Council Roundup for August 6, 2018

The Newberg City Council met on August 6, 2018 and took the following actions:

● Approved the following Resolutions:
Resolution 2018-3488, Sale of Newberg Animal Shelter.
Resolution 2018-3493, Master Fee Schedule adjustments
Resolution 2018-3494, GSI Water Solutions contract
Resolution 2018-3495, Mid-Willamette Valley Council of Governments contract for loan services.

● Approved the following Ordinances:
Ordinance 2018-2833, changes to Springbrook Oaks Plan.

In other business, the Council:
● Heard from citizen concerned about sign regulations preventing placement of veterans' banners.
● Heard from Habitat for Humanity on the Elected Officials Build Day.
● Heard report from the City Manager. Heard report on Council priorities. Heard annual review on Economic Development Strategy.

City Council Work Session
August 6, 2018 - 6:00 PM
Public Safety Building 401 East Third Street

I. CALL MEETING TO ORDER

II. ROLL CALL

III. REVIEW OF THE COUNCIL AGENDA AND MEETING

IV. COUNCIL BUSINESS ITEMS

V. COUNCIL PRIORITIES UPDATE

V.A Council Priorities - updated 2018-0806
Council Priorities- updates for 2018-0806_1.pdf

VI. ADJOURNMENT

PUBLIC COMMENT

WORK SESSIONS ARE INTENDED FOR DISCUSSION. NO ACTION WILL BE TAKEN ON THE AGENDA ITEMS AND NO DECISIONS WILL BE MADE. NO ORAL OR WRITTEN TESTIMONY WILL BE HEARD OR RECEIVED FROM THE PUBLIC.

GOAL 1: Maintain a state-of-the-art 911 dispatch center and 800 MHz radio communications system

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
1.1	**Agree on plan to upgrade the City's dispatch center**					In partnership with Washington County consolidated Communications Agency (WCCCA), and in anticipation of Next Gen 911, the City has determined the furniture, equipment, software needs and preliminary costs required for the continuation of operations as a primary PSAP dispatch center in Newberg. Next Gen 911 anticipates dispatch center may/will receive test-to-911, smart phone videos, medical bracelet information sharing.
Actions	Replace 1998-era dispatch furniture with ergonomic functional furniture designed to withstand 24-hour operations.	X		X	**Police Chief**	Four quotes in process, with vendor decision anticipated 7/30/2017. 1/25/18: Preliminary quotes obtained. Anticipate approx. $70,000, to include electrical work. 4/17/18: Budgeting/funding issue to be resolved. **8/6/18: Funding to be resolved as part of greater budget discussion currently underway.**
Actions	Implement Text-To-911	X			**Police Chief & IT Director**	Office of emergency Management (OEM) approved ComTech identified, contract signed, FCC registration completed, carriers notified. Awaiting ComTech Project Manager Kickoff conference call. Note: paid b OEM with State 911 funds. 1/25/18: Installed, tested, and dispatchers trained. Media rollout; est. Mid-February. Roll out 4/17/18, following policy review and refresher training. Media Message: Call if you can; Text if you can't. **8/6/2018: Completed.**
Actions	Agree on the plan to upgrade VisionAIR computer aided dispatch (CAD) to TriTech CAD as standalone or as part of WCCCA system	X			**Police Chief & IT Director**	Engineering conference call 7/10/17, quotes will be updated by 7/21/17. 11/8/17: No fiver available. CAD will be updated as a standalone system, with CAD-to-CAD capability. 1/25/18: Awaiting funding. Est. $350,000; anticipated 1-year implementation after contract signing. 4/17/18: Budgeting/funding to be resolved. **8/6/2018: Funding to be resolved as part of greater budget discussion currently underway.**
Actions	Replace three CAD computers and three GIS/Camera computers.	X			**Police Chief**	Computers ordered and received, awaiting software installation. Operational 7/30/2017. 11/8/17: Computers installed and in operation. 1/25/18: Completed.
Actions	Determine value and feasibility of dispatch center being capable of stand-alone operation.	X			**Police Chief & IT Director**	11/8/17: No fiber available. CAD will be updated as a standalone system, with CAD-to-CAD capability. 1/25/18: Toi be determined by City Council as part of budget process. **8/6/2018: Formal details and quotes being prepared for City Council review as part of budget discussion now underway. Staff requested a cost estimate for Newberg to join WACCA as a member and what would the process be for requesting membership from the Board. WACCA Board has authorized their staff to perform an analysis. It is anticipated that the City will receive te analysis and discuss options with the City Council at the August 20 meeting.**
1.2	**As needed, design and install fiber link**					
Actions	Determine the value and cost of fiber link from Newberg Dispatch to WCCCA/CCOM for live CAD connectivity between Newberg CAD and WCCCA CAD.	X			**Police Chief & IT Director**	Government fiber not available. Awaiting quotes from private vendors. 11/8/17: Fiver not needed as standalone operation. CAD-to-CAD will allow Newberg to push data to WCCCA (or other systems with CAD-to-CAD capability). 1/25/18: Done. Preliminary estimates procured by IT show fiver not a viable option. Wireless not approved by TriTEch, so not an option either. **8/6/18: Recent info from Tri-Tech suggests wireless connectivity may be allowed; connectivity with WCCCA CAD is being revisited as a possible option.**

