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CONTENTS

| Contents | 2 |
|---|----|
| Table of Figures | 3 |
| Executive Summary | 5 |
| Introduction | 6 |
| City of Gates History | 8 |
| Goals of the Study | 9 |
| Process | 9 |
| Coordination with Other Parties | 9 |
| Acknowledgements | |
| Section I: Baseline Conditions | 12 |
| Past Studies | |
| Economic Opportunities & Goals | |
| Infrastructure Projects Underway | |
| Baseline Economic Analysis | 14 |
| Section II: Interviews & Public Feedback | |
| Stakeholder Interviews Report | 16 |
| Public Forum | 19 |
| Post Forum Survey | 23 |
| Public Survey | |
| Section III: Recovery & Resiliency Strategy | |
| Infrastructure & Governance | |
| City Finances | |
| Governance Structure | |
| Emergency Planning | |
| Infrastructure | 40 |
| Housing | 41 |
| Stabilizing the Housing Market | |
| Community Character | |
| Downtown Gates | |
| Downtown Area | 47 |

| Outdoor Recreation & Tourism |
|---|
| Gates River Access Recreation Development |
| Business Rejuvenation & Creation54 |
| Funding and Responsibility matrix |
| Appendix A: Summaries of Prior Studies |
| North Santiam Canyon Alternative Transportation Link Feasibility Study: Canyon Journeys, November 2004 |
| Marion County Economic Development Strategic Plan |
| North Santiam Canyon Regional Land Inventory, January 201762 |
| North Santiam Canyon Economic Development Update, March 201665 |
| North Santiam Canyon Regional Wastewater Analysis, January 201766 |
| Santiam Canyon Wildfire Recovery Status Report #4, July 202169 |
| Oregon Wildfires Listening & Media Analysis Report, September 202170 |
| Santiam Canyon Wildfire Recovery Project (Oregon Chapter of the American Planning Association, Community Planning Assistance Program) CAPP, August 202170 |
| Appendix C: Case Studies Error! Bookmark not defined. |
| Durham, North Carolina Error! Bookmark not defined. |
| St. Louis, Missouri |
| Hooksett, New Hampshire Error! Bookmark not defined. |

TABLE OF FIGURES

| Figure 1—Western Gateway Signage | 8 |
|---|----|
| Figure 2—Gates Community Church of Christ | 19 |
| Figure 3—Spectrum of Governance Structure | 36 |
| Figure 4—Census Tract 106 Commuting Flows | 42 |
| Figure 5—Maples Rest Area | 48 |
| Figure 6—Overhead Sketch of Commercial Center Concept [placeholder] | 50 |
| Figure 7—Potential Site for Riverfront Park | 53 |
| Figure 8—Local Coffee Shop | 54 |
| Figure 9—Micro Enterprise Shops | 55 |
| Figure —Example Non-Permanent Commercial Developments | 55 |

Executive Summary

To be added

INTRODUCTION



Santiam Canyon is a beautiful, wooded canyon of approximately 670 square miles located on the eastern border of Marion County, Oregon. It comprises federal land managed by the US Forest Service, Bureau of Land Management, and some private parcels in small communities located up and down the canyon. Santiam Canyon is home to an estimated 4,261 residents, most of whom live in Stayton, Lyons, and Mill City. State Highway 22 runs through the canyon and connects the Salem MSA to the eastern half of the state. An estimated 5,700 vehicles per day travel the canyon near Gates, with the peak volumes up to 9,000 per day in the busiest summer months.¹

For generations, the Canyon's economy has revolved around a vibrant logging and milling industry. The Canyon was heavily impacted by a decline of economic activity starting in the 1990s, however. The protection of the Norther Spotted Owl (1990), Northwest Forest Plan (1994), and Omnibus Parks and Public Lands Management Act (1996) all impacted the timber industry. While timber is still a primary driver of the Canyon's economy (especially in the Gates/Mill City economies), interviews highlighted that employment and real wages in this industry have dropped since the late 20th century.

2020 brought new economic impacts to the Canyon. The Coronavirus pandemic and resultant stay-at-home orders put a halt to travel and tourism, leaving many residents out of work. The communities started seeing some increases in sales during the early part of the summer as people increasingly travelled to remote locations to avoid large crowds and mitigate risk from the infections disease. But the boon was short lived. The Canyon experienced record-setting tempuratures during the summer.

In August of 2020, lightning started three separate wildfires in the Santiam Canyon area. The Beachie Creek Fire, Lionshead Fire, and the P-515 Fire (known collectively as the Santiam Fire), grew significantly during a heatwave in September, when high-speed winds surged the fires, posing imminent threat to many of the communities located in the canyon. Evacuation orders were given on September 8th, 2020, and the fires spread through the canyon, killing five residents and destroying an estimated \$1 Billion in homes and personal and public property. Many families lost their homes to the disaster and were displaced. While all of the canyon communities were impacted, the fires were particularly devastating to the cities of Gates and Detroit.

The State and Marion County were quick to respond to the disaster and partnered with several groups to get funding and recovery assistance for the Canyon. This document, among with others from partners and consultants, will help form a strategy for recovery efforts in the next ten

¹Source: Oregon Department of Tranportation, ECONorthwest

7

years. As part of the effort, Better City was hired to perform Visioning and Strategic Planning for the cities of Gates and Detroit. This document represents the Vision and Strategic Plan for Gates.

City of Gates History

The City of Gates is located approximately 30 miles to the east of Salem, Oregon. The City grew out of a school that was established in 1865. A post office was added in the 1880s, providing early services to residents of the small mountain community. The City, then called Gatesville, was platted in 1888 by the Gates family. The City's growth increased at the completion of the Oregon Pacific Railroad in 1891, growing into a prosperous timber community that shared many of its services with nearby Mill City. The City was formally incorporated as a City in 1950.



Figure 1—Western Gateway Signage

The City is represented by a five-member City Council with an acting mayor. The City employs a City recorder and three public works staff members. The County has provided temporary staffing support in the form of a Community Services Liaison that is acting as a de-facto City Manager during the recovery period.

According to the US Census Bureau, the total population of the City has been fairly stable since the 1980s. The City's estimated population was $543 \text{ in } 2020^2$ – before the fire. Many homes were lost, and several households are still living outside the community as they are struggling to rebuild and return. Others have moved away, and some will not return the community in the foreseeable future.

² Source: Portland State University Population Research Center

Goals of the Study

This document will focus exclusively on the City of Gates. The study documents the City's shared vision for recovery and several strategies to achieve this vision. This document

- 1. Describes the visioning process that has taken place through more than 40 interviews with County, regional and State officials, local leaders and business owners, and members of the public.
- 2. Provides the results of a virtual public survey and public forum and how the City's vision informs recovery efforts currently underway.
- 3. Outlines recommended strategies to move the City towards those visions. The recommendations are characterized as short-term (to be addressed in the next 1-2 years), medium-term (to be addressed in the next 2-5 years), and long-term (to be addressed over the next 5+ years).

Process

In July 2021, Marion County launched the community visioning and strategic planning project to assist the communities of Gates and Detroit in accelerating economic recovery from the 2020 Beachie Creek wildfire. This process included a review of prior pertinent plans and documents to understand the communities' unique situations and backgrounds, interviews and open houses to engage the community and stakeholders in the visioning and strategic input process, utilization of ECONorthwest's Baseline Economic Analysis, and the provision of strategic project recommendations to further recovery efforts and future development.

On July 26 to 30, there was a tour of the affected communities and initial interviews with key stakeholders. 12 one-on-one interviews were conducted. During the following weeks, additional stakeholder interviews were conducted virtually. In total, more than 40 stakeholders were interviewed.

On September 23 to public forums were held. In these meetings, key trends and ideas were brought before the community for additional input and dialogue. Community members and stakeholders reviewed the topics and provided ideas and strategy for several areas of focus. Additional in-person stakeholder interviews as well as additional site tours were also conducted.

On November 15th and 16th the draft recommendations were presented to the communities both virtually and in person. During these meetings, feedback and responses to the recommendations was received and integrated into the final reports.

This report is the culmination of all those efforts and was delivered to the County in December 2021.

Coordination with Other Parties

Marion County hired other parties under separate contracts to provide different scopes of work. Those other parties include ECONorthwest, OSU Public Health, Project Ltd., the Federal Emergency Management Agency (FEMA), and the Oregon Chapter of the American Planning Association. Better City would like to thank these firms for participating and providing valuable insight and feedback on this document. There was extensive collaboration and coordination among the different parties, and every effort was made to remain consistent in the analysis and recommendations. Ultimately, however, the analysis and recommendations provided in this report are from Better City who is solely responsible for the content.

The other studies can be found at the following links:

[ADD LINKS FROM ECONorthwest, OAPA (COG), etc.]

Acknowledgements

This Community Visioning and Strategic Plan was made possible through the generous support of Marion County, Linn County, the State of Oregon, and many others. Better City would like to thank the following individuals/organizations for their time to hold interviews, provide input and feedback, and any other work that was done to assist in drafting this report:

| Name | Title/Role | Organization/Affiliation |
|-------------------|--|--|
| Brian Nicholas | Public Works Director | Marion County |
| Chris Eppley | Detroit Community Development Manager | Marion County |
| Com Willis | County Commissioner | Marion County |
| Dale Weise | Council Member | City of Detroit |
| Danielle Bethell | County Commissioner | Marion County |
| Danielle Gonzalez | Economic Development | Marion County |
| Daphnee Legarza | | Oregon Travel Information Council |
| Dean O'Donnell | Owner | Mountain High Grocery |
| Deana Freres | | Long-Term Recovery Group |
| Elaine George | Owner | Driftwood Grill/Detroit Lodge |
| Gabriel Amadeus | Director | Timber Trails Alliance |
| Jack Carriger | District Chief | Gates Fire District |
| Jessy Fabrizio | OR & Wildfire Recovery Coordinator | Williamette Valley Visitor's Authority |
| Jim Trett | Mayor | City of Detroit |
| Jody Christensen | Wildfire Recovery Contact | State of Oregon |
| John Russell | FEMA Recovery Coordinator | FEMA |
| Ken Woodward | Chair | Marion County Sewer Board |
| Kevin Cameron | County Commissioner | Marion County |
| Maryann Hills | Gates Community Services Liaison | Marion County |

| McRae Carmichael | Planner | Mid-Williamette Council of Governments |
|-----------------------|---|--|
| Melissa Bower | Service Integration Team Lead | Santiam Hospital |
| Michele Tesdal | Council member | City of Detroit |
| Mike Stair | Pastor | Gates Community Church of Christ |
| Patrick Rahm | Council Member | City of Gates |
| Renata Wakeley | Community Development Program Director | Mid-Williamette Council of Governments |
| Ron Carmickle | Mayor | City of Gates |
| Sabrina Kent | Council Member | City of Gates |
| Scott McClure | Long-term Disaster Recovery Manager | Marion County |
| Shelley Engle | Council Member, President | City of Detroit |
| Tamra Goettsch | Community Services Director | Marion County |
| Todd Smith | Police Commissioner | City of Detroit |
| Tom Kissinger | Environmental Services | Marion County |
| Tonya Chamberlain | Council Member | City of Gates |
| Tori Middlestadt | Development & Industry Relations Manager | Williamette Valley Visitor's Authority |
| Tracey Bolland | Owner | Detroit RV Park |
| | | |
| Tyler Freres | Vice President, Sales | Freres Lumber |
| | | |

SECTION I: BASELINE CONDITIONS



This section details baseline conditions in the City of Gates, defined as those existing prior to the Santiam Canyon fires. It will also describe the current community and economic environments and what efforts are currently underway. Local, regional, and state leaders have done significant work to improve economic conditions in the Canyon, including millions of dollars of federal and state funds allocated for recovery and economic development efforts in the Santiam Canyon Area. Insights from this section, combined with the baseline economic analysis by ECONorthwest, will provide context for the strategies presented in Recovery Strategy.

Past Studies

A review of past studies and plans was conducted to ensure that ideas and suggestions from prior reports were included in this plan (see Appendix A: Summaries of Prior Studies for a short description of each plan, along with key takeaways.) The studies provide background on what projects are underway in the community as well as prior findings regarding community goals and support. This information provides a basis for many of the strategies contained in this strategic plan.

Economic Opportunities & Goals

Tourism was identified as a key opportunity for economic growth in the Canyon. To support the diversification of the economic base, it was recommended that the County collaborate and foster innovation in agriculture and technology, workforce training, entrepreneurship, and affordable housing and transportation.

Multiple prior studies identified the importance of using land strategically. The City of Gates is surrounded by County and Federal lands and its current urban growth boundary (UGB) is therefore limited. As such, land should be viewed as one of the most restricted resources for the City. City Council and staff members need to be aware of the opportunity costs of land development. Anything that is constructed should be the highest and best use for the community.

The development of a sewer system is a major opportunity to create new potential for economic development. In 2020, the cities of Gates, Detroit, Mill City, and Idanha created the North Santiam Sewer Authority (NSSA) under the auspices of ORS Chapter 190. This entity exists and operates independently from the cities' governing bodies and has power to apply for grants and borrow funds.

Infrastructure Projects Underway

The Canyon Journeys Trail System will provide a non-motorized transportation alternative to State Highway 22, connecting parks, schools, churches, and key locations in the canyon communities to improve quality of life and create recreational focal points to stimulate tourism and boost economic productivity.

Wastewater System (sewer) is an upcoming infrastructure project that will provide centralized sewage collection and treatment for businesses and homes and allow them to transition from their current septic systems. The State of Oregon allocated \$50 Million in 2020 for design, planning, and construction of the system. This funding has garnered increased traction to this multi-decade project. There is funding to pay for a large portion of the Gates/Mill City portion of the project, but a \$5 Million shortfall exists.

