2019

BY: _____
Henry A Porter, Mayor

Signed: _____, 2019

ATTEST: _____
Keith D. Campbell, City Administrator



CITY OF STAYTON
M E M O R A N D U M

TO: Mayor Henry Porter and the Stayton City Council
FROM: Dan Fleishman, Director of Planning and Development
DATE: August 19, 2019
SUBJECT: Economic Development Strategies Project

ISSUE

The issue before the City Council is the consideration of the Economic Development Strategy and Action Plan for adoption. The Economic Development Strategy and Action Plan was presented to the City Council on July 1. At that time, the Council delayed action on the Plan until August 19.

BACKGROUND

In November 2018, the City contracted with Bridge Economic Development for assistance in creating Economic Development Strategies for the City.

The project started off with a series of “roundtable” discussions in late January. The consultant team made a presentation to the Council in early March. In mid-April a second meeting of the Advisory Committee was held as well as a public open house. In late May the consultant team and staff met with possible funding partners, representatives of businesses and property owners in the industrial area, and with downtown stakeholders. A final meeting of the Advisory Committee was held at the end of June.

Previously submitted to the City Council was a final draft of the report with recommended strategies and action steps and a separate Action Matrix which lays out the responsible party and time frames for each of the recommended actions. These documents are included in the digital packet, but not in any paper copies. Not included in the packet because of their volume, are the reports and background information that were prepared by the consultant team on demographics, employment, economic activity utility rates, infrastructure needs and land use policies. These reports and background information are posted on the City’s website.

The report recommends a vision statement for the City, four broad goals to achieve the vision and various strategies and actions to accomplish each goal. Briefly, the four goals are

- Develop a Proactive City Culture
- Support and Leverage Existing Industrial Base
- Grow the Talent Base

- Foster a Great Place

The Action Matrix envisions the City cooperating with a number of partners in other levels of government and lays out a set of tasks for the next five-year period.

ANALYSIS

The Strategy and Action Plan lays out a course of action for the City to undertake to promote economic development in the City. Once the Plan is adopted, staff will return to Council with a series of actions to implement the plan. Staff is currently exploring grant opportunities to implement the Strategy and Action Plan.

Concern was expressed at the July meeting regarding the commitment to hire additional staff. The Action Plan does call for the establishment of new position to serve as a development coordinator in the City. The decision of whether to establish this position will need to be made by the City Council as the budget for future fiscal year is discussed depending on the financial resources and priorities at time.

CITY COUNCIL GOALS

The adopted 2019-2023 City Council Goals include a goal to “Develop economic development strategies through the economic development strategic plan development for marketing, urban renewal, and infrastructure improvements” as a short-term goal within the next two years.

RECOMMENDATION

Staff recommends adoption of the Strategy and Action Plan as presented.

OPTIONS AND MOTIONS

The City Council is presented with the following options.

1. Adopt the Economic Development Strategy and Action Plan as presented

Move that the City Council adopt the June 2019 Stayton Economic Development & Strategy Plan.

2. Adopt the Economic Development Strategy and Action Plan with modifications

Move that the City Council adopt the June 2019 Stayton Economic Development & Strategy Plan with the following changes...

3. Defer Action on the Plan to allow further time to understand its contents

Move to postpone action on the June 2019 Stayton Economic Development & Strategy Plan until the September 16, 2019 meeting.

ECONOMIC DEVELOPMENT STRATEGY & ACTION PLAN

JUNE 2019



Prepared By

Bridge Economic Development

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Introduction

Today's global economy consists of rapidly changing market trends and innovations. However, the one economic certainty that pertains to any industry is the increasing need for skilled human capital. And companies understand that highly mobile talent wants a great place with jobs.

City of Stayton economic development stakeholders realize that a heightened awareness for creating great and diverse places that embrace all residents is a critical step in attracting talent, fostering a sense of identity, and growing a resilient economic base.

The city leaders also understand that complex issues driving income stratification and workforce skills gaps are making it more difficult for every resident to realize positive personal economic growth in keeping with business growth. Therefore, the stakeholders within City of Stayton are committed to consciously fostering a diverse economic base and skilled workforce to allow ALL community members to benefit from the growing economy. In doing so, they will reach their vision:

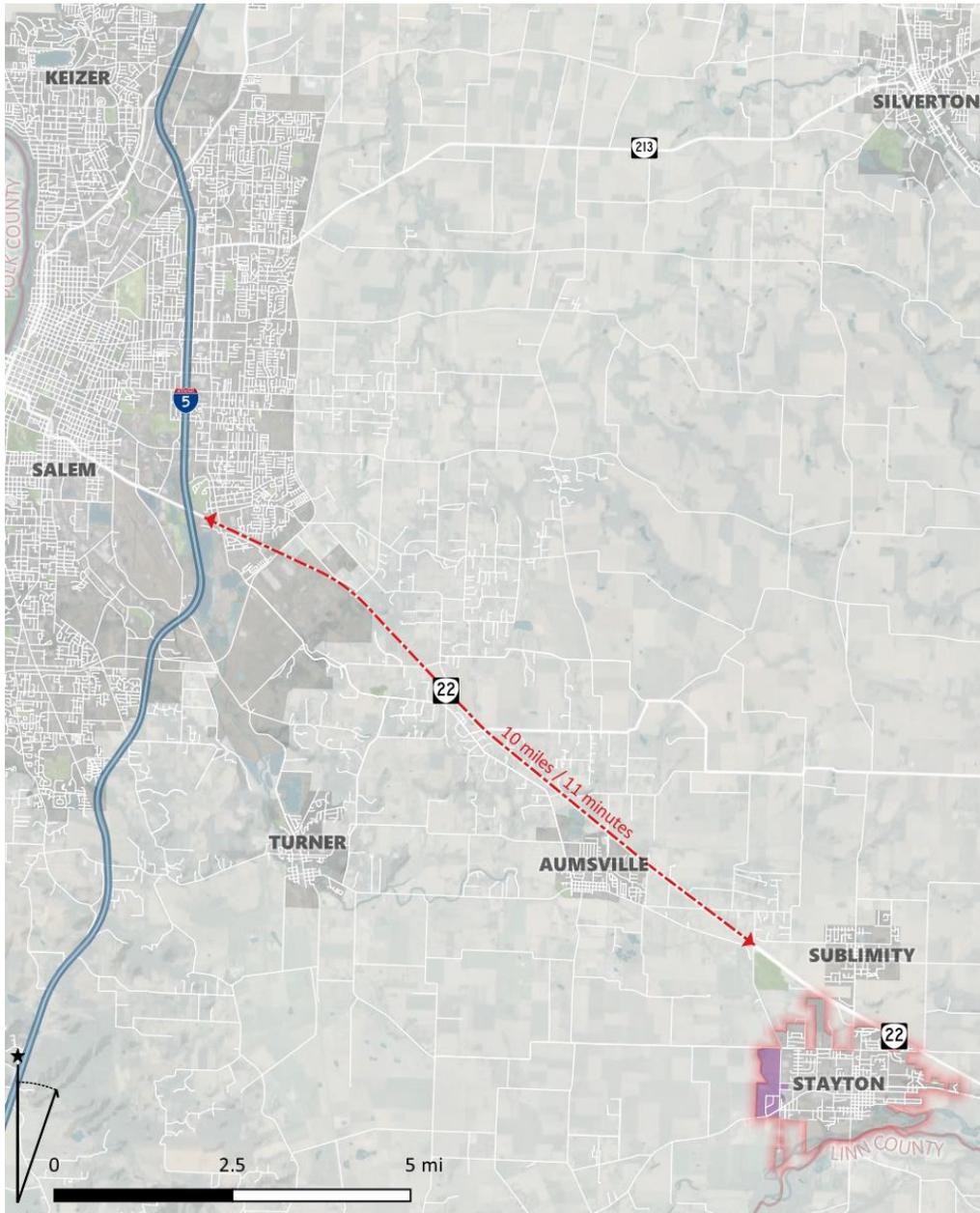
Stayton is one of Oregon's best small communities.

Grounded in an agricultural and industrial legacy and driven by innovative, future looking businesses, Stayton values its residents, history, downtown, and natural beauty.

Every resident and business has the opportunity to thrive and grow in the City of Stayton.

Overview

The City of Stayton is part of the Salem, Oregon region, approximately 10 miles east of Interstate 5 along Highway 22. With a population of approximately 7,900 people, it serves as the largest community within the North Santiam River Canyon area. It is surrounded by unique natural beauty of farmlands and the Santiam River scenic area that leads to central Oregon.



The City of Stayton's history is tied to its location at the confluence of the North Santiam canyon and the Willamette Valley. The original mills that established the city were powered by a diversion ditch created from the North Santiam River. More recent large industry, such as the food-processor Norpac, is connected to the rich agriculture throughout Marion County and the Willamette Valley. Jeld-Wen and RedBuilt wood products benefit from the forests within the region. The Marion County

region is building off the legacy of these natural resources with a focus toward the future tied to technology and innovation. Specifically, the Governor's Regional Solutions Team (RST) for the Mid-Valley Region is focused on this economic development opportunity and directing future investments toward this opportunity.

The City of Stayton is positioned to capture new emerging industries tied to these natural resources, but through modern innovations. The city is fortunate to have 80 acres of vacant industrial land on the west of the city to foster the growth of new companies, which is a significant focus of this strategy.

Our Process

An Economic Development Strategy and Action Plan must be devised by and for the community it serves. While looking at national and state trends and conducting a data analysis are important to determining trends, assets, and challenges, soliciting input from local businesses and community members gives this analysis much-needed context. By providing a platform for community members and business leaders to share their lessons and new ideas, we hope to generate a universal understanding among public, private, and governmental partners. To identify the economic development priorities of Stayton, the following five steps were followed:

Examine national and state trends. Discuss with stakeholders the current national trends driving economic development and how they align with local development priorities and trends.

Benchmark and compare the City to the Region. Provide quantitative data regarding the community profile and demographics to establish a foundation of existing conditions. This data is contrasted with the region and state to provide context.

Evaluate industry advantages and talent capabilities. Develop a quantitative analysis examining Stayton's industry clusters and talent and skill capabilities. This data is contrasted with the region and U.S. to provide comparisons.

Conduct Discussions. For a strategy to be inclusive – for the community, by the community – diverse voices and perspectives must be brought to the table. Outreach in person with economic development stakeholders is facilitated to hear from a variety of perspectives.

Identify Key Themes. It is essential that areas for investment and growth are built upon shared principles and community values that are conveyed through survey responses and stakeholder meeting feedback. Consistent messages create key themes of focus and direction that are unique to the community and shape the Goals and Objectives.

Develop Goals and Objectives. By developing a "playbook" of direction that includes priority goals and objectives, the City can identify where they should focus time and monetary resources to most effectively foster business growth and expansion.

What is Economic Development?

Economic development can be defined as efforts that seek to improve the economic well-being and quality of life for a community by creating and/or retaining middle and high-income jobs and supporting or growing incomes and the tax base through diversification of the local economy. These jobs are generally defined as two different categories with distinct needs in terms of workforce and business location. In addition, these sectors require different types of support and investments from various stakeholders. These sectors are distinguished for clarification regarding strategy objectives and actions.

Traded Sector vs. Local Sector Jobs

Traded sector (also referred to as an export sector) businesses include industries and employers which produce goods and services that are consumed outside the region where they are produced and therefore bring in new income to the area (e.g., metals and machinery, software). Workers in the traded sector tend to have higher educational attainment, work more hours, and earn higher average wages than local sector business.

As the traded sector increases employment and wages, it also enables entrepreneurs to develop skills and resources to foster innovation and start new businesses and increase employment opportunities. Furthermore, certain traded sector companies foster a supply chain effect that creates the need for additional companies to supply components of a product that is manufactured.

Local sector business consists of industries and firms that are in every region. They produce goods and services that are consumed locally in the region where they were made, and therefore circulate existing income in the area (i.e. grocery stores, physician offices, banks). These businesses are important as they make a community distinct and provide amenities to attract young professionals and families that drive the new economy. A sampling of traded vs. local sector businesses in the City of Stayton region is indicated in Figure 1.

Figure 1. Representative Traded Sector and Local Sector City of Stayton Businesses



Table 1 highlights the average wage difference between traded sector jobs and local sector jobs in the U.S. As the job base expands, a region is more attractive to employees because they have more options for career growth. In turn, once the employment base grows, competition will occur and ultimately increase wages.

