

## **Council Roundup for April 20, 2020**

The Newberg City Council met on April 20, 2020.

The Council took the following actions:

- Approved annual notice for funding availability for Newberg Housing Trust Fund.
- Approved Resolutions:
  - 2020-3658 – Accepted jurisdiction over E. Crestview Drive.
  - 2020-3668 – Adoption of Supplement Budget.
  - 2020-3669 – Application for state planning grant.
- Approved Ordinance:
  - 2020-2863 – Change in Election nomination procedures.

In other business,

Heard presentations on Community Engagement, Art Committee, and Construction Excise Tax.

Heard activity report from City Manager, and committee reports from Councilors



**City Council Work Session**

**April 20, 2020 - 6:00 PM**

**Newberg city hall**

**414 e. first street (teleconference meeting - limited seating.**

**instructions to join electronically on city website.**

**email comments to [sue.ryan@newbergoregon.gov](mailto:sue.ryan@newbergoregon.gov))**

- 1. CALL MEETING TO ORDER**
- 2. ROLL CALL**
- 3. REVIEW OF THE COUNCIL AGENDA AND MEETING**
- 4. COUNCIL BUSINESS ITEMS**
  - 4.A February 2020 Fund Financial Statements  
[RCA Information Financial Reports - 2020-02 Feb.pdf](#)
- 5. PRESENTATIONS**
  - 5.A Community Engagement Now and in the Future
- 6. ADJOURNMENT**

# REQUEST FOR COUNCIL ACTION

**DATE ACTION REQUESTED: April 20, 2020**

|                           |                               |                                |                    |                              |
|---------------------------|-------------------------------|--------------------------------|--------------------|------------------------------|
| <b>Order ____<br/>No.</b> | <b>Ordinance ____<br/>No.</b> | <b>Resolution ____<br/>No.</b> | <b>Motion ____</b> | <b>Information <u>XX</u></b> |
|---------------------------|-------------------------------|--------------------------------|--------------------|------------------------------|

**SUBJECT: Newberg Fund Financial Statements  
for February 2020**

**Contact Person (Preparer) for this  
Item: Matt Zook  
Dept.: Finance  
File No.:**

**RECOMMENDATION:** The fund financial statements represent the City's ongoing commitment at all levels of the organization to monitor financial status and make adjustments on a monthly basis. These are provided for your information and review, as well as an opportunity for you to ask questions and keep abreast of the financial health of the City. As you review these statements, please feel free to contact me directly in advance of the meeting with questions or comments. This will provide me with an opportunity to come to the Council Work Sessions with sufficient information to answer your questions. No formal action is required at the meeting.

## **EXECUTIVE SUMMARY:**

Included with this report are the fund financial statements for February 2020. As a reminder, most revenue is not recognized in an equal amount every month. Property taxes are received primarily in November, February, and May. Water revenue tends to trend higher in the summer months. Community Development revenue, such as building and planning fees as well as system development charges, is harder to predict. Transient Lodging Tax and Marijuana Tax is received quarterly. 9-1-1 Fund tax revenue is paid on a quarterly basis but delayed by up to three months after the close of the quarter, which at times puts the ending fund balance in a negative position, although the budget is managed so that the fund remains positive once the full fiscal year revenue is received. The point is that while 67% of the fiscal year has transpired through February, the year-to-date revenue received may reflect less or more depending on the revenue cycle.

In the Street Fund, the Transportation Utility Fee (TUF) ending fund balance is negative due to pavement preservation projects through the construction season. There are no additional expenditures anticipated for the current fiscal year from TUF funds, so the TUF fund balance will be a positive balance by June 30, 2020 and carried forward for future pavement preservation projects.

In the Water System Development Charges (SDC) Fund, the ending fund balance is negative due lower than anticipated revenue as some of the anticipated developer projects have either not materialized and been delayed. The only expenditures in the Water SDC Fund are a portion of the debt service payments for various projects in the past, such as the Effluent Reuse project, Water Treatment Plant expansion project, and the Parallel River water supply line. In the event that SDC revenue is insufficient to cover the mandatory debt service payments, funds are transferred in from the Water Fund to cover the difference. This would occur before the end of the fiscal year.

## SUMMARY REPORT

FEB 2020

| SUMMARY REPORT                        |                   |                      | FEB 2020       |                      |     | Current<br>YTD | 2018-19<br>PRIOR YTD |
|---------------------------------------|-------------------|----------------------|----------------|----------------------|-----|----------------|----------------------|
| FUNDS                                 | 2019-20<br>BUDGET | MONTH OF<br>FEB 2020 | 2019-20<br>YTD | Compare to<br>Budget |     |                |                      |
|                                       |                   |                      |                |                      | 67% |                |                      |
|                                       |                   |                      |                |                      |     |                |                      |
| City Budget Totals                    |                   |                      |                |                      |     |                |                      |
| Total Beg Fund Balance                | \$ 47,440,406     | \$ 50,563,048        | \$ 50,563,048  | 107%                 |     | 47,460,862     |                      |
| Total Revenues                        | 66,155,365        | 3,430,278            | 34,575,906     | 52%                  |     | 36,819,796     |                      |
| Total Beg Fund Bal & Revenues         | 113,595,771       | 53,993,326           | 85,138,953     |                      |     | 84,280,658     |                      |
| Total Expenses                        | 79,339,412        | 2,899,839            | 32,947,637     | 42%                  |     | 34,134,482     |                      |
| Total Contingencies / Reserves        | 34,256,359        | -                    | -              | 0%                   |     | -              |                      |
| Total Exp & Contingen / Reserves      | 113,595,771       | 2,899,839            | 32,947,637     | 29%                  |     | 34,134,482     |                      |
| Total Monthly & YTD Net Gain / (Loss) |                   | \$ 530,440           | \$ 2,328,522   |                      |     |                |                      |
| Total Ending Fund Balance             |                   |                      | \$ 52,191,316  |                      |     | 50,146,176     |                      |

## City Services

## General Fund (01)

|                                 |              |              |              |      |  |           |
|---------------------------------|--------------|--------------|--------------|------|--|-----------|
| Beg Fund Balance                | \$ 3,997,287 | \$ 4,476,667 | \$ 4,476,667 | 112% |  | 4,228,834 |
| Revenues                        |              |              |              |      |  |           |
| Municipal Court                 | 6,119        | 291          | 5,571        | 91%  |  | 4,810     |
| Police                          | 1,154,362    | 78,721       | 772,184      | 67%  |  | 764,000   |
| Fire                            | 10,000       | 1,359        | 7,098        | 71%  |  | 16,117    |
| Communications                  | 45,736       | -            | 34,302       | 75%  |  | 32,668    |
| Library                         | 118,647      | 21,479       | 62,213       | 52%  |  | 69,338    |
| Planning                        | 448,180      | 61,757       | 335,154      | 75%  |  | 659,588   |
| Property Taxes                  | 5,122,776    | 108,405      | 4,924,485    | 96%  |  | 4,677,124 |
| Other Taxes                     | 121,700      | 725          | 65,083       | 53%  |  | 62,731    |
| Franchise Fees                  | 1,697,927    | 142,755      | 283,954      | 17%  |  | 377,499   |
| Intergovernmental               | 1,914,476    | 129,817      | 1,320,286    | 69%  |  | 1,236,926 |
| Miscellaneous                   | 9,777        | 344          | 7,414        | 76%  |  | 102,654   |
| Interest                        | 137,519      | 7,105        | 69,150       | 50%  |  | 81,861    |
| Transfers                       | 738,794      | 410          | 420,650      | 57%  |  | 439,311   |
| Revenue Total                   | 11,526,013   | 553,169      | 8,307,544    | 72%  |  | 8,524,626 |
| Expenses                        |              |              |              |      |  |           |
| General Government              | 242,458      | 14,312       | 172,620      | 71%  |  | 157,186   |
| Municipal Court                 | 347,446      | 26,169       | 223,550      | 64%  |  | 216,667   |
| Police                          | 7,492,469    | 593,039      | 5,006,489    | 67%  |  | 4,693,145 |
| Communications                  | 1,433,318    | 101,013      | 938,563      | 65%  |  | 807,593   |
| Library                         | 1,917,638    | 141,270      | 1,282,930    | 67%  |  | 1,240,398 |
| Planning                        | 1,020,203    | 72,800       | 552,121      | 54%  |  | 680,173   |
| Transfers                       | 386,385      | 1,151        | 47,835       | 12%  |  | 104,069   |
| Contingency                     | 1,583,383    | -            | -            | 0%   |  | -         |
| Unappropriated Ending Balance   | 1,100,000    | -            | -            | 0%   |  | -         |
| Total Expenses                  | 15,523,300   | 949,756      | 8,224,108    | 53%  |  | 7,899,231 |
| Monthly & YTD Net Gain / (Loss) |              | \$ (396,586) | \$ 83,435    |      |  |           |
| Ending Fund Balance             |              |              | \$ 4,560,102 |      |  | 4,854,229 |

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## SUMMARY REPORT

FEB 2020

| SUMMARY REPORT                          |                   |                      | FEB 2020       |  |      | Current<br>YTD<br>Compare to<br>Budget<br>67% | 2018-19<br>PRIOR YTD |
|-----------------------------------------|-------------------|----------------------|----------------|--|------|-----------------------------------------------|----------------------|
| FUNDS                                   | 2019-20<br>BUDGET | MONTH OF<br>FEB 2020 | 2019-20<br>YTD |  |      |                                               |                      |
| <u>Public Safety Fee (16)</u>           |                   |                      |                |  |      |                                               |                      |
| Beg Fund Balance                        | \$ 93,823         | \$ 113,950           | \$ 113,950     |  | 121% | 119,359                                       |                      |
| Revenues                                | 586,058           | 48,731               | 390,526        |  | 67%  | 379,100                                       |                      |
| Expenses                                | 647,200           | 49,468               | 434,158        |  | 67%  | 408,437                                       |                      |
| Contingencies / Reserves                | 32,681            | -                    | -              |  | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)         |                   | \$ (737)             | \$ (43,632)    |  |      |                                               |                      |
| Ending Fund Balance                     |                   |                      | \$ 70,318      |  |      | 90,021                                        |                      |
| <u>911 Emergency (13)</u>               |                   |                      |                |  |      |                                               |                      |
| Beg Fund Balance                        | \$ 30,589         | \$ 39,075            | \$ 39,075      |  | 128% | 21,628                                        |                      |
| Revenues                                | 238,841           | 12                   | 119,231        |  | 50%  | 116,839                                       |                      |
| Expenses                                | 229,638           | 16,546               | 155,352        |  | 68%  | 144,301                                       |                      |
| Contingencies / Reserves                | 39,792            | -                    | -              |  | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)         |                   | \$ (16,534)          | \$ (36,122)    |  |      |                                               |                      |
| Ending Fund Balance                     |                   |                      | \$ 2,954       |  |      | (5,834)                                       |                      |
| <u>Civil Forfeiture (03)</u>            |                   |                      |                |  |      |                                               |                      |
| Beg Fund Balance                        | \$ 13,473         | \$ 27                | \$ 27          |  | 0%   | 15,313                                        |                      |
| Revenues                                | 500               | 396                  | 396            |  | 79%  | 1,697                                         |                      |
| Expenses                                | 13,973            | -                    | -              |  | 0%   | 3,092                                         |                      |
| Monthly & YTD Net Gain / (Loss)         |                   | \$ 396               | \$ 396         |  |      |                                               |                      |
| Ending Fund Balance                     |                   |                      | \$ 423         |  |      | 13,918                                        |                      |
| <u>Library Gift &amp; Memorial (22)</u> |                   |                      |                |  |      |                                               |                      |
| Beg Fund Balance                        | \$ 101,123        | \$ 75,086            | \$ 75,086      |  | 74%  | 81,134                                        |                      |
| Revenues                                | 121,800           | 66                   | 5,105          |  | 4%   | 34,057                                        |                      |
| Expenses                                | 190,200           | 4,326                | 49,782         |  | 26%  | 41,631                                        |                      |
| Contingencies / Reserves                | 32,723            | -                    | -              |  | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)         |                   | \$ (4,260)           | \$ (44,677)    |  |      |                                               |                      |
| Ending Fund Balance                     |                   |                      | \$ 30,409      |  |      | 73,559                                        |                      |
| <u>Building Inspection (08)</u>         |                   |                      |                |  |      |                                               |                      |
| Beg Fund Balance                        | \$ 1,498,823      | \$ 1,744,152         | \$ 1,744,152   |  | 116% | 1,451,787                                     |                      |
| Revenues                                | 652,713           | 30,797               | 475,686        |  | 73%  | 731,951                                       |                      |
| Expenses                                | 763,395           | 61,534               | 495,825        |  | 65%  | 440,476                                       |                      |
| Contingencies / Reserves                | 1,388,141         | -                    | -              |  | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)         |                   | \$ (30,736)          | \$ (20,139)    |  |      |                                               |                      |
| Ending Fund Balance                     |                   |                      | \$ 1,724,013   |  |      | 1,743,262                                     |                      |

## SUMMARY REPORT

FEB 2020

SUMMARY REPORT

FEB 2020

| FUNDS                              |                   |                      |                |      | Current<br>YTD<br>Compare to<br>Budget<br>67% | 2018-19<br>PRIOR YTD |
|------------------------------------|-------------------|----------------------|----------------|------|-----------------------------------------------|----------------------|
|                                    | 2019-20<br>BUDGET | MONTH OF<br>FEB 2020 | 2019-20<br>YTD |      |                                               |                      |
|                                    |                   |                      |                |      |                                               |                      |
| <u>Streets (Operating) (02)</u>    |                   |                      |                |      |                                               |                      |
| Beg Fund Balance - Gas Tax         | \$ 1,644,554      | \$ 1,734,910         | \$ 1,734,910   | 105% | 1,222,625                                     |                      |
| TUF Beg Fund Balance               | \$ 598,632        | \$ 663,209           | \$ 663,209     | 111% | -                                             |                      |
| Revenues less TUF revenue          | 1,933,964         | 166,900              | 1,144,161      | 59%  | 2,284,489                                     |                      |
| TUF Revenues                       | 1,151,429         | 94,546               | 761,167        | 66%  | -                                             |                      |
| Expenses less TUF expenses         | 3,100,037         | 201,672              | 1,251,102      | 40%  | 2,168,215                                     |                      |
| TUF Expenses (transfers-out)       | 1,400,000         | 2,410                | 1,446,544      | 103% | -                                             |                      |
| Contingencies / Reserves           | 828,542           | -                    | -              | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)    |                   | \$ 57,364            | \$ (792,318)   |      |                                               |                      |
| Ending Fund Balance - Gas Tax      |                   |                      | \$ 1,627,969   |      | 1,338,899                                     |                      |
| TUF Ending Fund Balance            |                   |                      | \$ (22,167)    |      |                                               |                      |
| <u>Water (Operating) (07)</u>      |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                   | \$ 12,487,952     | \$ 12,543,775        | \$ 12,543,775  | 100% | 10,801,835                                    |                      |
| Revenues                           | 6,483,764         | 449,561              | 4,696,911      | 72%  | 4,727,695                                     |                      |
| Expenses                           | 10,992,161        | 304,893              | 3,411,676      | 31%  | 3,025,088                                     |                      |
| Contingencies / Reserves           | 7,979,555         | -                    | -              | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)    |                   | \$ 144,668           | \$ 1,285,235   |      |                                               |                      |
| Ending Fund Balance                |                   |                      | \$ 13,829,010  |      | 12,504,442                                    |                      |
| <u>Wastewater (Operating) (06)</u> |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                   | \$ 10,633,398     | \$ 11,636,525        | \$ 11,636,525  | 109% | 11,761,812                                    |                      |
| Revenues                           | 8,801,897         | 846,307              | 6,096,039      | 69%  | 5,864,316                                     |                      |
| Expenses                           | 11,172,878        | 467,807              | 5,252,035      | 47%  | 5,938,165                                     |                      |
| Contingencies / Reserves           | 8,262,417         | -                    | -              | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)    |                   | \$ 378,500           | \$ 844,004     |      |                                               |                      |
| Ending Fund Balance                |                   |                      | \$ 12,480,529  |      | 11,687,962                                    |                      |
| <u>Stormwater (Operating) (17)</u> |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                   | \$ 923,603        | \$ 1,039,358         | \$ 1,039,358   | 113% | 603,028                                       |                      |
| Revenues                           | 1,820,978         | 164,925              | 1,218,010      | 67%  | 1,113,811                                     |                      |
| Expenses                           | 1,718,592         | 145,044              | 954,927        | 56%  | 865,449                                       |                      |
| Contingencies / Reserves           | 1,025,989         | -                    | -              | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)    |                   | \$ 19,881            | \$ 263,083     |      |                                               |                      |
| Ending Fund Balance                |                   |                      | \$ 1,302,441   |      | 851,391                                       |                      |