GOAL 1: Maintain a state-of-the-art 911 dispatch center and 800 MHz radio communications system (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
1.3	**Upgrade Motorola 800 MHz radio system**	X				
Actions	Update existing intergovernmental Agreement with Washington County	X			**City Manager & Police Chief**	Police Chief Scheduled conference call for discussion and finalization of details of IGA. Agree on radio upgrade and determine if upgrade should include simulcast capability independent of the WCCCA system (allowing for independent dispatch during downtime of WCCCA). Coordination meeting scheduled for 7/18/2017. 11/8/17: Contract signed.
Actions	Council review/approval of contract with Motorola for Newberg radio project, including towers, microwaves, subscriber radios, etc.	X			**Police Chief**	Preliminary contract review in progress. Contract discussions weekly, with anticipated contract language mid-August. Anticipated Council review early September, 2017. 11/8/17: Resolution 2017-3411 adopted by Council on 9/18/17. 1/24/18: Contract signed. WCCA/C800/Newberg currently involved in final system design phase. **8/6/18: Design phase almost complete; equipment list under review; and mock setup/testing in Illinois has been scheduled. System-wide tower audits underway.**
Actions	Tower location.	X		X	**Police Chief**	Tower location will be at new public works yard. Updated 11/8/17 location agreed upon, WCCA consultants conducting further soil testing. Next step pre-application meeting and likely submittal to Planning Commission for variance request approval. 4/16/18: FAA approved tower; Newberg Planning application to be submitted soon. **8/6/18: Tower application submitted; currently going through Planning "Completeness" check and initial fees paid. Planning clock is running.**
Actions	Subscriber radio needs identified for police.	X			**Police Chief**	Number of portable and mobile subscriber radios identified; anticipated order fall 2017. Goes towards bulk rate order for best cost savings. Updated 11/8/17: Radios ordered. 1/25/18: Radios in storage awaiting programming once code plugs/template prepared; estimated June 2018 distribution/installation. 4/16/18: Template survey out; once completed, final radio template will be developed and subscribers will be scheduled for radio programming. **8/6/18: Police and Public Works have responded to radio template surveys; technicians are compiling data for template development. Test radios next step before full-scale programming.**

GOAL 1: Maintain a state-of-the-art 911 dispatch center and 800 MHz radio communications system (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
Actions	Estimate costs and means to pay for upgrade		X		**Finance Director**	Communications upgrade costs are estimated at $3.4 million, the 2017-18 budget includes financing for a portion of the cost to upgrade the 800 MHz radio communications system as part of the Washington County Consolidated Communication Agency. Computer Aided Dispatch upgrade costs still to be determined. Updated 11/8/17: Financing for the project is in progress, estimated to be wrapped up in January 2018. TVFR has given verbal agreement to fund costs of new antenna tower using proceeds of sale of unneeded fire equipment. Funding of balance of $3.4 million proposed by staff to come from sale of surplus City property, Council asked to approved appraisal of Butler property at 11/20 meeting 1/18/18: Staff engaged financial advisor to evaluate additional options for financing, in addition to combining communications project with refunding existing debt to take advantage of lower debt costs. Timeline reset to complete in 3-4 months. Conducted two Long Range Financial Plan presentations in December 2017 and January 2018 to discuss various revenue sources, including a local option levy, increasing the internal franchise fee, and increasing the public safety fee, with the first two sources receiving the most interest from Council. Staff will prepare FY19 Proposed Budget accordingly. 4/30/18: The financing for the project was successfully completed on March 29, 2018, with a bank loan with Chase Bank for $3.15 million over 10 years with the majority of the loan at a non-taxable rate of 2.76% and a small portion at a taxable rate of 3.6%. **8/6/18 – While the financing of the upgrade has been completed, as discussed above, the funding of the annual debt payments of $372k per year for the next 10 years is one part of the General Fund deficit discussion with Council in the summer and fall of 2018.**

GOAL 2: Repair and maintain City's streets and sidewalks and secure funding

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
2.1	**Determine desired level of services for City streets**					
Actions	Determine the desired level of pavement condition based on the pavement condition index (PCI).	X			**City Engineer**	In 2014, the City evaluated and rated the street system. Using a Pavement Condition Index (PCI). In January, 2017, the City Council approved a desired, average PCI standard of 71 for city streets. Street conditions were updated in 2016. Updated 11/13/17 (inventory on City's website) **1/29/18: DONE.**
2.2	**Determine condition of City streets and sidewalks and estimate costs of repair, replacement and maintenance**					
Actions	Prepare a street condition report	X			**City Engineer**	The City has 65.5 miles of paved streets and four miles of gravel roadways with a replacement value of approximately $150 million. The condition of our roads range from poor to good. In 2014, the City determined that $2 million per year for 10 years is required to upgrade the city street system and maintain the system at a PCI of 71. Updated 11/13/17 (inventory on City's website). Work done in 2017 included 1) Crack sealing (3.69 miles), 2) Slurry sealing (3.05 miles), and 3) Grind and inlay (0.50 miles as well as Elliott Road and Eighth Street. 1/18/18: Projects for 5-year road maintenance capital improvement plan has been updated. Plan assumes existing level of funding (about $1.8 million/year). Pavement condition index model to be updated in near future to determine if PCI is being maintained. 4/17/19: A small update was completed as a part of the recent 5-year pavement maintenance plan. Additional updates to the street condition report are planned for next fiscal year. **8/6/18: Engineering is currently conducting an inventory of sidewalk curb ramp conditions; ramp replacements will be completed with pavement restoration projects. Gravel road discussion is scheduled for the November 19th Council Work Session. The 5-year pavement maintenance project list can be found on the PW main webpage and on the Engineering webpage.**

GOAL 2: Repair and maintain City's streets and sidewalks and secure funding (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
2.3	**Develop and approve short term and long term finance strategy**					
Actions	1. Identify potential source of street funding. 2. Implement Transportation Utility fee. 3. Work session to discuss other funding options (September, 2017).	X			**City Engineer & Finance Director**	The Newberg Pavement Maintenance and Funding Master Plan was developed in 2017 to identify new funding to maintain roads. Several funding sources were discussed with a Transportation Utility Fee approved to fund $1.2 million of the $2.5 million annual need. In April, 2017, the Council authorized a Transportation Utility Fee scheduled for implementation with the August, 2017 municipal services bills. Other funding sources are still to be determined and are scheduled to be discussed during Council work session September, 2017. The Council is also scheduled to consider a financing proposal to borrow against future TUF revenues to permit 2017/2018 construction. Staff is also monitoring the proposed State transportation bill for any additional revenue directed to cities. Updated 11/8/17: 3 sources of funding proposed: Transportation Utility Fee: Transportation Utility Fee adopted 5/25/17; implemented billing on 9/17 MSS statement. Local Gas Tax revenue increase with the passage of HB 2017, new gas revenue expected in 2018. Other sources considered: heavy vehicle tax and local improvement taxes. Council work session on 5 year Street Improvement Plan and funding recommendations scheduled for 3/19/18. 1/18/18: With the updated 5-year pavement maintenance CIP utilizing existing funding currently in-place, consultant will update the pavement condition index (PCI) model and determine if a funding gap still exists to adequately maintain the PCI. Staff has a work session scheduled with Council on March 19th to discuss the information and review additional options for supplemental funding, if needed. HB2017 – Additional annual gas tax revenue $560,000 (10 year averages) 4/17/2018: At the 3/19/18 Council Business meeting, Council concurred with staff to wait several years to evaluate the progress of pavement repairs utilizing the funding currently in place. **3/19/18: DONE.**
2.4	**Produce five year schedule of street restoration, repair and maintenance**					
Actions	Develop a project list for 2018.	X			**City Engineer**	The Pavement Management/Street Conditions Report of 2014 (revised in 2016) identified street segments requiring maintenance, repair or replacement. Several streets have been identified for repair, maintenance (sealcoat or slurry seal) or complete rebuild in 2017. The award for the work is scheduled for 7/17/17. Updated 11/13/17. **1/30/18: DONE.**
Actions	Develop a project list for the following 5 years will be developed by 6/30/18 and will be dependent on securing additional funding.	X			**City Engineer**	11/8/17: Council work session on 5 year Street Improvement Plan and funding recommendations scheduled for early Summer 2018. 1/18/18: The 5-year project list will be updated every year as capital improvement projects are completed and new projects are added to the list. The project list will also be updated if it is determined during the analysis of the city-wide pavement condition index (PCI) that additional/supplemental funding is needed to maintain the PCI identified in section 2.1 above. **1/30/18: DONE.** 5.1 miles of sidewalk been installed from 6/1/2017 – 3/6/2018.