Table 1. Annual Average Wage Comparison, USA, 2018

NAICS	Industry Sector	United States Average Wage 2017
Traded Sector		
55	Management of Companies & Enterprises	\$119,885
51 -54	Information, Professional, Scientific, & Technical Services	\$99,705
42, 31-33	Wholesale, Manufacturing	\$ 71,372
48-49	Transportation Warehousing	\$ 51,726
11	Ag, forest, fish, hunting	\$34,464
Traded/Local Sector		
23	Construction	\$60,735
61, 62	Education, Health Care & Social Assistance	\$49,565
71	Arts, Entertainment, Recreation	\$37,759
Local Sector		
44-45	Retail Trade	\$31,217
72	Accommodation & Food Services	\$20,731

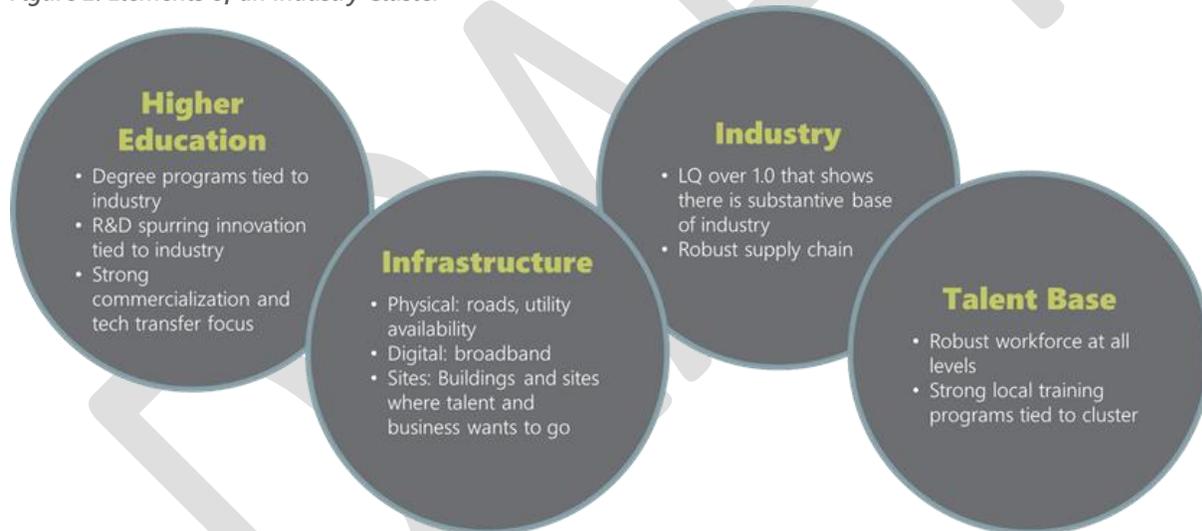
Source: Bureau of Labor Statistics, QCEW data

Industry Clusters

A cluster is a regional concentration of related industries in a particular location. Clusters are a foundational element to regional economies, making them uniquely competitive for jobs and private investment. They consist of companies, suppliers, and service providers, as well as government agencies and other institutions that provide specialized training and education, information, research, and technical support. Various regions across the US have unique clusters making them distinct: Portland, OR has semiconductors whereas Seattle, WA has aerospace. Industry clusters function on a regional metropolitan statistical area (MSA) level because assets such as workforce and transportation infrastructure are not constrained by local municipal boundaries. Therefore, in order to effectively grow an industry cluster, it is important to leverage existing assets and collaborate on a regional and state level.

An industry cluster is comprised of the following elements, with some being more important than others depending on the industry. A city plays the important role of providing the necessary infrastructure and zoned land to allow various types of industry to thrive.

Figure 2: Elements of an Industry Cluster



Source: Bridge Economic Development

Importance of Talent

The national economy is becoming increasingly more talent/knowledge-based than resource-based, meaning that people, rather than raw materials, are the most important asset to a company's value and prospects for growth. This applies to all industries, including manufacturing, professional services, and technology. This is not to suggest that Stayton needs to focus their industrial base entirely on technology companies, but to understand that the modern economy depends upon highly skilled people to thrive. For this reason, a company's number one priority today is attracting talent. Verifying this is the Duke Fuqua School of Business CFO Global Business Outlook Survey ¹. The school has

¹ <https://www.cfosurvey.org/wp-content/uploads/2018/12/Q4-2018-US-KeyNumbers.pdf>

conducted the survey 91 consecutive quarters since July 1996. The years 2017 and 2018 are the first time that CFO's cited attracting and retaining qualified employees was their number one concern over other factors such as input costs or regulations.

A significant cohort of the talent in demand consists of the "millennial" generation (generally ages 22 to 38 in 2019), made up of approximately 76 million people – the largest demographic group our country has seen. As this generation shapes our talent-based economy, it is important to understand what motivates them and the communities they choose in such a highly mobile environment. This group has been slower to marry and move out on their own, and have shown different attitudes to ownership that have helped spawn what's being called a "sharing economy" which suggests these trends are likely to continue². Furthermore, it is likely that today's high school generation will adopt many of the same values that are driven by affinity for technology. This desired talent is attracted to a great place with jobs. Such an environment includes the following elements:

Job Base Talent moving to a new community wants to know that there are other opportunities if the job that brought them there does not fulfill expectations.

Simple Commute Many millennials are not defined by the automobile, and do not want to drive if they don't have to. As reported in Urban Land Institute (ULI) Emerging Trends 2016, miles traveled by car for those people 34 years old or younger are down 23 percent nationally. The American Automobile Association reports that the percentage of high school seniors with driver's licenses declined from 85 percent to 73 percent between 1996 and 2010, with federal data suggesting that the decline has continued since 2010. Locally, the average miles travelled by any mode – walking, driving, biking, or taking transit – is the lowest for millennials.

Housing Options All talent, including millennials, desire affordable housing near employment. In order to maximize opportunities for talent attraction and retention, it is important for communities to provide a variety of options to meet a diversity of population needs.

Urban Lifestyle Millennials tend to prefer density with alternative transportation modes and retail nearby, which provides alternatives to owning a car. This urban lifestyle does not mean that an entire community must conform to urban densities. What is important is that some element of an urban lifestyle through either a healthy Main Street in a traditional downtown or denser town centers in suburbs is provided.

Amenities Millennials are looking for ample amenities, especially restaurants and access to outdoor recreation.

Open Culture Millennials embrace social or ethical causes³ and communities that are more diverse, accepting, and open to change.

² Millennials Coming of Age, Goldman Sachs, 2017

³ Brookings Institution, 11 Facts about the Millennial Generation, June 2014

The City's Role

A municipality does not create jobs. It creates a great environment so that business can easily invest and create jobs. With that understanding, the city should focus on the following elements to promote economic development.

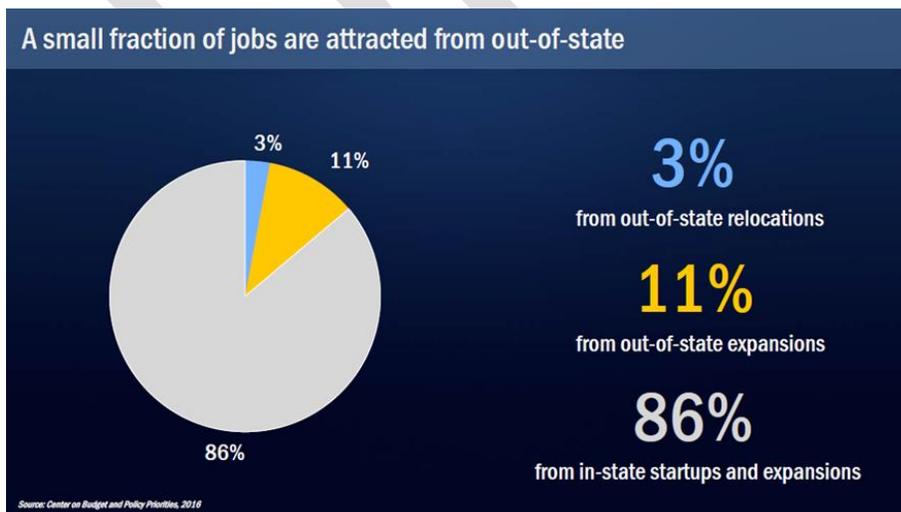
Sites and Infrastructure

Businesses need to go into buildings and develop on sites with adequate infrastructure. Furthermore, similar types of businesses like to physically group together to build a destination and allow for collaboration. Where an employer locates depends on the industry. Software is dependent on highly-skilled talent and will locate where talent wants to be. In addition, because of the lower capital investments and less dependence on transporting finished products, they can afford higher rents that allow them to locate in more urban/downtown locations. In contrast, manufacturing, while also needing talent, must consider access to transportation infrastructure and lower land and building costs to off-set capital equipment investment costs. Additionally, some manufacturing is dependent on rail infrastructure to lower operational costs. Aligning industry clusters with available subareas (sites with appropriate infrastructure) is an important role for the city to convey genuine support for economic growth.

Focus on Existing Residents

As the community makes significant commitments to land use designations and infrastructure funding, it is important to make sure that the existing residents benefit. Rather than allocating a significant effort to recruiting businesses to move to Stayton, the city should support and promote programs that allow existing residents to start their own businesses or gain skills that improves opportunities to work at expanding companies. As indicated in the following figure, the majority of job growth across the United States comes from local start-ups and expansions. So not only does focusing on local residents enhance local asset wealth, it is simply the most efficient way to grow jobs.

Figure 3: Sources of Job Growth Across the United States



Source: Brookings, 2018

Workforce Development

When planning for a future economy, it is important to understand that all industries are dependent on a talented workforce that has technical skills and/or degree attainment. City of Stayton's future economy requires a skilled workforce with training in career technical education (CTE) and access to higher education science, technology, engineering, and mathematics (STEM) degrees.

Career Technical Education (CTE) Training

CTE training is targeted toward middle-skill jobs, which require education and training beyond high school but less than a bachelor's degree, and are a significant part of the economy. Of the 55 million job openings created by 2020, 30 percent will require some college or a two-year associate degree⁴. It is important to foster partnerships with Chemeketa Community College and local primary and secondary schools to encourage youth to consider this career path. By engaging youth early, they may be more likely to attend higher-education opportunities or obtain other skills training and either start their own enterprise or apply their critical skills with local companies in City of Stayton. For smaller communities, such as Stayton, providing a clear career path to local businesses is an important strategy to retain talent.

STEM Hub

Oregon hosts 13 "STEM Hubs" across the state to build connections in a geographic region so that students can connect to STEM experiences early and often, igniting passions and interest in these fields. STEM Hubs focus on showing students real-world connections between learning material and career opportunities to apply their knowledge outside of the classroom. Stayton is part of the South Metro-Salem STEM Partnership, which focuses on fostering opportunities for high-growth and high-wage opportunities within STEM related occupations.

Higher Education

Globally, positions requiring substantial independent judgment and decision-making are now in high demand⁵. Increasingly, employers are demanding a workforce that has technical skills, including manufacturing jobs that involve the operation of sophisticated machinery requiring some advanced training beyond high school. Science, technology, engineering, and mathematics (STEM) workers are increasingly in demand and in short supply, especially in the private sector which needs software developers, data scientists, and those in skilled trades. City of Stayton is fortunate in that it is only 40 miles from Oregon State University (OSU) in Corvallis and 18 miles from Chemeketa College in Salem. Both of these institutions provide several degrees to equip students with technical, interpersonal, and entrepreneurial skills that are in high demand.

⁴ Association for Career and Technical Education, 2016.

⁵ STEM crisis or STEM surplus? Yes and yes, Bureau of Labor Statistics, May 2015.