# SUMMARY REPORT

## FEB 2020

| SUMMARY REPORT                     |    | FEB 2020  |          |         | Current<br>YTD |           |      |           |
|------------------------------------|----|-----------|----------|---------|----------------|-----------|------|-----------|
| FUNDS                              |    | 2019-20   | MONTH OF | 2019-20 | Compare to     | 2018-19   |      |           |
|                                    |    | BUDGET    | FEB 2020 | YTD     | Budget         | PRIOR YTD |      |           |
|                                    |    |           |          |         | 67%            |           |      |           |
| <u>Administrative Support (31)</u> |    |           |          |         |                |           |      |           |
| Beg Fund Balance                   | \$ | 382,218   | \$       | 512,463 | \$             | 512,463   | 134% | 488,426   |
| Revenues                           |    | 5,601,083 |          | 466,486 |                | 3,738,837 | 67%  | 3,398,327 |
| Expenses                           |    |           |          |         |                |           |      |           |
| City Manager                       |    | 372,352   |          | 35,604  |                | 316,225   | 85%  | 233,958   |
| Human Resources                    |    | 230,912   |          | 15,287  |                | 134,163   | 58%  | 120,689   |
| Community Engagement               |    | 129,819   |          | 7,167   |                | 53,251    | 41%  | 74,732    |
| Finance                            |    | 887,546   |          | 64,402  |                | 572,029   | 64%  | 521,731   |
| Gen Office(Postage/Phones)         |    | 248,372   |          | 19,889  |                | 170,719   | 69%  | 141,774   |
| Utility Billing                    |    | 357,582   |          | 34,553  |                | 249,444   | 70%  | 231,962   |
| Information Technology             |    | 1,371,239 |          | 87,865  |                | 926,091   | 68%  | 781,961   |
| Legal                              |    | 502,567   |          | 38,316  |                | 312,298   | 62%  | 293,836   |
| Fleet Maintenance                  |    | 270,484   |          | 21,988  |                | 174,811   | 65%  | 168,981   |
| Facilities Repair/Replacement      |    | 796,118   |          | 66,504  |                | 475,166   | 60%  | 472,030   |
| Insurance                          |    | 380,835   |          | 10,538  |                | 323,081   | 85%  | 319,805   |
| Transfers                          |    | 3,362     |          | 280     |                | 2,241     | 67%  | 2,241     |
| Contingencies / Reserves           |    | 286,853   |          | -       |                | -         | 0%   | -         |
| Total Expenses                     |    | 5,983,301 |          | 414,530 |                | 3,801,717 | 64%  | 3,456,984 |
| Monthly & YTD Net Gain / (Loss)    |    |           | \$       | 51,956  | \$             | (62,880)  |      |           |
| Ending Fund Balance                |    |           |          |         | \$             | 449,583   |      | 429,770   |

### Capital Improvement Projects

#### Streets CIP's (18)

|                                 |            |            |            |     |  |           |
|---------------------------------|------------|------------|------------|-----|--|-----------|
| Beg Fund Balance                | \$ 207,873 | \$ 203,601 | \$ 203,601 | 98% |  | 176,804   |
| Revenues                        | 5,326,115  | 85,219     | 1,898,944  | 36% |  | 2,676,122 |
| Expenses                        | 5,313,115  | 84,564     | 1,892,815  | 36% |  | 2,654,039 |
| Contingencies / Reserves        | 220,873    | -          | -          | 0%  |  | -         |
| Monthly & YTD Net Gain / (Loss) |            | \$ 655     | \$ 6,129   |     |  |           |
| Ending Fund Balance             |            |            | \$ 209,730 |     |  | 198,886   |

#### Water / Wastewater / Stormwater CIP's (04)

|                                 |            |        |           |     |  |           |
|---------------------------------|------------|--------|-----------|-----|--|-----------|
| Beg Fund Balance                | \$ -       | \$ -   | \$ -      | 0%  |  | -         |
| Revenues                        | 11,458,900 | 43,797 | 1,484,205 | 13% |  | 1,766,092 |
| Expenses                        | 11,458,900 | 43,797 | 1,484,205 | 13% |  | 1,766,092 |
| Monthly & YTD Net Gain / (Loss) |            | \$ (0) | \$ -      |     |  |           |
| Ending Fund Balance             |            |        | \$ -      |     |  | -         |

#### Governmental CIP's (21)

|                                    |              |              |              |     |  |           |
|------------------------------------|--------------|--------------|--------------|-----|--|-----------|
| Beg Fund Balance                   | \$ 1,548,137 | \$ 1,283,580 | \$ 1,283,580 | 83% |  | 2,297,056 |
| Revenues                           | 770,627      | 198,992      | 257,017      | 33% |  | -         |
| Expenses                           | 2,318,764    | 37,541       | 957,270      | 41% |  | 759,717   |
| Monthly Activity Net Gain / (Loss) |              | \$ 161,452   |              |     |  |           |
| Ending Fund Balance                |              |              | \$ 583,327   |     |  | 1,537,339 |

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# SUMMARY REPORT

## FEB 2020

SUMMARY REPORT

FEB 2020

FUNDS

2019-20

BUDGET

MONTH OF

FEB 2020

2019-20

YTD

Current

YTD

Compare to

Budget

67%

2018-19

PRIOR YTD

Street SDC (42)

Beg Fund Balance

\$

3,471,673

\$

3,690,767

\$

3,690,767

106%

3,885,186

Revenues

3,335,160

81,864

874,216

26%

1,084,246

Expenses

2,370,189

448

116,096

5%

1,327,297

Contingencies / Reserves

4,436,644

-

-

0%

-

Monthly & YTD Net Gain / (Loss)

\$

81,416

\$

758,120

Ending Fund Balance

\$

4,448,887

3,642,135

Water SDC (47)

Beg Fund Balance

\$

183,138

\$

244,642

\$

244,642

134%

314,198

Revenues

1,009,695

24,321

324,933

32%

554,275

Expenses

803,923

-

747,243

93%

734,089

Contingencies / Reserves

388,910

-

-

0%

-

Monthly & YTD Net Gain / (Loss)

\$

24,321

\$

(422,310)

Ending Fund Balance

\$

(177,668)

134,385

Wastewater SDC (46)

Beg Fund Balance

\$

6,369,053

\$

6,629,076

\$

6,629,076

104%

5,966,311

Revenues

1,982,273

51,280

725,696

37%

1,117,678

Expenses

2,048,464

4,083

444,417

22%

583,587

Contingencies / Reserves

6,302,862

-

-

0%

-

Monthly & YTD Net Gain / (Loss)

\$

47,197

\$

281,278

Ending Fund Balance

\$

6,910,355

6,500,402

Stormwater SDC (43)

Beg Fund Balance

\$

190,295

\$

197,158

\$

197,158

104%

137,312

Revenues

79,800

1,494

26,587

33%

47,596

Expenses

61,500

-

-

0%

279

Contingencies / Reserves

208,595

-

-

0%

-

Monthly & YTD Net Gain / (Loss)

\$

1,494

\$

26,587

Ending Fund Balance

\$

223,746

184,630

## SUMMARY REPORT

FEB 2020

| SUMMARY REPORT                       |                   |                      | FEB 2020       |      | Current<br>YTD<br>Compare to<br>Budget<br>67% | 2018-19<br>PRIOR YTD |
|--------------------------------------|-------------------|----------------------|----------------|------|-----------------------------------------------|----------------------|
| FUNDS                                | 2019-20<br>BUDGET | MONTH OF<br>FEB 2020 | 2019-20<br>YTD |      |                                               |                      |
| Debt                                 |                   |                      |                |      |                                               |                      |
| Debt Service (General Op) (09)       |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                     | \$ -              | \$ 346               | \$ 346         | 0%   | 47,809                                        |                      |
| Revenues                             | 952,924           | 26,182               | 560,447        | 59%  | 611,799                                       |                      |
| Expenses                             | 951,554           | -                    | 408,076        | 43%  | 515,581                                       |                      |
| Contingencies / Reserves             | 1,370             | -                    | -              | 0%   | -                                             |                      |
| Monthly & YTD Net Gain / (Loss)      |                   | \$ 26,182            | \$ 152,371     |      |                                               |                      |
| Ending Fund Balance                  |                   |                      | \$ 152,717     |      | 144,027                                       |                      |
| City Hall (10)                       |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                     | \$ 146,719        | \$ 142,178           | \$ 142,178     | 97%  | 612,916                                       |                      |
| Revenues                             | 500               | 51                   | 1,489          | 298% | 8,934                                         |                      |
| Expenses                             | 147,219           | 8,395                | 113,847        | 77%  | 103,914                                       |                      |
| Monthly & YTD Net Gain / (Loss)      |                   | \$ (8,343)           | \$ (112,358)   |      |                                               |                      |
| Ending Fund Balance                  |                   |                      | \$ 29,819      |      | 517,936                                       |                      |
| Reserves                             |                   |                      |                |      |                                               |                      |
| Vehicle / Equipment Replacement (32) |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                     | \$ 2,015,354      | \$ 2,552,675         | \$ 2,552,675   | 127% | 1,958,096                                     |                      |
| Revenues                             | \$ 1,087,171      | \$ 90,633            | \$ 770,460     | 71%  | 909,425                                       |                      |
| Expenses                             |                   |                      |                |      |                                               |                      |
| City Manager's Office                | 1,558             | -                    | -              | 0%   | -                                             |                      |
| Human Resources                      | 1,075             | -                    | -              | 0%   | -                                             |                      |
| Finance                              | 39,295            | -                    | -              | 0%   | -                                             |                      |
| Information Technology               | 60,858            | -                    | 51,901         | 85%  | 189,287                                       |                      |
| Legal                                | 450               | -                    | -              | 0%   | -                                             |                      |
| Municipal Court                      | 4,371             | -                    | 800            | 18%  | -                                             |                      |
| Police                               | 612,183           | (9,812)              | 81,608         | 13%  | 151,645                                       |                      |
| Communications                       | 195,655           | -                    | 33,347         | 17%  | -                                             |                      |
| Library                              | 16,548            | -                    | 2,466          | 15%  | 843                                           |                      |
| Planning                             | 3,162             | -                    | -              | 0%   | -                                             |                      |
| Building                             | 33,038            | -                    | -              | 0%   | -                                             |                      |
| PW Administration                    | 1,741,287         | 86,107               | 160,470        | 9%   | 178,541                                       |                      |
| Fleet Maintenance                    | 17,565            | 37                   | 396            | 2%   | 601                                           |                      |
| Facilities Repair/Replacement        | 375,480           | 9,831                | 26,548         | 7%   | 72,763                                        |                      |
| Total Expenses                       | 3,102,525         | 86,163               | 357,536        | 12%  | 593,679                                       |                      |
| Monthly & YTD Net Gain / (Loss)      |                   | \$ 4,470             | \$ 412,924     |      |                                               |                      |
| Ending Fund Balance                  |                   |                      | \$ 2,965,599   |      | 2,273,841                                     |                      |

## SUMMARY REPORT

FEB 2020

| SUMMARY REPORT                  |                   |                      | FEB 2020       |      | Current<br>YTD<br>Compare to<br>Budget<br>67% | 2018-19<br>PRIOR YTD |
|---------------------------------|-------------------|----------------------|----------------|------|-----------------------------------------------|----------------------|
| FUNDS                           | 2019-20<br>BUDGET | MONTH OF<br>FEB 2020 | 2019-20<br>YTD |      |                                               |                      |
| Community Projects              |                   |                      |                |      |                                               |                      |
| Cable TV Trust (23)             |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                | \$ 5,270          | \$ 7,335             | \$ 7,335       | 139% |                                               | 16,507               |
| Revenues                        | 200               | 13                   | 117            | 58%  |                                               | 264                  |
| Expenses                        | 5,470             | -                    | -              | 0%   |                                               | -                    |
| Monthly & YTD Net Gain / (Loss) |                   | \$ 13                | \$ 117         |      |                                               |                      |
| Ending Fund Balance             |                   |                      | \$ 7,452       |      |                                               | 16,771               |
| Economic Development (14)       |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                | \$ 621,959        | \$ 731,526           | \$ 731,526     | 118% |                                               | 666,000              |
| Revenues                        | 79,395            | 3,212                | 46,419         | 58%  |                                               | 179,464              |
| Expenses                        | 566,325           | 8,486                | 20,550         | 4%   |                                               | 134,652              |
| Contingencies / Reserves        | 135,029           | -                    | -              | 0%   |                                               | -                    |
| Monthly & YTD Net Gain / (Loss) |                   | \$ (5,274)           | \$ 25,869      |      |                                               |                      |
| Ending Fund Balance             |                   |                      | \$ 757,395     |      |                                               | 710,811              |
| Transient Lodging Tax (19)      |                   |                      |                |      |                                               |                      |
| Beg Fund Balance                | \$ 275,460        | \$ 300,967           | \$ 300,967     | 109% |                                               | 586,886              |
| Revenues                        | 1,153,565         | 1,320                | 651,762        | 56%  |                                               | 686,995              |
| Expenses                        | 1,427,025         | 8,375                | 928,353        | 65%  |                                               | 570,487              |
| Contingencies / Reserves        | 2,000             | -                    | -              | 0%   |                                               | -                    |
| Monthly & YTD Net Gain / (Loss) |                   | \$ (7,055)           | \$ (276,590)   |      |                                               |                      |
| Ending Fund Balance             |                   |                      | \$ 24,377      |      |                                               | 703,394              |



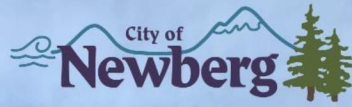
Community Engagement Specialist Role

# My role up to this point





# HELP DETERMINE NEWBERG'S FUTURE.



## City Manager Candidates Meet & Greet

DECEMBER 15, 2019  
Open House: 6:00 p.m. - 8:00 p.m.  
THE CHEHALEM CULTURAL CENTER

All community members are invited to meet, engage, and review candidates for the Newberg City Manager position. Come any time between 6:00 and 8:00 p.m. to meet the candidates and leave your comments. Food and beverage provided.

Questions? Email: [PublicAffairs@NewbergOregon.gov](mailto:PublicAffairs@NewbergOregon.gov)

Thank you to The Chehalem Cultural Center for their partnership on this event.



## State of the City - 2019 in Review

Presented by Newberg Mayor Rick Rogers

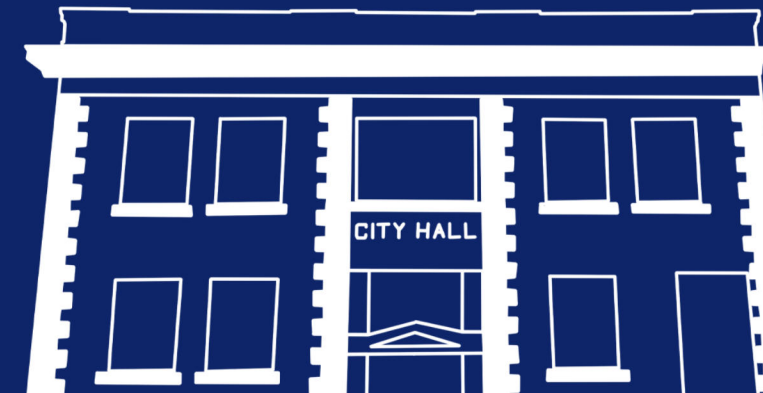
## Welcome Celebration!

Join us in welcoming Newberg's new City Manager, Dan Weinheimer. Celebration will include food, drink, and good conversation.

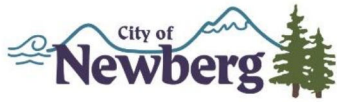
**FEB 24, 2020**

6:00 PM

Newberg Public Safety Building  
401 E Third Street  
Newberg, Oregon 97132







## Who is Responsible for Sidewalks in Newberg, OR?

Good sidewalks in a community not only lead to a better quality of life and higher curb appeal, they are also important for equity, inclusion, accessibility, and safety. Studies have shown that roadways without sidewalks are more than twice as likely to have pedestrian crashes. Newberg has over 116 miles of sidewalks used for travel to work and school; for exercise and business; and for community events. Who is in charge of ensuring sidewalks are in good repair, are safe, and accessible? What do common sidewalk issues look like and how do we fix them?

### COMMON ISSUES WITH SIDEWALKS:



Cracks/Not-level

Gaps

No Curb Ramp

### PROPERTY OWNERS ARE RESPONSIBLE FOR THEIR SIDEWALKS

According to Newberg City Municipal Code 12.05.040 **property owners** are responsible for maintaining and paving sidewalks. If the sidewalk adjoins private property, the property owner must maintain the sidewalk. If the property owner is the City, then the City maintains the sidewalks. Additionally, the landscaped area between the curb and sidewalk is also maintained by the adjoining property owner, including street trees.

**Sidewalk hazards** - Newberg Municipal Code 12.05.080 states that property owners who fail to maintain sidewalks adjacent to their land will be liable for any damages caused to any person due to negligence in failing to keep and maintain sidewalks in good repair. This includes damages caused by snow and leaves.

### HOW WE CAN CREATE A SAFER, MORE ACCESSIBLE, COMMUNITY:

To create a higher quality of life, safer communities, and a more accessible Newberg, we need to improve the conditions of our sidewalks. To repair the sidewalks adjoining your own property, follow this five step process:

1. Assess sidewalk damage

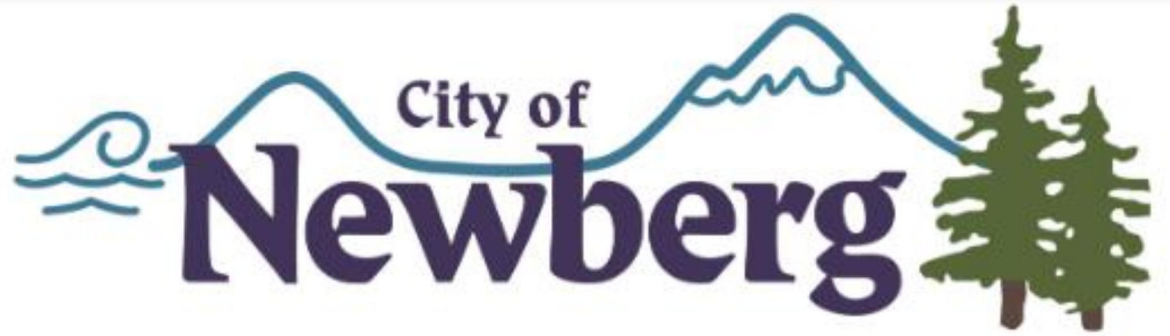
2. Obtain estimates to fix sidewalk

3. Apply for and receive permit from the City

4. Sidewalk project begins

5. Pass inspection from the City

The public improvement development permit for sidewalks can be found at [www.NewbergOregon.gov/engineering/page/public-improvements-development-application](http://www.NewbergOregon.gov/engineering/page/public-improvements-development-application)



## Feel Good Friday

1/20/20 - 1/31/20

I hear the Super Bowl is this weekend. Here's some good news that's sure to score a touchdown.