GOAL 3: Facilitate annexation to Tualatin Valley Fire and Rescue District

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
3.1	**Public vote on Annexation**					
Actions	Council has stated its desire to schedule a public vote on whether to annex or not to Tualatin Valley Fire and Rescue	X			**Finance Director & City Attorney**	A resolution is scheduled for Council action on July 17, 2017 . Updated 11/8/17: Public vote held on Measure 36-190. Final unofficial results from Yamhill County on 11/8/2017 - 32.96% voted in favor. 11/28/17, Public hearing on Annexation request before Washington County Board of Commissioners if approved, the Board will hold the second required public hearin12/17/17. Discussions will be held beginning after Thanksgiving on an annexation agreement details dealing with topics including transfer of records, personnel account reconciliation, facilities and equipment sale and transfer. 1/18/18: Voter's residing in TVF&R service area will be asked in the March 13, 2018 election, (Measures 34-280 & 34-281) to consider whether to allow annexation of City and Newberg rural Fire Protection District into TVF&R's service area. 4/30/18: Voters approved annexation at March 2018 election. Annexation scheduled for 7/1/18.
3.2	**Reduce Tax Levy**					
Actions	Present Tax Reduction Ordinance.	X			**Finance Director & City Attorney**	Updated 11/8/17: Public vote held on Measure 36-191 - 11. Final unofficial results from Yamhill County on 11/8/2017 – 32.96% voted in favor. 1/18/18: FY19 Proposed Budget will include reduced property tax rate from $4.3827 to $2.5000 per $1,000 assessed value.

GOAL 4: Improve Newberg Employee Retirement Pension System (NERPS)

	STRATEGIES	TIMELINE (in months) Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)	LEAD	PROGRESS
4.1	**Reduce cost and future funding burden through changes in plan design and membership**					
Actions	Consider changes to future enrollment in NERPS.	X			**Finance Director**	Legal opinions have been requested. Bargaining units will be involved in any recommended changes. Discussion anticipated throughout Fall, 2017. 1/18/18: Successfully negotiated the AFSCME Contract Local 1569 for all "newly hired" employees as of 1-1-2018 to be PERS covered. 4/30/18: In accordance with 2018 union contract, no new City employees will be enrolled in NERPS. Currently 60 NERPS employees and 65 PERS. **8/6/2018: Currently 59 NERPS employees and 75 PERS employees**.

GOAL 5: Utilize technology to improve and economize City services and within 3 years obtain functional software/hardware that reduces redundancies and duplication through the integration of departmental systems

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
5.1	**Evaluate opportunities for expanded use of technology**					Software packages to aid in staff communication and workflow have been identified and are awaiting funding.
Actions	By 12/31/17 develop a technology plan that addresses long term equipment and software needs of all departments and includes financial plan.	X			IT Director & Dept. Directors	Technology plan is complete. Equipment and software needs are identified and awaiting budget approval. 4/30/18: Council Study Session scheduled for 5/2/18. Individual meetings with directors scheduled for May 2018. **8/6/18: IT: Individual meetings with City Manager and directors are complete. CM and IT are in the process of prioritizing requests and determining funding sources.** **8/6/18: Library: As part of the regional library system technology plan, adopted RFID technology which is streamlining the checkout and check-in process and added another self-checkout machine. Almost 40% of checkouts are done by patrons at self-check stations. This is all allowing staff to be reassigned to other tasks and to increase efficiencies. RFID technology and supplies and 2 of the 3 self-check stations were provided and paid for by the regional library system (CCRLS).**
5.2	**Streamline City permitting process**					
Actions	Enhance City permitting processes.	X			**City Engineer**	eTrakit system went live 6/27/17. Six month evaluation scheduled for December, 2017. 1-18-18: The eTrakit vender is currently working on finalizing the configuration of several processes in the system. City staff has been trained to add additional workflows/processes in the future to the software system if the need arises. 4/17/18: Final implementation of all software features is near completion. Existing work flow processes are under evaluation and may be modified to streamline processes. **7/20/18: DONE. 8/6/18: Software vender has completed the majority of the software installation and customization and has improved/updated workflows.**
5.3	**Evaluate expansion of fiber**				**IT Director**	Government and commercial options are being evaluated.

