



CANBY FIRE DISTRICT

221 S. Pine Street, Canby, OR 97013
Bus. 503-266-5851 / Fax 503-266-1320

April 1, 2020

HAND DELIVERED

Honorable Mayor Hodson and Members of the City Council
City of Canby
222 NE 2nd Avenue
Canby, OR 97013

RE: Clackamas County Strategic Investment Zone Agreement between City of Canby and COHO Distributing LLC, dba Columbia Distributing

Dear Mayor Hodson and Members of the City Council:

Canby Rural Fire Protection District ("Canby Fire") has been advised that it may submit questions to the City for consideration and response prior to consideration of the approval of Resolution No. 1330. Canby Fire submits the following questions:

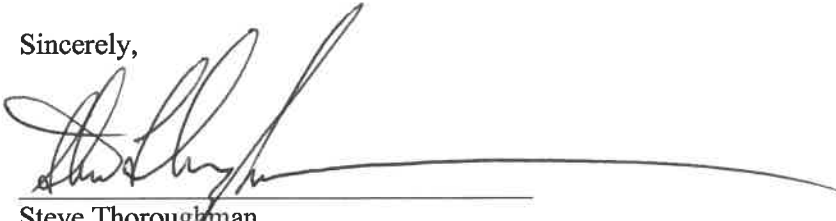
1. Has the City been threatened with a lawsuit, or advised that it may face a lawsuit, from the proposed of the Columbia Distributing Warehouse ("Project") if it does not approve the Resolution? If so, why? Since such a threat is a public record, why won't the City share such information with Canby Fire? Is the City concerned that it may be sued, and if so, why?
2. Is the City willing to table consideration of the Resolution pending receipt of an opinion of eligibility from the Attorney General's office? If not, why not? As you know, Canby Fire District is requesting that opinion.
3. If the City approves the Resolution, is the City willing to ensure that Canby Fire will receive all taxes it would have otherwise received, either through the Community Service Fee or from the City? It is our understanding that City staff made that recommendation in 2010.
5. Why has the City refused to provide any written documentation regarding this SIZ process without requiring Canby Fire to go through the long process of a formal public records request? Is the City willing to table the Resolution until such time as a public records request has been complied with and Canby Fire given an opportunity to fully consider the information? Is it the intent of the City to hide the information until after the decision is made?
6. Will the City share information from the Project applicants regarding eligibility prior to deciding on the Resolution? In other words, has the Project's legal counsel submitted legal argument, made threats or otherwise been involved in the process as was reported to the City Council? If so, why can't Canby Fire have those documents and be fully informed prior to consideration of the decision on the Resolution?
7. If the City Attorney is contending that the DOJ has issued an opinion that the Project is eligible, will you share the legal arguments or documents?

9. Since there is no legal requirement that the City approve the Resolution, why not table the decision until such time as the legal issue is considered by the AG's office? If the City Attorney contends that the City must approve the Resolution, why doesn't he have any legal authority for such a decision, and why does he refuse to share the basis for his claim with Canby Fire's legal counsel?

10. The current proposal before the City is of a Revised Project. Why was the Project revised, and why can't the City share the documents and basis for the revisions with Canby Fire? If the effort was to make the Revised Project eligible, it does not cure any of the legal problems, as the Revised Project is the Project with no substantive changes to the timing of the Application, the existing legal flaws of it being an Existing Property, and is no longer, nor has it ever been, an incentive for the Project.

11. Since the SIP and SIZ process for this Project is not an incentive, but an after the fact effort by the Project proponents to secure substantial tax benefits at the public's expense, how does this approval fulfill the intended purpose of the SIP and SIZ programs, which is to incentivize local employment? Is this program being abused for the financial benefit of one large company? If so, why is the City furthering that illegal purpose? If the Revised Project is eligible, then there is no project in the process of development in the Canby SIZ that is not eligible, subject only to enough political or economic power to compel such an approval.

Sincerely,

A handwritten signature in dark ink, appearing to read "Steve Thoroughman", is written over a horizontal line. The signature is fluid and cursive.

Steve Thoroughman
Chair of the Board
Canby Fire District