### OPERATION POPPINS



# My role in the future



Public Works

Finance

Community Development

Human Resources

Police



Library

Information Technology

Legal

City Administration

Residents

Seniors

Small Business

K-12

Arts and Culture



George Fox

Recreation

Neighborhoods

Manufacturers

# COVID-19 Response





# Coronavirus Disease 2019 (COVID-19)



March webpage views:

18,675 page views

6,392 unique views



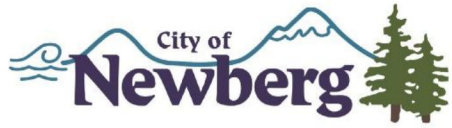
# City of Newberg and Community Updates on COVID-19

Page views through Apr 16:

5,400 page views

1,577 unique views





## Food resources available in the community for those in need

### Local Food Bank:

**Newberg FISH:** 125 South Elliot St |  
503-538-4444 | M & Th 10am-1pm,  
Tu 10am-1pm and 5-7pm

### Seniors: Meals on Wheels

Meals on Wheels will continue to deliver and to serve lunch as packaged meals. Call CPRD at 503-537-2909

### Newberg School District - Ages 1-18

Anyone ages 1-18 can receive a free meal for breakfast and lunch, Monday through Friday.

|                                             |                   |
|---------------------------------------------|-------------------|
| Chehalem Armory (620 N. Morton St.)         | 10:30am - 11am    |
| Ewing Young Elementary School               | 10:30am - 11am    |
| Mabel Rush Elementary School                | 10:30am - 11:30am |
| St. Michael's Church (110 S. Everest Rd.)   | 10:30am - 11am    |
| Mt. View Middle School                      | 10:30am - 11:30am |
| Spring Meadow Park/Vittoria Way             | 10:30am - 11am    |
| Newberg High School ELLIOTT RD SIDE         | 10:30am - 11am    |
| Chehalem Valley Middle School               | 10:30am - 11:30am |
| Gladys Park/PCC (3720 Mistletoe Dr.)        | 10:30am - 11am    |
| Tom Gail Park (Edgewood Dr & Center St)     | 10:30am - 11am    |
| Jaquith Park MAIN ST ENTRANCE               | 10:30am - 11am    |
| Edwards Elementary School                   | 10:30am - 11:30am |
| CPRD Aquatic Center (1802 Haworth Ave)      | 10:30am - 11:30am |
| Newberg Public Library (503 E. Hancock St.) | 10:30am - 11:30am |
| Deskin Commons                              | 10:30am - 11am    |

### Community Dinners:

**Monday:** Zion Lutheran Church (301 S. River) 5:30pm - 6:30pm  
**Tuesday:** (2nd & 4th Tuesday of each month) Dundee Community Center (1026 Hwy 99W Dundee) 5:30pm - 6:30pm (1st, 3rd & 5th Tuesdays) Joyful Servant Lutheran Church (1716 Villa Rd.) 5:30pm - 6:30pm.  
**Wednesday:** Riverstreet Church of God (715 S. River) 6pm - 7pm  
**Thursday:** Newberg Christian Church (2315 Villa Rd) 4:30pm - 5:45pm  
**Friday:** St. Peter Catholic Church (2315 N Main St) 5:30pm - 6:30pm

### Other Resources:

**Community Drop-In Center:** Lunch - 504 E 1st Street | M - F 10am - 12pm | Use back entrance  
**Love, Inc:** Call 503-537-399 if you need groceries, prescriptions, or other services  
**Virginia Garcia Newberg Site:** Food bank at 2251 Hancock St | Tu 11am - 2pm  
**YCAB:** Call 503-560-8787 to learn about assistance eligibility options  
**Supplemental Nutrition Assistance Program (SNAP):** You may be eligible for SNAP or TANF. Visit [www.oregon.gov/DHS/COVID-19](http://www.oregon.gov/DHS/COVID-19)



## COMMUNITY DEVELOPMENT DEPARTMENT

**City Hall Phone**  
503-537-1240

### Building

General Questions & Permit Submittal:  
[permits@newbergoregon.gov](mailto:permits@newbergoregon.gov)

Code Questions:  
[building@newbergoregon.gov](mailto:building@newbergoregon.gov)

### Planning

Planning Questions & Permit Submittal:  
[planning@newbergoregon.gov](mailto:planning@newbergoregon.gov)



## PUBLIC SAFETY

**For Emergencies**  
Call 9-1-1

**Non-emergencies**  
503-538-8321

**Newberg Municipal Court**  
**reschedule appearances**

503-537-1241

[Wendy.Looney@NewbergOregon.gov](mailto:Wendy.Looney@NewbergOregon.gov)



## LIBRARY

**Get a Library Card**  
503-538-7323  
[NewbergOregon.gov/online-card](http://NewbergOregon.gov/online-card)

**E-Books**  
[NewbergOregon.gov/library2go](http://NewbergOregon.gov/library2go)

**Movies to Stream**  
[ccrls.kanopy.com](http://ccrls.kanopy.com)

**Virtual Storytimes and Book Reviews**  
[youtube.com/user/cityofnewberg](https://youtube.com/user/cityofnewberg)

## PUBLIC WORKS

**Emergency Line**  
503-538-8321

**Maintenance/streets/signs/underground pipes**  
503-537-1234

**Water/Wastewater Treatment Plants**  
503-537-1257 x 0

**Utility Payments**  
503-537-1205  
[newberg.merchantransact.com](http://newberg.merchantransact.com)



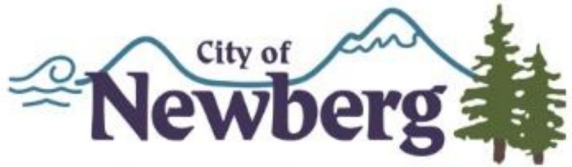
# COVID-19 Resources for Business

Page views through Apr 16:

1,002 page views

848 unique views

Application Opens  
April 7, 2020



## Business Emergency Relief Grant (BERG)

# The Newberg Support Local Challenge

Utility Rebates for Your  
Local Business Receipts







# Health and Safety Information on COVID-19

Page views through Apr 16:

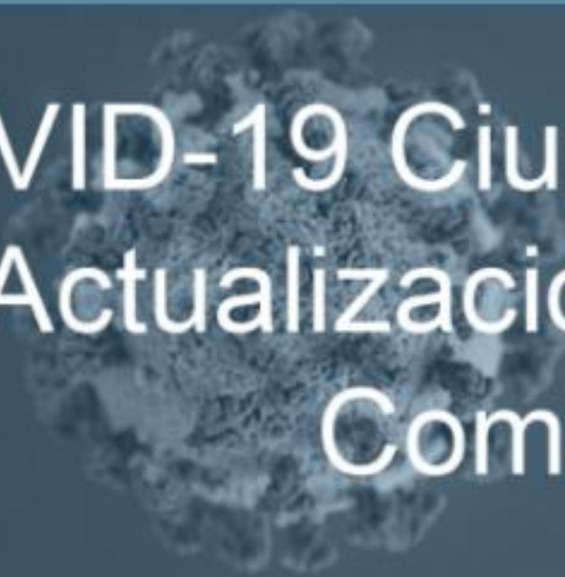
2,210 page views

352 unique views



Newberg Mayor Rick Rogers - 3/23/2020 Update

**COVID-19 Ciudad de Newberg y Actualizaciones de Socios  
Comunitarios**



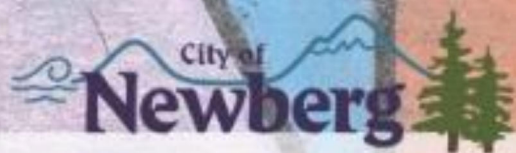
COVID-19 Ciudad de Newberg y  
Actualizaciones de Socios  
Comunitarios

# Moving forward





# Chalk Newberg Bright!



Free sidewalk chalk kits available at Social Goods and Naps (Customer Service Counter) in partnership with Chehalem Cultural Center and the Online Camellia Festival.

[#OnlineCamelliaFest20](#)





Newberg Public Library ▶ PLAY ALL

Book reviews, storytimes, and more! See videos from your local librarians and guests.



Duck on a Bike, David Shannon

City of Newberg  
42 views • 2 days ago



Well, Hello Everybody

City of Newberg  
8 views • 1 week ago



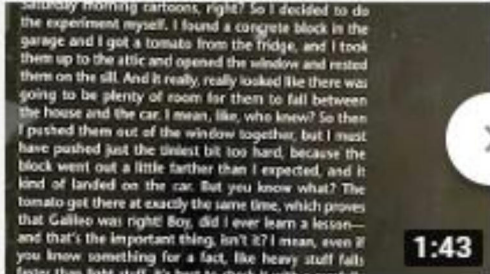
My Thumbs are Starting to Wiggle & Form the Orange

City of Newberg  
12 views • 1 week ago



Rabbit Pie, by Penny Ives

City of Newberg  
66 views • 1 week ago



Technically, It's Not My Fault (excerpt)

City of Newberg  
16 views • 1 week ago

# My role in the coming year





PROUD PAST, FLOURISHING FUTURE



1. Build support networks between neighbors and within neighborhoods
2. Promote strong relationships and networks between individuals and social service organizations in the wider community
3. Develop a spirit of service throughout the community

# Creating a larger strategy

1. Editorial calendar

2. Branding guidelines and templates

3. More and better connections with community partners





**City Council Business Session**

**April 20, 2020 - 7:00 PM**

**Newberg city hall**

**414 e. first street (teleconference meeting - limited seating.**

**instructions to join electronically on city website.**

**email comments to [sue.ryan@newbergoregon.gov](mailto:sue.ryan@newbergoregon.gov))**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. PLEDGE OF ALLEGIANCE**

**4. CITY MANAGER'S REPORT**

**5. PUBLIC COMMENTS**

**5.A ISSUE TRACKER**

[Newberg Issue Tracker Council.docx](#)

**6. CONSENT CALENDAR**

- 6.A** Resolution 2020-3658, Accept jurisdiction of the portion of E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road.

[RCA Resolution 2020-3658\\_E Crestview Drive Jurisdictional Transfer.pdf](#)

**7. PUBLIC HEARINGS**

- 7.A** Ordinance 2020-2863, An Ordinance amending the Newberg Municipal Code relating to the nomination procedure for City Council as established in Newberg Municipal Code Section 2.05.030 (B).

[RCA Ordinance 2020-2863.doc](#)

**8. NEW BUSINESS**

- 8.A** Resolution 2020-3668 Adopting Supplemental Budget #1 for Fiscal Year 2019-20

[RCA\\_Resolution\\_2020-3668 rev2 .docx](#)

- 8.B** Information on Newberg Committee for Public Art



[RCA Info Art Committee 4-20-20.doc](#)  
[Newberg Committee for Public Art Standards.pdf](#)

8.C Information on establishing a Construction Excise Tax

[RCA Info CET Ordinance 4-20-20.doc](#)  
[Attachment 1 - SB1533.pdf](#)

8.D 2019-2012 Notice of Funding Availability for the Newberg Affordable Housing Trust Fund Time Sensitive Loan/Grant Program

[RCA NOFA FY 19-20.doc](#)  
[Attachment 1 - NOFA Documents.pdf](#)

8.E Resolution 2020-3669, A Resolution supporting grant applications and authorizing the Community Development Director to apply for a DLCD 2019-21 Planning Assistance Direct Grants for HB 2001 and HB 2003 implementation and authorizing the City Manager to execute all grant award contract documents

[RCA Grant Council Support HB 2001 HB 2003.doc](#)

**9. COUNCIL BUSINESS**

9.A Council Committee Reports

**10. ADJOURNMENT**

**ADA STATEMENT**

*Contact the City Recorder's Office for physical or language accommodations at least 2 business days before the meeting. Call (503) 537-1283 or email [cityrecorder@newbergoregon.gov](mailto:cityrecorder@newbergoregon.gov). For TTY services please dial 711.*

## 2020 NEWBERG COUNCIL ISSUE TRACKER

| DATE     | TYPE    | SUMMARY                                                                                                      | DEPT.  | STATUS                                                                                            | TIMEFRAME               | COMPLETE |
|----------|---------|--------------------------------------------------------------------------------------------------------------|--------|---------------------------------------------------------------------------------------------------|-------------------------|----------|
| 10/14/19 | Council | Re-design City of Newberg flag                                                                               | CM     |                                                                                                   |                         |          |
| 3/2/20   | Council | Reexamination of TUF and Capital Projects to see if bonding could be done to fund storm and other projects – | CM/PWS | Working on questions and information to bring back to the Council for a decision at a later date. | Sept. 8 Council Meeting |          |
| 3/2/20   | Council | Grider – Funding for homeless housing                                                                        | CM     | Staff working on action plan for Council Goal # 3                                                 | May 2020                |          |
|          |         |                                                                                                              |        |                                                                                                   |                         |          |

# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 20, 2020

Order \_\_\_\_ Ordinance \_\_\_\_ Resolution XX Motion \_\_\_\_ Information \_\_\_\_  
No. No. No. 2020-3658

**SUBJECT:** Transfer of Jurisdiction of the portion of E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road.

Contact Person (Preparer) for this Motion: Brett Musick, PE, Project Manager  
Dept.: Engineering Services Division  
File No.:

## RECOMMENDATION:

Adopt Resolution 2020-3658 accepting jurisdiction over the portion E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road.

## EXECUTIVE SUMMARY:

The current transportation master plan identifies the E Crestview Drive Improvement Project as a capacity improving project. The project limits extend from existing improvements at the N Springbrook Road roundabout to the City Limits where E Crestview Drive becomes NE Crestview Drive. Below is a map of the project location and drawings showing the basic concept of the road improvements.

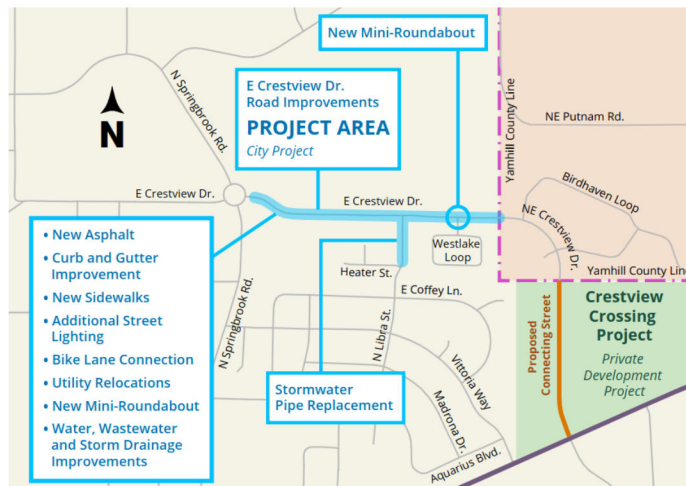


Figure 1 – Project Area Map

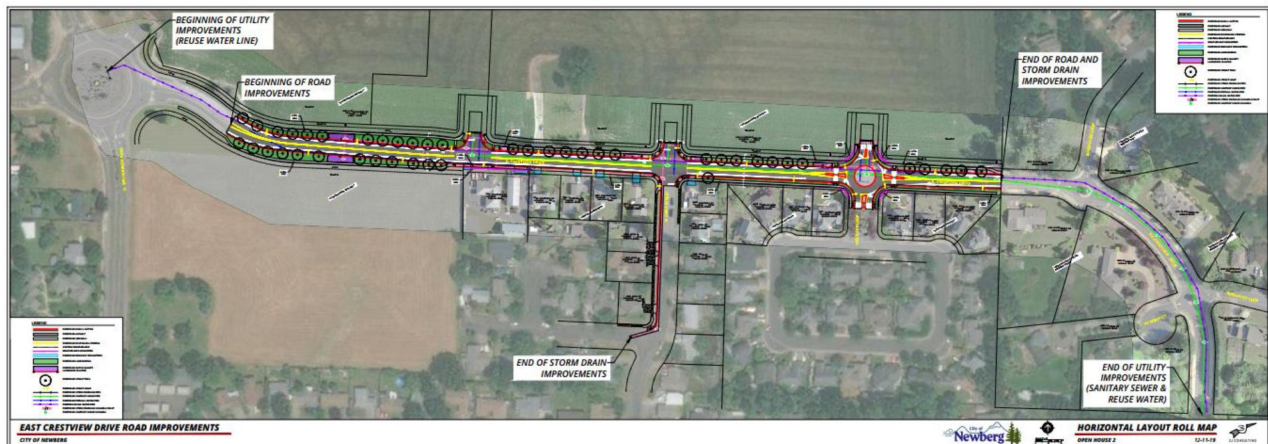


Figure 2 – Project Concept Overall Layout

Portions of the existing roadway is gravel and other segments have sections of pavement in poor condition.

Sidewalks and bike lanes do not exist on the north side of the roadway and the south side is lacking sidewalks and bike lanes for much of the project length. Improvements will address public interests regarding connectivity of sidewalks, bike lanes and pavement maintenance.

A portion of E Crestview Drive, west of the City of Newberg jurisdictional limits and east of N Springbrook Road, remains a County road. Jurisdiction of the portion of E Crestview Drive west of N Springbrook Road was previously transferred to the City of Newberg by Yamhill Board of Commissioners Board Order 06-70, February 1, 2006. The City is completing design of road and utility improvements for the remaining portion of E Crestview Drive within the City of Newberg that is still a County road.