Because the sewer system upgrade is still in the design stage with many technical, cost and construction details to be worked though, it is not possible to include a detailed discussion of the specifics and timing of the sewer project. Therefore, general recommendations, including the upsides and risks inherent in the County's current strategy, are discussed throughout the document. The sewer system upgrade will likely have the single largest impact on the City and its impact is analyzed in many of the recommendations. The operating assumption is that the

system will be completed in the medium term, but that there is also a likelihood that the system might not be fully funded until the longer term.

Broadband and internet access are lacking in many of communities in the canyon area. A feasibility study was completed to identify what the internet needs are of citizens, home based medical care providers, emergency management, schools, community organizations, and businesses. As a result, Marion County is working on making high speed broadband internet accessible through public and private partnerships.

Baseline Economic Analysis

ECONorthwest conducted a pre-fire analysis of all of the communities in the Canyon. While not a comprehensive summary of that report, the follow are salient data points which influenced recommendations and strategies:

- The City of Gates has a higher median age and smaller average household size than the County as a whole
- The City has low median household incomes, with a large share of the City's household categorized as below the federal poverty line
- A majority of Gates workers commute out of the City for work, with a large share of the workers going to Mills City, Lyons, and Salem MSA
- The majority of the Gates/Mill City business activity occurs in Mills City, but there is plenty of economic activity shared between the two cities; the area should be viewed as a shared economic area rather than as two distinct Cities with little shared economic activity
- Top industries for the Gates area (Zip Code 97346) include government, crop farming, logging, and education³

³ The greenhouse/nursery industry described in the analysis was likely capturing a marijuana company that is no longer located within the City and is therefore not included in this list.

SECTION II: INTERVIEWS & PUBLIC FEEDBACK



In person and virtual interviews, public forums and surveys were used to conduct outreach to community members. Broad participation from a wide range of community members provided insights into the needs and vision of the community. This section describes the outcomes of the interviews, public forums, and online surveys.

Stakeholder Interviews Report

Input on this strategic plan was provided by more than 40 interviews of elected officials, staff, business owners, nonprofits, and citizens.

The interviews were unstructured in nature, with broad, general questions designed to provide understanding of community dynamics, power structures, projects and initiatives, and current efforts for recovery. As the interview process progressed, more specific questions were asked to better understand topics and themes that had emerged from the previous interviews, defining key trends that were explored with the community at the public forum.

Concepts that arose in these unstructured interviews were sorted and categorized into the "Areas of Focus" described within this document.

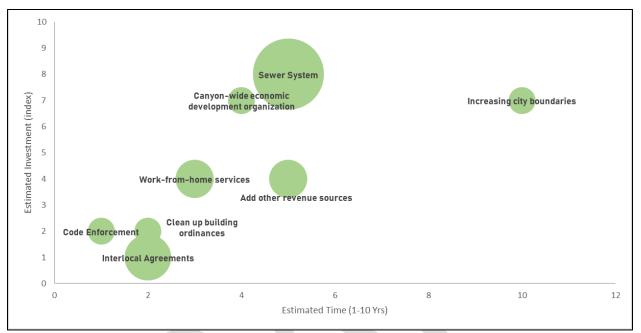
The project ideas were then rated on two different scales to represent relative difficulty and duration of a given project when compared to other projects in that Area of Focus. The result of this work is shown in the bubble charts below.

The **size of each bubble** represents **how many times** the project idea was brought up by individual interviewees. A larger bubble means that it was a more salient idea, while a smaller bubble represents ideas that were only brought up once or a handful of times. The size of the bubble should not be viewed as showing support for an idea since both negative and positive responses to a project contributed to the size.

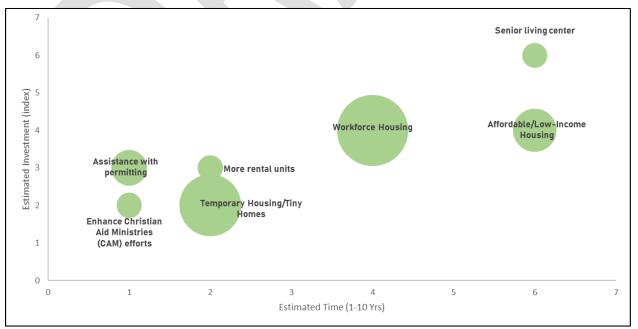
The bubble's **location on the X-Axis** represents the **estimated time** it will take to complete the project. Note—this does not represent the order in which projects should be completed. For example, some 1-year projects may be more relevant or timely if started after a 3-year project is complete.

The bubble's **location on the Y-Axis** represents the **estimated investment** it will take to complete the project.

Infrastructure/Governance—Eight topics in this area of focus were discussed, and the mostcited topic was the planned sewer system and its potential impacts. Other common projects included having interlocal agreements with surrounding communities to reduce costs, increasing services provided to work-from-home employees, and identifying new revenue sources to bolster the City's reserve fund and increase sustainability.

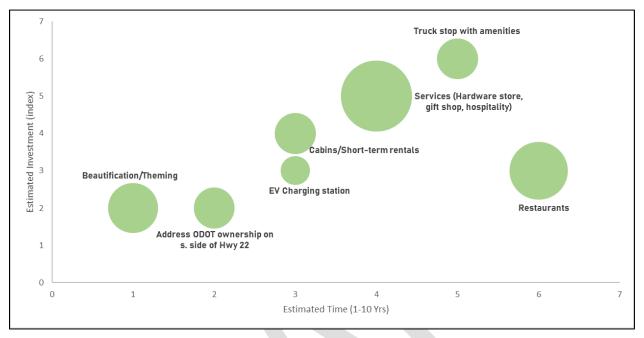


Housing—Housing was brought up often in the interviews as a need, especially for those who lost their home in the fire. Several solutions were brought forward to address this, including temporary housing, tiny homes, and other non-traditional unit types. Another topic which was discussed several times was the need for assistance with permitting, a common issue for residents who were trying to rebuild.

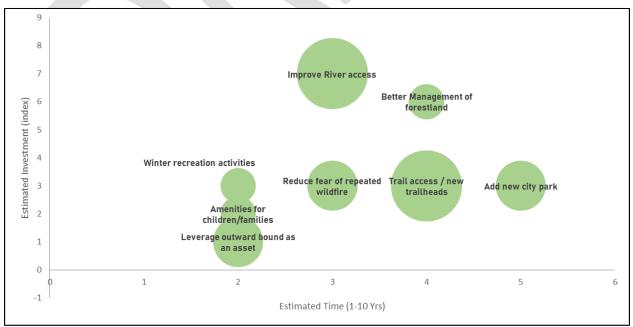


18

Downtown/Commercial Corridor— The community is eager to bring commerce back to the City's commercial corridor. Several ideas surfaced to address needs and wants. Ideas included services for travelers and locals (hardware store, gift shop), restaurants, and creating a downtown theme for the structures.



Recreation/Tourism— The community has a lot of excitement regarding the recreation and tourism opportunities, with many community members viewing the City as an potential basecamp for outdoor recreation throughout the canyon. Common ideas included improving river access and trail access, adding a new City park focused on outdoor recreation opportunities, and using trails as a tool for wildfire mitigation.



Public Forum

A public forum was held on September 23rd to discuss the areas of focus that had emerged from the interviews. The meeting was held at the Community Church of Christ in Gates⁴ and was available for both in-person as well as remote attendees. A total of 10 people participated in-person, with another 18 participating virtually.



Figure 2—Gates Community Church of Christ

The purpose of the meeting was to gather additional feedback and determine if there was consensus concerning areas of focus. The meeting previewed at a high level potential projects and discussed the potential economic benefits and ramifications of those projects.

Those who attended in person, participated in a live poll and feedback and ideas were captured and are represented graphically below.

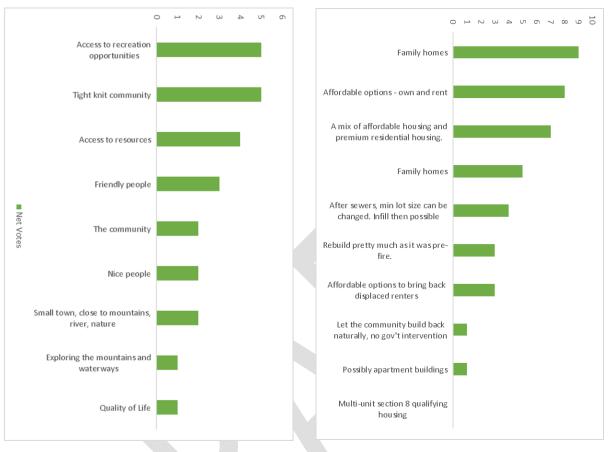
The height of each column represents the net votes of ideas presented (upvotes minus downvotes).

Notes taken at the virtual meeting are also represented within the bubble charts in the previous section.

Participants showed general support of all the areas of focus, and many of the ideas/topics that surfaced during the interviews were supported by participants at the public forum. Several of these projects are explored in more depth in

⁴ Special thanks to the Gates Community Church of Christ for hosting the public meetings.



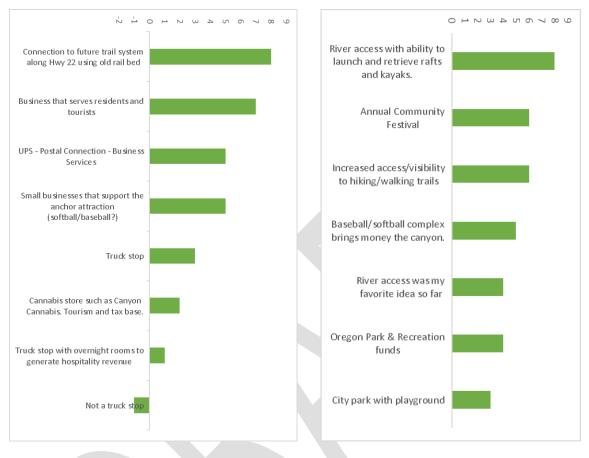


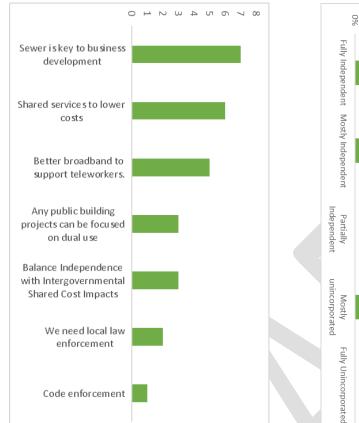
What do you love about the City of Gates?

What Ideas/Thoughts do you have regarding Housing?

What Ideas/Thoughts do you have regarding the Downtown/ Commercial Corridor?

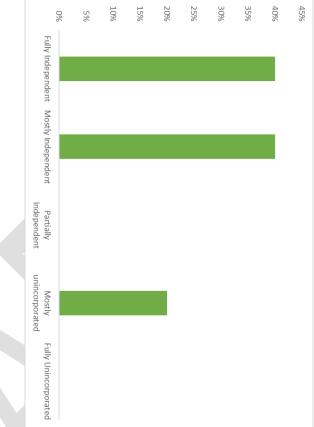
What Ideas/Thoughts do you have regarding Recreation/Tourism?





What Ideas/Thoughts do you have regarding Infrastructure/ Governance?

What type of Civic Structure do you think the City should adopt moving forward?



Post Forum Survey

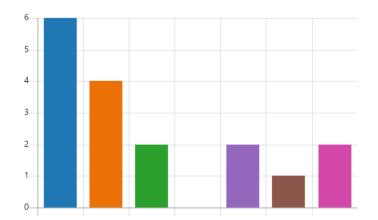
An online survey was made available to community members through October 2021 to facilitate further input. An additional seven members of the community participated in this survey. Their feedback is shown below:

Which of the following housing projects do you support?

More Details

Family Homes
Affordable options
Change lot sizes after sewer c...
Rebuild community as it was b...
Let city build back naturally, w...
Apartment buildings

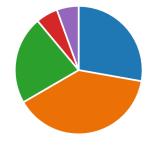
Multi-unit section 8 qualifying... 2



Which of the following Downtown/Commercial projects do you support?

More Details



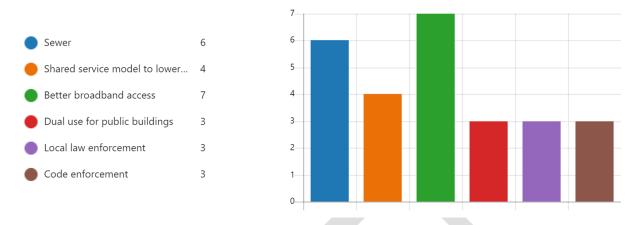


Which of the following recreation/tourism projects do you support? <u>More Details</u>

River access with ability to lau... 5
Annual community festival 5
Baseball/Softball complex 3
New City park with playground 3



Which of the following infrastructure/governance projects do you support? <u>More Details</u>



Public Survey

An online public survey was available from July to October. This survey asked community members to answer specific questions about where they live, their employment status and industry/occupation, and to rate and prioritize various aspects of the canyon economy. The survey received 19 responses, with the results shown below:

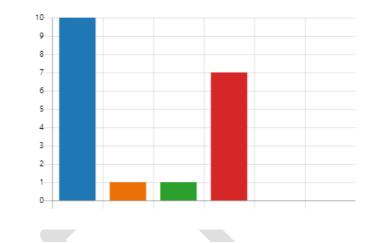


26

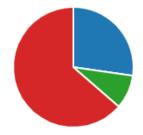
7. What is your current employment status?

More Details

Employed (Full-time)
Employed (Part-time)
Unemployed but searching fo...
Not in labor force (retired and...
Active-duty military
Student



- 8. Where are you employed? More Details
 - City of Gates 3
 City of Detroit 0
 Another part of Santiam Cany... 1
 Outside of Santiam Canyon 7



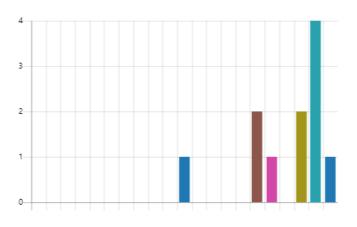
9. What industry group best represents your business/employer?