GOAL 6: Complete a 5-year Financial Plan and Fiscal Policies

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
6.1	**Complete a comprehensive five-year financial plan for operating and enterprise funds**					
Actions	Five-year financial planning document for seven operating funds presented to Council by 11/20/17.	X			**Finance Director**	A citizens planning committee assisted in the development of a five-year planning document that was completed and used in preparation of 2017/18 budget. Formal presentation to City Council is scheduled for 12/2017. 1/18/18: Five-year financial projections for General Fund presented to Council at December 2017 and January 2018 Council meetings to generate robust discussion on various scenarios and receive input on strategic direction. Ongoing development of remaining operating funds expected to be presented with the FY19 Proposed Budget. 4/30/18: the long-range financial model was used in the development of the FY18-19 Proposed Budget. The long-range projection for the General fund and other operational funds will continue to be utilized in the summer and fall of 2018 as the City weighs options for meeting future funding needs. Financial policies are anticipated to be presented to Council within the summer of 2018. **8/6/18 – The focus on the General Fund has taken staff resources thus far. The long-range financial planning document for seven operating funds is scheduled to be released in fall 2018 and annually thereafter in anticipation of the budget cycle beginning in the spring each year. The long-range projection model continues to be expanded and refined, with staff developing property tax and community development revenue projections.**
Actions	Five-year financial planning document to enterprise funds presented to Council by 3/30/18	X			**Finance Director**	1/18/18: In conjunction with the 2017-18 Citizens' Rate Review Committee meetings, staff will be developing the five-year projections for the enterprise funds, including streets, water, wastewater, and storm water programs. **8/6/18 – Staff is continuing to work on the modeling to meld with the projections used by the rate-setting consultant and the CRRC for the enterprise funds. Work will continue to proceed through the fall of 2018.**
6.2	**Adoption of financial policies for operating budget; revenues; capital improvement; accounting; debt; fund balance/reserve and long range planning**					
Actions	Presentation of fund balance/reserve and operating budget policies to Council by 12/31/17.	X			**Finance Director**	1/18/18: These policies are being internally re-evaluated in conjunction with the long-range planning to ensure that the City balances compliance with flexibility to address future General Fund challenges. The policies will have additional importance as the City seeks financing for the Public Safety Communications Upgrade project. **8/6/18 – The focus of staff time has been on the General Fund projections. Staff is targeting to present all financial policies with the long-range planning document in fall 2018.**
Actions	Presentation of revenues, capital improvement, accounting, debt and long range financial planning to Council by 3/31/18.	X			**Finance Director**	1/18/18: Policies on track to be presenting in next couple months. **8/6/18 – The focus of staff time has been on the General Fund projections. Staff is targeting to present all financial policies with the long-range planning document in fall 2018.**

GOAL 7: Expand the City's Urban Growth Boundary

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
7.1	**Determine expansion needs**					
Actions	Apply for and receive a State grant to evaluate expanding the urban growth boundary.	X			**Community Development Director**	A State grant was applied for and received. An initial Buildable Lands Inventory using OAR Chapter 660, Division 38 has been completed. 1/18/18 – A draft scope of work is being prepared with DLCD. 5/7/18 – Scope of work finalized, contract signed, in RFP process for consultant services. **8/6/18 – Consultant contract executed.**
Actions	Conduct a Buildable Lands Inventory to determine residential and employment land needs.	X			**Community Development Director**	A preliminary Buildable Lands Inventory using OAR Chapter 660, Division 38 has been completed with technical fixes identified to make this OAR useable. 2/5/18 – The draft scope of work for Phase 2 includes updating the Buildable Lands Inventory after DLCD/LCDC approve the technical fixes for OAR Chapter 660, Division 38. 5/7/18 – RFP out for consultant service to do BLI, DLCD delayed in initiating Division 38 Technical Fixes. **8/6/18 – BLI will occur in early 2019.**
7.2	**Determine appropriate process for UGB expansion request**					
Actions	Evaluate options for the appropriate process to expand the Urban Growth Boundary.	X			**Community Development Director**	Options include: 1. Proceed with OAR Chapter 660, Division 38. 2. Request DLCD/LCDC make technical fixes to OAR Chapter 660, Division 38. Staff has requested the State make administrative changes to the Division 38 process. LCDC has added to their Policy agenda Minor amendments to Division 38. 3. Wait for another comparable sized city to work through Division 38 process before Newberg proceeds any further. 4. Abandon the Division 38 process and proceed with Division 24 (which will require an Economic Opportunity Analysis and Housing Needs Assessment). 1/18/18 – With the DLCD grant for Phase 2 and DLCD/LCDC working on technical fixes to the OAR the City is moving forward with OAR Chapter 660, Division 38 process. 5/7/18 – No change. **8/6/18 – No change.**
Actions	Work with the Department of Land Conservation and Development on modifications to OAR Chapter 660, Division 38.	X			**Community Development Director**	Coordination is scheduled to occur starting in January 2018 and run through June 2018. 1/18/18 – Staff met with DLCD staff to clarify the process, timing and what would be included in the technical fix process for the OAR Chapter 660, Division 38 process. DLCD is establishing a Rules Advisory Committee which should be formalized in March and developing an interested stakeholders list. 5/7/18 - DLCD delayed in initiating Division 38 Technical Fixes due to other work program priorities on housing needs directed by the Legislature. **8/6/18 – DLCD will start technical fixes to Division 38 in September 2018.**

GOAL 7: Expand the City's Urban Growth Boundary (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
Actions	Apply for a Department of Land Conservation and Development Technical Assistance Grant to conduct the Phase II UGN analysis	X			**Community Development Director**	A technical assistance grant has been applied for to use the Division 38 process. 1/18/18 – A draft scope of work is being prepared with DLCD. 5/7/18 – Scope of work finalized, contract signed, in RFP process for consultant services. **8/6/18 – Consultant contract executed**.
Actions	Work with the Yamhill County Assessor to fix assessment data for the Division 38 process.	X			**Community Development Director**	Initial discussions have been held with the County Assessor with additional discussions to be scheduled. 1/18/18 – A contract has been entered into with EcoNorthwest to work with the County Assessor on the assessment date issue identified in Phase 1 of the UGB process. A meeting with the County Assessor is scheduled for January 31. **8/6/18 Meeting with County Assessor held, memo prepared to DLCD for consideration on methodology for land to improvement values and tax exempt properties.**
Actions	If the Division 38 process cannot be corrected revert to the Division 24 process and conduct an Economic Opportunity Analysis and Housing Needs Assessment.		X		**Community Development Director**	1/18/18 – With the DLCD grant the City is moving forward with the OAR Chapter 660, Division 38 process. 5/7/18 – No change. **8/6/18 – DLCD will start technical fixes to Division 38 in September 2018.**
Actions	Advance selected Urban Growth Boundary selected process with consultant(s) and Citizens Advisory Committee.	X	X	X	**Community Development Director**	1/18/18 – Contact has been made with the Citizen Committee members who worked on Phase 1. A list is being developed of possible participants for Phase 2. 5/7/18 – Citizen Advisory Committee members have been identified and confirmed by the Mayor and City Council. RFP process underway to hire a consultant. **8/6/18 – Consultant contract executed, met with DLCD staff to discuss interpretation issues on preliminary study area boundary and serviceability. Technical Advisory Committee and Citizens Advisory Committee met on July 11 to review interpretations of Division 38 on preliminary study area and serviceability.**