The scope of improvements is to widen the road to major collector standards from N Springbrook Road to NE Crestview Drive at the City of Newberg Jurisdictional Limits. This includes sidewalks and bike lanes. To ensure this City capital improvement project is built to City standards it will be necessary to transfer jurisdiction from Yamhill County to the City of Newberg.

On January 9, 2020 the City Manager Pro Tem requested the Yamhill County Board of Commissioners to initiate a process under ORS 373.270 to transfer jurisdiction to the City over this road portion:

- a. The portion of E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road.
  - i. This road segment is illustrated in Exhibit A.

On February 13, 2020 the Yamhill County Board of Commissioners initiated the process under ORS 373.270 to transfer jurisdiction to the City over the road portion identified above. On March 12, 2020 the county held a duly noticed public hearing to consider the requested transfer. A formal offer to transfer was adopted by the Board on March 12, 2020 by Board Order 20-90. A copy of the Board Order is attached as Exhibit B.

## **FISCAL IMPACT:**

As part of the City's planned E Crestview Drive Improvement Project, this segment of roadway will be improved to City standards. The cost of these improvements are part of the capital improvement project currently under design. The City will be responsible for maintenance of this road segment the same as other road segments under City jurisdiction.

## **STRATEGIC ASSESSMENT:**

It is appropriate that this road within the City limits of the City of Newberg be under the jurisdiction of the City. This will assure that as this road is improved as part of the City capital improvement project, the improvements will be to City standards.



## **RESOLUTION No. 2020-3658**

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**A RESOLUTION ACCEPTING JURISDICTION OVER THE PORTION E CRESTVIEW DRIVE WESTERLY FROM THE CITY/COUNTY JURISDICTIONAL LIMITS TO ITS CENTERLINE INTERSECTION WITH N SPRINGBROOK ROAD.**

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---

**RECITALS:**

1. On January 9, 2020 the City Manager Pro Tem requested the Yamhill County Board of Commissioners to initiate a process under ORS 373.270 to transfer jurisdiction to the City over this road portion:
  - b. The portion of E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road.
    - i. This road segment is illustrated in Exhibit A.
2. Thereafter on February 13, 2020 the Yamhill County Board of Commissioners initiated the process under ORS 373.270 to transfer jurisdiction to the City over the road portion identified above. On March 12, 2020 the county held a duly noticed public hearing to consider the requested transfer. A formal offer to transfer was adopted by the Board on March 12, 2020 by Board Order 20-90. A copy of the Board Order is attached as Exhibit B.
3. Board Order 20-90 is acceptable to the City of Newberg. It is now necessary and proper that Board Order 20-90 and the offer contained therein be accepted by appropriate municipal legislation of the Council as the governing body of the City of Newberg.

**THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

1. That the offer of Yamhill County, Oregon as contained in Board Order 20-90 dated March 12, 2020 to surrender jurisdiction to the City of Newberg over the following described road portion is hereby accepted. A copy of the Board Order is attached as Exhibit B.
  - a. The portion of E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road.
    - i. This road segment is illustrated in Exhibit A.
2. That this Resolution shall constitute notice to all persons concerned from the date of this Resolution that the jurisdiction of Yamhill County over the portion of road described above shall cease. This Resolution shall further constitute notice that the full and absolute jurisdiction over this road segment for all purposes of repair, construction, improvement, and levying and collection of assessments therefore shall vest in the City of Newberg, Oregon; and
3. The city shall have the same jurisdiction over the road portion thereof as by its charter and the laws



of the state are given or granted it over any of the public streets and alleys of the city.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 21, 2020.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 20th day of April, 2020.

---

Sue Ryan, City Recorder

**ATTEST** by the Mayor this 22nd day of April, 2020.

---

Rick Rogers, Mayor

# EXHIBIT A

## CITY OF NEWBERG E CRESTVIEW DRIVE IMPROVEMENT PROJECT

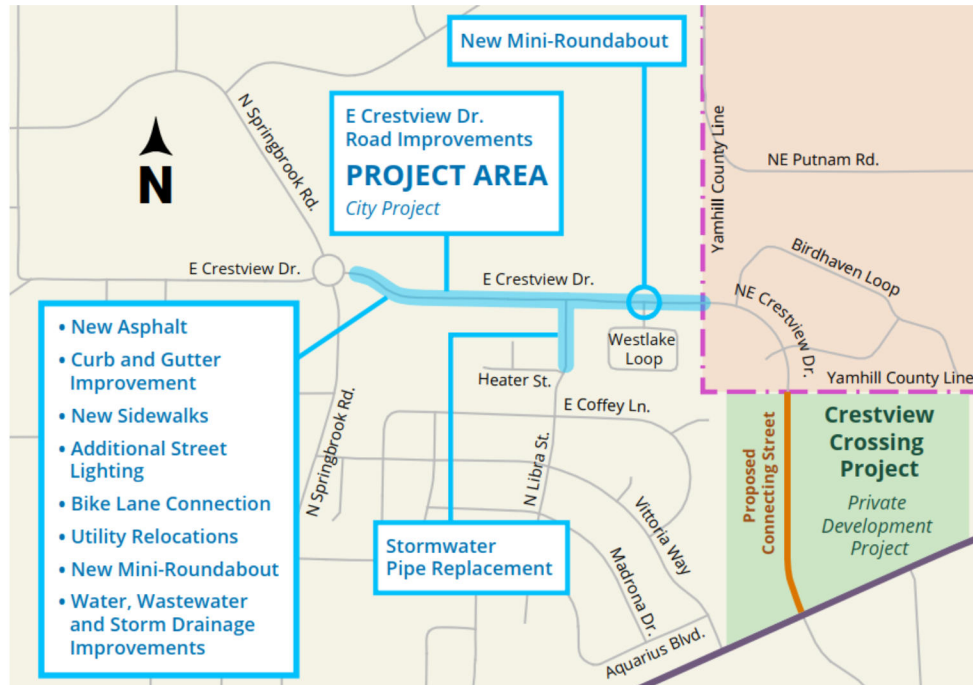


Figure 1 – Project Area Map

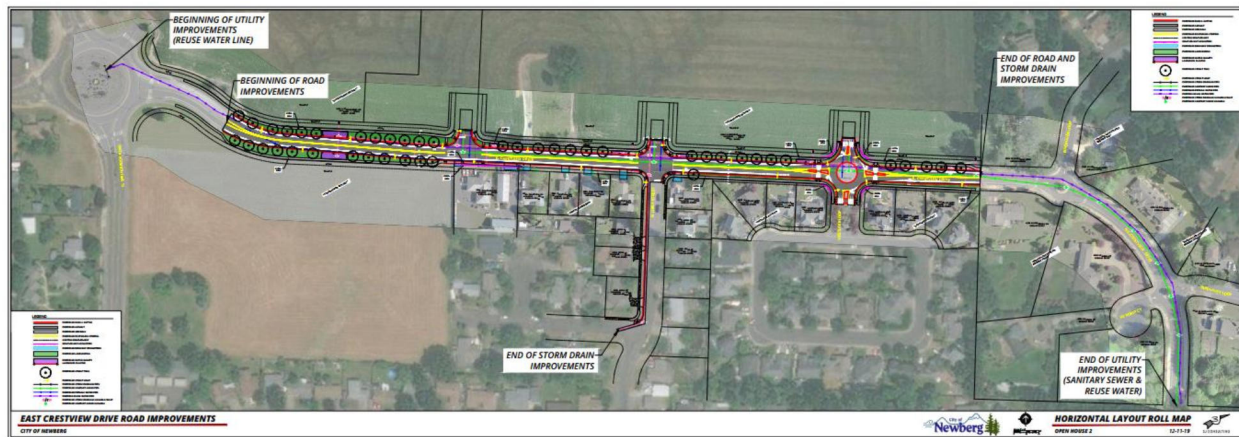


Figure 2 – Project Concept Overall Layout

## IN THE BOARD OF COMMISSIONERS OF THE STATE OF OREGON

## FOR THE COUNTY OF YAMHILL

## SITTING FOR THE TRANSACTION OF COUNTY BUSINESS

|                                              |   |                   |
|----------------------------------------------|---|-------------------|
| In the Matter of an Order Tendering a Formal | ) |                   |
| Offer Under ORS 373.270 to Transfer to the   | ) |                   |
| City of Newberg Jurisdiction Over a Segment  | ) | BOARD ORDER 20-90 |
| of E Crestview Drive Located Within the      | ) |                   |
| City of Newberg                              | ) |                   |

THE BOARD OF COMMISSIONERS OF YAMHILL COUNTY, OREGON (“the Board”) sat for the transaction of county business in formal session on March 12, 2020, Commissioners Casey Kulla, Mary Starrett, and Richard L. “Rick” Olson being present.

## IT APPEARING TO THE BOARD as follows:

A. By letter received on January 27, 2020, the City of Newberg, through its City Manager *Pro Tem*, indicated its interest in pursuing the transfer of jurisdiction over the following segment of County Road located within the City of Newberg:

The portion of E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road

B. The City requested initiation of the transfer process to facilitate its improvement of the above described road segment by the City. The proposed limits of the transfer request will allow the City to design, construct and maintain the road segment as a City street.

C. ORS 373.270 provides as follows:

**“373.270 Transferring jurisdiction over county roads within cities.** (1) Jurisdiction over a county road within a city may be transferred under this section whenever:

(a) The county governing body deems it necessary, expedient or for the best interest of the county to surrender jurisdiction over any county road or portion thereof within the corporate limits of any city; and

(b) The governing body of the city deems it necessary or expedient and for the best interests of the city to acquire jurisdiction over the county road or part thereof to the same extent as it has over other public streets and alleys of the city.

(2) To initiate a proceeding for the transfer of jurisdiction under this section, the county governing body, upon its own motion or upon the request of the city by its governing body, shall give notice by:



(a) Posting in three public places in the county, one of which shall be within the limits of the city; or

(b) Publishing the notice once a week for four successive weeks in some newspaper of general circulation in the county.

(3) Notice under this section shall give the time and place of hearing and a succinct statement of the proposed action requested and describing the road or portion thereof proposed to be surrendered by the county to the city with convenient certainty.

(4) At the time and place mentioned in the notice under this section or at such adjournment as it may fix, the county governing body shall hear the matter, consider any objections or testimony offered by any person interested and determine whether it is necessary, expedient or for the best interests of the county to surrender jurisdiction over the county road or portion thereof to the city.

(5) If a county governing body determines to surrender jurisdiction under this section and initiates action under this section:

(a) The county governing body shall make an order to that effect and offer to the city to surrender jurisdiction over the county road or portion thereof, and may limit the time for the acceptance of the offer; and

(b) The city by appropriate municipal legislation may within the time specified accept the county order and offer to surrender jurisdiction under this section.

(6) If a city governing body determines to initiate action under this section for the surrender of jurisdiction by a county over a county road:

(a) The city governing body may initiate the action by passage of appropriate municipal legislation that requests surrender and that may set any time or other limitations upon acceptance by the city of the surrender; and

(b) The county governing body may surrender jurisdiction of the county road without further action by the city if the county governing body adopts an order surrendering the county road that meets the limitations established by the city in its legislation.

(7) When a city adopts appropriate municipal legislation accepting a county governing body's order under subsection (5) of this section or when a county governing body adopts an order meeting city legislation under subsection (6) of this section:

(a) The jurisdiction of the county over the county road or portion thereof as a county road, or for its improvement, construction or repair shall cease;

(b) The full and absolute jurisdiction over the road for all purposes of repair, construction, improvement and the levying and collection of assessments therefor shall vest in the city; and

(c) The city shall have the same jurisdiction over the road or portion thereof as by its charter and the laws of the state are given or granted it over any of the public streets and alleys of such city.

(8) This section is applicable to all county roads, whether acquired by the county or the public by condemnation, defective condemnation and user, user or prescription or in any manner provided by law or in which the easement for road purposes is in the public.”

D. Once the transfer of jurisdiction over the described segment of road is complete, the City of Newberg will assume full authority over the road segment, and full responsibility for its improvement and repair.

E. In accordance with the City’s request, the county scheduled, noticed and held a public hearing on March 12, 2020, to consider the transfer of jurisdiction over the segment of County Road identified in Finding A, above. The Board accepted testimony to determine whether the requested transfer of jurisdiction is “necessary, expedient or for the best interests of the county,” as required by ORS 373.270(4).

F. Based upon the record of the public hearing and the request of the City of Newberg, the Board finds that the transfer of jurisdiction over the above described road segment is in the best interest of the county. This formal offer to transfer jurisdiction is made under ORS 373.270(5). The transfer will be effective upon the City’s adoption of appropriate municipal legislation accepting the Board’s offer. NOW, THEREFORE,

IT IS HEREBY ORDERED BY THE BOARD AS FOLLOWS:

1. Yamhill County hereby offers to transfer to the City of Newberg, jurisdiction over the following segment of Yamhill County road:

The portion of E Crestview Drive westerly from the City/County jurisdictional limits to its centerline intersection with N Springbrook Road

2. Upon the City of Newberg’s enactment of appropriate municipal legislation accepting the County’s offer to transfer jurisdiction, and in accordance with ORS 373.270(7), the offer shall be deemed accepted with the following effect:

- (a) The jurisdiction of the County over the subject road segment or for its improvement, construction or repair shall cease;
- (b) The full and absolute jurisdiction over the subject road segment for all purposes of

repair, construction, improvement and the levying and collection of assessments therefor shall vest in the City of Newberg; and

- (c) The City of Newberg shall have the same jurisdiction over the subject road segment as by its charter and the laws of the state are given or granted it over any of the public streets and alleys of the City.

DONE at McMinnville, Oregon on March 12, 2020.

ATTEST



YAMHILL COUNTY BOARD OF COMMISSIONERS

BRIAN VAN BERGEN

County Clerk

Chair

Casey Kulla  
CASEY KULLA

By: Carolina Rook

Deputy Carolina Rook

Commissioner

Mary Starrett  
MARY STARRETT

FORM APPROVED BY:

Timothy S. Sadlo

Senior Assistant County Counsel

Commissioner

Richard L. Olson  
RICHARD L. "RICK" OLSON



# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 20, 2020

Order \_\_\_ Ordinance XX Resolution \_\_\_ Motion \_\_\_ Information \_\_\_  
No. No. 2020-2863 No.

**SUBJECT: Title 2 Administration & Personnel**  
**Chapter 2.05.030 (B) Elections – Nomination**  
**Procedure**

Contact Person (Preparer) for this  
Motion: City Recorder Sue Ryan  
Dept.: Administration

HEARING TYPE: ☒ LEGISLATIVE ☐ QUASI-JUDICIAL ☐ NOT APPLICABLE

**RECOMMENDATION:** To approve the recommended changes in Ordinance 2020-2863 to Title 2 Chapter 2.05.030 (B).

**EXECUTIVE SUMMARY:** The conduct of city elections is outlined in Chapter 2.05 Article II of the Newberg Municipal Code. The election of city officers is held at the biennial election under the conditions and system prescribed by state laws. 2020 is an election year. Districts 1, 3 and 5 on the City Council will be up for election. The first day to file a declaration of candidacy for local offices is June 3<sup>rd</sup>, 2020. The City Recorder generally makes information about how to file for office ahead of the opening and would like to make it available no later than May 1<sup>st</sup>.

The current procedures allows only for nomination by petition, which requires the valid signatures of not less than 25 qualified, legal voters of the City of Newberg, Yamhill County, Oregon. There is no option to file by fee only. The current procedure was established in 1996 through Ordinance 96-2446. Current state law does not allow for electronic signatures for nomination by petition for candidates.

In 2020, the World Health Organization declared a global pandemic caused by the COVID-19 coronavirus. Coronaviruses can cause respiratory disease, with the potential to cause serious illness or loss of life for individuals with underlying health conditions. In March, Governor Kate Brown issued two executive orders that: Declared a state of emergency due to the COVID-19 outbreak in Oregon, and Enacted a public health law called “Stay Home, Save Lives” including restrictions of limitations on individual travel, social distancing requirements, and enforcement measures for non-compliance. The public health law is in place indefinitely.

The City Recorder recommends to the City Council to make a change in the procedure for nominating candidates to allow the choice of a non-contact option. This would allow for promotion of participation in local elections in a manner that respects the health and safety of Newberg’s residents.

**FISCAL IMPACT:** The cost of this minor code amendment involves staff time, and less than \$100 in editing services by the Code Publishing Company. There is adequate monies in the City Recorder’s Professional Services line item to cover the cost.

## STRATEGIC ASSESSMENT:

This recommendation relates to the conduct of elections. In order to have the change in effect in time for the City Recorder to open elections in June, the ordinance must be approved 30 days prior.