10. In your opinion, has your business/employer... More Details

Struggled to be successful aft... 4
 Experience few if any impacts ... 1

Met or exceeded performance... 6



- 11. Where are you looking for work?
 - More Details

 City of Gates

 City of Detroit

 Another part of Santiam Cany...

 0

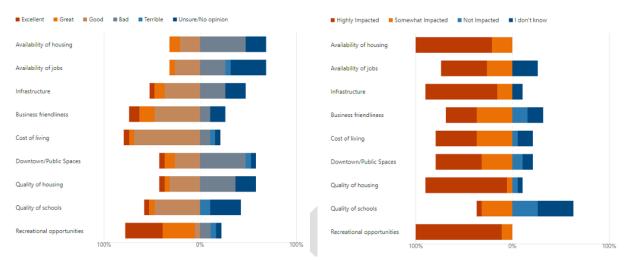
0

Outside of Santiam Canyon

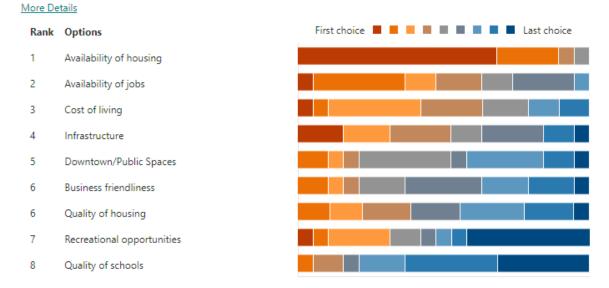


13. Please rate the following aspects of the Santiam Canyon economy before the disaster

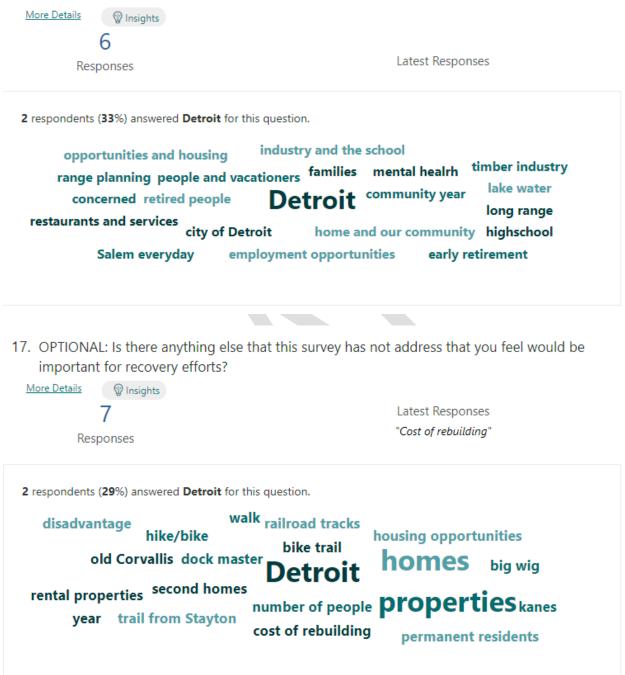
14. To what extent were these aspects impacted by the disaster?



 Of the aspects listed above, rank the ones that you believe would be MOST important for community leaders/elected officials to address over the next two years (from most important to least important)



16. OPTIONAL: Is there an aspect of the economy not listed above that should be added to the report? If so, briefly describe why you think it is important to the recovery of the canyon communities.



The input provided through the interviews, public forums, and online surveys revealed insights and opportunities for the canyon economy and the City of Gates. These ideas are the foundation of the following strategies and recommendations.

30

SECTION III: RECOVERY & RESILIENCY STRATEGY



This section provides an overview of the current economic conditions and strategy for four key areas of focus: Infrastructure & Governance, Housing, Downtown, and Outdoor Recreation & Tourism. Each area of focus is connected to the other areas of focus, and so many topics will be addressed both in their core area of focus and in the other areas when relevant. (For example, the development of a sewer is primarily addressed under infrastructure but will be mentioned in other sections too since it is also a relevant part of those discussions).

The strategies are provided in a "Next Steps" table at the end of each section. Strategies are listed in order according to their implementation timeframe. Short-term strategies should be addressed in the next 1-2 years, medium-term strategies should be addressed in the next 2-5 years, and long-term strategies should be addressed beyond 5 years.

Each strategy also has required participants listed alongside them. The list of participants mentioned, and their abbreviations, are as follows:

| Participants | Abbreviation |
|--|--------------|
| Gates City Council | Council |
| Gates City Staff | Staff |
| Residents of Gates | Community |
| Marion County | County |
| Mid-Willamette Valley Council of Governments | MWVCOG |
| North Santiam Sewer Authority | NSSA |
| Santiam Canyon Chamber of Commerce | Chamber |
| Willamette Valley Visitors Association | WVVA |
| Travel Oregon/Travel Salem | TO/TS |
| Santiam Integration Team | SIT |
| Small Business Development Center | SBDC |
| Consultant | Consultant |
| Entity or individual with whom the City can coordinate to accomplish a project | Stakeholders |

An important consideration to keep in mind is the pain and suffering endured by those who lost their homes in the fire. Many were uninsured or underinsured due to the sharp increase in housing prices in 2020, leading to limited funds to rebuild. In addition, materials and labor shortages made it difficult for many to rebuild even if they had the resources. Others still are dealing with displacement, loss of personal possessions and social support, and other forms of trauma. The physical, psychological, and emotional needs of these families and individuals are difficult to express and are beyond the scope of this strategy. However, the voice and desires of these households should continue to be actively sought as the City rebuilds and those in leadership positions should have their hearts tuned to the needs of these community members.

The strategies outlined in this section are to provide the City Council and Staff a pathway to enhance all aspects of the City—quality of life, job availability, housing, recreation, etc. A lack of resources may impede the ability to pursue all options. City and County leaders should be tactical in what projects are pursued based on resources available and potential impediments. The City would have to support any added services by an additional revenue source, and projects must have clear end dates and pathways to sustainability before existing resources are spent.



Infrastructure & Governance

The City of Gates provides several civic services including water, street maintenance, and permitting. Other municipal services (such as police and planning) are provided by Marion County and the Mid-Willamette Valley Council of Governments (MWVCOG). The Gates Rural Fire Protection District provides fire safety. The City's budget is limited as too are the City's offerings of services. This is appropriate given that the City is an independent municipal body and that there is a relatively small population. Community members report being happy with the City's current menu of offerings.

The primary sources of revenue for the City in 2022 include water bills (approximately \$175,000), franchise fees (\$27,000), state revenue sharing (\$20,000), and state liquor revenue (\$10,000).⁵ These values are likely to drop due to the loss of economic activity and population caused by the fire. The City's population will not recover for several years, so the revenue share (based on total population) is likely to drop if Portland State University's estimates are adjusted.

Property taxes provide approximately \$8,000 per the 2022 budget; however, this is anticipated to decrease to approximately \$5,000 due to the units damaged from the fire. The impact on revenue

⁵ Source: City of Gates Adopted Budget FYE 2022

will be large in the first years as the City rebuilds. As new homes are rebuilt and average home values rise, the City's revenue will also increase. The City Council should be aware of these impacts and make sure that the City's services are lean over the next few years, but that the budget will become more sustainable over time, likely in the next five to seven years.

City Finances

The City of Gates has incurred debt, most of which is tied into the water treatment facility. The outstanding balance on the loan balance is \$458,636.36. Payments are deferred until December 2022 as a part of wildfire relief. Conversations with City leaders have expressed optimism that this debt is manageable given current budget constraints; however, this debt may become an issue if the City pursues a path of disincorporation because it would need to resolve this debt before the option to disincorporate is available (see Governance Structure).

Provided that the City continues to receive grant funds and support from the County and MWVCOG for specific services, the City should be able to maintain its current budget. However, unless alternative revenue streams are identified and pursued, it will be unfeasible for the City to plan on providing additional services in the future beyond what it is currently providing. The City will need to be strategic in how it grows and what services are offered, with any new service offerings carefully considering not only the initial cost of setup or construction, but also the ongoing maintenance and repair work that will need to be done. For example, if the City wants to invest in a new park, there must be room in the budget for watering and cutting the lawn, purchasing more wood chips to put in the playground, and staff time to provide monitoring and repairs of equipment.

The City's finances should be carefully monitored over the next several years to ensure that expenses are not exceeding revenues. There virtually no room to cut services or personnel to reduce costs—the City is already running at a minimum level of service. The City could explore options to increase its revenue sources to reduce its debt ratio. Potential options for new revenue include:

- **Charge impact fees for new construction.** New homes and commercial buildings can pay according to a modest fee schedule. This—like water hookups—would have a meaningful impact in the near term but would be limited due to the landlocked nature of the community. If the City pursues this option, the fee should be waived for fire-impacted residents who are rebuilding or returning to the City.
- Lease City-owned land. The City owns several parcels on which it could lease the land for revenue sources. This could include areas that appeal to food trucks, pop-up businesses, and tent spaces for events.
- **Parking/Access fees for City-owned amenities.** Charge a modest fee for parking at popular amenities. This is common in Oregon as a revenue stream and is currently in use within the Canyon such as near the County and State parks.
- **Residence Fees.** Some smaller communities have created a slush fund of sort by charging a \$200 dollar residence fee for new residents that is remitted to the residents after a time (i.e. two years) or, if they move before that time, upon moving out of the City. Funds are given back as checks or credited back through discounts to utility bills. The City can use this to pay for immediate expenses and increase the City's financial solvency. Of course,

to use these funds properly, the City needs to be aware of its population growth rate and maintain a careful record of accounts payable so it has sufficient liquid funds to pay residents back. One City that has implemented this practice is Hyrum, Utah.

• Leverage local resources to pursue more grant funds. The City's limited staffing makes it difficult to apply for and administer grants. The City should coordinate with the County, MWVCOG, and nonprofit entities to apply for grants that are administered by the partners. The COG's RARE participant, which will have a presence in the canyon for the next few years, is a great example of using regional resources to boost local capacity. Partners are often willing to participate in grant applications so long as there are funds set aside for administration to offset the burden of administration, making the grant a benefit to both parties. As the City adds staff members, a portion of staff time should be set aside to work with partners to identify and apply for grants, so the City is not reliant on dedicated funds alone.

A municipal financial advisor would be able to analyze these and other scenarios and determine which revenue sources would be most effective for the City to implement. The City lost its auditor and had no financial reviews for the last two years. According to ORS 297.425, the "accounts and fiscal affairs of every municipal corporation shall be audited and reviewed at least once each calendar or fiscal year." To avoid a state code compliance issue, the City should prioritize having the City's financial statements audited. Having audited financial statements is also important when qualifying for grants, and not having the proper statements could prevent the City from pursuing a funding opportunity. Financial reports also provide insight into the City's fiscal standing and can help a community know where it stands financially.

Once the City builds some financial reserves and is in a more resilient position financially, the next step is to create resiliency in its staffing capacity. Any organization with only a few staff members will experience extreme difficulty whenever there is staff turnover—as all the organizational knowledge is held by the outgoing personnel. In the long-term (and when financially feasible) the City should hire assistant staff members who can provide support to current staff as well as assume main roles as current staff leave their roles or retire.

| Next Steps – City Finances | Timeline | Participants |
|--|----------|---------------------------------|
| Work with the County to hire an auditor to complete the financial reviews for Gates. | Short | Staff, County, Auditor |
| Secure grant/capital outlays for technical assistance to do a strategy for the City's finances. Use the grant/capital outlays to hire a specialist who can create a specialized finance strategy. | Short | Staff, Consultant |
| Determine what steps will be taken to increase the City's revenue sources. Be sure to get community feedback on potential solutions. | Short | Council, Staff, Community |
| Create an action plan for implementing the decided course. Aim to have any new fee schedules created and approved by City Council as soon as possible to ease the constraints that are being place on the community due to the drop in property values from the wildfire. | Short | Staff, Council |

36

| Build strong relationships with key partners—including the County, MWVCOG, State agencies, and non-profits to be aware of local and regional resource streams with the intent to apply for grants and technical assistance. | Short | Staff, Council |
|--|--------|----------------------------------|
| Continue searching for grants and other resources for public services, staff support, and funds for major projects. | Medium | Staff |
| Begin pursing the options provided above for adding new revenue sources to ensure the City's sustainability. | Medium | Staff |
| Work closely with the North Santiam Sewer Authority (NSSA) to understand how the sewer system will impact the City's finances. | Medium | Staff, Council, NSSA |
| Build a healthy emergency fund to deal with repairs and upgrades to local infrastructure. | Long | Staff, Council |
| Hire assistant staff members who can provide support to current staff as well as assume main roles as current staff leave their roles or retire. | Long | Council |
| Work with a consultant to forecast the City's expected revenues and expenses after the City is fully built out to ensure that it will have a sustainable budget in perpetuity. | Long | Staff, Council, Consultant |

Governance Structure

The wildfires sparked an identity crisis of sorts regarding the City's status and its relationship with residents. After the Beachie Creek fire several community members asked if the City should retain its status or if it should attempt to disincorporate and become unincorporated County lands. During interviews various Gates residents brought up different types and models of government services, with conflicting opinions on what services should be provided by which governmental entity.

Deciding which services the City provides to its citizens is an important to the City's strategic course of action. This topic should guide financial decisions for several years to come. A description of various scenarios is provided below. This list is not exhaustive but should be helpful as a frame of discussion for City Council and staff.

The options for type of governance structure encompass a spectrum from full disincorporation to being fully independent with no shared services. The issue was salient enough that it was included as a topic in the public forum meeting to see if there was a consensus surrounding how the City should be structured in terms of its level of independence regarding services. Despite a small sample of attendees, responses showed that there was not a shared vision for how the City should view its approach to providing services for residents and the inherent trade-off with those models.