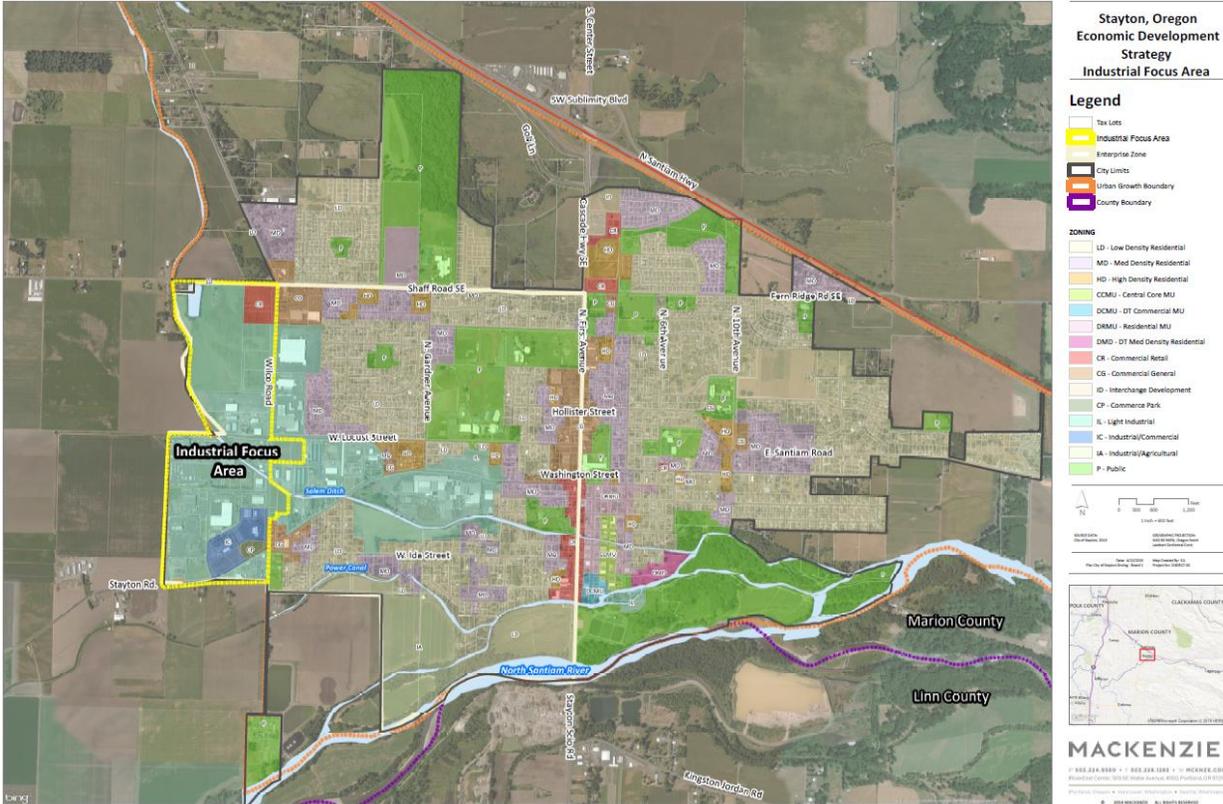
Background

In developing the economic development strategy, it is important to understand potential barriers and perceptions that may preclude economic development opportunities. The following information summarizes current infrastructure needs in the city and feedback from local businesses and residents.

Infrastructure

Over the past several decades the city has experienced steady growth but growth has substantially slowed during the past ten years. With roots in the agricultural and manufacturing industry, the City saw the development of an industrial park on the west side of City in the 1970s. However, that industrial park still has vacant available land, and there has been no new industrial construction in the City since 2005. Furthermore, in the past ten years the city has seen only three new commercial buildings constructed. This limited employment growth stifles opportunities for the existing residents to obtain local family-wage jobs. The following map indicates where there is additional industrial growth opportunity within the city.

Figure 4: City of Stayton Industrial Focus Area



Source: Mackenzie

This land opportunity has attracted interest from the following projects, however did they did not pursue development due to perceived infrastructure costs. In order to successfully retain and attract companies to this area, the following analyses were prepared to determine potential barriers and recommended solutions.

Table 2: Potential New Development Projects that Considered the City of Stayton

Industry	Investment	Possible Employment	Building sq ft	Site Acreage	Year
Agriculture	\$18 million	42	Multiple	NA	2016
Manufacturing	\$90 million	60	Multiple	NA	2018
Manufacturing	\$120 million	90	650,000	17	2018
Manufacturing	\$9 million	20	150,000	4	2018

Source: SEDCOR

Utility Rate Comparison

As part of the economic development analysis, Mackenzie prepared a utility rates and user fees analysis compared across benchmark communities to determine if the rates are significant barrier to investment. The report is provided in the Technical Appendix that accompanies this Strategy. In summary, the City of Stayton water rate is the most complex of the benchmark communities. Generally, the City of Stayton charges less than other jurisdictions for water rates based on water meter size. For example, for a 4" water meter, the City of Stayton charges users \$826.94 less each month than if the same user were located in the City of Independence.

Table 3: Sample Water Meter Base Rates by Jurisdiction

Category	Stayton	Creswell	Independence	Monmouth	Silverton
Water Base Rate by Meter Size					
5/8" to 3/4"	\$6.98	\$36.64	\$33.93	\$18.23	\$15.76
1"	\$17.49	\$56.73	\$71.26	\$25.52	\$26.25
1.25"	\$26.13	-	\$105.23	-	-
1.5"	\$34.88	\$94.12	\$149.34	\$32.79	\$52.50
2"	\$55.73	\$152.06	\$257.94	\$52.79	\$84.00
3"	\$104.57	\$415.14	\$570.19	\$200.33	\$168.00
4"	\$174.28	\$645.62	\$1,001.22	\$251.22	\$262.50
6"	\$348.46	\$1,258.66	\$2,243.10	\$382.48	-
8"	\$557.57	\$2,033.02	-	-	-
10"	\$801.55	-	-	-	-

Source: Mackenzie, City of Stayton

In spite of the City of Stayton having some of the lowest water meter charges, total charges for utility rates and user fees tend to be higher in the City of Stayton than in other study cities. This is especially true when comparing large-scale users with high-water usage. As outlined in the following table, the

City of Stayton has the highest total charges in both industrial user scenarios and second highest total rate in the large retail user scenario.

Table 4 Sample User Total Utility Rates and User Fees by Jurisdiction

Sample User	Stayton	Creswell	Independence	Monmouth	Silverton
<i>Light Manufacturing</i>	\$855.62	\$295.51	\$705.42	\$324.46	\$814.39
<i>Industrial Agricultural</i>	\$982.72	\$375.40	\$679.62	\$440.71	\$912.14
<i>Large Retailer</i>	\$2,078.29	\$1,400.94	\$1,573.58	\$1,343.42	\$2,410.04
<i>Commercial Repair</i>	\$181.26	\$103.91	\$262.32	\$71.19	\$181.23
<i>Retail Office</i>	\$375.13	\$159.51	\$395.98	\$107.28	\$221.78

Source: Mackenzie, City of Stayton

Based on the sample user comparisons and the observations above, Mackenzie recommends considering the following in further policy decisions about the City of Stayton’s utility rates.

1. The City of Stayton may wish to simplify the manner in which rates are calculated or communicated.
2. To encourage large-scale users to grow in the City, Stayton could restructure the utility rates to focus on charging users higher usage fees and lowering the monthly base service rates.
3. The City should periodically conduct an analysis of actual operation costs and capital improvement costs for water, sewer, storm, and transportation.
4. Consider direct action to incentivize the growth of large-scale industrial users including reducing rates for certain users if they agree to, and execute, an agreement to increase employment opportunities for Stayton residents (by way of comparison, Creswell charges a special water rate for industrial users).
5. Consider also comparing property tax rates for the benchmark communities to identify differences that could affect economic development potential over and above utility rates and user fees (it’s possible that other cities have lower utility rates if they have higher property taxes and subsidize their utilities from their General Funds).

In all instances, City Council would need to balance competing demands and may wish to seek the assistance of a financial consultant since rate/user fee changes that benefit users and stimulate jobs may have negative financial consequences for the utility funds and/or the General Fund.

Infrastructure Needs

The infrastructure requirements to develop the vacant industrial properties pertains to transportation and stormwater improvements. As outlined below, the improvements are too significant for one developer to provide; therefore, a public-private solution is desired.

Transportation

Kittelson & Associates, Inc. completed a Transportation System Plan (TSP) in 2019. One of the recommended improvements is a new roundabout at Shaff and Wilco road. As noted by some industrial users, this will likely be similar to the roundabout on Highway 22 in Sisters, Oregon, which successfully accommodates a significant amount of semi-truck traffic.

Figure 5: New Intersection Improvement



Source: Kittelson & Associates, Mackenzie

This improvement is estimated to cost \$2.85 million and meets signal warrants right now. This means that any new building expansion or development will trigger the need to build this improvement. In order to proactively remove this barrier to investment, the following phases for construction are proposed to obtain potential grant funding leveraged with local investment.

Phase 1 is necessary to refine the infrastructure design, determine right-of-way (ROW) impacts, and acquire property. Estimated costs and timeframe for each element in this phase is outlined below.

TASK	ESTIMATED COST	TIMEFRAME
A) Preliminary design drawings with: survey, detailed cost estimate, and public engagement outreach	\$190,000	4-5 months
B) Property owner outreach for ROW	Staff time	1 month
C) Property cost/appraisal	\$5,000	1 - 2 months
D) Property negotiation	Broker	3 - 6 months
E) Permitting approvals	\$10,000	2 - 3 months
F) Document grant commitment	Staff time	2 months
TOTAL	\$205,000	12 – 16 months

Upon completion of Phase 1, construction may be funded with the support from the following agencies. Identification of anticipated private investment through expansion of existing businesses, new business, or speculative space for small business is important to help secure funds.

TASK	ESTIMATED COST	TIMEFRAME
A) Construction drawings	\$240,000	6 months
B) Property acquisition	\$200,000	6 months
C) Construction	\$2,190,000	12 months
TOTAL	\$2,630,000	18 – 24 months

Stormwater

The major planned stormwater upgrades affecting the Industrial Study Area include installation of larger pipes and construction of regional detention facilities to better limit peak runoff and convey flows in the municipal pipe systems and ditches. In general, City staff deems construction of regional detention facilities to accommodate runoff from new development to be more efficient than multiple

onsite detention facilities. The following images convey how development may occur with each site addressing stormwater individually versus a regional approach. The regional approach allows for more efficient use of land area dedicated to buildings and vehicle maneuvering as opposed to large area dedicated to stormwater facilities on each site.

Figure 7: Stormwater Options: Individual site treatment vs. Regional treatment



Source: Mackenzie

Phase 1 is necessary to refine the infrastructure design, soil testing, and property acquisition. Estimated costs and timeframe for each element in this phase is outlined below.

TASK	ESTIMATED COST	TIMEFRAME
A) Preliminary concepts	Covered	Underway
B) Property owner outreach for acquisition	Staff time	1 month
C) Geotechnical and wetlands investigation	\$35,000	2 months
D) Preliminary design drawings with survey and detailed cost estimate	\$22,000	2 months
E) Property cost/appraisal	\$5,000	1 - 2 months
F) Property negotiation	Broker	3 - 6 months
G) Permitting approvals	\$3,500	2 months
H) Document grant commitment	Staff time	2 months
TOTAL	\$65,500	12 – 16 months

Upon completion of Phase 1, construction may be funded with the support from the following agencies. Identification of anticipated private investment through expansion of existing businesses, new business, or speculative space for small business is important to help secure funds.