## ORDINANCE No. 2020-2863

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**AN ORDINANCE AMENDING THE NEWBERG MUNICIPAL CODE  
RELATING TO THE NOMINATION PROCEDURE FOR CITY COUNCIL AS  
ESTABLISHED IN NEWBERG MUNICIPAL CODE SECTION 2.05.030 (B).**

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### RECITALS:

1. In 1996, the City refined the nominating procedures for candidates for City Council through Ordinance 96-2446, requiring that for the nomination of offices that the certificate (s) of nomination for office be signed by, and contain the valid signatures of, not less than 25 qualified, legal voters of the state whose residence is within the district assigned to the position for which the candidate is being nominated;
2. In 2020, the World Health Organization declared a global pandemic caused by the COVID-19 coronavirus. Coronaviruses can cause respiratory disease, with the potential to cause serious illness or loss of life for individuals with underlying health conditions. In March, Governor Kate Brown declared a state of emergency due to the COVID-19 outbreak in Oregon (Executive Order No. 20-03), finding that COVID-19 has created a threat to public health and safety constituting a statewide emergency. Executive Order 20-12 enacted a public health law called “Stay Home, Save Lives” including restrictions of limitations on individual travel, social distancing requirements and enforcement measures for non-compliance. Said order is in place indefinitely;
3. Electronic signatures for elections purposes are only permitted by state law at the present time for initiative, referendum, or recall purposes but not petitions for candidacy;
4. The City desires to abide by the Governor’s order and do what it can to protect the health and safety of its residents;
5. The City Elections officer desires to provide candidates for office with accurate information on how to file for office before the opening of elections on June 3<sup>rd</sup>, 2020;
6. That this ordinance be reviewed by the Council in 2021 no later than September;

### THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

Section 1. Section 2.05.030 (B) is amended to read:

B. Candidates for a position of city council member can be either:

i. Along with a declaration of candidacy, be nominated by a petition for nomination for that position, which shall be signed by and contain the valid signatures of not less than 25 qualified, legal voters of the state whose residence is within the district assigned to the position for which the candidate is being nominated or

ii. Along with a declaration of candidacy, pay a filing fee of \$25.

➤ **EFFECTIVE DATE** of this ordinance is 30 days after the adoption date, which is: May 19, 2020.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 20th day of April, 2020, by the following votes: **AYE:**      **NAY:**      **ABSENT:**      **ABSTAIN:**

\_\_\_\_\_  
Sue Ryan, City Recorder

**ATTEST** by the Mayor this 23<sup>rd</sup> day of April, 2020.

\_\_\_\_\_  
Rick Rogers, Mayor

# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 20, 2020

|                   |                       |                                      |             |                  |
|-------------------|-----------------------|--------------------------------------|-------------|------------------|
| Order ____<br>No. | Ordinance ____<br>No. | Resolution <u>X</u><br>No. 2020-3668 | Motion ____ | Information ____ |
|-------------------|-----------------------|--------------------------------------|-------------|------------------|

**SUBJECT: Request for approval of Supplemental Budget #1 for fiscal year 2019-2020 as described in Exhibit "A".**

**Contact Person (Preparer)**

**Matt Zook**

## RECOMMENDATION:

Adopt **Resolution No. 2020-3668** for approval of Supplemental Budget #1 for fiscal year 2019-2020.

## EXECUTIVE SUMMARY:

The changes presented in Supplemental Budget #1 cover three events in two funds. A brief description of the changes in each fund is provided below. Notice of the supplemental budget did not require a public hearing nor publication in the Newberg Graphic as the requested increases in expenditures did not exceed 10% of any fund's expenditures. Notice of this Council meeting did include a statement that a supplemental budget will be considered at this meeting.

## BACKGROUND:

### General Fund

In response to the Covid-19 pandemic, the City established the Newberg Business Emergency Relief Grant (BERG) program to provide assistance to Newberg businesses with lease/mortgage coverage. \$100,000 in General Fund reserves is being used to provide up to \$2,500 per award. The City received a tremendous response and anticipates helping approximately 60 businesses with critical funding. The Council ratified the expenditure of \$100,000 for the BERG program on April 6, 2020 via Resolution 2020-3659.

In April 2020, the City will be saying goodbye to long-time Police Chief Brian Casey after nearly 30 years with the Newberg Dundee Police Department. The additional funds requested from General Fund reserves will cover the costs associated with the employment contract, which was approved on September 16, 2019 via Resolution 2019-3602. The City wishes Chief Casey the best as he enjoys retirement.

### Administrative Support Services Fund

In response to the Covid-19 pandemic and under the authority of the declaration of a local state of emergency (Resolutions 2020-3657 and 2020-3659), the City established the Newberg Support Local Challenge to encourage citizens to support the local business community as well as each utility customer by spending their dollars locally and receiving a \$15 credit on their utility statement for every \$25 spent with local businesses. Up to \$75 in credits can be earned for each account per month.

The additional budget of \$100,000 for the above expenditures will be recognized in the Administrative Support Services Fund Utility Billing Department where the existing utility assistance program is

operated. The source of funds for the new program are transfers from the Water, Wastewater, and Stormwater Funds. The transfer out of these utility funds did not require a supplemental budget.

**FISCAL IMPACT:**

Supplemental Budget #1 results in a net increase in total appropriations of \$100,000, bringing total appropriations to \$102,418,844. The adjusted adopted budget includes appropriations, unappropriated ending fund balances of \$1,101,370, and reserves of \$10,175,555 for a total amount of \$113,695,769.





## **RESOLUTION No. 2020-3668**

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**A RESOLUTION TO ADOPT SUPPLEMENTAL BUDGET #1 FOR  
FISCAL YEAR 2019-2020 BEGINNING JULY 1, 2019, AND ENDING  
JUNE 30, 2020**

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### **RECITALS:**

1. The 2019-2020 Budget was adopted by Resolution No. 2019-3564 on June 3, 2019.
2. Additional unanticipated Covid-19 expenditures and employment expenditures have occurred or may occur for which the budget needs to be adjusted. These changes are identified by fund as shown in Exhibit "A".
3. In response to the Covid-19 pandemic, the City established the Newberg Business Emergency Relief Grant (BERG) program to provide assistance to Newberg businesses with lease/mortgage coverage. The Council ratified the expenditure of \$100,000 for the BERG program on April 6, 2020 via Resolution 2020-3659.
4. In response to the Covid-19 pandemic and under the authority of the declaration of a local state of emergency (Resolutions 2020-3657 and 2020-3659), the City established the Newberg Support Local Challenge to encourage citizens to support the local business community as well as each utility customer by spending their dollars locally and receiving a \$15 credit on their utility statement for every \$25 spent with local businesses.
5. In April 2020, the City will be saying goodbye to long-time Police Chief Brian Casey after nearly 30 years with the Newberg Dundee Police Department. The additional funds requested from General Fund reserves will cover the costs associated with the employment contract, which was approved on September 16, 2019 via Resolution 2019-3602.
6. In accordance with Oregon Budget Law, notice of this Council meeting included a statement that a supplemental budget will be considered at this meeting and with the opportunity for the public to comment on the supplemental budget.

### **THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

1. The Council adopts the above recitals.
2. The Council finds that a public necessity exists due to the emergency caused by the pandemic and such necessity requires extraordinary action, including but not limited to, the Newberg Support Local Challenge program, which the Council hereby ratifies, finding the same to be in the public interest.

3. The Council adopts the supplemental budget as reflected in the attached Exhibit A which is incorporated in full by this reference. The Council further authorizes the supplemental appropriations reflected in Exhibit A.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 21, 2020.

**ADOPTED** by the City Council of the City of Newberg, Oregon, this 20<sup>th</sup> day of April, 2020.

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Sue Ryan, City Recorder

**ATTEST** by the Mayor this \_\_\_\_ day of June, 2020.

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Rick Rogers, Mayor

# EXHIBIT "A" TO RESOLUTION NO. 2020-3668

City of Newberg  
Supplemental Budget #1  
Fiscal Year 2019-2020

| SUMMARY OF PROPOSED BUDGET CHANGES                                                                                                                                                                                                                                                                             |                 |               |               |                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|---------------|---------------|----------------|
| AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED                                                                                                                                                                                                                                                 |                 |               |               |                |
| <b>FUND 01 - GENERAL FUND</b>                                                                                                                                                                                                                                                                                  |                 | <b>BUDGET</b> | <b>CHANGE</b> | <b>REVISED</b> |
| General Government                                                                                                                                                                                                                                                                                             | <i>Increase</i> | 242,458       | 100,000       | 342,458        |
| Police                                                                                                                                                                                                                                                                                                         | <i>Increase</i> | 7,492,469     | 100,000       | 7,592,469      |
| Contingency                                                                                                                                                                                                                                                                                                    | <i>Decrease</i> | 1,583,383     | (200,000)     | 1,383,383      |
| Revised Total Resources                                                                                                                                                                                                                                                                                        |                 | 15,523,300    |               |                |
| Revised Total Requirements                                                                                                                                                                                                                                                                                     |                 | 15,523,300    |               |                |
| <i>General Government increase of \$100,000 for the Newberg Business Emergency Relief Grant (BERG) program assisting businesses with lease/mortgage coverage due to the COVID-19 pandemic. Police increase of \$100,000 for early termination of police chief services contract approved in October, 2019.</i> |                 |               |               |                |
| <b>FUND 31 - ADMIN SUPPORT SERVICES</b>                                                                                                                                                                                                                                                                        |                 | <b>BUDGET</b> | <b>CHANGE</b> | <b>REVISED</b> |
| Resources                                                                                                                                                                                                                                                                                                      | <i>Increase</i> | 5,983,301     | 100,000       | 6,083,301      |
| Finance                                                                                                                                                                                                                                                                                                        | <i>Increase</i> | 1,245,128     | 100,000       | 1,345,128      |
| Revised Total Resources                                                                                                                                                                                                                                                                                        |                 | 6,083,301     |               |                |
| Revised Total Requirements                                                                                                                                                                                                                                                                                     |                 | 6,083,301     |               |                |
| <i>Increase of \$100,000 in utility assistance through the Newberg Support Local Challenge established to encourage citizens to support the local business community during the COVID-19 pandemic by spending locally and receiving credits on their utility statements.</i>                                   |                 |               |               |                |
| Total Increase in appropriations for all funds:                                                                                                                                                                                                                                                                |                 |               | 100,000       |                |
| Total Appropriated Budget                                                                                                                                                                                                                                                                                      |                 |               | 102,318,844   |                |
| Plus: Increase in appropriations                                                                                                                                                                                                                                                                               |                 |               |               |                |
| Supplemental Budget #1                                                                                                                                                                                                                                                                                         |                 |               | 100,000       |                |
| Revised Appropriated Budget                                                                                                                                                                                                                                                                                    |                 |               | 102,418,844   |                |
| UEFB - GF                                                                                                                                                                                                                                                                                                      |                 |               | 1,100,000     |                |
| UEFB - DS Fund                                                                                                                                                                                                                                                                                                 |                 |               | 1,370         |                |
| Plus: Increase in UEFB                                                                                                                                                                                                                                                                                         |                 |               | -             |                |
| UEFB - CH Fund                                                                                                                                                                                                                                                                                                 |                 |               | -             |                |
| Plus: Decrease in UEFB                                                                                                                                                                                                                                                                                         |                 |               | -             |                |
| Reserves                                                                                                                                                                                                                                                                                                       |                 |               | 10,175,555    |                |
| Plus: Increase in reserves                                                                                                                                                                                                                                                                                     |                 |               |               |                |
| Adjusted Adopted Budget                                                                                                                                                                                                                                                                                        |                 |               | 113,695,769   |                |

**Reconciliation of 2019-20 Budget Changes****Appropriations**

|                                                                  |             |
|------------------------------------------------------------------|-------------|
| Total Appropriations from original Adopted Budget (June 3, 2019) | 102,318,844 |
| Changes in appropriations                                        |             |
| Supplemental Budget #1 (April 20, 2020)                          | 100,000     |
| Total Appropriations including Supplemental Budgets              | 102,418,844 |

**Unappropriated Ending Fund Balance (UEFB)**

|                                                        |             |
|--------------------------------------------------------|-------------|
| Unappropriated Ending Fund Balance - General Fund      | \$1,100,000 |
| Unappropriated Ending Fund Balance - Debt Service Fund | 1,370       |
| Total Unappropriated Ending Fund Balance               | \$1,101,370 |

**Reserves**

|                                         |              |
|-----------------------------------------|--------------|
| Reserves - Wastewater Fund              | 5,258,541    |
| Reserves - Water Fund                   | 4,681,907    |
| Reserves - Streets Capital Project Fund | 220,873      |
| Reserves - Stormwater SDC               | 14,234       |
| Total Reserves                          | \$10,175,555 |

|                                                                            |                      |
|----------------------------------------------------------------------------|----------------------|
| <b>Adjusted Adopted Budget (Sum of Appropriations, UEFB, and Reserves)</b> | <b>\$113,695,769</b> |
|----------------------------------------------------------------------------|----------------------|

# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 20, 2020

Order \_\_\_\_ Ordinance \_\_\_\_ Resolution \_\_\_\_ Motion \_\_\_\_ Information XX  
No. No.

**SUBJECT: Information on Newberg Committee for Public Art**

Contact Person (Preparer) for this  
Motion: Doug Rux, Director  
Dept.: Community Development  
File No.: MISC20-0010

## RECOMMENDATION:

Information only.

## EXECUTIVE SUMMARY:

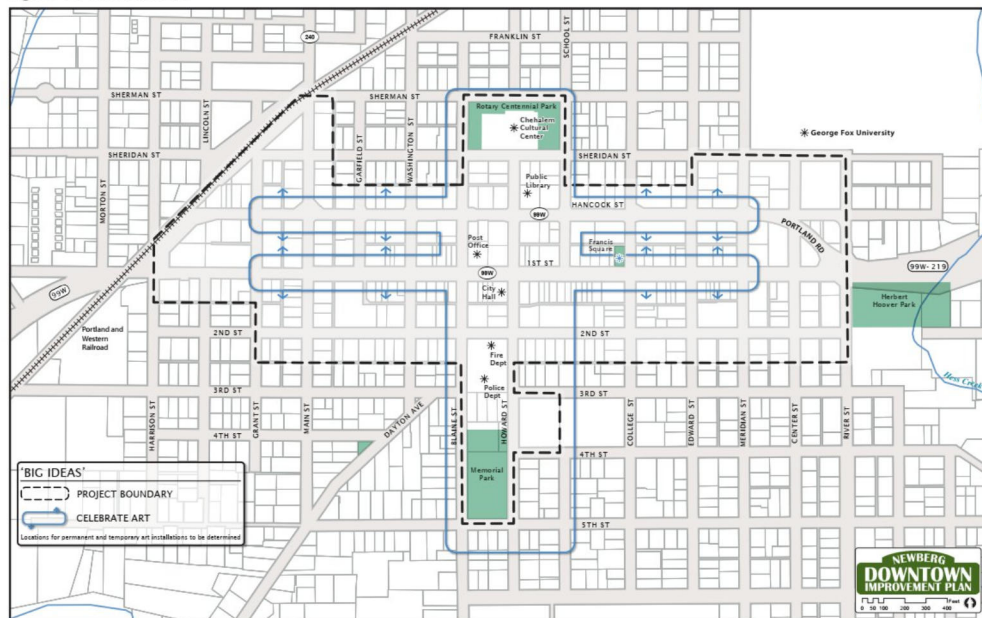
The Newberg Downtown Improvement Plan (NDIP) was adopted in December 2016. One of the 10 Big Ideas included art within the downtown area. The NDIP indicates the following:

Celebrate Art! Good art is good business

It's been said that "the sign of a great city is the strength of its cultural life." Public art helps create an attachment to one's community and has been proven to be a highly cost-effective way of helping spur economic revitalization in downtowns nationwide. Public art reflecting the character and identity of the community should be an important part of the Plan and should be provided through a mix of signature installations in locations special to the community such as Francis Square, within an improved streetscape environment along First and Hancock Streets, along the Cultural Corridor, or building upon the existing great examples of murals adorning the walls of downtown buildings.

Whether the installment is permanent or temporary, the ability of public art to educate, create jobs, increase real estate value, build community pride, increase tourism, and provide other benefits is well-known. According to the Urban Land Institute, "good art is good business."

Figure 15: Celebrate Art!



In the implementation section of the NDIP it contains the following:

Public art helps create an attachment to one's community and has been proven to be a highly cost-effective way of helping spur economic revitalization in downtowns nationwide. The following is recommended for bolstering the already established and active public art efforts in Newberg:

**Establish Public Art Program.** A public art program will guide the funding, selecting, and locating of public art in Newberg's downtown. A newly formed art committee will work with community partners to initiate and fund public art projects, lead educational workshops, and create dialogs around art in the downtown.

**Art Walk.** Creating an "artwalk" will lead visitors along a route with stops at permanent and temporary installations, as well as to local galleries and exhibits at the Chehalis Cultural Center and other venues.

#### Implementation Timing for Celebrate Art Projects and Actions

| Projects and Actions                                 | Timeline   |        |        |           |           | Cost      | Project Lead  | Coordination |
|------------------------------------------------------|------------|--------|--------|-----------|-----------|-----------|---------------|--------------|
|                                                      | Short-Term |        |        | Near-Term | Long-Term |           |               |              |
|                                                      | Year 1     | Year 2 | Year 3 | Years 4-6 | Years 7+  |           |               |              |
| <b>Celebrate Art</b>                                 |            |        |        |           |           |           |               |              |
| Establish public art program                         | ✓          |        |        |           |           | Staffing  | City          | NDC          |
| Identify program champion                            | ✓          |        |        |           |           | Staffing  | Art Committee | NDC, CCC     |
| Establish public art advisory committee              | ✓          |        |        |           |           | Staffing  | Art Committee | NDC, CCC     |
| Establish criteria, funding, and acquisition program |            | ✓      |        |           |           | Staffing  | Art Committee | NDC, CCC     |
| Initiate educational workshops and dialogues         |            | ✓      |        |           |           | Staffing  | Art Committee | NDC, CCC     |
| Project and program implementation                   |            |        | ✓      | ✓         | ✓         | TBD       | Art Committee | NDC, CCC     |
| Art walk                                             |            | ✓      | ✓      | ✓         |           | \$100,000 | City          | NDC, CCC     |

A NewBERG Community Visioning program (2019) identifies art as an important aspect in the community. Below is the vision, strategy and actions related to art.



## CULTURAL ASSETS



Newberg residents take pride in all that our community offers. As a cultural hub, there is a range of accessible artistic events and recreational activities as well as many local shops and restaurants you can wander into with friends.