Figure 3—Spectrum of Governance Structure

Full-Service City: A full-service city is one that is capable of funding and providing a complete array of in-house public services to residents without contracting out with third-party agencies. Advantages of living in a full-service city include convenience, local control, excellent customer service and an enhanced relationship with municipal government through an array of opportunities. It also allows for a more coordinated response between departments. There is a natural cap on the size of population in Gates since land area is limited. It is unlikely due to this constraint that Gates would be able to function as a full-service city.

Partial-Service City: Many cities rely on special districts and counties to provide a variety of public services to their residents. Responsibilities that fall under the jurisdiction of a municipality vary depending on the size and needs of the community. Services generally include providing for parks and recreation, police and fire departments, housing services, emergency medical services, municipal courts, transportation services (such as public transportation), and public works (streets, sewers, snow removal, signage, and so forth). In partial-service cities, these functions are divided between the municipality and the county, special districts, or other entities.

Oregon law permits a "unit of local government [to] enter into a written agreement with any other unit or units of local government for the performance of any or all functions and activities that a party to the agreement, its officers or agencies, have authority to perform (ORS 190)." These intergovernmental agreements enable public agencies to provide services and resources in efficient and economic ways that many agencies wouldn't be able to accomplish on their own due to constrained resources and personnel.

Basic-Service City: A basic-service city is a type of partial-service city, but the city only provides the bare minimum of services—generally due to limited financial capacity. Most public services in Gates are provided by the County, MWVCOG, or other entities, and Gates is considered a basic-service city.

There are a wide spectrum of roles and services that municipalities provide for residents. It is important for community members to understand where to access information on services and who is providing services. While actual adjustments to which entities provide services in Gates may be unfeasible, creating clarity for community members and for City leaders and staff can prevent frustration. The table below shows a high-level breakdown of how services and roles are divided between the City and other entities. Clearly presenting how roles are divided will enable decision makers to understand sources for each type of public service, identify potential gaps that aren't clearly defined under a specific steward, and communicate effectively to the public who provides which services. Providing this information to the public can also help community members understand which entities provide which services—creating clarity in residents' interactions with local government organizations. The City should post a list or table similar to the one below on the website and/or post it in the City offices.

| Service | Provider | Source |
|-------------------------------------|-------------------------------|--------|
| Cemeteries | | |
| Community development and planning | MWVCOG | |
| Clerk and records keeping | City of Gates | |
| Courts | | |
| Economic development | MWVCOG | |
| Education/schools | | |
| Electricity | | |
| Emergency services | | |
| Environmental protection | | |
| Fire department | | |
| Healthcare | | |
| Housing | | |
| Library | | |
| Medical services | | |
| Municipal courts | | |
| Parks and recreation | Marion County | |
| Police department | Marion County | |
| Public buildings | | |
| Public transportation | N/A | |
| Public works department | | |
| Senior citizen programs | | |
| Sewer | North Santiam Sewer Authority | |
| Social services | | |
| Streets | City of Detroit | |
| Tax/finance department | | |
| Transient tax | City of Detroit | |
| Telecommunications | | |
| Urban planning | MWVCOG | |
| Waste management | | |
| Water sanitation and supply network | City of Detroit | |

Disincorporated City: Sometimes municipalities disincorporate when they become fiscally insolvent, and services become the responsibility of a higher administration. This option could be considered by the community as they determine the sustainability and structure of how the local government is able to provide local infrastructure and community services to the residents. If Gates chooses to disincorporate, the City government would dissolve, and all community services would fall to Marion County.

There are pros and cons to disincorporating. According to ORS 221.610, "any City not liable for any debt or other obligation, may surrender its charter, disincorporate and cease to exist if a majority of the electors of the City authorize the surrender and disincorporation as provided in ORS 221.621." Preliminary to any discussion of disincorporation, the City would need to learn whether it is possible while still in debt if the County were to assume the City's liabilities.

The decision of whether to disincorporate is in the hands of the community members. The process is outlined in ORS 221.621, in summary "the governing body of the City shall call an election when a petition is prepared, circulated, and filed as provided by Oregon law, and the governing body of the City shall not consider adoption or rejection of the measure before submitting it to the electors. The question of disincorporation shall be submitted to the electors of the City at an election held on the first Tuesday after the first Monday in November in any year.

Regardless of whether the community decides to disincorporate or not, it is urgent that the City create an emergency plan in case of another wildfire event. In elementary school children are taught the "stop, drop, and roll" response for if they catch fire, and similarly the City must know how it will communicate an impending disaster to the community, and residents need to know how to react in the event of a disaster.

| Next Steps – Governance Structure | Timeline | Participants |
|---|----------|--------------|
| Work with a financial advisor to understand how different | Short | Council |
| governance models will impact the City's budget and ability to | | Staff, |
| provide differing levels of services. | | Advisor |
| Hold a special City Council meeting to discuss the structure of | Short | Staff, |
| shared services and the benefits and disadvantages of remaining | | Council, |
| incorporated versus disincorporating. | | Community |
| | | Council |
| Make the division of responsibilities between different | Short | Staff |
| governmental organizations transparent to the community. | | |
| Hold a vote on desired structure so that residents can voice what | Short | Staff, |
| level of taxes and services they prefer. | | Community |
| | | Council |
| Implement voice of the public for desired structure, making | Medium | Staff, |
| requisite trade-offs for services and tax rates to ensure | | Council, |
| sustainability. | | Staff |

Emergency Planning

The City has already undertaken efforts with the County to plan and prepare for another wildfire event. Climate change has increased the base risk of wildfires in the Canyon, and in the short term the Canyon is extremely susceptible to wildfire, at least until the debris from the Beachie Creek fire is fully cleared out. These efforts are critical to the City's ability to respond and recover in case of future disasters. Rebuilding is a challenge, and the City's code and enforcement practices are key to ensuring that the community is in alignment with best practices. Gates should conduct a review of code and enforcement practices to ensure that buildings are properly protected from wildfires, floods, and other disasters. The City should also create an emergency plan that is shared periodically with residents so there are clear meeting places and action steps to best protect residents.

Additionally, the City should work with County, State, and Federal agencies to mitigate wildfire risk through maintenance of the woodland areas and by constructing trail networks that create artificial fire breaks (see

Outdoor Recreation & Tourism).

Create emergency plan in case of another wildfire event. This should include a system for alerting the community in the event of a disaster, and instructions for residents to follow. The plan should also include a method for dispersing the information in the plan to residents well in advance of any disaster, as well as a schedule of re-dispersement so the plan remains up-to-date and top of mind.

The instructions on what residents should do in case of an emergency should be summarized in a single page (ideally an infographic, as these are easier to read and remember).

Revisit City Code and enforcement practices to ensure that wildfire mitigation best practices are being followed. Articles such as <u>Fundamentals of Resilient Design: Designing Homes for</u> <u>Wildfire Resilience</u> from the Resilient Design Institute should be helpful in framing discussions around resilient design practices and should guide City leadership at it creates codes around this practice.

| Next Steps – Emergency Planning | Timeline | Participants |
|--|---------------------|-------------------|
| Create emergency plan to guide future disaster response. | Short | Staff, County |
| Revisit City Code and enforcement practices to ensure that wildfire mitigation best practices are being followed. Conduct this process on recurring basis every 5 years. | Short, Recurring | Staff, Council |
| Inform residents of updates to the emergency plan whenever changes occur. | Medium | Staff |
| Add staff resources to enforce wildfire mitigation code to protect the City from wildfire threats. | Medium | Staff, Council |

Infrastructure

The City of Gates currently runs on individual septic systems, many of which are not up to code. The development of a sewer system is a project that has been in the works for several decades. The state legislature recently approved funding for the sewer, and so the build out is expected to occur over the next five years. The City needs to think about sustainability and structure to determine what can and cannot be done. Even with the new sewer, there will still be restraints to growth due to what the sewer will be able to handle according to the Three Basin Rule⁶ and due to the landlocked nature of the community with Forest Service land on all sides.

| Next Steps – Infrastructure | Timeline | Participants |
|--|----------|------------------------------|
| Make a priority list of infrastructure needs, including both new infrastructure and planned upgrades. Identify priority level and funding needs for each. | Short | Staff, Council, MWVCOG |
| Pursue grant funding to support infrastructure planning, design and construction (see funding sources section). | Short | MWVCOG, County |
| Work with County to determine who will implement the sewer project. | Short | Staff, Council, NSSA |
| Research grant programs that may offset household hookup costs. Prepare a resource packet (brochure and/or webpage) that can be shared with residents that connects them with resources. | Short | Staff, NSSA |
| Incentivize people to join the sewer system through lottery or discount program. | Medium | Council, NSSA |
| Create an ordinance that requires new builds, as of when the sewer system is nearing complete build out, to hook up to the sewer. | Medium | Council |

⁶ https://oregon.public.law/rules/oar_340-041-0350



Housing

The housing market in Gates has been quite volatile since the wildfire, with a mix of speculative buyers seeing opportunity in the Canyon hoping for cheap land and displaced citizens hoping to maximize the value of their land. This held led to a sharp increase in housing prices due to limited inventory and lower interest rates, meaning that the Gates market is fairly close in pricing to the Salem metro area. However, this analysis is based on very limited data and are more observational in nature—there simply aren't many transactions within the City. It can be assumed that several factors will continue to put upward pressure on the Gates market over the next several years:

- Gates will likely experience some spillover effects as high price-per-square-foot values in Detroit increase the market rates throughout the Canyon.
- Demand for homes in Gates will increase as expensive pricing in Detroit drives priceconscientious buyers farther down the valley
- The development of a sewer system will increase the allowed density in the City, allowing for a surge of new homes in parcels that previously were too small to allow for a septic tank and drain field

The City of Gates was viewed as a bedroom community before the fires—a place where people live but not work. This is supported by the commuting patterns provided by ECONorthwest and shown in Figure 4, a majority of workers within Census Tract 106 (containing the communities of Gates, Mill City, Detroit, Idanha, and Mehama) went outside of the tract for work (shown as the light green arrow), while a minority either commuted in (dark green arrow) or stayed within the tract for work (circular arrow). This means that its homes, rather than businesses, are of paramount important to the community's viability—if the housing does not fulfill the needs of residents, then the City's will lose population and become less stable.

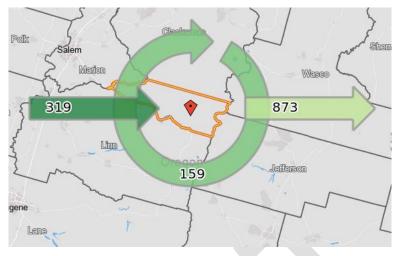


Figure 4—Census Tract 106 Commuting Flows

It is essential for the City to understand its own housing needs, both urgent needs due to losses caused by the fire, as well as the long-term needs that the community can fill for the region based on their location and their housing market.

Stabilizing the Housing Market

The fires caused great devastation across the canyon. 90-100 dwellings, including RVs, were destroyed, displacing the families that lived there. Many of the families have likely relocated elsewhere on a permanent basis, but there are some who have indicated to City leaders and the SIT group that they would still like to return to live in Gates. Recovery from the fire requires that the City and County identify and address the urgent housing needs as soon as possible to help these displaced families and ensure that the housing market can return to a new normal state.

The quality of the housing stock also impacts the appeal of the community as well as the quality of life of residents. Along with immediate housing solutions, the City should have plans to address future housing needs that are likely to arise. Knowing that the City's boundaries are fixed and that land is a limited resource for the City to realize its full potential. City Council should discuss what type and character of stock it would like to have, be it small and affordable residential units, more dense duplexes or triplexes, larger homes with big lots, or a mix of all of the above. Individuals and sellers decide upon individual transactions and the market determines pricing, but the City plays a key role through its zoning ordinance, City Codes, and by defining the vision the City would like to adopt.

There are also concerns surrounding the permitting process to get homes rebuilt. Many homes found themselves in a FEMA floodplain area or that their previous structures were noncompliant will code. The County has taken an active role in helping these families but there is still more that needs to be done to help these households navigate the process and return to their land.

Current Role of the City's housing stock

Based on an analysis of the housing market and built environment, the City of Gates is likely to continue on its pre-fire path of being a good place for family-based workforce housing that is especially favorable to commuters who are wanting to live in single family structure in the Canyon but still live a reasonable drive to the Salem metro area. This is reflected by the City's

smaller and more affordable homes than what is currently being constructed and sold in Detroit, for example. But the City is not bound to this future. It can increase lot size requirements to push for larger homes or increase density requirements to be more favorable to singles and renters. The City's vision is still unclear in how it envisions itself in this regard. Now is the best time to have the discussion about the character of the City and what it will be like in the future.

Simplify permitting process as much as possible to facilitate rebuilding. Work with the County and non-profits to shepherd impacted families through the process of permitting and rebuilding. Determine if there are any redundant steps in the permitting process, or if there are alternative approaches that could be used to simplify obtaining a permit—both for those applying for permits and for those providing permits.

Work with Santiam Hospital's Service Integration Team (SIT) group, County, FEMA, and other partners to compile a Permitting Process Checklist that provides people with information about permitting steps, contact information for questions, and easy access to any forms or technical requirements. Many households technically have the resources they need but are stretched too thin emotionally, physically, and psychologically. The County can take a proactive role in completing some of the paperwork and sending it for approval rather than putting the burden on them to complete the paperwork.

Coordinate with the County to create a housing plan that addresses immediate needs. Note that the total number of houses that burned down are not the same number that are needed to address immediate needs. Individual situations vary greatly, and whenever natural disasters occur, it causes displacement that pushes many households to seek new employment or living situations in new places. Additionally, some households had older or low-quality homes that they inherited, so either a lack of insurance, or a small insurance payout, may make rebuilding a home according to code a non-viable option.

Coordinate with the SIT group/Oregon Housing and Community Services (OHCS) to keep a list of residents looking to return, work with County staff to work through bureaucratic hurdles and track progress. Over time, less and less families will be able to return and so the City/County should not be building homes when demand might no longer exist.