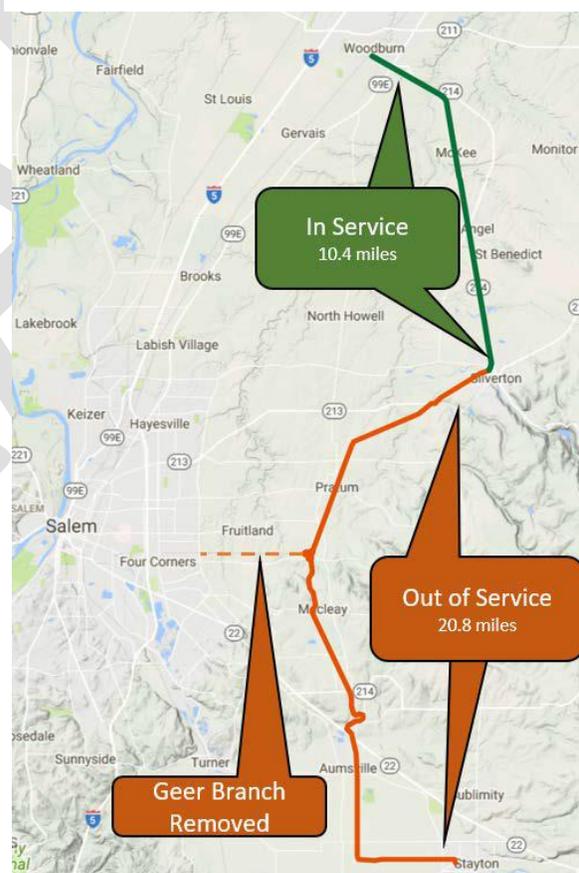
TASK	ESTIMATED COST	TIMEFRAME
A) Construction drawings	\$40,000	2 months
B) Property acquisition	\$350,000	6 months
C) Construction	\$675,000	12 months
TOTAL	\$1,065,000	14 -18 months

Railroad Services

The Stayton Industrial Area has rail infrastructure and companies such as RedBuilt and Valley Agronomics were served in the past. The rail line is owned by Union Pacific Railroad (UP), and operated via lease to Willamette Valley Railway (WVR). The East Marion Rail Line, herein referred to as the WVR line, is approximately 31 miles in length running from Woodburn to Stayton. Currently, it is operating 10.4 miles between Woodburn and Silverton, but the remaining 20.8 miles from Silverton to Stayton is out of service. The line was taken out of service and embargoed for many reasons, most notably heavy rainfall causing washouts in Aumsville in January 2012, decline of rail traffic at Stayton, and lead paint flaking off the Silver Creek bridge in Silverton. Currently, there is no embargo in place that halts service, and to date, the railroad has not filed for abandonment or discontinuance of service⁶.

The rail line enters Stayton from the west into the industrial area at approximately Locust Street and runs parallel to the road down to the Norpac facility. According to the recent Economic Study of the facility, WVR has received grant funds to make necessary improvements to the bridge and ODOT is willing to fund the improvements of the rail in Aumsville. Estimated costs to reopen the line include:

Figure 8: WVR Line and Service



Source: Anzur Logistics

⁶ Economic Study of the East Marion Rail Line, Anzur Logistics, LLC, February 2018

- \$135,000 in initial track repairs, estimated 2-3 months.
- Plus \$52,000 for bridge repairs within the first year.
- \$2.5 million in upgrades to sustain Class 1 track standards (10 mph for freight trains and 15 mph for passenger) over the next 10 years.

While funds are generally available to make necessary repairs, the most significant issue precluding rail service is customer demand. The total amount of rail carloads at Stayton declined from 1,130 in 2006 to 107 in 2011 due to the recession. WVR did not have enough revenue to cover operating costs let alone justification to repair the line after the washouts in 2012. Most of these customers are now trucking products to/from rail-served facilities elsewhere in the Willamette Valley. Based on the interviews with business as part of the Economic Study, the line could generate 339 to 594 carloads per year if it were returned to service. Based on this amount of demand, a surcharge of \$500 to \$1,500 per carload is required by WVR in order to offset operating costs and invest in infrastructure. However, customers will see savings from having direct rail service. The Economic Study suggests a surcharge of \$750 per car for Stayton-based customers, assuming grant funds are secured to off-set capital investment costs.

The City of Stayton supports maintaining the rail to serve industrial users. If there is a future tenant seeking rail service, significant coordination between the County, Stayton and Aumsville is required, as well the engagement of WVR, to make repairs and provide service. Outreach to WVR to determine their level of interest for providing service is a necessary first step. The WVR current lease expires December 31, 2023.

Stakeholder Interview Themes

In January 2019, Bridge held several meetings with industry representatives, small business organizations, the Public Advisory Committee (PAC), and city staff to determine opportunities and challenges to fostering economic development in the City of Stayton region. Specifically, Bridge conducted interviews to discuss the following as it related to City of Stayton: public infrastructure, education, industrial growth, and quality of place. The city also distributed a digital survey and received 70 responses. Consistent themes and comments are noted below. Detailed responses are provided in the Technical Appendix.

History of No Growth. Stayton has recently maintained a culture of no growth in the form of restrictive annexation policies, limiting the size of retail stores, and minimal proactive infrastructure investment to encourage industry growth.

Potential. The digital survey revealed that a majority of residents and business owners believe the community has potential.

Small Town Feel. People value the small-town feel of Stayton. Fostering this asset is important in how the city encourages development.

Lack of Vision. Consistently, community input suggests there is no clearly understood direction of where the city is investing time and resources.

Need to Enhance Family Opportunities. Residents would like more recreation and entertainment options for the entire family.

Strong CTE Programs. The Stayton High School is actively growing the CTE program and engaging with local businesses to give students a clear direction and path for local career opportunities.

Manufacturing/Construction Skills. A significant amount of Stayton residents is skilled in manufacturing and construction occupations.

Available Land. There is a significant amount of vacant industrial land on the west side of Stayton, which is remarkable asset in the Willamette Valley.

Infrastructure Investment Needed. The industrial area requires key transportation and stormwater infrastructure improvements to “unlock” the available industrial land.

A Downtown with Potential. Downtown Stayton has great “bones” with an inviting grid, historic building stock and unique water features.

Growing Anchor Institutions: Health Care and Hospitals. As the regional center for the North Santiam River Canyon, Stayton is home to a growing hospital, which provides high-wage employment opportunities that are diverse from manufacturing/constructions.

Connection to Outdoors. The North Santiam River Canyon is a beautiful natural asset with hiking trails and river activities and access to mountains. It is a reason that people enjoy living in Stayton.

Strengths, Weaknesses, Opportunities, and Challenges

The following strengths, weaknesses, opportunities, and threats (SWOT) are derived from stakeholder input, survey responses, and general research.

<p>Strength (internal)</p> <ul style="list-style-type: none"> • Industrial vacant land • Water availability • Hydroelectric power • Existing industry clusters • Aligned education programs with clusters • Proximity to I-5 • Small town community • Good downtown “bones” • Oregon “brand” for food and agriculture • Growing population 3.1% • Young (Median age 34.4 vs US 37.8) 	<p>Weakness (internal)</p> <ul style="list-style-type: none"> • Infrastructure needs • Lack of community identity and vision • Housing availability • Lack of job growth • Lack of new commercial investment • Percent of population with Bachelor’s Degree (13.5% vs US 30.9%)
<p>Opportunity (external)</p> <ul style="list-style-type: none"> • Access to PNW mountains, beaches, forests • West Coast population growth • Natural resource innovation • Access to foreign markets • Growth in health care demand • Stayton is regional hub for North Santiam River area • Growing household income but still below US average (\$49,571 vs \$57,562) 	<p>Threat (external)</p> <ul style="list-style-type: none"> • Access to affordable housing • Limited skilled workforce • Inability to fund infrastructure • Inability to allow for more diverse housing

Economic Assessment

The following information provides a current snapshot of economic conditions in City of Stayton that provide direction regarding strategic actions. These data points can serve as a point of reference to gauge if the City's competitive advantages or weaknesses. For context and comparisons, this analysis compares the City of Stayton to ten Oregon, Washington, and Colorado communities, whose size, demographics, and economics are similar to the City or offer policies and practices that the community can look to for best practices: Creswell, Oregon; Dallas, Oregon; Hood River, Oregon; Independence, Oregon; Lebanon, Oregon; Monmouth, Oregon; Ridgefield, Washington; Silverton, Oregon; and Wellington, Colorado. Benchmarks were selected in partnership with City staff and the members of the Advisory Committee. A full-data appendix, supporting the takeaways below, has been provided to the City of Stayton.

Demographics

Located in Marion County, Oregon, Stayton is the fifth largest city in the county and a prime suburban bedroom community for many residents working in Salem, the state's growing capital city. The following outlines the key takeaways from the analysis of Stayton's demographics:

Population Growth Consistent with National Average. Nearly 8,000 residents call Stayton home – an increase of 237 residents (3.1 percent) from 2013 to 2017. Stayton's growth is consistent with the U.S. average (3.0 percent) but ranks ninth among the benchmark communities. Approximately 14 percent of Stayton residents lived outside the county, state or country the previous year – slightly above the national average (13.4 percent)

Millennial Residents. Millennials (residents between the age of 20 and 34) represent 16.4 percent of Stayton's residents – 5 percent less than the U.S. average. This ranks eighth among the benchmark cities on par with Dallas (19.3 percent) and Creswell (16.4 percent) but well below Monmouth (36 percent) and Independence (30.2 percent) where millennials account for one in three residents. Alarming, Stayton's millennial population decreased 25 percent since 2013, while the U.S. average increased by 17 percent.

Younger Median Age. Stayton's median age is 34.4, ranking it as the fourth youngest city among the benchmarks and well-below the U.S. median age of 37.8.

Racial and Demographic Make-Up. Eighty-five percent of Stayton's residents are white and an additional 11 percent of residents identify as bi-racial (two or more races).

Hispanic Residents. Approximately 1,700 Stayton residents are Hispanic – nearly 21 percent of the total population. This ranks third among the benchmark communities, behind Independence (32.8 percent) and Hood River (28.1 percent), but well-above the U.S. average of 17 percent.

Income

Compared to its peer cities, Stayton's income metrics generally rank among the lower tier and below the national average. However, in recent years, Stayton's residents have experienced increases in median household income, per capita income, average family income, and median individual wages. The following are key takeaways about Stayton's various income metrics:

Median Household Income. Stayton’s median household income of \$49,500, ranks sixth among the benchmark cities and is 14 percent less than the U.S. average. Since 2013, Stayton’s median household income has increased 28.6 percent – ranking first among the benchmark cities and nearly three times faster than the national average (8.7 percent). Likewise, Stayton's average household and family size also have increased slightly since 2013.

Per Capita Income. Stayton's per capita income (\$20,743) ranks seventh among the benchmark cities, on par with Independence (\$20,153) and Lebanon (\$19,427) but 33 percent less than the national average (\$31,777). The per capita income in Stayton has increased 10.7 percent 2013 – consistent with the U.S. average.

Average Family Income. Stayton’s average family income increased 13 percent since 2013 to \$62,723. This is still nearly \$32,000 less than the U.S. average and ranks eighth among the benchmark cities.

Men Median Full-Time Wage. Stayton male residents working full-time earn approximately \$33,700, ranking last among the benchmark cities and nearly \$18,000 less than the U.S. average (\$50,859). From 2013 to 2017, the median full-time earning for men has increased 31.1 percent, ranking first among the benchmark cities and ten times faster than national average (3.1 percent).

Women Median Full-Time Wage Stayton female residents working full-time earn nearly \$32,000 annually – 22 percent less than the U.S. average (\$40,760). While wages for men working full-time in Stayton have increased more than a third since 2013, wages for women in Stayton have declined 2.2 percent.

Equity

In addition to income metrics, various equity metrics such as poverty shares, housing cost burdens and insurance coverage rates offer a look into community vitality and long-term health and sustainability. In Stayton, a quarter of families with children live below the poverty line and more than one-third of homeowners pay more than 30 percent of their household income towards housing costs. The following are key takeaways about Stayton’s various equity and affordability metrics:

Poverty Levels. Stayton’s poverty levels are well-above the U.S. average: 15 percent of all families live below the poverty line (compared to 10.5 percent of the country) and 24.6 percent of families with children are below the poverty line (16.7 percent for the U.S. as a whole). On both metrics, Stayton has the fourth highest poverty levels among the benchmark communities.

Health Insurance Coverage. Nine in ten Stayton residents have healthcare this is consistent with the benchmark cities and the national average.

Mean Housing Value. Stayton’s average housing value is \$211,200, 8.3 percent more than the U.S. and ranking fifth among the benchmark communities. One third of Stayton households (33 percent) with mortgages pay more than thirty percent of their monthly income on housing costs; this is slightly higher than the 29.5 share of U.S. household.

Gross Rent. Stayton’s average monthly gross rent is \$1,425 – 31 percent more than the U.S. average. However, just 12 percent of Stayton renters pay more than 30 percent of their monthly income on

housing costs. This ranks the best among the benchmark communities. Across the U.S., fifty percent of renting households spend more than a third of their monthly income on housing costs.