GOAL 8: Encourage Affordable Housing

STRATEGIES	TIMELINE (in months)			LEAD	PROGRESS
	Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
8.1	**Define need and potential strategies to address the affordable housing need**				
Actions	Consider the recommendation of the community citizens committee Housing Newberg to explore several different areas to help provide affordable housing in Newberg including:	X	X	X	**Community Development Director**	The City Council is scheduled to hear Housing Newberg's recommendations 7/17/17. 1/18/18 – Council met in three Work Sessions and one Business Session on Housing Newberg proposals. **8/6/18 – No change.**
	1. Annexations Policies applying a mixture of zoning, to include some R-3 zoned lands					Annexations Policies applying a mixture of zoning, to include some R-3 zoned lands. 1/18/18 – City Council identified the annexation action to advance forward on December 18, 2017. A proposal is anticipated to come back to City Council in April 2018. 5/7/18 – Planning Commission recommended approval of new R-3 regulations. City Council held first hearing on the proposed Comprehensive Plan and Development Code changes with the second reading scheduled for 5/7/18. **8/6/18 – City Council adopted ordinance on Comprehensive Plan and Development Code modifications on the Annexation/R-3 issue.**
	2. Accessory Dwelling Units (ADUs)					Accessory Dwelling Units (ADUs) - Make ADU's permitted uses in all zones with no systems development charges (SDCs). 1/18/18 – City Council identified the ADU action to advance forward on December 18, 2017. A proposal is anticipated to come back to City Council in June 2018. 5/7/18 – The Planning Commissions has held two workshops and the Affordable Housing Commission two workshops to develop a proposal. The Planning Commission will hold a third workshop in May followed by a public hearing on May 24. City Council is scheduled for a public hearing on the proposal on June 18, 2018. **8/6/18 – City Council adopted Comprehensive Plan and Development modifications on accessory dwelling units on July 2 and the ordinance went into effect July 3.**
	3. Construction Excise Tax					Construction Excise Tax - Assess a 1% of permit valuation construction excise tax on new residential, commercial and industrial construction. The proceeds of the levy directed to the existing Affordable Housing Trust Fund for such things as developer incentives, land acquisition, consultant fees, to replenish waived SDC fees, to finance a City-wide bond campaign and other actions to develop a range of affordable housing in our community. 1/18/18 – City Council identified the Construction Excise Tax action to advance forward on December 18, 2017. A proposal timeline has not been developed. 5/7/18 – No change. **8/6/18 – No change.**
	4. Subsidized Work and Living Spaces					Subsidized Work and Living Spaces - City should contract with a consultant to assess the City's appropriateness for artist work and living space and hopefully for development. Economic Development Loan funds should be used for this purpose. 1/18/18 - City Council did not identify the Subsidized Work and Living Spaces action to advance forward on December 18, 2017. 5/7/18 – No change. **8/6/18 – No change.**

GOAL 8: Encourage Affordable Housing (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
	5. Housing Ombudsman (Education/Community Awareness)					Education/Community Awareness - City staff publicize programs available including but not limited to 1) SDC fee financing 2) use of the economic development fund 3) manufactured housing repair 4) ADU regulations and the application process 5) annexation opportunities and 6) the Housing Trust Fund small grant program. City's Community Development Director or designee shall serve as the community's ombudsman for housing and make efforts to educate the public on the need for a range of housing types in Newberg. 5/7/18 – No change. **8/6/18 – No change.**
	6. Missing Middle Level Housing					Missing Middle Level Housing - Housing of the type between high density and single family is a missing component to our current market. Action: duplexes or triplexes shall be allowed on corner lots in R-1 zones. 1/18/18 – City Council identified the Missing Middle Level Housing action to advance forward on December 18, 2017. A proposal timeline has not been developed. 5/7/18 – No change. **8/6/18 – No change.**
	7. Expedited Review and Permitting					For qualifying affordable housing projects the City of Newberg should offer expedited review and permitting from the Building, Engineering, and Planning Divisions. Understanding the potential strain on City staff, funds to retain third-party consulting for the review of affordable housing projects should be directed from the proposed Construction Excise Tax (CET). 1/18/18 – City Council did not identify the Expedited Review and Permitting action to advance forward on December 18, 2017. 5/7/18 – No change. **8/6/18 – No change.**
	8. Public Street Standards					Reduce the public street right-of-way width standard to that allowed by the Fire Department. 1/18/18 - City Council did not identify the Public Street Standards action to advance forward on December 18, 2017. 5/7/18 – No change. **8/6/18 – No change.**
	9. System Development Charge Deferrals/Loans					Deferrals – The City of Newberg should allow qualifying affordable projects to defer payment of SDCs until time of ownership transfer or one year from the date of deferral; whichever comes first. No interest should be charged during the deferral period. CET funds might be used to offset costs. 1/18/18 - City Council did not identify the System Development Charge Deferrals/Loans action to advance forward on December 18, 2017. 5/7/18 – No change. **8/6/18 – No change.**

GOAL 8: Encourage Affordable Housing (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
Actions	Areas for future review		X	X	**Community Development Director**	1. Decrease time from substantial completion of utilities to final plat approval. 2. Reduce complexity, maintenance requirements and cost of storm water treatment. 3. Lift building height restrictions outside of downtown. 4. Allow sharing of utility lines (sewer, water) for more than one 5. Staff is working with Newberg High School Design Class to consider any ordinance changes needed to implement school construction of two tiny homes by June 2018. 5/7/18 – No change. **8/6/18 – No change.**