Partners and stakeholder groups working to assist residents with finding housing must keep in mind that the focus needs to be on helping individuals find optimal solutions rather than trying to rebuild the housing market to where it previously was. Lancaster's Theory of the Second best argues that often actions intended to correct a specific market failure are not as ideal as directly assisting market participants who are harmed by that failure.⁷ The City should be clear-eyed it its actual goal and allow households to choose the best path based on the options available to them.

Facilitate the construction of needed housing by working with regional partners and organizations who will construct new housing. The City can help identify locations and housing types that would fit within the housing plan, and then inform partners who are building new housing.

Build with the sewer in mind. New homes constructed should include sewer hookups that will enable them to connect once the infrastructure is in place. The North Santiam Sewer Authority

⁷ Lipsey, R. G.; Lancaster, Kelvin (1956). "The General Theory of Second Best". Review of Economic Studies. 24 (1): 11–32. doi:10.2307/2296233

should be involved in housing starts to ensure that the system will be successful as homes move from septic systems to the sewer system.

Note that just because a space was previously used for housing and it is available for building new housing, that does not mean that housing is the highest and best use of that land. This is especially true for the area adjacent to SR22 where the motel burned down—a location being considered for a tiny home project (potentially to become a community of 15 tiny homes). The City should move this neighborhood to a different location in Gates or later transitions it to commercial units in alignment with the concept of the development of a downtown, described later in this document.

The downtown area would be an ideal location for mixed-use housing with some small retail and for-rent stock. This would need to be a small-scale development, as there doesn't need to be a lot of ground level retail space. Perhaps senior living on the back half of the first level and retail on the front of the first level, with additional workforce housing units on the upper level.

This development would be more cost effective if created with higher density, putting housing units adjacent to one another. Doing so would require that this development is planned and built along a timeframe that aligns with the development of the sewer project.

Gates is well positioned to meet some of the County's workforce and senior citizen housing needs due to the fact it is a bedroom community with lower market rates than many other communities in the canyon. The development of workforce and senior housing can help rebuild the local population by bringing in some new residents.

| Next Steps – Stabilizing the Housing Market | Timeline | Participants |
|---|----------|---|
| Simplify permitting process as much as possible to facilitate rebuilding. | Short | County, MWVCOG |
| Compile a Permitting Process Checklist that provides people with information about permitting steps, contact information for questions, and easy access to any forms or technical requirements. | Short | Staff, SIT, County, Stakeholders |
| Coordinate with the County and non-profits to shepherd impacted families through the process of permitting and rebuilding. | Short | Staff, Council, County, Stakeholders |
| Coordinate with the County to create a housing plan that addresses immediate needs. | Short | Staff, County |
| Facilitate the construction of needed housing by working with regional partners and organizations who will construct new housing. The City can help identify locations and housing types that would fit within the housing plan, and then inform partners who are building new housing. | Short | Staff, Stakeholders |
| Update the housing plan, based on post-crisis recovery needs and with an eye to the future housing needs. This plan should especially | Medium | Staff, Consultant |

| ensure housing stock for various income levels and ages and note if there are major gaps in the local housing market. | | |
|--|--------|-------|
| Facilitate the development of seasonal workforce lodging for hospitality workers and a senior living, along with other needed housing types. | Medium | Staff |
| Evaluate the City's zoning and codes upon buildout of the sewer system to ensure that the City is responding appropriately to the sewer systems and its potential impacts to the built environment and allowable density. | Long | Staff |

Community Character

According to the American Planning Association, community character refers to the distinct identity of a place. It is the collective impression a neighborhood or town makes on residents and visitors. People often choose the places they live and spend their leisure time based — in part — on their perceptions of community character. Community character is tied to the natural and built features that shape a City's identity. Times of crisis can result in unwanted shifts to community character if measures are not in place to prevent the short-term solutions from becoming the status quo.

The County, FEMA, and other organizations are assisting with the provision of emergency housing and facilitating development of new housing to replace those homes lost in the fire. The City's role in this is to help coordinate the rebuilding of homes in Gates, but also to ensure that the needs and desires of the residents—both current and future—are met. This includes ensuring that the recovery housing is developed with a view to how it impacts the community's character over time.

As an example, City Council recently allowed for small housing structures (less than 1000 SF) as part of its recovery assistance. This is a sympathetic and laudable action for cash-strapped residents looking to return to the City, but it can also allow for an unintended surge of lowquality development that can easily turn into blight if not given a clear sunset and combined with strong property maintenance requirements. Assuming that City leadership would like to avoid blight, the City needs to be as forgiving and flexible as possible to impacted residents, but clear that these allowances are temporary and that the codes are clear as soon as the recovery stage has been completed.

Ensure that all wildfire recovery changes to code are temporary solutions that have a sunset clause. This will prevent unwanted permanent affects to the built environment. A best practice of disaster recovery is to ensure that measures put in place to assist with rebuilding do not cause undesired long-term impact. Sunset clauses are an excellent way to guard against this negative impact.

Adopt wildfire resistant home ordinances. Decades of research and post-fire assessments have provided clear evidence that building materials and design, coupled with landscaping on the property, are the most important factors influencing home survivability during a wildfire. By adopting building codes that require new home construction to meet wildfire-resistant standards

the City can help prevent potential future fires from causing as much devastation in the community. $^{\rm 8}$

According to Headwater Economics, "A new home built to wildfire-resistant codes can be constructed for roughly the same cost as a typical home. Costs vary for retrofitting an existing home to be wildfire-resistant, with some components having significant expense; these costs can be divided and prioritized into smaller projects." And "Technology and standards exist today that will make communities safer. Cities...can implement wildfire-resistant building codes to reduce their vulnerability to wildfire."

| Next Steps – Community Character | Timeline | Participants |
|--|----------|------------------------|
| Ensure that all wildfire recovery changes to code are temporary solutions that have a sunset clause. | Short | Council |
| Adopt wildfire resistant home ordinances. | Short | Council |
| Re-evaluate housing code to prepare for sewer and reduce future blight. | Medium | Council |
| Pursue the development of a retiree community or senior living center to provide age-in-place housing options. The City can acquire property and then bid it out to developers requiring that senior living that meets the community's needs is developed in that space. | Long | Staff, Stakeholders |

⁸ <u>https://headwaterseconomics.org/wp-content/uploads/building-costs-codes-report.pdf</u>



Downtown Gates

The City's downtown was devastated by the Beachie Creek wildfire. Major commercial structures and most of the businesses were lost. The City's current economic situation makes it unlikely that the structures will be replaced and the businesses return in the near term.

The destruction of the downtown, though, enables the City to reimagine its commercial center. This section describes the potential for a revitalized downtown.

The City of Gates is primarily a bedroom community—a place where people live but not work. It is unlikely this characteristic of the City will fundamentally change since long-term growth is limited because the community is land-locked by federal lands. Commercial growth, if possible, would enhance the quality of life, increase employment and bring economic growth opportunities for residents.

Downtown Area

Location of Downtown

One of Gate's major assets is its adjacency of SR22 to the road to see the City's downtown. Downtown area. With an estimate 5,600 vehicles traveling SR22 daily, (AADT) and frontage access, the strip of land adjacent to SR22 has significant commercial potential. Most of the remaining businesses located in Gates are adjacent to SR22, and more could be supported if they could draw in customers from Mill City or from the 270,000 tourists who come into the canyon every year to recreate.

At present, however, the City has only a few retail establishments which capture very little of the potential commerce from the state road's travelers. Travelers coming from the Salem Metro area will likely stop in Stayton or Mill City for food and supplies before continuing on into the Canyon.

There is an opportunity to position Gates as a stopping point for travelers and pull customers into

a commercial center. This should be adjacent to SR22 to ensure high visibility and easy access.

Zoning

Land use decisions are critical—development decisions must focus on what the highest and best use of any parcel is. Once development occurs, there is little flexibility to change the



Figure 5—Maples Rest Area

use of a parcel. Highest and best use is determined based on what is Physically Possible, Legally Permissible, Financially Feasible, and Maximally Productive.

Gates' residents expressed interest in a better downtown commercial environment. They also prioritized the replacement of destroyed homes and providing homes for displaced residents. Correspondingly, the County has proposed the former motel site as a potential location for a new temporary housing development. While this would provide relief from the housing crisis for displaced families — it would also incumber the most viable location for developing a commercial corridor in the City. This is the only area in the City that will be financially feasible for commercial development due to its proximity to SR22.

It is therefore recommended that the County consider utilizing other locations such as the state park and the Mill City residential development for temporary displaced residents and consider the downtown Gates site as its site of last resort.

It is also recommended that the downtown area be zoned as a commercial corridor (Establishing an area as a downtown in the zoning code ensures appropriate development occurs in the area because City leaders and staff are prepared to respond to permit requests for development. The zoning code should specify use and/or design principles. Ideally, housing in the downtown area would be limited to the upper floors of mixed-use developments to achieve the vision of a walkable and vibrant downtown. When there are residential properties interspersed on street level, it decreases the long-term likelihood of a commercial downtown ever becoming a reality. (It would be impossible for mixed-use level density of development to occur in the short term, but having the appropriate zoning in place would keep it a possibility that can occur once the sewer is developed).

Gates also needs to establish a site plan review process. This will allow the City staff and leaders to make decisions regarding unique or unanticipated uses. For example—there was a food cart interested in locating in Gates at one point, but it was not permitted in the code. The City's zoning code should specify what area qualifies as downtown, and should allow a wide variety of uses that are relevant to a commercial center.

Recommendation:

It is recommended that the City conduct a feasibility study for an amenity-rich rest stop mixed use complex to encourage travelers to stop within Gates. The primary objective is to bring amenities to Gates that will enhance the quality of living for the City's residents. The focus on capitalizing on and monetizing the tourist traffic on SR22 will make the development financially viable.

Creating a project that is sufficiently unique and appealing will be critical to ensuring its longterm viability. The project design should be authentic and reflect the uniqueness of the region – for example a timber town or old west theme.

The project will not be viable until after the new sewer lines are in place because it is not feasible to construct a rest area with a significant number of public restrooms under the current requirements for septic systems. It will therefore be imperative to stimulate short-term vibrancy of the area. It is recommended that pop-up retail, food trucks and other temporary uses be recruited to create commercial vitality that will help the downtown development succeed.

The proposed layout is presented in Figure 5. The key elements are:

• **Rest Area** The 2.5 acres between SR22 and Central Street from Gates Hill Road to approximately River View Street would become the rest stop area. It could be configured to have 150 angled parking spaces on the outside with a green space walking trail, dog park with benches / tables in the center. The public restrooms would be similar in size to those at the Maples Rest Area. The Rest Area should also have a plaza commemorating those who died in the fire.

The Maples Rest Area is a state-owned and operated rest stop 1.5 miles east of Gates, which was used by 363,319 people in 2019. The Maples Rest Area is the only rest area between Sisters and Salem.

According to several sources, the State is actively considering closing the Maples Rest Area and would be amenable to helping transition the rest stop to Gates.

- **Convenience Store** A unique gas station / convenience store concept is envisioned for the southeast corner of Central Street and Horeb Street. To preserve the walkability and old west feel of the development, it is proposed that the convenience store storefront be along Central Street with the gas pumps in the rear. The convenience store would be connected to the other small shops along Central Street to create the feel of a historic, old town.
- **Small Shops** Extending east from the convenience store, it is proposed that small, contiguous store fronts be developed, preserving either the old west or timber town aesthetic. These storefronts could be targeted towards the visitors to the rest stop as well as providing some of the daily needs for the community. Ideas from the community about shops that might be successful in that space include:
 - Coffee Shop
 - Ice Cream Shop
 - o Barbershop / Hair & Nail Salon
 - Outfitter

- Tackle shop
- **Housing** Second stories could be added above the retail establishments to provide several units of affordable housing.
- **Parks/Trails** It is recommended that the Canyon Journeys trail as well as the City's gazebo along Central Street be connected to the rest stop to create a contiguous recreation trail linking these engaging elements of the City.