Educational Attainment

To thrive in today's competitive economy, talent and skills matter more than ever before. Educational metrics offer a look into capabilities of a community. Five in ten Stayton residents have a degree of some level – Associate's, Bachelor's, or graduate. A detailed analysis follows:

No High School Diploma. Approximately 15 percent of Stayton's residents who are 25 and older (740 residents) do not have a high school diploma. This ranks third highest among the benchmark cities and above the U.S. average (12.7 percent). From 2013 to 2017, the share of residents without a high school diploma shrunk 15.9 percent.

High School Diploma. An estimated 1,650 Stayton residents hold a high school diploma as their highest educational attainment level – 34 percent of residents 25 and older. This is a 5 percent increase since 2013. Stayton ranks just behind Sheridan (39.7 percent) and above the national average (27.3 percent).

Associate's Degree. Thirty-seven percent of Stayton's residents 25 years and older (1,800 residents) have an Associate's degree or some college. This total is up 10 percent since 2013 and above the U.S. average of 29.1 percent but ranks ninth among the selected benchmark communities.

Bachelor's Degree or Higher. Only thirteen percent of Stayton's residents (656 residents) have a Bachelor's Degree or higher – less than half the national average (30.9 percent) and ranking at the bottom of the selected benchmark cities. From 2013 to 2017, the number of Stayton residents with a Bachelor's Degree or higher has decreased 23 percent – a loss of 300 residents. Moreover, just 296 Stayton residents were enrolled as students at a college or university in 2017.

Occupational Clusters and Resident Skills

Research has found that it is the clusters of talent and skills that drive long-run growth and prosperity. There are 3 broad sets of skills that drive today's economy: knowledge, service, and working sector. For Stayton, the city's production and working sector workforce is a competitive advantage and will be critical to the city's economic development strategy. Key takeaways about Stayton's occupational clusters include:

Working Sector. Approximately 1,200 Stayton residents make up the city's working sector (35.7 percent) – skills associated production/manufacturing, transportation, and maintenance. This is the highest share among the benchmark cities and well above the U.S. average (21.5 percent). From 2013 to 2017, Stayton's working sector grew 13.3 percent.

Service Sector. Five in ten Stayton workers (48.9 percent) have skills associated with the service sector – a share that ranks third among the benchmark cities of Monmouth (55.1 percent) and Sheridan (52.9 percent). A challenge for Stayton's large service sector: low wages, not family-supporting, are generally associated with service sector work. Stayton's service sector workforce has just increased 1.9 percent since 2013.

Creative Class. Just 510 residents (15.4 percent) make up Stayton’s creative – workers with skills in technology, arts/ culture, professional services, and education – ranking last among the benchmark cities and is less than half the U.S. average. From 2013 and 2017, Stayton’s creative class has declined 6.6 percent – the only city among the benchmarks to lose creative class residents. This trend is similar to the loss of Stayton residents with a Bachelor’s Degree and higher.

Business Establishments

New business formation is critical to providing Stayton’s residents economic opportunity. Stayton’s businesses not only provide employment for residents, but many of them offer the amenities that make Stayton a great place to live. The following is a look the sectors making up Stayton’s business establishments:

Little to No Growth in Business Establishments. From 2012 to 2016, Stayton experienced just a 0.4 percent increase in the number of business establishments, while the U.S. as a whole experienced a 4.4 percent increase. Stayton’s limited growth ranks ninth among the selected benchmark cities.

Construction. Construction establishments – more than 40 – make up the largest share of Stayton’s businesses (16 percent). Across the U.S., construction businesses, on average, comprise 9.0 percent of a city’s total establishments. The number of construction businesses in Stayton has declined 4.5 percent since 2012.

A High Share of Retail Businesses. Retail businesses make up the second largest share (14.4 percent) of Stayton businesses. This is consistent with Stayton having a large service sector base among its residents and ranks third among the benchmark cities behind Sheridan (15.3 percent) and Hood River (14.8 percent). From 2012 to 2016, the number retail businesses in the Stayton has increased 5 percent.

Financial Services and Real Estate. When combined together, financial services businesses and real estate offices comprise more than 12.1 percent of all Stayton establishments, ranking first among the benchmark cities. However, for professional services businesses, Stayton has just half the share of the U.S. average (11.6 percent).

Residents by Industry

By examining “residents by occupations,” and educational attainments, we can determine the skill sets that Stayton residents have to secure employment. Examining “residents by industry,” we can assess the industries that are important to the economic opportunity of local residents. Stayton’s employment base, among its residents, has increased by 4.1 percent since 2013 to 3,307 employed residents. Key takeaways about the significant industries that are employing Stayton’s residents include:

Manufacturing. Twenty percent of Stayton’s residents (671) are employed in the manufacturing sector – an 11.6 percent increase over 2013. This share of workers ranks first among the benchmark cities and is double the share of the U.S. average (10.3 percent).

Med and Eds. The health and educational sector employs 17 percent of Stayton’s residents – an estimated 550 workers – a 7 percent increase from 2013.

Retail Industry. Approximately 13.4 percent of Stayton’s residents (450) are employed in the retail sector, ranking third among the benchmark cities and behind Lebanon (15.9 percent) and Wellington (15.7 percent). Employment of Stayton residents in retail has increased 25 percent since 2013, adding an estimated 150 new jobs.

Construction. Nearly 250 Stayton residents are employed in the construction industry – 7.2 percent of residents – a 117 percent increase over 2013.

Agriculture. Stayton’s agriculture industry accounts for 5.2 percent of resident employment (175) – a share that ranks second among the benchmark cities and just behind Independence (8.0 percent).

Transportation, Warehousing, and Utilities. More than 6 percent of Stayton residents (215) are employed in the transportation, warehousing, and utilities sector – ranking behind Ridgefield (6.8 percent) and second among the benchmark cities. Since 2013, employment for this sector has increased 22.9 percent. Occupational strength in this industry aligns with cluster strengths in manufacturing and agriculture and food processing.

Commuting

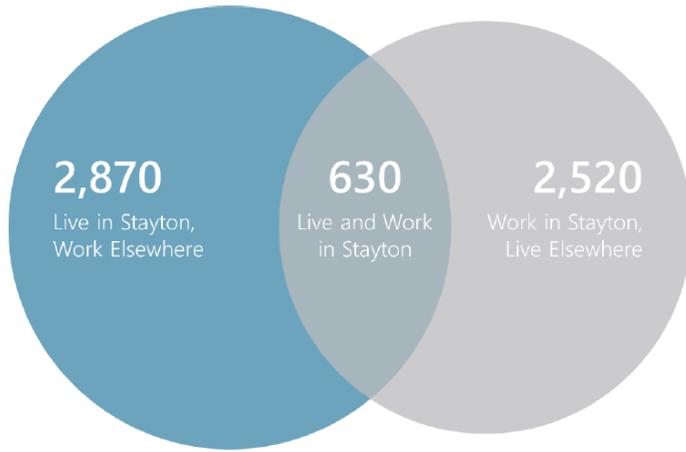
There is no doubt that Stayton is a car-dominated town: 8 in 10 Stayton residents drive to work. Additional insights include:

Highest Share of Carpooling. Approximately 14 percent of Stayton’s residents carpool to work – the second highest share among the benchmark cities and significantly above the national average (9.2 percent).

Short Commute Time. Stayton’s commute time to work is 19.5 minutes – second shortest commute among the benchmark cities, behind Hood River (16.8 minutes), and 7 minutes shorter than the U.S. average (26.4 minutes).

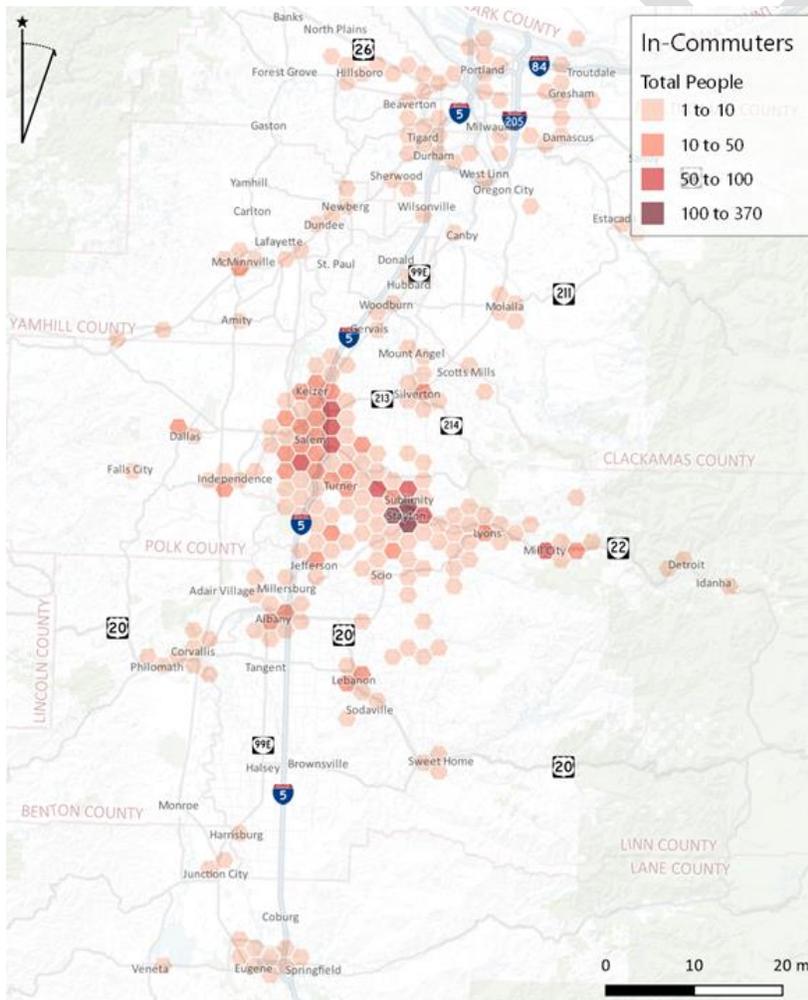
Furthermore, as indicated in the following figure, very few Stayton residents also work in Stayton. There is a significant amount of in-bound and out-bound commuters. Most workers that commute into Stayton come from Salem or the North Santiam canyon area. In contrast, several people living in Stayton will commute farther into the Portland region for jobs. To begin to balance these commute patterns, more housing options should to be provided to allow people that commute into Stayton to live the community, especially considering that the in-bound commuters generally live within the Salem area. It will be more challenging to provide more diverse job opportunities such as those that are in the Portland region to retain residents that are commuting.