### Strategy 3.3: Create a public art program

|   |                                                                                         |      |                  |                          |  |  |  |
|---|-----------------------------------------------------------------------------------------|------|------------------|--------------------------|--|--|--|
| 1 | Form an ad hoc committee to develop a public art policy that results in more public art | City |                  | <input type="checkbox"/> |  |  |  |
| 2 | Develop city policy of grant writing for public art                                     | City | Ad hoc committee | <input type="checkbox"/> |  |  |  |
| 3 | Explore creating a 1% for art program                                                   | City |                  | <input type="checkbox"/> |  |  |  |
| 4 | Develop public art program                                                              | TBD  | Artists          | <input type="checkbox"/> |  |  |  |
| 5 | Explore urban renewal district for public art                                           | City |                  | <input type="checkbox"/> |  |  |  |



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| Action Plan                |                                                  | Lead | Support          | Timeline                 |     |      | Details                                                                                                 |
|----------------------------|--------------------------------------------------|------|------------------|--------------------------|-----|------|---------------------------------------------------------------------------------------------------------|
|                            |                                                  |      |                  | Short                    | Mid | Long |                                                                                                         |
| Strategy 3.3: ...Continued |                                                  |      |                  |                          |     |      |                                                                                                         |
| 6                          | Identify locations for art and artistic activity | TBD  | Artists          | <input type="checkbox"/> |     |      | N: Activities may include visual art, performing art, (i.e. theater or music), and community art events |
| 7                          | Identify and support artists to produce art      | TBD  | Businesses, City | <input type="checkbox"/> |     |      |                                                                                                         |
| 8                          | Maintain public art                              | City | Artists          | <input type="checkbox"/> |     |      |                                                                                                         |

Finally, the 2019 Riverfront Master Plan identifies art in the form of gateway elements to enhance the Riverfront area as a destination location.



FIGURE 18. S RIVER STREET GATEWAY TO AN ACTIVE RIVERFRONT DISTRICT

To advance the art component of the Newberg Downtown Improvement Plan, A NewBERG and Riverfront Master Plan the Newberg Downtown Coalition in coordination with other arts groups such as the Chehalem Cultural Center, Newberg Area Historical Society and George Fox University have approached the City on establishing an arts committee that would be sponsored by non-profit organizations.

The consortium of organizations has prepared a set of proposed guidelines for the following activities:

- Proposed process for managing public art management
- Selection committee proposal
- Establishing a public art plan
- Fund Raising
- Selection Process
- Facilitating projects with the city
- Deaccessioning process

Members will be present to explain their proposal and gain feedback from the City Council.

#### **FISCAL IMPACT:**

None at this time.

#### **STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS FROM FEBRUARY 2020):**

Not applicable.

# Newberg Committee for Public Art Standards, Procedures and Guidelines

Proposed to Newberg City Council April 20, 2020

This document contains the proposed guidelines for the Newberg Public Art Committee. Updates to the document can be proposed by the committee and ratified by City Council as needed.

- Proposed process for managing public art management
  - Selection committee proposal
  - Establishing a public art plan
  - Fund Raising
  - Selection Process
  - Facilitating projects with the city
  - Deaccessioning process
- This committee will be sponsored by the non-profit organizations driving public art for Newberg and community input. Members will be drawn from these organizations.
  - Chehalem Cultural Center
  - George Fox University
  - Newberg Area Historical Society
  - Newberg Downtown Coalition
  - The community: Newberg Downtown Improvement Plan, Riverfront Plan, and Community members, City planning, public works, CPRD, and so on as needed.
- The functions of the steering committee are
  - Establishing an on-going public art acquisition plan
  - Driving Fund Raising
  - Establishing selection review committees with established criteria and recruitment processes
  - Guiding the program owners process from idea to implementation
  - Deaccessioning art from the public art collection

- The steering committee will create an ongoing plan for the acquisition of art with input from
  - The community
    - Newberg Downtown Improvement Plan, Riverfront Plan, and other Community members
    - City of Newberg, CPRD
  - Chehalem Cultural Center
  - George Fox University
  - Newberg Area Historical Society
  - Newberg Downtown Coalition
- The steering committee will share proposed plans with City Council through work sessions
- The steering committee will coordinate projects with the City Manager and Community Development Director
  - Including but not limited to art placement, length of display, insurance, maintenance, etc.
- The steering committee will work to raise money for acquisition, maintenance and care of Newberg Public Art
  - Grant applications with county, state, and federal programs
  - Recruitment of sponsors for specific proposed projects
  - City budget requests associated with specific projects
- Lifecycle costs of the project will be estimated and secured before proceeding with the project
  - Insurance, maintenance/refresh, removal costs are examples of life cycle costs
- Temporary Art exhibits (one year) will include costs above as well as an honorarium for the artist
- The money will be secured in a public art fund account either in the city or at one of the non-profits making up the steering committee.
- Disbursement of funds require the approval of the steering committee acting on the review committee recommendations for new projects and approval of the steering committee for maintenance and care of installed projects based on the approved project budget.
- Contributions that are specific to a program may only be spent on that program. Contributions that are general can be used for any approved program.

- The steering committee will appoint review committees to make selection recommendations for each project
- Review committees will contain at a minimum
  - Placement location representatives (e.g. neighborhood, owners, etc.)
  - Established art and placement experts for the art form proposed
  - Established artists for the art form proposed
  - Project content focus experts

Art selection criteria will guide the review committee

- Selection Criteria
  - Clear title without attendant restrictions
  - Reflects community values
  - Original Works and Authentication
  - Physical suitability for display in public setting
  - Reasonable maintainability and ability to safely secure
- Desired Attributes
  - Artistic excellence
  - Variety of Media, styles and techniques
  - Represents artists of varying acclaim
  - Value
  - Site appropriateness
- Accession
  - Open Competition
    - A call to artists in the region for a specific proposal
  - Direct Purchase
    - A decision to purchase from an artist or gallery
  - Artist Invitation
    - A call to a specific set of artists for a specific proposal
  - Donations



- Contribution of art from civic minded citizens is reviewed and placement and cost of care secured before accepting
- Contracts
  - The steering committee will ensure that contract with the selected artist includes scope of work, payment procedure, maximum cost including installation costs, insurance costs, catalog description and images, and cleaning and maintenance instructions
- The Steering committee will provide guidance to the proposed art program on
  - Establishment of a review committee
  - Requirements for selection and placement of public art in the city
  - Requirements for funding public art including placement, insurance and maintenance of the proposed public art
  - Recommendations for placement location neighborhood outreach to ensure awareness, engagement, and support
  - Appropriate engagement with City Manager and Community Development Director for successful implementation of a program
- Public art may be deaccessioned due to irreparable damage or shift in artistic merit over time
  - Permanent Public Art is a long term investment and deaccession should be considered only after 10 years or in case of irreparable damage
  - Temporary exhibitions can be deaccessioned after their agreed term of exhibition
  - Donated art can be deaccessioned after review of legal documents concerning the donation.
- Funds raised from the sale of deaccessioned art can only be used for art projects approved by the Steering and Review Committees. Appropriate appraisals and process must be followed.
- Deaccessioning review committee will be established by the steering committee with membership reflecting location representatives, art experts, and removal experts.
  - Deaccessioning committee must recommend the details of deaccession including sale price, removal costs, legal review, artist notification.
  - Approval and Costs for removal must be secured from the steering committee.

# REQUEST FOR COUNCIL ACTION

**DATE ACTION REQUESTED: April 20, 2020**

**Order \_\_\_\_ Ordinance \_\_\_\_ Resolution \_\_\_\_ Motion \_\_\_\_ Information XX**  
**No. No.**

**SUBJECT: Information on establishing a  
Construction Excise Tax**

**Contact Person (Preparer) for this  
Motion: Doug Rux, Director  
Dept.: Community Development  
File No.: GEN19-0004**

## RECOMMENDATION:

Information only.

## EXECUTIVE SUMMARY:

On December 18, 2017 the City Council received and discussed a final proposal from Housing Newberg on a list of items to address housing affordability in Newberg. City Council directed staff to work on four of the proposals over the next 18-24 months. Those work items included:

1. Annexations and R-3 designations - completed
2. Accessory Dwelling Units - completed
3. Construction Excise Tax – under development
4. Missing Middle Level Housing – tied to HB 2001 implementation in 2020 and 2021 from the 2019 Oregon Legislature

Since December of 2017 the list on housing issues has grown to encompass 37 items which includes the Housing Newberg original proposal. Staff initiated the Construction Excise Tax (CET) work task in January 2019.

Senate Bill 1533 from the 2016 Oregon Legislative session is the enabling legislation that allows local jurisdictions to implement a construction excise tax (Attachment 1). Sections 8 and 9 of the bill is the applicable law for a city to establish a construction excise tax.

On January 6, 2020 staff provided an information report outlining a series of questions on the CET proposal. City Council provided direction to return to the Affordable Housing Commission to seek guidance and clarification on the proposed questions. The Affordable Housing Commission met on February 25, 2020 and discussed the outlined questions. The Affordable Housing Commission has developed a final recommendation to be brought before the City Council for consideration at a public hearing. That hearing was tentatively planned to occur on April 20, 2020.

Since the February 25 Affordable Housing Commission meeting global dynamics have changed significantly with the COVID-19 pandemic. Governor Brown declared a State of Emergency on March 8, 2020, President Trump declared a national emergency on March 14, 2020, Governor Brown adopted Executive Order 20-12 on March 23, 2020 and Mayor Rogers declared a Local State of Emergency on March 16, 2020.

With COVID-19 our Local economy, State economy and National economy have seen significant impacts with employees laid off from their jobs, businesses temporarily closed, disruption of supply chains, individuals teleworking, reduction in Gross Domestic Product by an estimated 29%, challenges for our

development community to move forward with housing products, and the ability of our businesses and citizens to engage with local government with the Governor' Stay Home, Saves Lives Executive Order 20-12, as a few examples.

Based on the current status of our nation and the State of Oregon it is staff's opinion that the proposal for a Construction Excise Tax public hearing be delayed to the fall of 2020 in order for our citizens, businesses, and developers to actively participate in reviewing the Construction Excise Tax proposal.

**FISCAL IMPACT:**

Staff prepared revenue estimates on a CET program assuming 100 residential units for FY 20/21 that would generate \$300,000. This was estimating 12 months of revenue. Delaying a public hearing on the program proposal to the fall of 2020 with an implementing date of January 1, 2020 would reduce the revenue estimate by roughly 50%, depending on the timing of developer building permit issuance.

**STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS FROM FEBRUARY 2020):**

3. Promote development of housing affordability such as houselessness, transitional housing, workforce housing.

The Construction Excise Tax is one possible tool to address housing affordability based on the current overall list of 37 housing affordability work items.

Attachment: 1. SB 1533

78th OREGON LEGISLATIVE ASSEMBLY--2016 Regular Session

## Enrolled Senate Bill 1533

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Workforce and General Government)

CHAPTER .....

## AN ACT

Relating to affordable housing; creating new provisions; amending ORS 197.309, 320.170, 320.176 and 320.186 and section 1, chapter 829, Oregon Laws 2007; repealing section 9, chapter 829, Oregon Laws 2007; and prescribing an effective date.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 197.309 is amended to read:

197.309. (1) **As used in this section:**

(a) **"Affordable housing" means housing that is affordable to households with incomes equal to or higher than 80 percent of the median family income for the county in which the housing is built.**

(b) **"Multifamily structure" means a structure that contains three or more housing units sharing at least one wall, floor or ceiling surface in common with another unit within the same structure.**

[(1)] (2) Except as provided in subsection [(2)] (3) of this section, a [city, county or] metropolitan service district may not adopt a land use regulation or functional plan provision, or impose as a condition for approving a permit under ORS 215.427 or 227.178[,] a requirement, that has the effect of establishing the sales **or rental** price for a housing unit or residential building lot or parcel, or that requires a housing unit or residential building lot or parcel to be designated for sale **or rent** to [any] a particular class or group of purchasers **or renters**.

[(2)] (3) [This] **The provisions of subsection (2) of this section** [does] **do** not limit the authority of a [city, county or] metropolitan service district to:

(a) Adopt or enforce a [land] use regulation, [functional plan] provision or [condition of approval] **requirement** creating or implementing an incentive, contract commitment, density bonus or other voluntary regulation, provision or [condition] **requirement** designed to increase the supply of moderate or lower cost housing units; or

(b) Enter into an affordable housing covenant as provided in ORS 456.270 to 456.295.

(4) **Notwithstanding ORS 91.225, a city or county may adopt a land use regulation or functional plan provision, or impose as a condition for approving a permit under ORS 215.427 or 227.178 a requirement, that has the effect of establishing the sales or rental price for a new multifamily structure, or that requires a new multifamily structure to be designated for sale or rent as affordable housing.**

(5) **A regulation, provision or requirement adopted or imposed under subsection (4) of this section:**

(a) May not require more than 20 percent of housing units within a multifamily structure to be sold or rented as affordable housing;

(b) May apply only to multifamily structures containing at least 20 housing units;

(c) Must provide developers the option to pay an in-lieu fee, in an amount determined by the city or county, in exchange for providing the requisite number of housing units within the multifamily structure to be sold or rented at below-market rates; and

(d) Must require the city or county to offer a developer of multifamily structures, other than a developer that elects to pay an in-lieu fee pursuant to paragraph (c) of this subsection, at least one of the following incentives:

(A) Whole or partial fee waivers or reductions.

(B) Whole or partial waivers of system development charges or impact fees set by the city or county.

(C) Finance-based incentives.

(D) Full or partial exemption from ad valorem property taxes on the terms described in this subparagraph. For purposes of any statute granting a full or partial exemption from ad valorem property taxes that uses a definition of "low income" to mean income at or below 60 percent of the area median income and for which the multifamily structure is otherwise eligible, the city or county shall allow the multifamily structure of the developer to qualify using a definition of "low income" to mean income at or below 80 percent of the area median income.

(6) A regulation, provision or requirement adopted or imposed under subsection (4) of this section may offer developers one or more of the following incentives:

(a) Density adjustments.

(b) Expedited service for local permitting processes.

(c) Modification of height, floor area or other site-specific requirements.

(d) Other incentives as determined by the city or county.

(7) Subsection (4) of this section does not restrict the authority of a city or county to offer developers voluntary incentives, including incentives to:

(a) Increase the number of affordable housing units in a development.

(b) Decrease the sale or rental price of affordable housing units in a development.

(c) Build affordable housing units that are affordable to households with incomes equal to or lower than 80 percent of the median family income for the county in which the housing is built.

(8)(a) A city or county that adopts or imposes a regulation, provision or requirement described in subsection (4) of this section may not apply the regulation, provision or requirement to any multifamily structure for which an application for a permit, as defined in ORS 215.402 or 227.160, has been submitted as provided in ORS 215.416 or 227.178 (3), or, if such a permit is not required, a building permit application has been submitted to the city or county prior to the effective date of the regulation, provision or requirement.

(b) If a multifamily structure described in paragraph (a) of this subsection has not been completed within the period required by the permit issued by the city or county, the developer of the multifamily structure shall resubmit an application for a permit, as defined in ORS 215.402 or 227.160, as provided in ORS 215.416 or 227.178 (3), or, if such a permit is not required, a building permit application under the regulation, provision or requirement adopted by the city or county under subsection (4) of this section.

(9)(a) A city or county that adopts or imposes a regulation, provision or requirement under subsection (4) of this section shall adopt and apply only clear and objective standards, conditions and procedures regulating the development of affordable housing units within its jurisdiction. The standards, conditions and procedures may not have the effect, either individually or cumulatively, of discouraging development of affordable housing units through unreasonable cost or delay.

(b) Paragraph (a) of this subsection does not apply to:

(A) An application or permit for residential development in an area identified in a formally adopted central city plan, or a regional center as defined by Metro, in a city with a population of 500,000 or more.

(B) An application or permit for residential development in historic areas designated for protection under a land use planning goal protecting historic areas.

(c) In addition to an approval process for affordable housing based on clear and objective standards, conditions and procedures as provided in paragraph (a) of this subsection, a city or county may adopt and apply an alternative approval process for applications and permits for residential development based on approval criteria regulating, in whole or in part, appearance or aesthetics that are not clear and objective if:

(A) The developer retains the option of proceeding under the approval process that meets the requirements of paragraph (a) of this subsection;

(B) The approval criteria for the alternative approval process comply with applicable statewide land use planning goals and rules; and

(C) The approval criteria for the alternative approval process authorize a density at or above the density level authorized in the zone under the approval process provided in paragraph (a) of this subsection.

(10) If a regulation, provision or requirement adopted or imposed by a city or county under subsection (4) of this section requires that a percentage of housing units in a new multifamily structure be designated as affordable housing, any incentives offered under subsection (5)(d) or (6) of this section shall be related in a manner determined by the city or county to the required percentage of affordable housing units.

**SECTION 2.** ORS 320.170 is amended to read:

320.170. (1) [*Construction taxes may be imposed by*] A school district, as defined in ORS 330.005, **may impose a construction tax only** in accordance with ORS 320.170 to 320.189.

(2) Construction taxes imposed by a school district must be collected, subject to ORS 320.179, by a local government, local service district, special government body, state agency or state official that issues a permit for structural improvements regulated by the state building code.