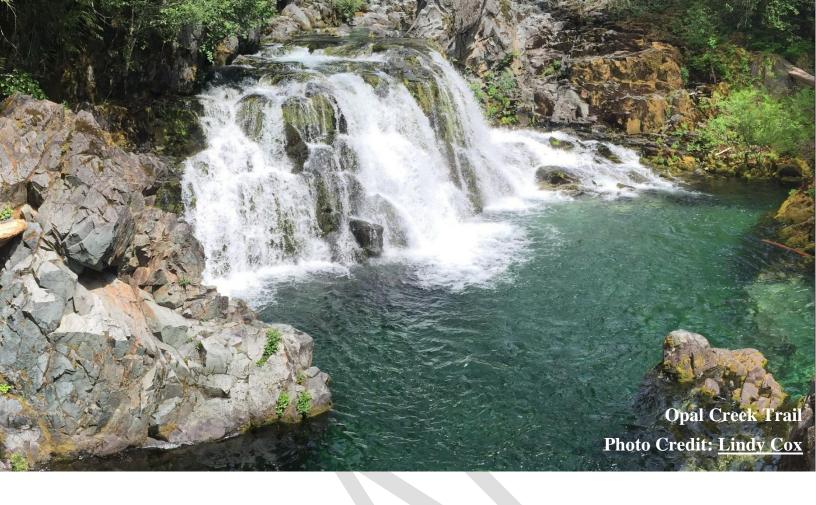


Figure 6—Overhead Sketch of Commercial Center Concept <mark>[placeholder]</mark>

- 1. Create downtown zoning code.
 - a. Form Based Code should be considered as a way to create design standards without being overly restrictive of development and uses could work.
 - b. The zoning should designate the design standards to ensure a cohesive look for the area.
 - c. The zoning should be flexible in the near term to accommodate temporary uses like food trucks and pop-up retail
- 2. Recruit / Support Pop-up Retail
 - a. Secure agreements / leases with private property owners for pop-up retail and food trucks.
 - b. Recruit pop-up retail businesses. It will be critical to the long-term viability of the downtown to maintain the retail viability of the area through preserving some commerce in the downtown area until the final development is ready to be constructed once the sewer lines are in place.
- 3. Secure technical assistance grant to create a Downtown Plan. The Plan should:

- a. Designate total project scope
- b. Create a design standard
- c. Create Project Proforma Identify funding options:
 - i. Private Development
 - ii. ODOT (Rest Stop)
 - iii. Opportunity Zone
 - iv. EDA Disaster Recovery Grants
- 4. Secure options to purchase the properties within the Downtown development zone.
 - a. There are six private property owners within the area.
 - b. The State would need to contribute land along the frontage.

| Next Steps – Downtown Area | Timeline | Participants |
|---|----------|------------------------------|
| Create downtown zoning code. | Short | Council, MWVCOG |
| Secure agreements / leases with private property owners for pop-up retail and food trucks, and/or secure options to purchase the properties within the Downtown development zone. | Short | Staff, Chamber |
| Recruit pop-up retail businesses. | Short | MWVCOG, Chamber |
| Secure technical assistance grant to create a Downtown Plan. | Short | Staff, County, MWVCOG |
| Secure project funding including grants and tax incentives | Medium | Staff, MWVCOG |
| Develop rest area amenity, parking, and park to create anchor asset for Downtown. | Medium | Staff, MWVCOG |
| Recruit developer to build a convenience store and gas station to anchor the downtown. | Medium | Staff, MWVCOG, Chamber |
| Ensure ongoing funding for rest area upkeep, maintenance, and improvements. | Long | Staff, Council |
| When the sewer is under construction, recruit developer to build contiguous retail and second story housing. | Long | Staff, MWVCOG |



Outdoor Recreation & Tourism

Gates River Access Recreation Development

The river and the trail are Gate's prime outdoor assets. These provide mostly quality of life enhancements, although they can be used to create added appeal to the commercial center along SR22 if—in addition to shops and services—the rest stop also provides access to these outdoor assets.

As visitation increases over time it will also create opportunity for outfitters and recreation services to also locate in Gates. Over time there can be opportunity for a company to take advantage of providing recreation services, such as whitewater rafting. The first step is to ensure that there is access to the outdoor assets, and the second step is to bolster visitation through marketing.

We recommend considering the development of a riverfront nature park near where Sorbin Street crosses the Santiam River. It was reported that Parcel 4300 in the figure below is an available development site on Gates riverfront. Since there is an access easement, rather than developing this as residential lots, the highest and best use would be for a public park.

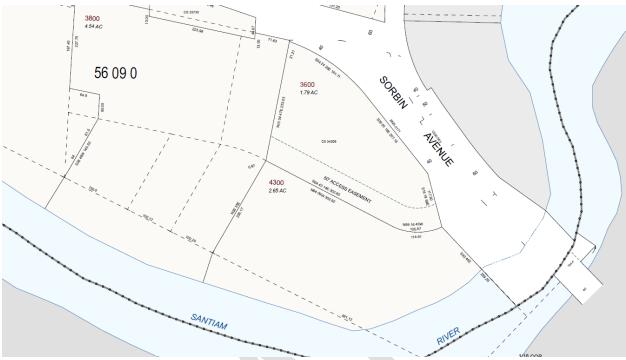


Figure 7—Potential Site for Riverfront Park

This project would likely involve, and/or fall under the stewardship of, the County. The County would need to seek Oregon Park & Recreation funding for land acquisition, design, development, and ongoing O&M support.

We also recommend that the City ensure that visitors to the area have access to information about what outdoor recreation is available in Gates. This includes publishing information on the City's website and Google, working with other tourism and recreation organizations to make sure they are aware of Gate's assets, and to create events that draw visitors to the community.

Identify potential events (such as whitewater events or 5k races) that the City could host. Put them on the calendar, plan the event, and advertise it. We recommend making events an annual occurrence, as most one-time events have little exposure—but over time annual events tend to grow as the City can attract both returning visitors and new visitors. (See links⁹ for example event setup services.)

| Next Steps – Gates River Access Recreation Development | Timeline | Participants |
|--|----------|--------------------------------------|
| Secure technical assistance grant or capital outlay funds to plan a new City park with river access, trail access, amenities for families, connection to downtown. | Short | Staff, County, MWVCOG, WVVA |
| Ensure visitors have access to information regarding outdoor access in Gates on the City's new website and on Google Maps. | Short | Staff, County, WVVA, TO/TS |

⁹ <u>https://paddle-mania.com/</u> & <u>https://runsignup.com/</u>

| Coordinate with other communities and organizations who facilitate tourism in the Canyon to ensure that Gate's assets are included on any regional inventories or brochures. | Short | County, WVVA, TO/TS |
|--|-------------------|-----------------------------|
| Develop the Canyon Journeys Trail within the City, and ensure it connects to the portion of the trail developed adjacent to the city. | Medium | WVVA, Stakeholders |
| Develop the nature park. | Medium | Contractor |
| Identify, plan, and advertise annual events. | Medium, Annual | Staff, Stakeholders |
| Continue to coordinate with regional partners to market the community. | Long | County, WVVA, TO/TS |
| Recruit outfitters or companies that can provide outdoor recreation access on the river and trails. | Long | Chamber, WVVA, MWVCOG |

Business Rejuvenation & Creation



Figure 8—Local Coffee Shop

There are currently a couple of businesses in Gates, including a coffee shop and a Mexican restaurant. The first step in economic recovery from the fire is the rejuvenation of these businesses. (There was also a motel that burned down—it is unknown whether they intend to rebuild.) The next step is the development of a commercial center that will create opportunity for more businesses within the City.

There are three core reasons why Gates would benefit from supporting the development of a commercial center to facilitate business in the City. First, businesses that provide goods and services in proximity to residents will increase quality of life for those living in Gates. Second, nearby businesses provide

employment opportunities. While most people will still commute to neighboring communities for work—having some local job opportunities is helpful for youth and those who find commuting burdensome. Third, providing an area that can support micro entrepreneurs is a valuable means to assist community members in building wealth and driving prosperity.

Small Business Friendly Commercial Space

Consider including in the vision and design of the commercial center space for very small shops. These would be for very short-term leases, and—if possible—provide subsidized rent, to enable start-up businesses to test the commercial viability of their goods and services. A case study for this type of small commercial development to support startups is the "chalets" built in Muskegon, Michigan¹⁰. These micro enterprise shops activated their downtown and enabled local businesses to test things on a small scale before renting a permanent storefront. By designing the commercial center with small affordable store fronts, the City can lower the barriers to new businesses entering the local market. An alternative to the small chalet shop is non-permanent commercial buildings.



Figure 9—Micro Enterprise Shops SOURCE: StrongTowns.org – Muskegon, Michigan



Figure 10—Example Non-Permanent Commercial Developments SOURCE: Daniel Nystedt, www.nystedtphotography.com

¹⁰ <u>https://www.strongtowns.org/journal/2018/2/19/low-cost-pop-up-shops-create-big-value-in-muskegon-michigan</u>

Support Local Businesses

Facilitate post-disaster business rejuvenation for local businesses. The staff and resources of the City are limited, so rather than researching a full inventory of resources, the City should work with the Salem Small Business Development Center (SBDC) to provide businesses with technical assistance. The Resource Center can assist the businesses in finding relevant County, region, and state resources that can support businesses in their disaster recovery.

Work with the SBDC to create small business support and entrepreneurship programming for local entrepreneurs. This way the City can support residents who want to create intergenerational wealth through starting a business.

The best way to know if a city is business friendly is to ask the business owners. The City should ensure that Gates helps small businesses navigate the red tape required to open and stay open. Contact local businesses to ask 1) what the City can do to be more business friendly and 2) if there are any resources or information that would help their business grow. Support and encourage the growth of local businesses by helping connect them to the SBDC and other relevant assistant providers who can help them prosper.

Attract New Businesses

Business attraction is a long process—often requiring lots of time and effort that result in a few wins. Rather than focusing too many resources on traditional business attraction, the City should just conduct targeted outreach. Identify a short-list of existing businesses in the region and send the business owners an inquiry if they would have interest in exploring the opportunity to expand to Gates. This outreach should occur after an anchor tenant for the downtown is already secured.

If there are ever opportunities for recruiting a primary employer (an enterprise that exports its goods or services outside the community) the City should pursue those types of opportunities, as these types of businesses bring funds into the local economy. Many communities suffer from economic shocks if they are overly dependent on a single industry. In Marion County the timber industry is highly prevalent, so it is especially important to support primary employers in other industries if there is any opportunity to do so.

To find new businesses to be tenants in the downtown commercial center, coordinate with MWVCOG regarding relocation or expansion discussions for other businesses in the region.

| Next Steps – Business Rejuvenation & Creation | Timeline | Participants |
|---|----------|-----------------------------------|
| Develop a relationship with the Salem Small Business Development Center (SBDC) and provide local businesses with the contact information. | Short | Staff, Chamber |
| Develop Small Business Friendly Commercial Space in the downtown to lease to entrepreneurs and startups. | Medium | Staff, MWVCOG, Stakeholders |

| Contact targeted list of businesses in the region to see if there are any relocation and expansion opportunities for increasing tenants in the downtown commercial center. | Medium | Chamber, MWVCOG |
|---|--------|---------------------------|
| Create small business support and entrepreneurship programming for local entrepreneurs. This way the City can support residents who want to create intergenerational wealth through starting a business. | Long | Staff, County, SBDC |

FUNDING AND RESPONSIBILITY MATRIX

To be added

APPENDIX A: SUMMARIES OF PRIOR STUDIES

See the following summaries for a short description of each plan, along with key takeaways.

North Santiam Canyon Alternative Transportation Link Feasibility Study: Canyon Journeys, November 2004

Purpose: To define the concept of a canyon-wide trail system to provide a safer non-motorized travel alternative to State Highway 22 and connect the Canyon's communities to each other.

Vision Statement: Canyon residents and visitors will be able to travel to many Canyon resources thanks to the Canyon Journeys trail system. Visitors will also be able to experience the historic development of the Canyon through visits to the local museum and enhanced historic tour opportunities.

Project Goals:

- Stimulate tourism and boost economic productivity
- Improve quality of life
- Provide a safe non-motorized travel alternative to Highway 22 for residents and visitors

Proposed Canyon Journeys Trail System:

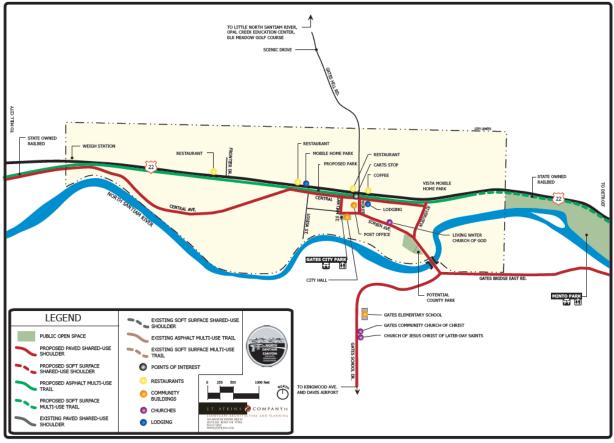
1. Canyon Connector trail segments will provide a non-motorized transportation alternative to State Highway 22. The trail system will use the state-

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owned rail bed and shared-use paved road shoulders to connect Canyon communities with each other and with local attractions including scenic overlooks, parks, historic sites, and businesses. The trail surface character will fit within the character of the adjacent landscape (paved in sections that pass through the communities, and compacted aggregate in natural areas).

- 2. Use trails, sidewalks, pathways, and adequate shared-use paved road shoulders to create a trail network within each Canyon community. Link the Canyon Connector trails and connect parks, schools, churches and with other key locations within each of the Canyon communities.
- 3. Canyon Hubs present opportunities to create recreational focal points or specialized facilities for non-motorized uses such as mountain biking, hiking, boating, and equestrian activities. These trails and facilities will help attract visitors to the Canyon communities, boosting local economies.

Gates lies between Mill City and Detroit. A small area of public open space is provided by Gates City Park. As it passes through Gates, the state-owned rail bed runs parallel to Highway 22. This open space serves as a gateway to Gates' central business district, which includes the post office, CARTS station, and shops. Minto Park, located just east of Gates, is a 100-acre Marion County Park with trails and scenic river views. Beyond Minto Park is Packsaddle Park, which is also a Marion County Park. Packsaddle Park has fishing, trails, fire pits, restrooms, and a whitewater recreation put-in. Four sections of the trail are planned to link to the City of Gates, (1) Central Avenue to Gates west City limit, (2) Gates west City limit to approximately 400 feet west of Louisa Street intersection, (3) Approx. 400 feet west of Louisa Street intersection in Gates to the eastern City limit, and (4) Gates eastern City limit to The Maples Rest Area.



NOTE: THE INDIVIDUAL TRAIL SECTIONS SHOWN ON THIS FIGURE REQUIRE DETAILED DESIGN, REVIEW, AND COMMUNITY MEETINGS TO DETERMINE FINAL TRAIL ALIGNMENT, TRAIL CROSS SECTIONS, TRAIL ELEMENTS, AND TRAIL USER SAFETY.

CANYON JOURNEYS Figure 10. Community Trails - Gates

Action Plan:

- Continue developing a management structure for the Canyon Journeys Trail System.
- Prioritize the development sequence of first-priority projects.
- Seek funds and partners for the design and development of priority trail sections.
- Involve the public and adjacent property owners in trail design and construction process.
- Work with the individual adjacent property owners who oppose trail sections within their area.

- Coordinate with state and County to include improved shared-use paved shoulders in their road improvement plans.
- Work with groups and individuals interested in developing or expanding recreation and interpretive hubs.

Marion County Economic Development Strategic Plan

Purpose: To identify specific actions to promote economic growth and development.