Figure 9: Stayton Commute Patterns, 2015



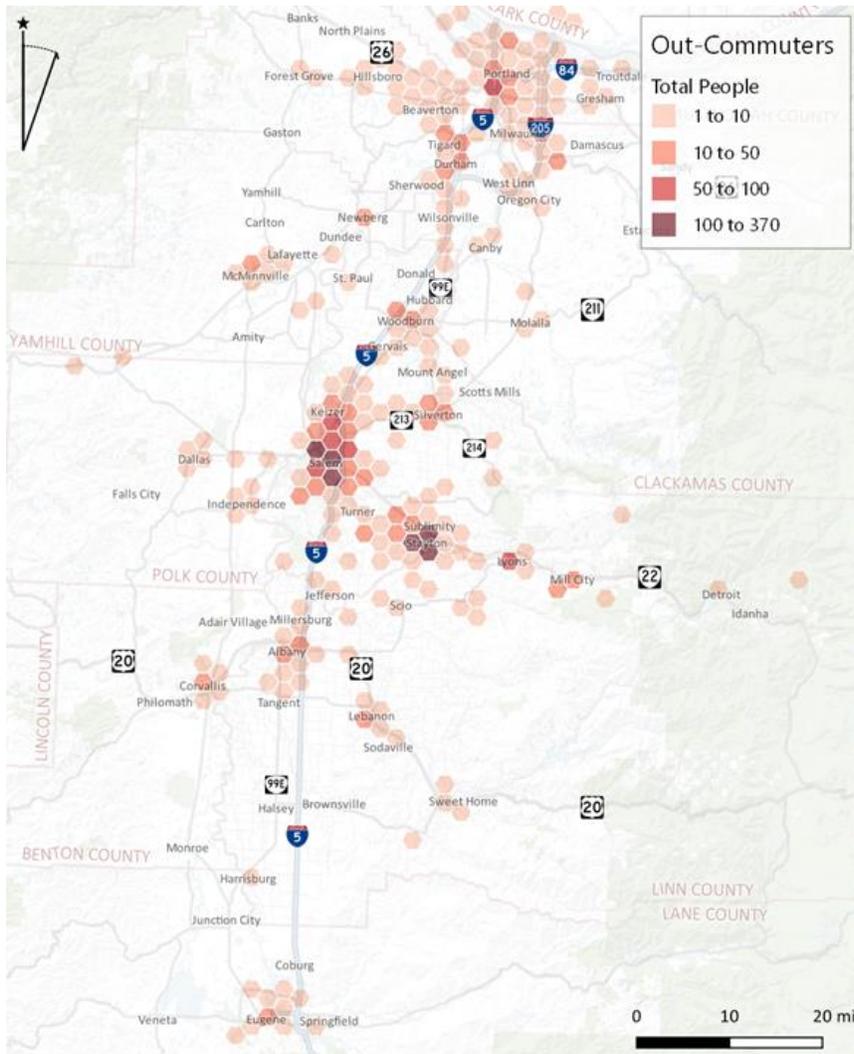
Source: US Census LEHD

Figure 10: Work in Stayton, Live Elsewhere, 2015



Source: US Census LEHD

Figure 11: Live in Stayton, Work Elsewhere, 2015



Source: US Census LEHD

Industry Clusters and Skills Base

Industry clusters are groups of similar and related businesses in a defined geographic area that share common markets, technologies, and worker skill needs. They are often linked by buyer-seller relationships, helping to facilitate efficiencies and innovation. Industry clusters also represent distinct qualities of a community and help define what makes one community different from another. As they convey distinct qualities, it is important to be specific in the definition of a cluster. For example, rather than promoting a “manufacturing cluster” a community should focus on “advanced manufacturing or machinery components” to convey the type of product being manufactured and its unique workforce and supply chain needs. Promotion of clusters helps reinforce to existing businesses and interested outside talent the unique community assets and why it is a good place to stay and grow. The following key industry clusters drive the City of Stayton economy:

- Advanced Manufacturing/ Complex Construction
- Agriculture and Food Processing
- Wood Products and Forestry
- Health Care

Table 5: Stayton Industry Cluster Snapshot

Sector	Employment	Business Count	Total Wages	Average Annual Salary	Cluster Type
Advanced Manufacturing/ Complex Construction	363	33	\$23 million	\$63,360	Traded/ Local
Agriculture and Food Processing	597	10	\$16.1 million	\$26,843	Traded
Wood Products and Forestry	275	11	\$10.2 million	\$37,024	Traded
Health Care	781	27	\$34.2 million	\$43,771	Local

Source: Bridge Economic Development, Oregon QCEW

Together, these target clusters account for 2,016 employees, and more than 80 businesses. In addition, they account for \$83.5 million in total wages with an average annual salary of \$41,363. They represent a combination of traded-sector clusters (those where goods and services are sold outside the region) and local clusters (establishments that serve local residents).

State and Regional Collaboration

Each cluster, outside of the health care cluster, benefits from an alignment with the economic development efforts and attraction and retention plans of Business Oregon, the Strategic Economic Development Corporation (SEDCOR), and Marion County Economic Development. Health care was selected because of presence of significant healthcare anchor institutions located in Stayton, which are employing a significant number of workers in the city.

Table 6. Industry Cluster Comparison

STATE OF OREGON	REGIONAL (CEDS)	CITY OF STAYTON
Advanced Manufacturing	Advanced Manufacturing	Advanced Manufacturing/ Complex Construction
Food and Beverages	Agriculture and Food Processing	Agriculture and Food Processing
Wood Products and Forestry	Wood Products and Forestry	Wood Products and Forestry
		Health Care
	Transportation and Distribution	
	Government	
Business Services		
High Technology		
Outdoor Gear and Apparel		

Not to mention, these clusters are supported by the training programs at Stayton High School and local workforce development organizations, community colleges, and universities such Oregon State University and Chemeketa Community College as outlined below.

Table 7. Industry Cluster Comparison

Industry	Stayton High School	Chemeketa	OSU
Advanced Manufacturing/ Complex Construction	CTE – Manufacturing CTE – Construction/ Tech/ Woods	Industrial/Instrumentation Tech Apprenticeship Trades Industrial Electronics	College of Engineering
Agriculture and Food Processing	CTE – Agriculture	Agribusiness Management and Pesticide Certification	Agricultural Sciences – Food Science and Technology
Wood Products and Forestry	CTE – Construction Tech/ Woods		College of Forestry Renewable Materials.
Health Care	Career Pathways – Health Care	Associate of Science Degree in Nursing	

Building a Cluster Ecosystem

Three elements are critical to building a cluster ecosystem: first, an existing company foundation, second, the appropriate infrastructure, and third, a skilled workforce. As detailed below for each of the targeted sectors, Stayton has a standing company base that can serve as the foundation for cluster expansion and growth. These local industries are further bolstered by nearby companies that have similar workforce and logistics needs. Because companies and workers do not adhere to specific geopolitical boundaries, it is important to have a regional focus beyond city limits when working to grow industry clusters.

The City is also focused on unlocking the capital and grant dollars to support the infrastructure investment that is needed to foster ongoing development. And, Stayton and the surrounding communities offer a skilled workforce that is well-suited for the proposed clusters. Simply put, when new business opportunities arise in the selected clusters, the City of Stayton is well-positioned for future growth and investment. Moreover, as Stayton looks to the future, these recommended clusters also present the City with an opportunity to introduce technology and innovation to the sectors, helping to create the next-generation of Stayton business that builds of the City's legacy and looks to the future.

It is important to build a cluster strategy driven by data to ensure ongoing efforts will enhance an existing economic foundation and attract new business that will want to see quantifiable data that there is a strong workforce and industry base in the region under consideration. A detailed analysis of the cluster competitive advantages and associated workforce skills has been provided as separate appendix documents. It is Bridge's belief that Stayton's staff and its partners will be able to utilize the research and data to help drive ongoing business retention and recruitment efforts.

The following represents a brief cluster profile for each recommended sector; this summary is built upon an extensive cluster analysis, both at the industry and skill levels, and has been included as appendix to this report.

Advanced Manufacturing and Complex Construction

As noted in the economic assessment, Stayton's residents and local economy is driven by sectors associated with production and manufacturing. Stayton's advanced manufacturing and complex construction is represented by companies such as Littau Harvester, Slayden Construction Group and Van Dorn Enterprises. It is a sector that has earned a reputation across the state as a leader in the development of heavy machinery and a service provider of complex construction such as infrastructure and significant commercial development.

- Cluster Type. Traded and local. This is a cluster that serves the state and other regions, as well as offering local construction and building services for residents of Stayton and surrounding areas.
- Number of Firms. 33 establishments in 2016
- Total Employment. 363 employed in 2016
- Average Wage. \$63,360
- Educational Attainment Levels. Generally, talent for this industry cluster has a high school diploma or Associates degree.
- Skill Clusters. This cluster taps into four main skill clusters:
 - *Construction*. Stayton's construction talent pool is 45 percent larger than the U.S. average for a city its size, representing occupations such as carpenters, construction managers, cement masons, and others (see data appendix).
 - *Manufacturing*. The manufacturing skills and talent pool is nearly four times larger than the national average and consists of occupations such as industrial production managers, machine setters and operators, assemblers and fabricators, and others.
 - *Mechanics*. Stayton's mechanics skill pool is 63 percent more concentrated than the U.S. average and represents occupations such as Mechanics, Riggers, and various other technicians.
 - *Transportation*. Stayton's transportation talent base is two times the national average and includes occupations such as truck and tractor operators, light weight delivery workers, freight and stock handlers, transportation managers and more.
- Growth Challenges. For Stayton, this sector faces two challenges. First, this sector requires industrial land that is well-supported by infrastructure. Much of Stayton's industrial land is limited because significant investments are needed to improve infrastructure capacity. However, as part of this economic development strategy, the City is prioritizing the need to locate the investment dollars to support the necessary improvements. Second, this is a cluster that is often impacted by economic downturns. To combat this challenge, Stayton's construction sector must continue to grow its footprint thereby diversifying its capabilities and project types.

Agriculture and Food Processing

Located in the heart of Marion County, it is no surprise that Stayton is a city that has industry capabilities and growth potential in the agriculture and food processing sector. Home to NORPAC, and nearby Greenbriar Ag Management, Butler Farms Company, Stayton has a larger number of workers that boast knowledge and skills associated with food production. While in the past Stayton has been home to a very traditional food processing and agricultural sector, Stayton's future for this industry will be tied to its ability to match and innovation with agricultural legacy. This is why

supporting and promoting next-generation training in food science and technology at universities like Oregon State University is critical to future development.

- Cluster Type. Traded. This is a cluster that predominately services the state, other regions and parts of the U.S.
- Number of Firms. 10 establishments in 2016
- Total Employment. 597 employed in 2016 (representing larger than average establishments)
- Average Wage. \$26,843
- Educational Attainment Levels. Talent for this industry cluster generally has a high school diploma.
- Skill Clusters. This cluster taps into two key skill clusters:
 - *Farming/Agriculture.* Stayton's agriculture talent pool is nearly seven times the U.S. average, spanning occupations such as agricultural workers/ laborers, inspectors, food scientists and nurse workers.
 - *Transportation.* As noted above in advanced manufacturing.
- Growth Challenges. For Stayton, this sector faces a similar challenge as that of Advanced Manufacturing: it is an industry that requires large parcels of farming or industrial land that are well-connected and supported by infrastructures. As noted above, this is also a sector that generally is needing to reimagine how technology, innovation and new forms are entrepreneurship are reflected in its future development. And finally, this is an industry cluster that is relatively low-paying and employment levels fluctuate seasonally. NORPAC's employment levels have declined in past decades, due in part to automation. The average annual salary is \$26,843, well-below the median wage for both full-time working men (\$33,700) and women (\$32,000) in the City of Stayton.

Wood Products and Forestry

Like agricultural and food processing, Wood Products and Forestry represents a traditional but well supported and coordinated industry cluster for Stayton. It is also a cluster that reflects the geographic advantage Stayton within in Marion County and is aligned with the efforts of Business Oregon, the Strategic Economic Development Corporation (SEDCOR), and Marion County Economic Development. Stayton's major employers for this cluster ranges from Jeld-Wen and RedBuilt,

- Cluster Type. Traded. This is a cluster that predominately services the state, other regions and parts of the U.S.
- Number of Firms. 11 establishments in 2016
- Total Employment. 275 employed in 2016
- Average Wage. \$37,024

- Educational Attainment Levels. Talent for this industry cluster generally has a high school diploma.
- Skill Clusters. This cluster taps into three key skill clusters:
 - *Environmental Services.* Stayton’s environmental services talent pool, comprised of foresters, environmental scientists, conservationists and related occupations, is 93 percent larger than the U.S. average for a city its size.
 - *Farming/Agriculture.* As noted above in agriculture and farming.
 - *Transportation.* As noted above in advanced manufacturing.
- Growth Challenges. Generally, this sector for Stayton, like the rest of the state, is declining employment. The talent base is also aging very quickly. However, this sector is an important industry for the city’s economic portfolio, so it will require economic development efforts that are centered around business retention. It is also necessary that the city of Stayton partner with key companies in the area to bring together leaders to discuss what the next-generation forestry and wood products cluster in the city could be in the future.

Health Care

While not a target cluster for the state of Oregon or the region, health care is a critically important employment base for the City of Stayton and its residents. With institutions and companies such as Santiam Hospital, Santiam Medical Associates, Brookdale Stayton, and others, Stayton’s Health Care sector employs more than 780 employees across twenty-seven firms. Not to mention, the sector offers a pathway for Stayton residents to obtain employment opportunities offering family-wages; the average annual salary for a health care job in Stayton is approximately \$43,771.

- Cluster Type. Local. This cluster primarily serves local and surrounding residents.
- Number of Firms. 27 establishments in 2016
- Total Employment. 781 employed in 2016
- Average Wage. \$43,771
- Educational Attainment Levels. Talent for this industry cluster generally has an Associate’s degree or Bachelor’s degree or higher.
- Skill Clusters. This cluster taps into two key skill clusters:
 - *Medical Professionals.* Stayton’s medical professionals cluster is made up various types of physicians, therapists and nurses. It is more than two times the U.S. average for a city its size.
 - *Medical Services.* The medical services cluster in Stayton is nearly three times the U.S. average. These positions include technicians and various healthcare assistants.