GOAL 9: Develop a Riverfront Master Plan

	STRATEGIES	TIMELINE (in months) Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)	LEAD	PROGRESS
9.1	**Establish parameters for updating the Riverfront Master Plan**					
Actions	Apply for planning grant and negotiate a scope of work and consultant contract to update the Riverfront Master Plan.	X			**Community Development Director**	Study area has been defined as 450 acres. Planning process estimated at 18 months. Waterfront Committee has been appointed by Mayor which includes the County, Chamber of Commerce, Downtown Coalition, neighborhood representatives and other community interest groups including holding a position for new owners of WestRock mill site. First Riverfront Master Plan Meeting February/March 2018. Negotiations on the Statement of Work with the Transportation Growth Management continue. Negotiations on the Statement of Work continue. 1/18/18 – A statement of work is close to being finalized, going through TGM program internal review. 5/7/18 – Statement of Work finalized, Intergovernmental Agreement executed. Program work activities have commenced with a kickoff meeting, Initiation meeting including a tours of the study area, and an Orientation meeting with the Citizens Advisory Committee is scheduled for April 30, 2018. **8/6/18 – No change.**
9.2	**Conduct existing conditions analysis and Community Outreach**					
Actions	Modeled on the Economic Development Strategy Plan it is desirable to identify and interview stakeholders, neighborhood representatives and interested community members to identify interests concerns and topics for study. An analysis of infrastructure conditions and needs is needed.	X			**Community Development Director**	With the Governor's Regional Solutions assistance, eight State agencies gathered and reported on regulatory, environmental, transportation, land use, energy and economic development issues related to the Riverfront. 5/7/18 – Information on the WestRock site has been compiled, project consultant will be schedule stakeholder meetings. Infrastructure analysis will be part of the overall work program. **8/6/18 – Stakeholder meeting were conducted and a summary report prepared. The Technical Advisory Committee (TAC) and Citizens Advisory Committee (CAC) met on May 23 and went through an exercise on visioning and goals. The TAC and CAC met on July 23 and reviewed the Vision statement, Goals, Existing Conditions report and Market Analysis report. Project web site was created. As pf 7/13/18, there have been 3 outreach booths at Tunes on Tuesday, Public Works Day, & Old Fashioned Festival and the International Stage.**
9.3	**Develop Master Plan and financing of the Master Plan**					
Actions	Develop financing plan for development and re-development in the planning area such as tax increment financing, property tax abatement programs and infrastructure capital improvement funding.		X		**Community Development Director**	5/7/18 – Financing options will be a part of the overall work program. Analysis on the feasibility of a Tax Increment District is being re-budgeted to FY 201-2019. **8/6/18 – Urban Renewal Feasibility and Plan funds were adopted in the FY 18-19 budget.**

GOAL 9: Develop a Riverfront Master Plan (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
9.4	**Comprehensive Plan and Zoning Changes**					
Actions	Based on the work of the Riverfront Citizens Advisory Committee it is likely to require Comprehensive Plan and Zoning changes.		X		**Community Development Director**	

GOAL 10: Implement Emergency Preparedness and Response Program

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
10.1	**Develop an effective emergency program that plans, trains and coordinates public, non-profit and private efforts in emergency response, mitigation and recovery.**					
Actions	Organize and train city organizations for emergency response and mitigation	X			**City Manager or Designee**	11/8/17: • A monthly Emergency Management meeting schedule has been prepared. • Department Heads are discussing Emergency Preparedness concerns on a regular basis. • Department Heads are evaluating the needs of their departments and setting minimum ICS training standards. • Staff is compiling training certificates and will coordinate necessary additional training to meet those standards. City Management team has committed to monthly meetings to plan and prepare for disaster responses and recovery. The effort includes revision to the emergency operations plan, commitment to enhanced FEMA training, scheduling of regular training activation of the City's Emergency Operations Center, evaluation of seismic resiliency of city facilities. The City's department directors are organizing around the Incident Command system for emergency response and are developing strategies for preparing individual employees and their families to respond to a disaster and are planning for extended disaster response as well as organizing with a goal of staff backup to each emergency response function. Staff is reviewing and revising the City Emergency Operations Plan (EOP) and will assist other government agencies and private-sector entities in the preparation of standard operating procedures (SOP's) in support of the EOP. Reviews and recommendations will extend to businesses, industry, hospital, and nursing homes on the preparation of their emergency plans to ensure they are workable within the framework of the city, county, and state plans. 1/18/18: City has an accurate record of what employees have completed NIMS training. Employees that were found to need additional coursework have been completing the online training, which should be completed in the coming months. Training records will be tracked by the HR Department moving forward, rather than by each individual department. 4/17/18: Nine people attended ICS 300/400 training earlier this month. Approximately 35 staff and Councilors need to complete additional FEMA coursework (started with 80+ needing training). **8/6/18: Staff is continuing to complete FEMA online and classroom coursework and obtain required certifications.**
Actions	Update City Emergency Operations Plan		X		**City Manager or Designee**	

GOAL 10: Implement Emergency Preparedness and Response Program (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
Actions	Plan and operate, maintain, and upgrade a multi-tiered emergency communication system that includes an 911 call center, emergency operations center land lines, satellite phones, citizens band radios, ham radios, cell phones, email system, and city-wide code red alert system.		X		**City Manager or Designee**	**8/6/2018: 911 analog to digital system upgrade is currently in the planning/design/equipment procurement stages, which includes the replacement of all handheld police/maintenance Motorola radios and assigning new channels. Options to replace outdated satellite phones is underway. Staff met with local HAM radio operators to review space and equipment needs for a radio room to be located near the primary emergency operations center (EOC). City-wide code red system is functional and is tested/used several times per year.**
Actions	Coordinate fire and medical communications and response protocols with Tualatin Valley Fire & Rescue.	X			**City Manager or Designee**	11/8/17: Communication with TVFR to 1) Help us in setting up EOC and, 2) Participate in a mock exercise. 1/18/18: A training exercise with TVF&R is in the planning stage and is tentatively scheduled for late spring. **8/6/18: Improvement to fire and medical communications and response protocols are being completed as a part of the upgrade of the existing system from analog to digital.**
10.2	**Develop, foster, and maintain private sector interest in the emergency program. Emergency partners in the private sector range from businesses and industry to civic organizations and individuals.**					
Actions	Coordinate Emergency Preparedness programs with GFU, A-dec, CPRD, and the School District.		X		**City Manager or Designee**	Updated 11/8/17: Obtained copies of Emergency Operations Plans from • GFU • Tualatin Hills Country Club • Newberg School District • City of Dundee • PNMC The City components consist of police, emergency communications, public works, support departments (such as finance, planning, logistics, public information, etc.) and the coordination of volunteers and other groups contributing to the management of emergencies. Organize and coordinate local training for public safety and volunteer first responders. 4/17/18: No update **8/6/18: No update.**
10.3	**Maintain the Emergency Operations Center (EOC) in a continuous state of readiness.**					
Actions	Setup storage area for needed supplies for primary and secondary EOC locations.	X			**City Manager or Designee**	1/18/18: Bids for storage cupboards were acquired. Installation is being postponed due to current year budget constraints and will be proposed to be completed in the FY 18/19 budget. 4/17/18: Cupboards in Council Chambers are budgeted in FY 18/19. **8/6/18: Installation of cupboards for primary EOC storage are scheduled for November.**