- **Partners:** Create a culture of collaboration and convene partners to foster opportunities and derive solutions that break down barriers that impede growth.
- **Natural Resource Innovation:** Agricultural and forestry industries provide significant employment opportunities in Marion County's urban and rural areas. These industries depend on the integration of new technologies and innovation. The County will foster collaboration with the agriculture and technology industries.
- **People:** Marion County's has a direct impact on the health, vibrancy, and job opportunities for County residents. Access to employment is provided by enhancing the skills of the workforce through training and supporting access through affordable housing and transportation options. Opportunities to start a new business will empower residents and diversify the economic base.
- Place: Marion County will celebrate and enhance its diverse geographic and demographic assets that offer a range of opportunities for businesses and residents. The County will create distinct places, an important factor in attracting and retaining a talented workforce.
- **GDP and Revenue:** Economic development efforts increase the prosperity of citizens and enable an array of public services.

Role of Marion County:

- Invest grant dollars in alignment with the strategic goals
- Drive and encourage innovative and collaborative solutions
- Monitor and implement the action plan
- Influence policy tied to the strategic goals
- Convene and coordinate opportunities
- Manage the land inventory

Goals:

- 1. Build organizational capaCity. Align the governance and management with the outlined strategy, facilitate collaboration amongst departments to remove the barriers of business growth, and align stakeholders with the economic development strategy.
- 2. Use land strategically. A land inventory should be found and developed, and build strategic infrastructure.

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- 3. Create business opportunities. Enhance existing industry cluster, support a healthy workforce, and foster a startup ecosystem by supporting small business, start-ups, and micro enterprises that are focused in forestry and wood products, agriculture, food and beverage products, natural resource innovation, and metals/machinery & equipment.
- 4. Enhance natural resource innovation. Encourage innovations and R&D. Define and promote market opportunities in the workforce.
- 5. Foster placemaking. Support and promote agri-tourism, rural downtowns, and recreation destination development.

North Santiam Canyon Regional Land Inventory, January 2017

Purpose: To observe, analyze, and record obstacles to community and economic development in the North Santiam Canyon region.

Project Objectives:

A land inventory of properties and current conditions in the region to aid short- and long-term planning efforts related to land use, infrastructure, real estate marketability, and redevelopment potential.

In addition to the inventory, collaborators examined governance options for a common regional water/wastewater district (the wastewater study). This will contain conceptual design for wastewater system development in the research region, as well as estimated costs and construction project phasing.

Primary Objectives for Execution:

- Developing an understanding of specific opportunities and constraints affecting community and economic development goals in the study area.
- Using the best available data to provide the COG, study area communities, and regional stakeholders with an analytical tool to assist in appropriate and successful decision-making and prioritization of resources.

Results of the Inventory:

- An interactive Geographic Information Systems (GIS) database providing insight into priority development areas, specific properties, and catalytic projects to stimulate economic and community development in the region.
- Analysis of the impact of modeling wastewater treatment options explored in a parallel wastewater study on population and employment growth projections.

Scope of Work:



North Santiam Canvon

SUMMARY REPORT Prepared for: Marion County and Business Oregon January 9, 2017

niect No: 0612 03 01

Regional Land Inventory

- Data Compilation and Review
 - The project kicked off by gathering available data from multiple sources and compiling them into a single geodatabase. The data were made available for access and use through a secure Web-based interactive map application.
- Field Surveys
 - Through property windshield surveys and focused interviews with key local stakeholders, this endeavor entailed direct data collection and analysis of the research area. The goal of this project was to collect data that would otherwise be unavailable and/or unquantifiable using existing data sets.
- Redevelopment Analysis
 - Modeled growth projections were used to determine future land demand in the study area. These growth projections helped inform the parallel wastewater study.
 - The North Santiam Canyon Corridor Industrial & Commercial Land Demand Forecast was used to assess and rank commercial and industrial properties according to readiness to develop or redevelop, using the following approach:
 - Develop typologies to sort commercial and industrial properties for modeling redevelopment options and impact.
 - Apply a Site Suitability comparative ranking matrix to show weighted scores for each typology factor and total comparative scores to rank the suitability of the types for various uses.
 - Apply the matrix to the population of properties identified by typology.
 - Rank the properties according to matrix under different growth scenarios.
- Impact Analysis
 - An order-of-magnitude analysis informed potential utility demand generated by property redevelopment. As we progressed through the development of the inventory and the analysis of redevelopment, it became clear that this new demand would be included in the model generated through the wastewater study, and that it was more valuable to understand the impact of a sewer system on growth projections and land demand. Therefore, in collaboration with staff from the County and COG, MFA developed and applied an alternative "augmented" growth scenario to the Land Demand Forecast.
- Project Deliverables
 - Interactive GIS Database of Properties: geodatabases were provided to appropriate project partners at the County. The geodatabases consist of all supporting datasets integrated into the analysis, along with the final layers generated through project-specific analysis. The geodatabases contain appropriate metadata and is accompanied by documentation describing the methodology and analysis.
 - Land Demand Forecast and Redevelopment Matrix: A model for land demand in industrial and commercial uses, based on employment growth projections for the study area. The analysis was complemented by the impact analysis, which modeled the potential growth, based on the availability of sewer infrastructure and services in the study area. The growth projections and the Land Demand Forecast

were provided to project partners to support system modeling in the wastewater study. Commercial and industrial properties were sorted into typologies for modeling redevelopment options and impact. The typologies were based on zoning and parcel size. The team then developed a unique site suitability comparative ranking matrix to calculate weighted scores for each typology factor and generate total comparative scores to rank the suitability of the parcels for development. The comparative matrix was reviewed, and final scored were recorded in the GIS dataset.

Communities:

Gates is a rural residential community and there are no signs that this will change in the near future. There may be minor additions to its commercial base to service an increasing volume of tourists from the Willamette Valley.

Detroit should also see increased demand for tourist commercial services in its central business district and at lakefront businesses.

Employment:

Overall, total primary employment in the study area averaged 24.94 percent of the total population compared to a ratio of 42.6 percent for the whole state of Oregon. Several reasons were cited for this disparity, including an aging labor force, more seasonal and part-time employment, and volatility in the lumber and wood products sector of the economy. The 2015 to 2035 employment growth projection is as follows:

| City | Total Jobs 2002 | Total Jobs 2014 | Employment Percentage 2015 | Baseline Average Annual Growth Rate | Augmented Average Annual Growth Rate |
|--------------------------------------|-----------------------|-----------------------|----------------------------------|---|--|
| Gates | 23 | 14 | 0.03 | 14 | 14 |
| Total North Santiam Study Area | 848 | 1,033 | 0.25 | 1,304 | 1,581 |

Land Demand:

For the North Santiam Corridor, the analysis indicates that there will be demand for both industrial and commercial land over the next 20 years. Demand for industrial land is estimated at 17.0 acres under the baseline average annual growth rate projections, and demand for commercial land is estimated at 7.4 acres, for a combined total of 24.4 acres. Under the augmented agar assumptions, new demand would rise by 34.4 acres for industrial land and 15.0 acres for commercial land, for a combined increase of 49.4 acres.

Population:

From 2000 to 2015 there was a 20 percent increase in population in Gates, and a 53 percent increase in population in the total North Santiam Study Area.

The baseline growth rate used in the study is the 20-year growth rate produced by the Population Research Center of Portland State University and certified by the County. That report covered the period from 2010 to 2030 and the projections were extrapolated an additional five years to provide estimates for 2015 to 2035. The individual baseline Average Annual Growth Rate for each community is calculated and aggregated for a total canyon-wide population growth rate of 0.89 percent.

| City | Baseline | Population 2000 | Population 2015 | Population with Baseline 2035 |
|---|----------|-----------------|-----------------|----------------------------------|
| Gates | 0.07% | 471 | 485 | 492 |
| Total North Santiam Study Area | 0.89% | 3,829 | 4,142 | 4,949 |

North Santiam Canyon Economic Development Update, March 2016

Purpose: To provide a written update for progress on areas in North Santiam Canyon economic development, per 2016.

Areas of Weakness:

- 1. Water/Sewer Infrastructure
- 2. Broadband
- 3. Access to Employment

Project Updates:

- **Regional Wastewater Feasibility Study**
 - Contractors were selected to create a conceptual design and estimated costs of constructing wastewater systems that can serve cities in the area (Gates and Detroit), and develop an interactive GIS database to identify all commercial and industrial zone properties in the region in order to determine their impact on the wastewater system and if they are shovel ready.

- er Analysis and Land Inventory in December. The RFP was broken into two tasks
 - aginal Wakewate transvorter and a proving an electron processing of the second second
- them the cluy or bases, and samen nomeals from the inclusion time contractors for the aix stack. Negotiations are happening non-with the selected contractors. The timeline for the study is for an initial draft by July 2016 and a final draft by Oct 2016. Once the contractors have been contined, IF and Materia County will host at Lickeff meeti with community members. Expect on invitation to that meeting in the next couple of week
- Marion County was recently awarded a Federal Lands Access Program grant of to \$6,570,757 to fix the 3 land slide areas along the North Fork Road.

- The Comprehensive Economic Development Study (CEDS) is underway with the Mid-Willamette Valley Council of Governments. Ideas presented from Nation Country's Imargnany Management, Planning, Engineering and Economic Development divisions have been integrated to maximize any possible federal and state dollars that are available for economic development purposes. This includes North Santian Carryon infrastructure projects that lead to economic development purpose.
- On April 2, 2016 at 6 p.m. at the Gates Fire Hall, Marion County will be hosting a Q&A Session as part of the annual State of the County series. This meeting is open to all. Topics to include: public safety, public health, water/sewer concerns, emergency preparedness and other community driven topics of
- Aarion County is working on identifying a team of about 10 people with a mix of co Mation County is working on adentifying a team or about all people with a mix of county, city and private citates is singlement the recommended plain from the feasibility study discussed above. This group would likely begin their work in June. During different stages of the implementation, over the next few years, it may be imperative to save out speciely with different systellits, so keep offering. Thank you to the many people who have already offered their time and talents.
- Last year, the City of Gates received a \$1.7 Million Community Development Block 0 Grant for the purpose of water main repair, updates to the water plant and diesel generator, and upgrades to the propane generator/booster.
- Broadband Internet Feasibility Study
 - Many of communities in the canyon area lack quality broadband and internet to suit the needs of citizens, home based medical care providers, emergency management, schools, community organizations, and businesses. As a result,

Marion County is working on making high speed broadband internet accessible through public and private partnerships.

- Regional Health Assessment
- Hazard Mitigation Plan
 - A Q&A session was conducted at the Gates Fire Hall to discuss public safety, health, water/sewer concerns, emergency preparedness, etc.
 - Marion County was awarded a Federal Lands Access Program Grant of \$6,570,757 to fix 3 land slide areas along the North Fork Road.
 - Low interest loans were offered to Marion County businesses in 2015 as a part of the national disaster declaration.
- The Comprehensive Economic Development Study was underway with the Mid-Willamette Valley Council of Governments to present ideas for maximizing federal and state dollars in terms of economic development. This included North Santiam Canyon infrastructure projects that lead to economic development.

North Santiam Canyon Regional Wastewater Analysis, January 2017

Purpose: To provide community leaders and staff with a feasible approach and associated cost to providing sanitary sewer services to the North Santiam Canyon communities.

Background:

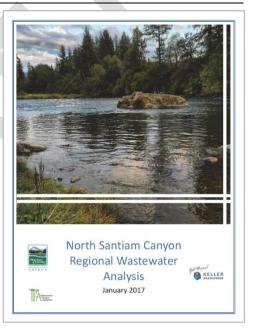
The lack of community wastewater systems in Idanha, Detroit, Gates, Mehama, and Lyons (all five communities are on individual septic systems only) and the need for upgrades to Mill City's wastewater system is identified as a limiting factor to economic and community development in the North Santiam Canyon.

Stakeholder Interviews were conducted to gain information and perspective in evaluating alternatives, septic system performance in the community, and existing community governance for utilities.

A detailed report for the development potential of the economy was completed by Maul Foster & Alongi (MFA).

Scope of Work:

- Data Compilation and Review
 - The project began by collecting data from a variety of sources and putting it into a single geodatabase. A secure Web-based interactive map application was used to make the data available for access and use.
- Field Surveys
 - Through property windshield surveys and focused interviews with key local stakeholders, this endeavor entailed direct data collection and analysis of the



research area. The goal of this project was to collect data that would otherwise be unavailable and/or unquantifiable using existing data sets.

- Redevelopment Analysis
 - To evaluate future land demand in the study area, MFA and Elesco analyzed growth projections. The parallel wastewater investigation was aided by these growing forecasts.
 - MFA used the North Santiam Canyon Corridor Industrial & Commercial Land Demand Forecast (Land Demand Forecast) to evaluate and rate commercial and industrial assets based on their readiness to develop or redevelop using the following approach:
 - Develop typologies to classify commercial and industrial assets so that redevelopment choices and impacts may be modeled.
 - Use a Site Suitability Comparative Ranking Matrix to provide weighted scores for each typology factor as well as total comparative scores to rank the types' suitability for different uses. TheTAG was formed to examine the data and assist in the prioritization of matrix variables.
 - Apply the matrix to the typology-identified population of properties.
 - In different growth situations, rank the attributes according to the matrix.
- Impact Analysis
 - Initially, MFA was charged with performing an order-of-magnitude analysis to evaluate the anticipated utility demand created by property redevelopment. As they worked on the inventory and the redevelopment analysis, it became evident that this new demand would be factored into the model developed by the wastewater study, and that understanding the influence of a sewage system on growth estimates and land demand was more important. As a result, MFA designed and implemented an alternate "augmented" development scenario to the Land Demand Forecast in consultation with County and COG employees.