**SECTION 3. Section 1, chapter 829, Oregon Laws 2007, is added to and made a part of ORS 320.170 to 320.189.**

**SECTION 4.** Section 1, chapter 829, Oregon Laws 2007, is amended to read:

**Sec. 1.** (1) A local government or local service district, as defined in ORS 174.116, or a special government body, as defined in ORS 174.117, may not impose a tax on the privilege of constructing improvements to real property except as provided in [*sections 2 to 8 of this 2007 Act*] **ORS 320.170 to 320.189.**

(2) Subsection (1) of this section does not apply to:

(a) A tax that is in effect as of May 1, 2007, or to the extension or continuation of such a tax, provided that the rate of tax does not increase from the rate in effect as of May 1, 2007;

(b) A tax on which a public hearing was held before May 1, 2007; or

(c) The amendment or increase of a tax adopted by a county for transportation purposes prior to May 1, 2007, provided that the proceeds of such a tax continue to be used for those purposes.

(3) For purposes of [*this section and sections 2 to 8 of this 2007 Act*] **ORS 320.170 to 320.189**, construction taxes are limited to privilege taxes imposed under [*sections 2 to 8 of this 2007 Act*] **ORS 320.170 to 320.189** and do not include any other financial obligations such as building permit fees, financial obligations that qualify as system development charges under ORS 223.297 to 223.314 or financial obligations imposed on the basis of factors such as income.

**SECTION 5.** ORS 320.176 is amended to read:

320.176. (1) Construction taxes imposed [*under ORS 320.170 to 320.189*] **by a school district pursuant to ORS 320.170** may be imposed only on improvements to real property that result in a new structure or additional square footage in an existing structure and may not exceed:

(a) \$1 per square foot on structures or portions of structures intended for residential use, including but not limited to single-unit or multiple-unit housing; and



(b) \$0.50 per square foot on structures or portions of structures intended for nonresidential use, not including multiple-unit housing of any kind.

(2) In addition to the limitations under subsection (1) of this section, a construction tax imposed on structures intended for nonresidential use may not exceed \$25,000 per building permit or \$25,000 per structure, whichever is less.

(3)(a) For years beginning on or after June 30, 2009, the limitations under subsections (1) and (2) of this section shall be adjusted for changes in construction costs by multiplying the limitations set forth in subsections (1) and (2) of this section by the ratio of the averaged monthly construction cost index for the 12-month period ending June 30 of the preceding calendar year over the averaged monthly construction cost index for the 12-month period ending June 30, 2008.

(b) The Department of Revenue shall determine the adjusted limitations under this section and shall report those limitations to entities imposing construction taxes. The department shall round the adjusted limitation under subsection (2) of this section to the nearest multiple of \$100.

(c) As used in this subsection, "construction cost index" means the Engineering News-Record Construction Cost Index, or a similar nationally recognized index of construction costs as identified by the department by rule.

**SECTION 6.** ORS 320.186 is amended to read:

320.186. A school district may pledge construction taxes **imposed pursuant to ORS 320.170** to the payment of obligations issued to finance or refinance capital improvements as defined in ORS 320.183.

**SECTION 7.** Sections 8 and 9 of this 2016 Act are added to and made a part of ORS 320.170 to 320.189.

**SECTION 8.** (1) The governing body of a city or county may impose a construction tax by adoption of an ordinance or resolution that conforms to the requirements of this section and section 9 of this 2016 Act.

(2)(a) A tax may be imposed on improvements to residential real property that result in a new residential structure or additional square footage in an existing residential structure, including remodeling that adds living space.

(b) An ordinance or resolution imposing the tax described in paragraph (a) of this subsection must state the rate of the tax. The tax may not exceed one percent of the permit valuation for residential construction permits issued by the city or county either directly or through the Building Codes Division of the Department of Consumer and Business Services.

(3)(a) A tax may be imposed on improvements to commercial and industrial real property, including the commercial and industrial portions of mixed-use property, that result in a new structure or additional square footage in an existing structure, including remodeling that adds living space.

(b) An ordinance or resolution imposing the tax described in paragraph (a) of this subsection must state the rate and base of the tax.

(4) Taxes imposed pursuant to this section shall be paid at the time specified in ORS 320.189 to the city or county that imposed the tax.

(5)(a) This section and section 9 of this 2016 Act do not apply to a tax described in section 1 (2), chapter 829, Oregon Laws 2007.

(b) Conformity of a tax imposed pursuant to this section by a city or county to the requirements of this section and section 9 of this 2016 Act shall be determined without regard to any tax described in section 1 (2), chapter 829, Oregon Laws 2007, that is imposed by the city or county.

**SECTION 9.** (1) As soon as practicable after the end of each fiscal quarter, a city or county that imposes a construction tax pursuant to section 8 of this 2016 Act shall deposit the construction tax revenues collected in the fiscal quarter just ended in the general fund of the city or county.

(2) Of the revenues deposited pursuant to subsection (1) of this section, the city or county may retain an amount not to exceed four percent as an administrative fee to recoup the expenses of the city or county incurred in complying with this section.

(3) After deducting the administrative fee authorized under subsection (2) of this section and paying any refunds, the city or county shall use the remaining revenues received under section 8 (2) of this 2016 Act as follows:

(a) Fifty percent to fund developer incentives allowed or offered pursuant to ORS 197.309 (5)(c) and (d) and (7);

(b) Fifteen percent to be distributed to the Housing and Community Services Department to fund home ownership programs that provide down payment assistance; and

(c) Thirty-five percent for programs and incentives of the city or county related to affordable housing as defined by the city or county, respectively, for purposes of this section and section 8 of this 2016 Act.

(4) After deducting the administrative fee authorized under subsection (2) of this section and paying any refunds, the city or county shall use 50 percent of the remaining revenues received under section 8 (3) of this 2016 Act to fund programs of the city or county related to housing.

**SECTION 10.** Section 9, chapter 829, Oregon Laws 2007, is repealed.

**SECTION 11.** A city or county may not adopt a regulation, provision or requirement under ORS 197.309, as amended by section 1 of this 2016 Act, until the 180th day after the effective date of this 2016 Act.

**SECTION 12.** This 2016 Act takes effect on the 91st day after the date on which the 2016 regular session of the Seventy-eighth Legislative Assembly adjourns sine die.

Passed by Senate February 26, 2016

Received by Governor:

.....M.,....., 2016

.....  
Lori L. Brocker, Secretary of Senate

Approved:

.....M.,....., 2016

.....  
Peter Courtney, President of Senate

.....  
Kate Brown, Governor

Passed by House March 3, 2016

Filed in Office of Secretary of State:

.....  
Tina Kotek, Speaker of House

.....M.,....., 2016

.....  
Jeanne P. Atkins, Secretary of State

# REQUEST FOR COUNCIL ACTION

**DATE ACTION REQUESTED: April 20, 2020**

**Order \_\_\_ Ordinance \_\_\_ Resolution \_\_\_ Motion XX Information \_\_\_**  
**No. No. No.**

**SUBJECT: 2019-2012 Notice of Funding Availability for the Newberg Affordable Housing Trust Fund Time Sensitive Loan/Grant Program**

**Contact Person (Preparer) for this Motion: Doug Rux, Director  
Dept.: Community Development  
File No.:**

## **RECOMMENDATION:**

Motion: I move approving the content of the 2019-2020 Notice of Funding Availability (NOFA) for the Newberg Affordable Housing Trust Fund (NAHTF) as shown in Attachment 1 and authorize staff to proceed with notification and publication of the NOFA with a May 14, 2020 application deadline.

## **EXECUTIVE SUMMARY:**

Resolution No. 2012-2988 established the Policies and Procedures for the Administration of the Newberg Affordable Housing Trust Fund (NAHTF). Resolution No. 2015-3202 amended the Policies and Procedures for the Administration of the NAHTF. Resolution No. 2015-3211, 2016-3306, and 2018-3457 further amended the Policies and Procedures for the Administration of the NAHTF. Section 5.4 states that “The City of Newberg shall annually issue a notice of funding availability (NOFA) to announce the availability of funds. The City shall also issue a request for proposals (RFP) for affordable housing projects that are not time sensitive.”

On February 25, 2020, the Newberg Affordable Housing Commission (NAHC) approved a draft of the 2019-2020 NOFA as shown in Attachment 1. As stated in Section 5.7 of Resolution No. 2018-3457, “...the commission shall meet annually to prepare the NAHTF’s annual NOFA and RFP for consideration of approval by the city council...”

The Affordable Housing Commission delayed the NOFA for this fiscal as they worked on the Construction Excise Tax program. In past years the NOFA included the Competitive Loan Program and Rehabilitation Loan Program as well as the Time Sensitive Loan/Grant Program. This year the Affordable Housing Commission is only recommending the Time Sensitive Loan/Grant Program. The median family income was adjusted to reflect the U.S. Housing and Urban Development value which is \$87,900 for 2019.

The Newberg Affordable Housing Commission passed a motion 4-0 on February 25, 2020 recommending the City Council accept the NOFA documents.

## **FISCAL IMPACT:**

Fund 14 has funds budgeted for loans in FY 2019-2020 of \$5,000.

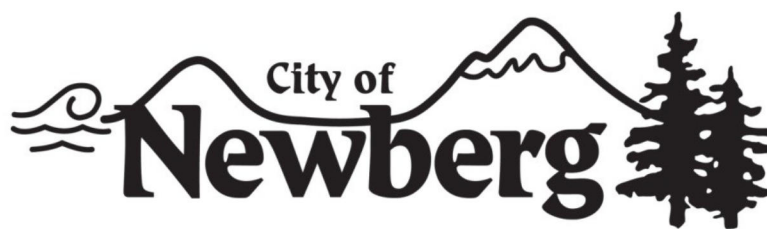
## **STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS FROM FEBRUARY 2020):**

3. Promote development of housing affordability such as houselessness, transitional housing, workforce

housing.

Accepting the NOFA would further Goal 3 by providing funding opportunities to assist local affordable housing projects.

Attachment: 1. NOFA Documents



**Newberg Affordable Housing Trust Fund  
Funding Request Application  
FY 2019-2020 Time Sensitive Loan/Grant Program**

**NOTE:** Applications are due May 14, 2020 at 4:30 p.m. Applications are to be submitted to Doug Rux, Community Development Director by email at [doug.rux@newbergoregon.gov](mailto:doug.rux@newbergoregon.gov) or by postal mail via City of Newberg, PO Box 970, Newberg, Oregon, 97132 or by hand delivery to City Hall, 414 E First Street.

If you would like to request a Word format version of this application please contact Doug Rux at [doug.rux@newbergoregon.gov](mailto:doug.rux@newbergoregon.gov)

**Project name:**

**Organization name:**

**Is your organization a for-profit or non-profit?**

**Contact name/title:**

**Mailing address:**

**Telephone:**

**Email address:**

**Total project cost:**

**Requested amount of funding: Please specify amount of loans you are requesting.**

**Amount and description of matching resources being contributed to the project:**

**Project partners and their contributions to the project:**

**Estimated project beginning and completion date:**

**Please briefly describe the affordable housing problem you are trying to solve and how your project help in solving that challenge:**

**Please describe how your project will address the Competitive Awards Selection Criteria described in “Attachment A” of this form, including additional documentation/evidence as needed:**



## ATTACHMENT A

### Newberg Affordable Housing Trust Fund FY 2019-2020 Competitive Awards Program Selection Criteria

| Minimum Threshold Criteria                                                                                                                                                                                                                                                                                                                                                                                                             | Potential Points |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 1. The project is considered an eligible use or activity under Section 3, and benefits households earning less than 80% of the area median income (threshold verification)*.                                                                                                                                                                                                                                                           | NA               |
| 2. If the project is related to the provision of technical assistance to affordable housing providers, the use of Newberg Affordable Housing Trust Funds functions to increase the capacity of the organization to specifically address the mission of the NAHTF (threshold verification).                                                                                                                                             | NA               |
| 4. The project is ready for implementation.                                                                                                                                                                                                                                                                                                                                                                                            | NA               |
| 5. If the project includes the acquisition of property, the identified property is currently available for acquisition and the applicant has secured either a purchase option or letter of interest from the seller. If the applicant is also applying for federal funding (i.e. Community Development Block Grants or HOME) they should carefully review procurement requirements and limitations before obtaining a purchase option. | NA               |
| 6. That relocation of existing residents will be minimized, and when necessary, the applicant has included accurate relocation assistance costs as part of the project pro forma.                                                                                                                                                                                                                                                      | NA               |
| 7. The proposal demonstrates that the Newberg Affordable Housing Trust Funds are the most appropriate funding source, and necessary, for the project.                                                                                                                                                                                                                                                                                  | NA               |
| Scored Application Criteria                                                                                                                                                                                                                                                                                                                                                                                                            |                  |
| 10. The project provides new affordable housing, or new affordability, through retention or rehabilitation of existing housing, within the city.                                                                                                                                                                                                                                                                                       | Up to 10 points  |
| 11. The project retains the affordable housing units as affordable. The longer period of time the units remain affordable, the higher ranking the project shall be given.                                                                                                                                                                                                                                                              | Up to 15 points  |
| 12. The project addresses energy conservation through the integration of green building technologies in new construction, or achieves greater energy efficiency and cost savings to tenants through rehabilitation of existing housing.                                                                                                                                                                                                | Up to 5 points   |
| 13. The project maximizes partnerships in the community (volunteers, in-kind contributions, cash contributions, multiple organization involved, etc.).                                                                                                                                                                                                                                                                                 | Up to 5 points   |
| 14. The project utilizes already existing resources in effective and innovative ways. The project shall not duplicate services provided by another organization.                                                                                                                                                                                                                                                                       | Up to 10 points  |

|                                                                                                                                                           |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 15. The agency submitting the proposal has the capacity to carry out the project and has had demonstrated successes completing projects of similar scope. | Up to 10 points |
| 16. The budget and timeline are thorough and realistic (evidence of construction and/ or service costs required with application).                        | Up to 10 points |
| <b>Total Potential Points</b>                                                                                                                             | <b>65</b>       |

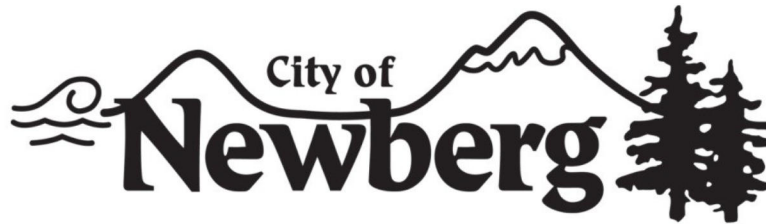
\*FOR 2019, the Median Family Income for the City of Newberg was \$87,900.

#### DEFINITIONS:

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## **Notice of Funding Availability Newberg Affordable Housing Trust Fund Fiscal Year 2019 - 2020**

This Notice of Funding Availability (NOFA) is directed to organizations (non-profit and for-profit) and individuals that provide affordable housing and/or related services within the City of Newberg. The goal of this NOFA is to inform the intended audience of the availability of funds to assist with activities that will assist with the creation/acquisition of new affordable housing or the maintenance of existing affordable housing inventory within the community.

### **Funding Availability by Program**

Funding of up to \$5,000 is available for the fiscal year ending June 30, 2020 for the following program:

**Time Sensitive Loan/Grant Program:** Up to \$5,000 is available for this program. This program offers loans or grants for projects that create, acquire, or retain affordable housing in the community that have particular needs that are opportunity driven and time sensitive. The standard loan term is two years. The standard interest rate is 2% below prime rate. Security shall be demonstrated based upon 80% loan to value ratio based on the most current County Assessor records. These funds are available on a first come/first served basis, subject to approval. Grants are not subject to the loan terms.

### **Deadlines:**

**For the application cycle deadline of May 14, 2020, the NAHC will consider awarding loan awards totaling up to \$5,000.**

### **What is the Newberg Affordable Housing Trust Fund (NAHTF)?**

The NAHTF is a financial resource intended to support the development, preservation, and rehabilitation of affordable housing that is affordable to the citizens of Newberg. The primary

purpose of the NAHTF is to encourage the development, preservation, and rehabilitation of housing for homeownership or rent, at a cost that will enable very low, low and moderate-income families to afford quality housing while paying no more than thirty percent of gross household income on housing. To promote the rehabilitation, preservation and production of quality, well-designed rental and ownership housing, the NAHTF will award funds to community development partners that are furthering the NAHTF mission. It is expected that the local contributions made through Newberg's Affordable Housing Trust Fund will maximize the leveraging of state and federal funds, as well as encourage private sector investment in affordable housing.

The City of Newberg defines affordable housing as residential housing primarily for households or persons earning less than 80% of the median area income (MHI) and where housing and/or rental costs do not constitute more than 30% of a household's income. MHI shall be established by the most current U.S. Department of Housing and Urban Development Department data for Yamhill County, Oregon as determined by the Community Development Director in the year of application submission.

### **What are the eligibility requirements?**

\*FOR 2019, the Median Family Income for the City of Newberg was \$87,900.

#### **DEFINITIONS:**

"Gross Income" (AGI) is income before taxes for all members of one family in the previous twelve months. Income can be derived from salaries, investments, self-employment, farming, and other sources. Assets such as a house or a farm are not income. For people who have wages, gross income means the figure that they would have received in their paychecks if there were no taxes. Gross income before taxes when applied to farm income means the figure that results when farm expenses are subtracted from farm sales. Gross income also includes unemployment and disability compensation, worker's compensation and severance pay; and welfare assistance payments.

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members of the household at the time of application are included. However, the composition of most households was the same during the past 12 months as at the time of application, as defined by the U.S. Census.

### **How was the NAHTF created?**

The creation of a NAHTF was a proposal identified in the Newberg Affordable Housing Action Plan. This Plan was created by an ad-hoc committee created by the Newberg City Council, which consisted of from a wide range in interests in community interested in the development and preservation of affordable housing. The Plan was adopted by Council via Resolution No. 2009-2843. A subsequent Newberg Affordable Housing Action Committee was appointed by the City Council to further develop the action items listed in the Plan, including the creation of an affordable housing trust fund. The Committee created a multiple documents for consideration of adoption by the Council. In 2012, the Council adopted Ordinance No. 2012-2749, establishing the NAHTF as well as Resolution No. 2012-2988, establishing the policies and procedures for the administration of the NAHTF which later amended by Resolution No. 2015-3202, Resolution No. 2015-3211, Resolution No. 2016-3306 and Resolution No. 2018-3457.