GOAL 10: Implement Emergency Preparedness and Response Program (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
Actions	Review/modify/upgrade needed equipment and infrastructure to effectively operate the EOC.		X		**City Manager or Designee**	1/18/18: City staff recently prepared and submitted a State of Oregon Homeland Security grant application for $17,000 for EOC items: 2 pallets of meals ready to eat, 2 fuel transport bladders, and a storage container installed on a gravel pad. In June the State will provide notice of grants that were funded. 4/25/18: A seismic upgrade grant for $877,000 was submitted to Business Oregon for the Public Safety Building in February. The city was awarded 100% of the requested funds, staff will be working on finalizing the acceptance of the grant in the next couple of months. **8/6/18: City Council approved the grant funding for the public safety building seismic upgrade project on 7/16/18. Staff is preparing a RFP for architectural/structural services. Grant funds need to be spent by Sept. 30, 2020.**
Actions	Train city staff in the operations of EOC positions (provide redundancy).	X			**City Manager or Designee**	11/8/17: Public Works - Jill Dorrell coordinating monthly meetings - response planning & training. 4/17/18: Nine staff members recently attended ICS 300/400, which provides high level of training for all of the positions in the EOC. **4/17/18: DONE.**
Actions	Ensure adequate staffing to operate the EOC is available.	X			**City Manager or Designee**	1/18/18: A large number of employees have recently completed the NIMS coursework and will add to the pool of staff available to staff the EOC. With the tracking of required training for most city employees, adequate staffing to operate the EOC should not be an issue in the future. 4/17/18: Nine staff members recently attended ICS 300/400, which provides high level of training for all of the positions in the EOC. **4/17/18: DONE.**
10.4	**Establish and maintain coordination with other Cities, Counties, and State governmental departments and agencies, utilities, and the private sector during any type of emergency.**					11/8/17: Met with Providence Hospital, GFU, PGE & Yamhill County - updated coordination efforts. **8/6/18: PGE and City met on 7/17/18 to discuss points of contact and coordination efforts. PGE and City to meet again on 9/5/18 to discuss additional coordination efforts.**
Actions	Reach out to the Yamhill County Sheriff Office Emergency Management office in partnership.	X			**City Manager or Designee**	11/8/17: Several communications with County Emergency Manager. 1/18/18: Staff have attended the monthly County emergency management meetings. The Yamhill County Emergency Manager, Brian Young, has been attending the monthly City emergency management coordination meetings. City staff will be participating in the all-county emergency management tabletop exercise this spring. 4/17/18: A robust relationship has been created with Yamhill County Emergency Management. Brian Young from Yamhill County attends the end of the month City Department Head emergency management coordination meetings. City Staff is also attending the monthly emergency management meeting held at Yamhill County and attending County drills/exercises. **4/17/18: DONE.**

GOAL 10: Implement Emergency Preparedness and Response Program (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
10.5	**Facilitate Disaster planning, response and recovery in partnership with Newberg's faith community**					
Actions	Invite faith community to partner with the City	X			**City Manager or Designee**	The City has sponsored two introduction and planning meetings with churches introducing concept to disaster response and recovery partnerships. The Mayor offered to preposition water filtration equipment at churches interested in participating and asked for congregations interested in further planning with the city. The City is actively seeking surplus state and federal equipment and supplies that might be prepositioned at churches in addition to seeking supplies for the City's response efforts. The concept is to ultimately engage all of the community's church congregations to plan for disaster response and recovery and for the City to facilitate training, exercises and individual facility planning and to relocate emergency supplies at the churches. One church has volunteered to become the first pilot church to jointly develop an agency response plan for church congregation and to accept prepositioned emergency equipment and supplies. A memorandum of Understanding between the City and Church is being drafted. **8/6/18: No change**
Actions	Identify three churches to become pilot response and recovery partners.	X			**City Manager or Designee**	The initial goal is for three pilot churches to do joint planning. As of 7/1/17, one congregation has stepped forward and two others are considering their level of participation. Pilot churches: Seventh Day Adventist, LDA & Newberg Christian. **8/6/18: No change**
Actions	Organize and coordinate local training for public safety and volunteer first responders.		X		**City Manager or Designee**	LDS Fair was done in October 2017. Newberg Christian will take place Spring of 2018. 4/17/18: City staff attended the Prepare Out Loud event held by Newberg Christian. Staff had a table of city emergency management materials and gave presentations on the City water purification systems. Links to the presentation will be forwarded to city staff. All city staff will be receiving an all-weather grab and go bag from the City at the yearly city recognition breakfast. The city will be over the next few years will be assisting employees in filling the bags with needed emergency supplies. **8/6/18: No change**

GOAL 11: Implement Newberg Economic Development Strategy

STRATEGIES	TIMELINE (in months)			LEAD	PROGRESS
	Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
11.1	**Implement Economic Development Strategy**				
Actions	Continue implementation of the Newberg Economic Development Strategy and its implementing actions. Update the Strategy in FY 2018¬2019.	X	X	X	**Community Development Director**	In 2016, the City Council, Chamber of Commerce and Downtown Coalition approved the Economic Development Strategy with an accompanying action plan. The Newberg Economic Development Strategy is based on four pillars of activity: 1. Industrial Sector. 2. Commercial Sector. 3. Business Development and Workforce. 4. Tourism and Hospitality. Under each pillar there are identified strategies and actions. The Industrial Sector has nine strategies, the Commercial Sector has seven strategies, Business Development and Workforce has eight strategies, and Tourism and Hospitability has three strategies. The first annual Economic Development Strategy progress report was held on July 25, 2017. Meetings are occurring monthly with the core group on action updates. 1/18/18 – The Newberg Economic Development Strategy group meets on a monthly bases to report on activities over the past month. No meeting was held in December. The next meeting is January 23. 5/7/18 - The Newberg Economic Development Strategy group meets on a monthly bases to report on activities over the past month. **8/6/18 - The Newberg Economic Development Strategy group meets on a monthly bases to report on activities over the past month. The Annual Report was prepared and will be going to Council 8/6/18. Work will be beginning on updating the Plan.**