- Growth Challenges. The greatest challenge for Stayton’s health care sector is ensuring steady pipeline of talent is prepared and well-trained. This will require the city of Stayton, its economic development partners, and leading health care companies to work with local colleges, universities and workforce development organizations to build effective training programs that meet the needs of this fast-growing sector.

The Strategy

Strategies must continuously evolve as economic situations change, actions are accomplished, and new opportunities arise. However, there are certain values and principles that remain constant and guide future decisions for the region. These foundational elements are outlined below and serve as the basis for the goals, objectives, and actions that will shape the efforts of the city staff and their economic development partners over the next five years.

What is the Benefit of an Economic Development Vision and Strategy?

In order to prepare a community to proactively engage with rapidly changing trends, it must have a strategy in place. Without a strategy, efforts are often reactive, non-collaborative, and not connected for meaningful impact. An economic development strategy will:

#1: Document a Playbook

For an economic development plan to succeed, numerous partners and organizations must be engaged and collaborate toward common goals. At the same time, it is essential for public and private entities to recognize that they are partners in economic development efforts, as one cannot be sustained without the other. To efficiently and effectively align goals, a community must understand, document, and achieve consensus on its vision, values, opportunities, and objectives.

The world’s economy is changing rapidly. An established “playbook” provides enough broad goals to recognize opportunities when they arise. Clear direction regarding the city’s roles will help determine projects that should be pursued and those that should be opposed. **To effectively implement a strategy, it is as important to say “no” to certain opportunities as it is to say “yes” to others.**

#2: Identify Specific Actions

Once goals and objectives are defined, action must be taken. Often these actions will appear minor without the overall context of the plan. The intent of the strategy is to provide several action items by several partners, all working toward the same overall goal. This is a flexible document that will be shaped as opportunities arise. Finally, it is important to annually revisit the document to determine where progress is being made and where other areas are deficient. It will be necessary to update the document every three to five years in keeping with the rapid pace of change in the economy. In addition, it will be important for the city to allocate its budget to the specific actions to clearly determine whether adequate resources have been allocated to efforts to realize outcomes.

The Vision

Stayton is one of Oregon's best small communities. Grounded in an agricultural and industrial legacy and driven by innovative, future looking businesses, Stayton values its residents, history, downtown, and natural beauty. Every resident and business has the opportunity to thrive and grow in the City of Stayton.

Guiding Principles

The following guiding principles to shape the direction of the strategy and vision. They also serve as a guide to future decisions for the city that will appear over the timeframe of this strategy implementation.

Industry Driven. A data-driven, traded sector industry cluster development focus will guide the goals, objectives, and actions for the strategy.

- Advance sectors that provide opportunities for a variety of specializations, a range of skill levels, as well as projected firm, wage and job growth.
- Clusters of focus include advanced manufacturing/complex construction, agriculture and food processing, wood products and health care (see Technical Appendix for detailed analysis).

Existing Businesses First. Retention and expansion of existing businesses is the most efficient way to grow the economic base and attract similar industries.

- Industry cluster strategy focuses staff time and resources on strengthening existing competitive advantage and growing existing base.
- Prioritize in-bound recruitment efforts to support existing industry cluster growth such as the further development of the supply chain.
- Focus on developing a business support and expansion programs especially for traditional growth sectors such as food processing and wood products.

People and Business. All economic development activity is intended to benefit City of Stayton residents and community-minded employers.

- Focus on workforce pipeline development in conjunction with local workforce development and education
- Facilitate mutually beneficial partnerships between education partners and private enterprises.
- City of Stayton's community partners should focus on business and people who then in turn support land development.

Value of Place. City of Stayton will preserve, embrace and promote the distinct qualities that make it a unique and desirable place for talent.

- Promote easy access to Pacific Northwest mountains, lakes, rivers, and mild climate that draw and keep talent.
- Invest in downtown Stayton, helping support the growth of downtown businesses and development projects.

- Embrace the small-town feel that sets Stayton apart from larger metropolitan areas with closer ties to agriculture and outdoor recreation.

Strategy Goals

The Strategy is focused first and foremost on growing the traded sector industry base of City of Stayton. To ensure all residents have access to these opportunities, the strategy focuses on people and skills development tied to growing industries. For businesses to attract and retain talent, the key driving factor is creating a distinct place. Finally, to ensure desired outcomes are achieved it will be important for the city to monitor actions of all engaged partners.

Goal 1: Proactive City Culture

Why this Goal?

When encouraging private development investment, cities play an important role in fostering a culture of collaboration. Such a culture includes a transparent and clear permitting process with staff engagement to proactively solve challenges. This does not mean that a city removes requirements to build projects to code or remove all SDC fees. What is important is to quickly respond to applications to reduce processing time (which equates to money), and maintain standards and a consistent interpretation of the code to provide certainty. Supplementing this approach with a proactive approach to help projects come to fruition and enhance the community quickly builds a positive reputation for a city as place that people want to do business.

Objective 1.1 Define the ED Champion in the City

In order to implement the Economic Development Strategy, the City must have a designated staff person that will be the full-time champion for economic development. This person must build relationships with existing businesses, monitor the strategy implementation, and build relationships across several municipal departments in order to leverage opportunities for infrastructure investment and other identified programs. Without an identified champion, the Strategy is likely to sit on a shelf.

Objective 1.2 Build regional infrastructure for industry base

As outlined in the Strategy, Stayton has a unique asset with the existing vacant land within the industrial area. The barrier to developing this land is significant transportation and stormwater facilities that are needed across the area. The city can work with economic development stakeholders to secure grants that are focused on supporting traded-sector industries. Removing these infrastructure barriers will unlock the vacant industrial land.

Goal 2: Support and Leverage Existing Industry Base

Why This Goal?

The City of Stayton area is fortunate to host traditional manufacturing industries coupled with construction companies that are poised for more growth. Manufacturing will remain an important industry cluster with the continued integration of technology. Increasingly, manufacturing will be more automated requiring a highly skilled workforce. City of Stayton will remain competitive in this area

with a continued focus on education and skills development to prepare a workforce that can serve this dynamic trend in manufacturing. It is important to retain these existing businesses but at the same time build toward innovation within the industry. For example, within wood products cluster collaborate with OSU regarding the future development of Cross Laminated Timber (CLT) or within agriculture pursue innovation tied to irrigation and digital imaging with drone technology. Stayton needs to stabilize and retain its base while positioning for the future.

Objective 2.1 Engage with Industry Clusters and Define Needs

Businesses tied to similar industries should be convened to discuss what they need to grow and position themselves for innovative opportunities. Focused meetings such as these build collaboration and foster cross-pollination of opportunities and ideas. In addition, the meetings result in specific action items necessary to address business growth needs. Community partners can then effectively work to remove barriers and provide meaningful support to businesses. The businesses will also inform what type of sites/buildings and infrastructure is needed to foster growth.

Objective 2.2 Make Stayton Attractive for Investment

Once funding of regional infrastructure is secured, Stayton can effectively promote its industrial sites. In addition to unlocking the land supply, promotion of the clearly defined industry clusters helps define City of Stayton and what makes it unique and supportive of recruitment activities. This message of strength and growth also helps existing businesses understand why they should stay and continue to invest in City of Stayton, as well as convey to future hires why there is ample opportunity to work in City of Stayton.

Goal 3: Grow the Talent Base

Why this Goal?

Complex issues driving income stratification and workforce skills gaps are making it more difficult for all residents to realize positive personal economic growth in keeping with business growth. To plan for this modern economy, communities must consciously foster a resilient economy that is derived from a diverse industry base and skilled workforce to weather inevitable negative portions of economic cycles.

Objective 3.1 Attract and Retain Talent

In recruiting new talent, employers often struggle to secure management positions that are typically filled by people that are 30 – 50 years old due to work experience. Often these people are just starting out or have established a family and therefore are focused on living in a community with family-oriented amenities. Public investment and retail amenities that serve this group is important to retain experienced talent. A consistent message from the community was the lack of diverse housing types. This limited supply is a barrier to easily attracting new talent. Furthermore, limited supply may force some people to “buy-down” and occupy homes that would otherwise be available for lower-income residents.

Objective 3.2 Prepare Youth for Economic Opportunity

To succeed in the modern global economy people must develop skills. To ensure economic opportunities for City of Stayton residents, it is important to make career technical education (CTE) training programs readily available. Educational attainment is one of the significant determining factors in determining income growth and access to career pathways. Engaging youth early regarding career opportunities is a critical component in high school graduation success rates and preparation for higher education.

Goal 4: Foster a Great Place

Why this Goal?

Within urban centers, people of all ages desire access to a dynamic lifestyle with housing, restaurants, entertainment, and retail nearby. This urban lifestyle does not mean that an entire community must conform to urban densities. What is important is that some element of an urban lifestyle and livable community through a healthy Main Street, traditional downtown or town centers in suburbs is provided. Such areas are important for employers to be able to attract and keep talent. It is important for the City of Stayton to define and actively grow a distinct downtown to establish a unique and memorable place.

Objective 4.1: Help Build Housing

As identified in the Economic Development Strategy, the city must encourage new and diverse housing types to allow new talent to enter the market. Downtown offers great opportunities for smaller units with walkable access to downtown amenities. The Woolen Mill Site is a remarkable waterfront site within two blocks of North 3rd Ave. It has significant potential to become a substantial housing development that will activate downtown. In addition, there are vacant sites that should be developed with housing if at all possible. The city can play an important role in convening property owners and potential housing developers.

Objective 4.2: Support Local Retailers and Expand the Market

In order to maximize public sector time and resources, downtown efforts should focus on the frequently occurring experienced base shoppers that return monthly for entertainment, dining and boutique shopping. The intent is to concentrate on a destination retail experience hub, as opposed to a broad area that encompasses all types of commercial uses, some of which are only frequented a few times a year. The focus may leverage existing assets such as the movie theater and enhance the visit with retail such as an ice-cream shop or arcade that will serve families. This experience could be broadened to "maker spaces" that showcase people making craft goods or food unique to Marion County.

As many of the downtown properties are independently owned and some with owners outside of Stayton, it is important to proactively engage asset owners and tenants. An intentional focus on the retail mix will create the place desired by the community. Because the downtown consists of numerous property owners, it falls to the public partners, in collaboration with property owners, to serve as the active orchestrator of this mix, like the role of a commercial center operator. Highly successful commercial centers are intentionally programmed with events and retailers that serve their

desired customer. Of course, the final tenant decision is up to the property owner. However, education and a collective approach to curating tenants that serve a larger vision will ultimately benefit all property owners and the community.

Objective 4.3: Highlight Downtown Assets

Stayton is fortunate to have a charming downtown district with a complete street grid and good building stock with distinct assets including the Santiam River and canal waterway. These are appealing elements that make the downtown unique and memorable. It is important to leverage and highlight these assets. The city and partners should continue to build “parklets” or work with property owners to provide outdoor seating adjacent to the amenities. Enhancement of these areas with benches and complimentary landscaping will not only serve community interest but make Stayton a distinct place.

End of document.