Project Deliverables:

- An Interactive GIS Database of Properties
 - The project's final delivery is a secure Web-based interactive map application that allows project stakeholders and partners to engage with the combined datasets and deliverables. ArcGIS file geodatabases have been distributed to suitable project partners at the County in addition to the Web application. All supporting datasets integrated into the study, as well as the final layers generated through project-specific analysis, are stored in the geodatabases. The geodatabases include relevant metadata as well as documentation outlining the approach and analysis.
- A Land Demand Forecast and Redevelopment Matrix
 - Produced the Land Demand Forecast, which projected land demand for industrial and commercial applications based on the study area's job growth estimates. The impact analysis, which estimated prospective expansion based on the availability of sewer infrastructure and services in the study region, was added to the analysis.

To aid system modeling in the wastewater study, project partners were given growth predictions and the Land Demand Forecast.

- Catalyst Property Cut Sheets
 - MFA selected the highest-scoring sites that satisfied the projected growth demands for development or redevelopment based on the output of the redevelopment site suitability matrix analysis for the baseline growth scenario, using the results of the redevelopment and impact evaluations. These are the properties that, based on the relative weighting established in the site suitability matrix, are considered the most generally desirable for development; however, individual business requirements may identify additional criteria that were not included in this study and may not score the properties in the same way.

Anticipated Treatment:

The North Santiam River Subbasin includes the towns of Idanha, Detroit, Gates, Mill City, Lyons, and Mehama. The lack of, or poor state of, community wastewater collection and treatment systems has been cited as a limiting issue for economic and communal progress in this region. One of the major obstacles to these communities having wastewater systems is a regulation called the Three Basin Rule. The Three Basin Rule was established to preserve/improve the existing high quality of water in the North Santiam River basin. This rule prohibited any discharge of wastewater to surface waters requiring a National Pollution Discharge Elimination System (NPDES) permit, a Water Pollution Control Facility (WPCF) permit, or a 401 Water Quality Certification. The Three Basin Rule did allow the Oregon Department of Environmental Quality (DEQ) the ability to issue a WPCF permit for a new domestic sewage treatment facility contingent on three terms:

- 1. There is no discharge to surface water.
- 2. All groundwater protection requirements of OAR 340-040-0030 are met.
- 3. The Environmental Quality Commission (EQC) finds that the new sewage treatment facility provides a preferable means of disposal from the current means of disposal.

Currently most of the communities rely on onsite septic tank treatment. After discussions with DEQ, the most likely option for a community wastewater system in the North Santiam River basin to receive a WPCF permit is for year-round subsurface discharge in the root zone with water that meets the DEQ requirements for Class a Recycled Water (defined in OAR 340-055-0012(7)). In addition to the WPCF permit, a Recycled Water Use Plan (RWUP) must be developed which may include a groundwater monitoring plan. Subsurface discharge would satisfy the Three Basin Rule's requirement to not discharge to surface water. According to the DEQ, in order to ensure the groundwater is protected it is likely that the effluent will need to meet the requirements for Class A Recycled Water. Additionally, Class A Recycled Water disposal in the root zone should be looked at by the DEQ as a preferable means of disposal to individual septic systems. The reason that Class A Recycled Water is more protective of groundwater than other categories of recycled water is because of the level of treatment that is required. OAR 340-055 defines five categories of effluent, identifies allowable uses for each category, and provides requirements for treatment, monitoring, public access, and setback distances.

Santiam Canyon Wildfire Recovery Status Report #4, July 2021

Purpose: To record the status of the community in relation to the fire.

Data Collected:

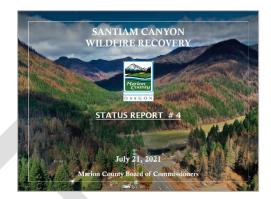
- 697 homes in the Santiam Canyon in need of repair or replacement (about 27%).
- In Gates, there was a total of 31 dwelling permits issued, and 42 septic permits issued.
- 502 Properties with Signed Right of Entry
- 310 of 666 Home Sites Cleared (46.5%)
- Total Number of Hazard Trees –24,000
- Hazard Trees Removed –9,008 (37.5%)

County Led Recovery Projects:

- Financial Needs Analysis
- Communications and Outreach & Recovery Website
- Economic Impact and Opportunities Analysis
- Health Impact Assessment
- Community Visioning and Strategic Plans

Progress Points:

- Met with Mill City Recorder to discuss recovery efforts.
- Held initial meeting to discuss Hazard Mitigation Program applications.
- Housing Team developing a proposed list of projects for State funding. Researched models for developing a housing recovery plan.
- Held a discussion with WorldRenew, a group that can help document the total damage from disasters.
- Discussed disaster recovery efforts with the new County CDBG/HOME Manager.



Oregon Wildfires Listening & Media Analysis Report, September 2021

Purpose: To document media coverage and progress made in recovering from the Beachie Creek fires.

News Coverage Overview:

Although most of the news still is centered around COVID-19 complications, the press continues to report news on the fires, which happened over a year ago. Stories of rebuilding, recovery, and remembrance are at a high. Some outlets have announced scheduled programming in commemoration of the disaster. September is National Fire Preparedness Month, and as such, media outlets have been paying extra close attention to the fire stories. Many stories recount survivors' ongoing trauma and grief as they grapple with the year milestone.

Progress and Recovery Efforts:

- Coleman Creek Estates rehouses survivors nearly a year after Almeda Fire.
 - The State's Office of Emergency Management approached Talent about Applying for money that the Federal Emergency Management Agency had originally granted for the Mosier Creek fire.
- Smoke and damage from the fires is still heavy. •
- Dry conditions and high fire warnings have led to recent evacuations in attempts to lessen potential fire damage.

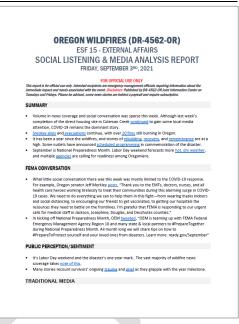
Santiam Canyon Wildfire Recovery Project (Oregon Chapter of the American Planning Association, Community Planning Assistance Program) CAPP, August 2021

Purpose: To provide an overview, give methods, and outline opportunities for recovery from the 2020 Oregon Wildfires.

Background and Purpose:

Many Santiam Canyon communities were devastated by wildfires in 2020, which destroyed homes, businesses, community institutions (such as churches, fire stations, and municipal buildings), historic features, and the infrastructure that sustains them. The most major and devastating effects on properties occurred in the cities of Detroit and Gates, as well as many rural residences in between. The fires have severely harmed the area's woods, natural regions, County and state parks, and other recreational attractions, as well as Santiam Canyon's tourist sector.

Residents, businesses, and local governments of the canyon are still addressing immediate needs and each community impacted will have their own schedule and interests to be addressed. All parties involved are working hard on grant and funding applications; economic analysis and studies to support rebuilding; and to engage in community-based planning and visioning efforts when communities are ready to proceed with those steps.



Methodology:

Resiliency planning considers how future events and conditions may affect a community. Communities use recovery planning to figure out how to rebuild after a tragedy. It assists a community in adapting to and recovering quickly from disruptions such as wildfires, pandemics, earthquakes, and other natural disasters.

The accompanying elements of the Community Assistance Planning Program (CAPP) team's research include a summary of existing plans, policies, and relevant studies, an assessment of how the wildfires have impacted those plans, and initial ideas for improvements or next steps. The CAPP team has also developed a compendium of best planning practices identified by disaster response experts across the country and lessons learned from the experiences of other communities recovering from wildfires. Finally, the team compiled a directory of individuals and organizations charting recovery projects and plans for Santiam Canyon recovery. All of these documents are "living," and can be changed at any point in time.

Opportunities For Recovery:

According to CAPP research, community and economic development goals set many years ago are still relevant and serve as a solid foundation for rebuilding. The disaster has revealed strategies and policies that should be modified to increase system resilience and, as a result, strengthen the community's ability to respond to and recover quickly from future disasters or emergencies.

The "planning context" summaries provided by the CAPP team highlight areas where plans and policies need to be updated to reflect current conditions or strengthen resilience. A common theme noted by the researchers is the need for continued collaboration and community-driven decisions, which includes a need for increased staffing and capaCity building in the Santiam Canyon to ensure a community-supported recovery and a resilient Santiam Canyon.

Planning and Prevention Strategies:

Experiences from other communities' post-disaster planning efforts can be useful for moving forward with recovery and rebuilding, as well as assuring resiliency to prevent, decrease the risk of, and recover from future disasters. The following is an overview of planning efforts and lessons learned from previous wildfire incidents across the region, as well as best practices that have been investigated or implemented in similarly afflicted areas. Best practices are those sound, responsible policies, methods, activities, or tools that are often thought to be the most effective for preventing or limiting the negative effects of a wildfire disaster.

Resources—Policies, Codes, Tools, Plans for Before and After Wildfire:

- APA Planning the Wildland-Urban Interface
 - o <u>https://www.planning.org/publications/report/9174069/</u>
- APA Hazard Mitigation Policy Guide
 - o <u>https://www.planning.org/publications/document/9203323/</u>
- Building a Wildfire-Resistant Home: Codes and Costs
 - o https://headwaterseconomics.org/wildfire/homes-risk/building-costs-codes/
- Colorado Post-Fire Recovery Playbook for Counties, Tribes, Municipalities, and Water Providers

- <u>https://aftertheflames.com/wp-</u> content/uploads/2021/02/CO_Post_Fire_Playbook_2021_update-1.pdf
- Community Wildfire Safety Through Regulation: A Best Practices Guide for Planners and Regulators
 - <u>https://nfpa92.nfpa.org/-/media/Files/Public-Education/By-topic/Wildland/WildfireBestPracticesGuide.ashx</u>
- Disaster Recovery Guidance: Research Study
 - o https://www.planning.org/nationalcenters/hazards/recoveryguide/
- FEMA's U.S. Fire Administration Wildland Urban Interface
 - o <u>https://www.usfa.fema.gov/wui/index.html</u>
- Firebreak: Wildfire Resilience Strategies for Real Estate
 - <u>https://knowledge.uli.org/reports/research-reports/2020/firebreak-wildfire-resilience-strategies-for-real-estate</u>
- International Code Council Wildland-Urban Interface Model Code
 - o https://codes.iccsafe.org/content/IWUIC2021P1
- Oregon's Post-Wildfire Flood Playbook
 - <u>https://www.nwp.usace.army.mil/Portals/24/docs/flood/Post_WildFire_Playbook.</u> <u>pdf</u>
- Planning's Role in Wildfire Mitigation
 - o https://www.planning.org/publications/document/9170741/
- Pocket Response Plan (PReP)-Disaster Preparedness Tool
 - o <u>https://www.oregon.gov/oprd/OH/Documents/OC2C_PReP.doc</u>
- Recovering and Rebuilding from Oregon's 2020 Wildfires
 - https://www.oregon.gov/gov/policy/Documents/WERC-2020/Wildfire Report FINAL.pdf
- Zoning Practice: Zoning and Disaster Recover (July 2021) & Wildfire Mitigation (May 2012)
 - o <u>https://www.planning.org/zoningpractice/previous/</u>

Case Studies:

- After the Fire: Vulnerable Communities Respond and Rebuild
 - <u>https://www.americanprogress.org/issues/green/reports/2019/07/25/472738/fire-vulnerable-communities-respond-rebuild/</u>
- Austin Area Wildfire Hub
 - o <u>https://wildfire-austin.hub.arcgis.com/</u>
- Fire Adapted Ashland
 - <u>https://www.ashland.or.us/SectionIndex.asp?SectionID=539</u>
- Wildfire Safety Ordinance
 - o <u>https://www.ashland.or.us/Page.asp?NavID=17670</u>
- Case Study: Hayman Fire, Hayman, Colorado
 - o https://www.planning.org/research/postdisaster/casestudies/haymanfire.htm
- Road to Recovery website: Town of Paradise, California

- o https://www.townofparadise.com/recovery
- Urban Land Institute summary case study
 - o https://developingresilience.uli.org/case/paradise-long-term-recovery-plan/
- Sonoma County Recovery & Resiliency Framework
 - <u>https://sonomaCounty.ca.gov/CAO/Policy-Grants-and-Special-Projects/Recovery-and-Resiliency/Recovery-Framework/</u>

Opportunities for Recovery:

While limited community visioning took place pre-disaster, there is renewed interest in engaging Santiam Canyon communities in visioning processes following the 2020 fires. With the help of a Community Development Block Grant, Marion County contracted a team of consultants to assist with community visioning for the cities of Gates and Detroit, along with other strategic planning efforts throughout the impacted areas of the canyon. Data collection and community surveys for this effort commenced in July 2021. This project may catalyze interest in community visioning in other Santiam Canyon communities and should be used as a case study for future efforts. While the Cities of Gates and Detroit have previously undertaken independent community visioning processes, future visioning work should acknowledge the importance of shared assets and a comprehensive vision for Santiam communities. While each community in Santiam Canyon is unique, many are faced with similar challenges. A collaborative vision could highlight the ways cities can work together to leverage resources and increase long-term resiliency.

The Oregon Department of Forestry is working on several plans that will direct future management of state forests. These plans—including the Companion Forest Management Plan, the Habitat Conservation Plan, and the Climate Change and Carbon Plan—have direct links to fire management activities. Local governments can look to these plans for guidance on how to prepare for and respond to future fire events.

In addition to management direction, these Plans include ongoing public engagement opportunities for communities to learn more about the future of forest management. Providing the Oregon Department of Forestry with community perspectives will strengthen the actions and directions that come out of these planning documents.

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Post-fire, coordinated and regional improvements to infrastructure, housing development (outside of flood and landslide zones, constructed to code and with more fire resilient materials)

and aligned economic development efforts are possible –this is due to the large amount of state and federal funding available for wildfire recovery that otherwise would not be in play.

Santiam Canyon will benefit from the increased economic and housing development opportunities that can be realized with the wastewater project—drain field size would no longer be a factor nor will expensive septic systems be necessary. The wastewater project would also serve to expand opportunities for recreation and tourism, as safe treatment will allow for a higher number of users.