### **Who can access funding from the NAHTF?**

Eligible recipients of resources from the NAHTF are organizations with interests in developing and/or preserving affordable housing in Newberg. Potential recipients include governmental subdivisions, community development corporations, local housing authorities, community action agencies, community-based or neighborhood-based non-profit housing organizations, other non-profit organizations, for-profit entities and private employers, and private landlords.

### **What types of projects qualify for funding under the NAHTF?**

The Newberg Affordable Housing Trust Funds can be provided as either a grant or a loan depending on the project or program receiving funding.

To retain a significant degree of flexibility, the eligible uses have a broad application including the following:

***Acquisition and construction of new affordable housing.*** Eligible acquisition and construction costs include reasonable costs associated with building or land purchase, including but not limited to:

- Purchase price
- Option costs
- Financing fees including but not limited to the recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.
- Appraisal costs
- Closing costs

- Inspection fees
- Title insurance
- Relocation costs
- Architectural/engineering fees
- Permit fees
- System development charges
- Construction costs

**Conservation** of energy through the use of “green” technologies provided that the benefits of the energy savings is passed on in the form of reduced costs to the qualified occupants of the affordable housing.

**Land banking** to include the purchase of land to be dedicated toward the development of affordable housing in the near or long-term.

**Predevelopment activities** undertaken by a community development organization in support of the development of affordable housing including planning, architectural services, engineering services, landscape design, legal services, surveys, appraisals, site clearance and demolition, environmental clearance, permit application fees and system development charges. Grant funding for these types of activities may be required to convert to a loan if the project receives full funding. For-profit developers are not eligible to apply for Newberg’s Affordable Housing Trust Funds to assist with predevelopment costs.

**Bridge loans** to assist in development of affordable housing (for rental or owner occupancy). Bridge loans are intended to provide funding to permit housing projects to proceed in advance of the availability of permanent project funding. Bridge loan funding is available for acquisition or construction activities.

**Capacity building** for non-profit affordable housing providers in the form of direct grant awards to fund administration of an affordable housing project or program.

**Rehabilitation and emergency repairs** as part of an established program to secure units as affordable or to provide direct benefits to existing very low to moderate income households. Eligible rehabilitation and emergency repair costs include but are not limited to:

- Architectural/engineering fees
- Consultations
- Construction costs
- Relocation costs
- Financing fees including but not limited to the recording of trust deeds and promissory notes, title searches, and other third party costs related to securing the loan.
- Hazardous materials abatement including lead based paint noticing consistent with the Federal Lead Safe Housing Regulations HUD requirements at 24 CFR §35

***Direct benefits*** to very low to moderate income households through an established program including down payment assistance, rental assistance, mortgage foreclosure prevention, emergency housing vouchers, homeownership training, renter education, or other programs intended to increase housing opportunities for Newberg's low to moderate income residents.

***Transitional and emergency housing*** for homeless individuals and families through an established program to move people toward self-sufficiency.

***Educational programs and services*** for potential home owners and renters.

***Other uses as deemed appropriate*** by the Newberg City Council as supporting the development or preservation of affordable housing within the City of Newberg.

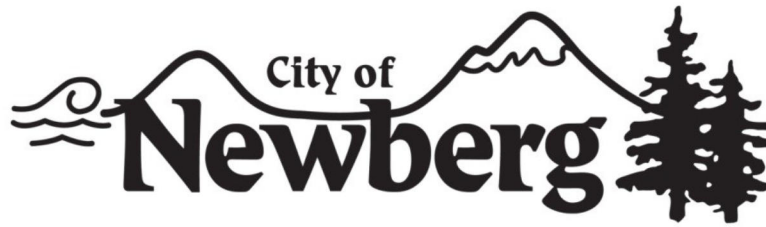
**How does one apply for funding under NAHTF?**

The application form for funding under the NAHTF can be found at ([city web site link](#)) or may be picked up at the Newberg City Hall at 414 E First Street.

**Who do I contact with questions about the NAHTF?**

For questions about the NAHTF, please contact Doug Rux at 503-537-1212 or at [Doug.Rux@newbergoregon.gov](mailto:Doug.Rux@newbergoregon.gov), P.O. Box 970 Newberg, OR 97132





## **Notice of Funding Availability Newberg Affordable Housing Trust Fund Fiscal Year 2019 - 2020**

The Newberg Affordable Housing Trust Fund (NAHTF) has funding available for the current fiscal year ending June 30, 2020. Funds are available to organizations (non-profit and for-profit) and individuals that provide affordable housing and/or related services within Newberg. Funds are to assist with the creation/acquisition of new affordable housing or the maintenance of existing affordable housing inventory within the community. Up to \$5,000 in loans/grants under the Time Sensitive Loan/Grant program are available from the NAHTF.

### **Deadlines:**

**For the application cycle deadline of May 14, 2020, the NAHC will consider awarding grant awards totaling up to \$5,000.**

For a more detailed description of this NOFA, please visit the following website link  
XXXXXX\_\_\_\_\_

or visit City Hall at 414 E First Street. For questions about the NAHTF, please contact Doug Rux at 503-537-1212 or at [doug.rux@newbergoregon.gov](mailto:doug.rux@newbergoregon.gov), P.O. Box 970 Newberg, OR 97132.

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# REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: April 20, 2020

|                   |                       |                                       |             |                  |
|-------------------|-----------------------|---------------------------------------|-------------|------------------|
| Order ____<br>No. | Ordinance ____<br>No. | Resolution <u>XX</u><br>No. 2020-3669 | Motion ____ | Information ____ |
|-------------------|-----------------------|---------------------------------------|-------------|------------------|

**SUBJECT: A Resolution supporting grant applications and authorizing the Community Development Director to apply for a DLCD 2019-21 Planning Assistance Direct Grants for HB 2001 and HB 2003 implementation and authorizing the City Manager to execute all grant award contract documents**

**Contact Person (Preparer) for this Motion: Doug Rux, Director  
Dept.: Community Development  
File No.: GRNT20-0002**

## RECOMMENDATION:

Adopt Resolution No. 2020-3669.

## EXECUTIVE SUMMARY:

During the 2019 legislative session, the Legislature appropriated funds to DLCD for the purpose of providing planning assistance to local governments for the purpose of: 1) assisting local governments with the development of regulations to allow middle housing, as specified in HB 2001; 2) assisting local governments with the development of plans to improve water, sewer, storm drainage and transportation services in areas where middle housing types may not be feasible due to service constraints, as specified in HB 2001; and 3) provide planning assistance to local governments to implement the provisions specified in HB 2003, including housing needs analyses and housing production strategies

Cities and Counties Subject to HB 2001:

- Non-Metro cities with a population greater than 10,000
- Cities and counties over 1,000 residents in the Portland Metropolitan service district

Cities Subject to HB 2003:

- Cities with a population greater than 10,000

The purpose of the grant applications are:

### HB 2001 (2019 Legislative Session)

1. To prepare a hearings-ready development code or, for cities required to comply with House Bill 2001 (2019 Legislative Session) by June 30, 2022, recommendations for comprehensive plan and development code amendments to comply with the provisions of House Bill 2001 (2019 Legislative Session) regarding middle housing.
2. To identify significantly deficient infrastructure systems (water, wastewater, storm drainage, and/or transportation) and to formulate a plan to remedy such deficiency in order to accommodate middle housing in those areas.

### HB 2003 (2019 Legislative Session)

1. To create a housing needs analysis in accordance with ORS 197.296 and OAR chapter 660, divisions 7

and 8.

2. To create a prototype housing production strategy that can help the department and Commission in its formulation of administrative rules.

Newberg has a population of 24,045 and is subject only to standards relating to cities with a population under 25,000. However, on August 5, 2019 the Newberg City Council directed the Community Development Director to pursue implementation standards for cities with both a population lower than 25,000 and a population over 25,000 as Newberg is on the cusp of crossing the 25,000 population threshold.

To better understand housing needs and affordability, the City conducted a Housing Needs Analysis (HNA) from December 2018 to June 2019 with the help of the consultant group EcoNorthwest. The HNA included a projection of needed housing units and a redevelopment assumption from 2020 to 2040, which found that Newberg will need to shift to a mix of 60% (2,421) detached single family homes, 8% (323) attached single family homes, and 32% (1,291) multifamily units and accommodate for 100 units of redevelopment with an additional 20 new accessory dwelling units. The HNA also listed a number of Strategic Priorities that included increases in the types of housing (allow duplexes and tri/quadplexes in single family zones). The implementation of House Bill 2001 and HB 2003 will allow the City to address the community's need for various housing types and housing affordability.

It is intended that the City of Newberg will apply for 2019-21 Planning Assistance Direct Grants to implement House Bill 2001 (Duplexes, Triplexes, Quads, Cluster Housing, and Townhomes) and HB 2003 (update the 2019 Housing Needs Analysis Buildable Lands Inventory and Population data, and prepare a Housing Production Strategy), and authorize the City Manager to sign any related contracts.

#### **FISCAL IMPACT:**

The intended grant request amount has not been determined and is under development and will include in-kind staff match. Any impact on the budget will be determined in the future as DLCD decides how funding award allocations will be structured.

#### **STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS FROM FEBRUARY 2020):**

Goal 3. Promote development of housing affordability such as houselessness, transitional housing, workforce housing.

The submission of grant applications will further the City's efforts to address housing affordability and to comply with requirements of HB 2001 and HB 2003.



## **RESOLUTION No. 2020-3669**

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**A RESOLUTION SUPPORTING GRANT APPLICATIONS AND  
AUTHORIZING THE COMMUNITY DEVELOPMENT DIRECTOR TO  
APPLY FOR A DLCD 2019-21 PLANNING ASSISTANCE DIRECT  
GRANTS FOR HB 2001 AND HB 2003 IMPLEMENTATION AND  
AUTHORIZING THE CITY MANAGER TO EXECUTE ALL GRANT AWARD  
CONTRACT DOCUMENTS**

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### **RECITALS:**

1. During the 2019 legislative session, the legislature adopted HB 2001 and HB 2003 and appropriated funds to the Department of Land Conservation and Development (DLCD) for the purpose of providing grants to local governments for the implementation of missing middle housing, housing needs analyses and housing production strategies.
2. The Department of Land Conservation and Development (DLCD) provides resources to help Oregon communities prepare and update local land use plans and ordinances through the 2019-21 Planning Assistance Direct Grant program.
3. As part of the grant application(s) the local government must include a resolution from the governing body of the city demonstrating support for the project(s). The proposed resolution would comply with the requirement.
4. On August 5, 2019, the Community Development Director met with Newberg City Council to discuss the City's implementation standards of House Bill 2001. It was decided that the requirements for cities with both a population lower than 25,000 and a population over 25,000 should be pursued as Newberg is on the cusp of crossing the 25,000 population threshold.

### **THE CITY OF NEWBERG RESOLVES AS FOLLOWS:**

1. City Council supports the grant application(s) and authorizes the Community Development Director to submit application(s) to the Department of Land Conservation and Development for a 2019-21 Planning Assistance Direct Grant for planning project assistance to implement House Bill 2001 (Duplexes, Triplexes, Quads, Cluster Housing, and Townhomes) and HB 2003 (update the 2019 Housing Needs Analysis Buildable Lands Inventory and Population data, and prepare a Housing Production Strategy).
2. The City Manager is authorized to execute all grant award contract documents.

➤ **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: April 21, 2020.

**ADOPTED** by the City Council of the City of Newberg, Oregon this 20<sup>th</sup> day of April, 2020.

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Sue Ryan, City Recorder

**ATTEST** by the Mayor this 23<sup>rd</sup> day of April, 2020.

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Rick Rogers, Mayor



April 18, 2020

Rick Rogers, Mayor  
Newberg City Hall  
414 E 1st St.  
Newberg, OR 97132

**Re: Concern Regarding Construction Excise Tax (Item 8.C)**

Dear Mayor Rogers,

The Home Builders Association of Metropolitan Portland (“HBA”) represents over 800 businesses and tens of thousands of women and men who work in the residential building and remodeling industries throughout the greater Portland area. We are dedicated to maximizing housing choice for all who reside in the region while promoting housing access and availability for everyone.

The COVID-19 pandemic is causing severe economic disruption throughout Yamhill County and Oregon. Home building, like many industries, is facing an uncertain future. Nationwide, home construction in March suffered its worst monthly decline since 1984 as housing starts fell by over 22% from the previous month. This downturn in construction is attributed to many factors including, but not limited to, supply chain interruptions for material coming from East Asia, reductions in available capital, and wavering consumer demand.

Despite the economic downturn, Oregonians continue to desperately need new housing. A recent report showed the state underproduced 155,000 units of housing since the Great Recession. This failure forces Oregon families to compete for ever scarcer housing, which in turn drives costs, delays family formations, and inhibits the growth.

Given the trying combination of the current economic outlook and the pressing need for new housing to meet Oregonians needs, the City of Newberg (the “City”) should take the opportunity to encourage and support – rather than discourage and tax – new housing. A construction excise tax (“CET”) is the absolutely wrong policy prescription at this time. A CET could add thousands of dollars to the cost of building a new home, which would only serve to further depress housing construction.

A CET may have merits, and – if implemented with system development charge (“SDC”) administrative reform best practices – could produce a win-win-win for the City, future residents who purchase market rate homes, and non-profit developers. Additionally, HBA is supportive of the City’s efforts to identify funding sources for affordable housing. However, as recently highlighted in an LA



Times article, merely funding affordable housing without coupling that funding with fundamental housing reform will only serve to increase overall housing cost.

Recognizing this fact, the City of Tigard recently passed a CET in junction with SDC reforms. HBA supported these efforts and Tigard was able to successfully build a broad-based coalition of community groups to help pass a series of policies that both raise money for the construction of affordable housing and reduce the overall cost of constructing new housing.

HBA asks the City to follow a similar path. Newberg should refrain from penalizing the construction of new housing with a CET until the COVID-19 pandemic has receded and take the opportunity to engage with development community stakeholders to craft a holistic approach towards funding affordable housing and reducing construction costs. Absent such an approach, the City will only serve to aggravate an already precarious economic situation and reduce housing access for Oregonians in Yamhill County.

Sincerely,

Ezra Hammer  
Vice President, Policy and Government Affairs

Cc: Denise Bacon, Councilor  
Stephanie Findley, Councilor  
Yarnell Hollamon, Councilor  
Patrick Johnson, Councilor  
Julia Martinez Plancarte, Councilor  
Gene Piros, Councilor

## 2020 NEWBERG CITY COUNCIL MEETING INFORMATION

**Meeting Date:** 4/20/20

| Councilors                                     | Roll Call | Consent<br>Res 3658<br>Crestview Drive<br>jurisdiction | Ord # 2863<br>Waive<br>Bacon/Findley<br>7/0<br>Elections-<br>nomination<br>procedures | Res # 3668<br>Supplemental<br>Budget | Motion<br>Notice of Funding<br>Availability<br>Affordable Housing Trust<br>Fund | Res # 3669<br>DLCD grant |  |
|------------------------------------------------|-----------|--------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------|--------------------------|--|
| PIROS                                          | X         | Yes                                                    | Yes                                                                                   | Yes                                  | Yes                                                                             | Yes                      |  |
| JOHNSON                                        | X         | Yes                                                    | Yes                                                                                   | Yes                                  | Yes                                                                             | Yes                      |  |
| YARNELL<br>HOLLAMON                            | X         | Yes                                                    | Yes                                                                                   | Yes                                  | Yes                                                                             | Yes                      |  |
| MARTINEZ<br>PLANCARTE                          | X         | Yes                                                    | Yes                                                                                   | Yes                                  | Yes                                                                             | Yes                      |  |
| ROGERS                                         | X         | Yes                                                    | Yes                                                                                   | Yes                                  | Yes                                                                             | Yes                      |  |
| BACON                                          | X         | Yes                                                    | Yes                                                                                   | Yes                                  | Yes                                                                             | Yes                      |  |
| FINDLEY                                        | X         | Yes                                                    | Yes                                                                                   | Yes                                  | Yes                                                                             | Yes                      |  |
| ROLL CALL<br>VOTES                             |           | YES: 7<br>NO: 0                                        | YES: 7<br>NO: 0                                                                       | YES: 7<br>NO: 0                      | YES: 7<br>NO: 0                                                                 | YES: 7<br>NO: 0          |  |
| MOTION<br>(1 <sup>st</sup> /2 <sup>nd</sup> ): |           | Findley/<br>Yarnell<br>Hollamon                        | Piros/Bacon                                                                           | Findley/Piros                        | Johnson/Bacon                                                                   | Bacon/Piros              |  |
| Department/<br>Staff:                          |           | PWS –<br>ENG/Brett                                     | CR/Sue                                                                                | Finance/Matt                         | CDD/Doug                                                                        | CDD/Doug                 |  |
| Changes:                                       |           | None                                                   | None                                                                                  | None                                 | None                                                                            | None                     |  |
| Tabled:                                        |           | None                                                   | None                                                                                  | None                                 | None                                                                            | None                     |  |

City Recorder

- ☐ Council Roundup
- ☐ Process documents for Mayor's signature
- ☐ Send email alert to staff that documents are ready in Archives folder
- ☐ Scheduling on Forward Looking Calendar
- ☐ Issue Tracker
- ☐ Council Timesheets
- ☐ Workmen's Compensation hours – 2 hours