**Attachment A:
Action Plan**

DRAFT

STAYTON ECONOMIC DEVELOPMENT ACTION PLAN (2019 TO 2024)

Actions	2019	2020	2021	Year 4&5	Lead Org/ Staff	City Staff Support	Partners	Resource Required	Deliverable
GOAL 1: PROACTIVE CITY CULTURE									
Objective 1.1 Define the ED Champion in the City									
Outcome: Identified actions are implemented									
A. Hire staff person to implement Action Plan		X			Planning & Development Director (PDD)	City Manager	None	Budget for one FTE	<ul style="list-style-type: none"> Approval for staff position. 2Q 2020 Post position and recruit. 3Q 2020 Position filled. 4Q 2020
B. Collaborate with MWVCOG and other stakeholders to review Action Plan and coordinate activities			X	X	NEW FTE	Planning & Development Director (PDD)	County, SEDCOR, Chemeketa CC, Willamette Workforce Partnership	Staff time	<ul style="list-style-type: none"> Create list of targeted companies within industry clusters to visit. 1Q 2021 10 meetings a year (generally 1 per month). Annually Document barriers/opportunities and quotes from CEO (for marketing purposes) in a database. Annually Review Action Plan deliverables with report to Council. 4Q each year.
Objective 1.2 Build regional infrastructure for industry base									
Outcome: Private development can invest and grow jobs									
A. Explore option of urban renewal for industrial area.	X	X			Planning & Development Director (PDD)	Public Works Director	County, Fire District	\$20,000 to prepare urban renewal analysis and report	<ul style="list-style-type: none"> Obtain city council approval to study approach options. 3Q 2019. Form a task force of impacted agencies, one city council rep, and industrial property owners to review evaluation. 3Q2019. Complete analysis and evaluation. 4Q 2019. Determine if urban renewal should be established 1Q 2020.
B. Build the new intersection at Shaff and Wilco as defined in TSP.		X	X	X	Planning & Development Director (PDD)	NEW FTE, Public Works Director	DLCD, Business Oregon, RST, EDA, Industrial property owners and businesses	Grant matching funds from urban renewal or general fund	<ul style="list-style-type: none"> Update county public works on grant application and obtain support. 3Q 2019 Meet with property owners impacted by improvement design. 3Q 2019. Meet with EDA regional representative in conjunction with COG and SEDCOR to begin discussion for grant application. 1Q 2020 Provide check-in meeting with DLCD, RST and Business Oregon. 1Q 2020. Submit grants for preliminary design (\$205,000) 2Q 2020. Submit grants for construction (\$2.6 million). 2Q 2021.
C. Prepare for the construction of the regional stormwater facilities to be built in conjunction with new private development.		X	X	X	Planning & Development Director (PDD)	NEW FTE, Public Works Director	DLCD, Business Oregon, RST, EDA, Industrial property owners and businesses	Grant matching funds from urban renewal or general fund	<ul style="list-style-type: none"> Meet with property owners impacted by improvement design. 3Q 2019. Meet with EDA regional representative in conjunction with COG and SEDCOR to begin discussion for grant application. 1Q 2020 Provide check in meeting with DLCD, RST and Business Oregon. 1Q 2020. Submit grants for preliminary design (\$65,500) 2Q 2020. Submit grants for construction (\$1.1 million). 2Q 2021.

GOAL 2: SUPPORT AND LEVERAGE EXISTING INDUSTRY BASE

Actions	2019	2020	2021	Year 4&5	Lead Org/ Staff	City Staff Support	Partners	Resource Required	Deliverable
Objective 2.1: Engage with Industry Clusters and Define Needs									
Outcome: Understand where to best invest time and resources to support businesses									
A. Engage with existing organizations to identify regional opportunities that pertain to city and foster collaboration.			X	X	NEW FTE	City Manager	SEDCOR, RST, MVCOG	Staff time	<ul style="list-style-type: none"> Attend partner meetings with SEDCOR and RST and foster collaboration. Ongoing Understand the RST focus on agriculture innovation and technology and how Stayton can align industry and growth with this focus. Ongoing. Align information with Action 2.2.B. Ongoing
B. Engage with existing or convene industry cluster group meetings to understand barriers and opportunities unique to each industry in Stayton.			X	X	NEW FTE	City Manager	SEDCOR, RST, MVCOG, Chemeketa CC, OSU, K-12	Staff time	<ul style="list-style-type: none"> Meet with each group of industry cluster businesses and economic development partners at least once a year. Include education to align research and degree programs, and K-12 CTE programs, with industry needs. Ongoing Listen to businesses and document consistent needs in a database Ongoing Resolve issues. Ongoing Promote opportunities with Action 2.2.B. Ongoing Compile Stayton CEO stories and data and help SEDCOR tell story Ongoing
Objective 2.2: Make Stayton Attractive for Investment									
Outcome: Foster growth of industry clusters									
A. Continue to promote a proactive permitting process and culture.	X	X	X	X	Planning & Development Director (PDD)	City Manager	County Building/Fire, Transportation, Public Works Director	Staff time	<ul style="list-style-type: none"> Create a "SWAT team" of key staff from each partner to collaborate on site development needs. Share intent of ED Strategy and Action Plan. 4Q 2019 Engage SWAT Team on infrastructure grant applications and obtain commitment to infrastructure investment. 1Q 2020. Evaluate potential utility rate changes per Mackenzie Report. 1Q 2020. Meet bi-annually to discuss infrastructure investments or proactively address barriers. Ongoing SWAT team convened for immediate opportunities. Ongoing
B. Prepare an inventory of sites that clearly define and highlight the infrastructure and incentive assets within the city			X	X	NEW FTE	Planning & Development Director (PDD)	County Building/Fire, Transportation, Public Works Director, Property Owners, Brokers	Staff time	<ul style="list-style-type: none"> Work with SEDCOR, brokers, and property owners to prepare site information. Ongoing List properties on Oregon Prospector. Ongoing Tour Business Oregon recruitment specialists with SEDCOR once a year to update them on status of properties and infrastructure investment. Annually.

GOAL 3: GROW THE TALENT BASE

Actions	2019	2020	2021	Year 4&5	Lead Org/ Staff	City Staff Support	Partners	Resource Required	Deliverable
Objective 3.1: Attract and Retain Talent									
Outcome: Helps existing industry clusters grow in the short-term									
A. Encourage affordable and diverse housing options.	X	X	X	X	Planning & Development Director (PDD)	City Manager	Revitalize Downtown Stayton (RDS), City Council	Staff time	<ul style="list-style-type: none"> Allow for various types and sizes of housing through updated flexible zoning code. Ongoing Identify opportunities for market rate apartment projects downtown. 2Q 2020 Foster development of Woolen Mill site in alignment with Action 4.1.A Ongoing Continue to collaborate with developers through public-private partnerships to build housing. Ongoing
B. Enhance recreation and amenity opportunities.	X	X	X	X	City Manager	NEW FTE	City Council, Public Works, RDS, Chamber	\$80,000 for City Facilities Analysis. Staff time	<ul style="list-style-type: none"> Enhance sidewalk and trails network. Ongoing Encourage restaurants to cater to families through retail training in alignment with Action 4.2.A 2Q 2020 Evaluate and need and viability for a recreation center to support families year-round. 4Q 2021
C. Attract talent back home.			X	X	NEW FTE	City Manager	North Santiam School District (NSSD), City Council, Chamber	Staff time	<ul style="list-style-type: none"> Create a Task Force of diverse local residents that are the demographic make-up of the target audience. 1Q 2022 Task Force develops strategy for messaging, events and local engagement to attract desired group. 4Q 2022 Promote campaign with Stayton High School alumni database or utilizing social media tools. 1Q 2023
Objective 3.2: Prepare Youth for Economic Opportunity									
Outcome: Builds the local long-term workforce pipeline									
A. Promote a STEM culture across the community			X	X	NEW FTE	City Manager	North Santiam School District, South Metro-Salem STEM Partnership, RDS, Chamber	Staff time. Business sponsorships	<ul style="list-style-type: none"> Support NSSD actions to improve facilities that will foster STEM education. Ongoing With NSSD, visit cities and school districts in Dallas and Dayton that are actively engaged with Innovate Oregon (Jamie Richardson, Principal La Creole Middle School, Dallas; Jami Fluke, Principal, Dayton Jr Sr High School). 4Q 2020 Sponsor and promote events such as a new Stayton STEM Fair focused on maker space or robotics downtown. 1Q 2021
B. Enhance youth access to Science, Technology, Engineering and Math (STEM) related occupations.			X	X	NEW FTE	City Manager	SEDCOR, North Santiam School District, South Metro-Salem STEM Partnership	Staff time.	<ul style="list-style-type: none"> Develop and promote a formal internship program (i.e. Gorge Works, Youth Career Connect) that streamlines the internship process for business and industry. 2Q 2021 Work with STEM Hub to potentially track enrollment and completion in Career Technical Education (CTE) and other programs by industry cluster to ensure alignment with high-demand sectors. Determine gaps and how to resolve. (Potential grant opportunity through Oregon Community Foundation). 4Q 2021

GOAL 4: FOSTER A GREAT PLACE

Actions	2019	2020	2021	Year 4&5	Lead Org/ Staff	City Staff Support	External Partners	Resource Required	Deliverable
Objective 4.1: Help Build Housing									
Outcome: Enhance downtown vibrancy and customer base									
A. Foster development of Woolen Mill Site	X	X	X	X	Planning & Development Director (PDD)	City Manager	City Council, Public Works, Regional Solutions Team (RST), Revitalize Downtown Stayton (RDS)	Staff time. \$20,000 consultant services	<ul style="list-style-type: none"> Determine what types and amount of investment city can contribute to project (infrastructure, Vertical Housing Tax Credit (VHTC), regional grants, etc.) 3Q 2019. Meet with property owners to discuss a potential public-private partnership opportunity. 4Q 2019. Determine if city council is willing to support a public-private partnership and define what the city needs out of the project. 1Q 2020. Hire consultant to help promote the site to attract the best qualified developer at the best investment price. 3Q 2020.
B. Foster infill housing development		X	X	X	Planning & Development Director (PDD)	Public Works	Public Works, Revitalize Downtown Stayton (RDS), County Transportation	Staff time.	<ul style="list-style-type: none"> Identify viable infill housing sites. 1Q 2020 Prepare a list of public infrastructure projects and costs that are required with new private investment. 3Q 2020 Align with capital improvement plan. 1Q 2021 Construct infrastructure in conjunction with private investment as an incentive. Ongoing
Objective 4.2: Support Local Retailers and Expand the Market									
Outcome: Increased amount of retail that serves the local community									
A. Cultivate success for existing retailers.	X	X	X	X	Planning & Development Director (PDD)	NEW FTE	RDS, Chamber	\$20,000 consultant services. Staff time.	<ul style="list-style-type: none"> Hire a consultant, such as Michele Reeves with Civilis, to educate and train existing retailers on best practices to improve sales and foster collaboration. 1Q 2020 Support and sponsor events downtown with consistent marketing, promotion and coordination. Ongoing Provide a parking education program to business as to where they should park and why to enhance the customer experience. Annually.
B. Attract new retailers.			X	X	NEW FTE	Planning & Development Director (PDD)	RDS, Chamber	Staff time.	<ul style="list-style-type: none"> Collectively define the target audience and necessary retailers to fill the gap. 1Q 2021 Visit Mike Williams at the City of Beaverton to understand how they have been successful with their restaurant attraction strategy. 1Q 2021 Promote opportunities for food trucks that help incubate new business opportunities and potential restaurants. Ongoing. Encourage a diverse tenant mix of small niche manufacturing for food production and manufacturing under 8,000 square feet, which are permitted. Ongoing Find brokers with a retail focus to work with property owners in addition to staff outreach efforts. 4Q 2021 Work with distinct Marion county producers, such as local food producers, to consider a downtown storefront/tasting rooms. 4Q 2021

Objective 4.3: Highlight Assets

Outcome: Make Stayton a memorable and distinct place.

<p>A. Leverage the existing street grid and building stock</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>Planning & Development Director (PDD)</p>	<p>NEW FTE</p>	<p>RDS, Chamber, Public Works</p>	<p>Staff time. Funds for defined projects.</p>	<ul style="list-style-type: none"> • Continue a storefront improvement program. Ongoing • Continue to plant new street trees along Marion, High, Ida and Florence Streets. Ongoing. • Inventory the retail space. The “Improving Tennant Mix: Guide for Commercial District Practitioners” by ICSC provides a good list of elements that should be documented to prepare an inventory. As space becomes available, work with property owners to recruit retail tenants that complement the existing retailers to enhance the areas as a defined destination. 1Q 2020 • Replace street trees along N Third Ave. 4Q 2020 • Replace street lighting along N Third Ave 4Q 2021
<p>B. Celebrate the unique downtown elements</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>Planning & Development Director (PDD)</p>	<p>NEW FTE</p>	<p>RDS, Chamber</p>	<p>Staff time. Funds for defined projects.</p>	<ul style="list-style-type: none"> • Maintain and enhance parklet on Third Ave. Ongoing • Work with property owners to repair seating and landscape plans for canals on N First and Second Avenues. Potentially re-locate existing benches that may not be well utilized to reduce costs. 1Q 2020 • Enhance and promote trails to Jordan Bridge and along N Santiam River. Ongoing • Per the 2007 Downtown Stayton Transportation and Revitalization Plan, enhance the Marion Street Gateway as a corridor that connects the library and Jordan Bridge/Pioneer Park. 1Q 2022