GOAL 11: Implement Newberg Economic Development Strategy (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
11.2	**Implement Newberg Downtown Improvement Plan**					
Actions	Implement the identified actions that support the 10 Big Ideas contained in the Newberg Downtown Improvement Plan adopted City Council in December, 2016 as a guiding document for future planning efforts and investments downtown.	X	X	X	**Community Development Director**	The Downtown Improvement Plan includes an incremental implementation strategy identifying actions, programs and projects needed to carry out the Plan. Not all of these can be done at once. The Incremental Implementation Strategy is a renewable/rolling, short-term action plan that is annually updated with a regularly-scheduled monitoring and updating process and a supporting budget. Included below are charts with action items and timelines for each strategy identified in the adopted plan.1/18/18 – An appraisal is being prepared for the property, the McCann apartment project at the corner of Second St and Edwards St received land use approval and building permits have been submitted, discussions on a hotel downtown continue, discussions on repurposing and new buildings have been discussed for the properties at the corner of First St and Blaine St, Chapters completed its front façade improvement, Tesmer & Emery LLC completed the façade improvement for the old Cancun building, the food cart pod is operational on first street, a pre-application meeting was held for a new commercial bldg.. on Second St., a meeting was held on possible apartments on Second Street. 5/7/18 – A report on activities in the downtown area over the past year was presented to the City Council on March 5, 2018. **8/6/18 – McCann Apartments was approved for modifications, the GFU mural was approved at Steve's Auto, the City and NDC have met on contract services to attract a hotel to downtown, staff discussed the hotel concept with a developer, preliminary discussion have been held on the potential development of the Second Street parking lot that retains the public parking, the Butler Property Request for Expressions of Interest has been circulated with proposal due August 15, landscaping improvements were completed by Public Works at the east end of the couplet, Redwood Suites was approved for a third building on E Second Street, meeting was held on possible uses of the Spaulding Building at the corner of N Blaine and E First Street, discussions were held on re-purposing the classic car facility with a developer on W First Street, staff and NDC did a walk through on First Street to looking at maintenance issues, the City removed the house on N School Street behind the library, the Bite of Newberg is fully occupied with food carts.**

GOAL 11: Implement Newberg Economic Development Strategy (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
11.3	**Implement Newberg Strategic Tourism Plan**					
Actions	Implement the identified actions that support Organizational Development, Destination Development and Marketing adopted City Council in June, 2016 as a guiding document for future tourism efforts with the city.	X	X	X	**Community Development Director**	The Small Grant Program for FY 2016-2017 awarded five grants totaling $20,000. The Destination Development – Marketing Grant program applications closed in October and six applications are under review by the TLT Ad Hoc Committee. The Small Grant Program for FY 2017-2018 will begin its solicitation on November 15, 2017 for up to $20,000 in available funds. 1/18/18 – The TLT Ad Hoc Committee reviewed and recommended three Destination Development-Marketing grants to City Council. City Council awarded two grants and referred one recommendation back the Committee for further consideration. Five Small Grant applications are under review by the Committee. The marketing Subcommittee has developed a marketing proposal the TLT Committee will discuss in February. 5/7/18 – The TLT Ad Hoc Committee revised and recommended funding four Small grants and City Council approved the grants. The TLT Ad Hoc Committee reconsidered the Wolves & People Destination Development-Marketing Grant as requested by City Council and it and will be back before the City Council on May 7, 2018. The TLT Ad Hoc Committee and Marketing Subcommittee have been discussing the organizational structure of the tourism program and a focus on marketing rather than grants. **8/6/18 – City Council and the TLT Committee held a joint work session. The TLT Committee is finalizing a proposal on the organizational structure of the TLT program to focus on marketing, City Council approved the Wolves & People Destination Development – Marketing Grant. The Newberg Downtown Wineries Association grant was executed. The Cultural Center grant contract is being worked on. No movement has been made on the Anvil Academy grant. The Pairs Visual contract for phots and videos was completed and the final products delivered.**

GOAL 12: Complete community visioning process and communication plan to engage Newberg residents

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
12.1	**Determine what constitutes a Community Vison and who should be involved in developing a Community Vision**					
Actions	Evaluate models for community visioning processes that reflect Newberg's values, trends and issues.	X			**Community Development Director**	The **(8/6/18)** ~~Community Engagement Specialist~~ Community Development has interviewed several councilmembers, commission volunteers and staff who have revealed patterns and desires for a city communications effort. Research has also been conducted to determine best practices of other public agencies on effective communications plans. Staff has reviewed the International Association of Public Participation (IAP2) model along with the City of Hillsboro, City of Sherwood and City of Tualatin programs. 1/18/18 – None **8/6/18 – No change.**
Actions	Identify key stakeholders to gauge level of engagement in a community visioning process.	X			**Community Development Director**	
Actions	Hold briefings with other communities that have engaged a community visioning process to gather best practices and lessons learned.	X			**Community Development Director**	
12.2	**Develop community vision and actionable plan**					
Actions	Secure a facilitator for the community visioning process.		X		**Community Development Director**	Initial conversations have been held with the Sustainable Cities Initiative (SCI) program out of the University of Oregon about possible facilitation support. 5/7/18 – A Resource Assistance for Rural Environments (RARE) application has been submitted to the University of Oregon to have a RARE participant work with the City to develop a Community Visioning program. Emails went to Chehalem Valley Chamber of Commerce, Newberg School District, Chehalem Park and Recreation District, Newberg Downtown Coalition, Tualatin Valley Newberg Fire & Rescue, George Fox University, Portland Community College, Newberg City Club, Newberg Rotary, Newberg Kiwanis, Providence Newberg Medical Center, Chehalem Cultural Center, Yamhill County seeking their support in a Community Visioning process and program. **8/6/18 – The City was selected for a RARE participant, interviews were held the week of July 16. City Council was briefed on the International Association of Public Participation model for community engagement.**
Actions	Reach out to Newberg residents and stakeholders in listening sessions and public forums. 2-4 community sessions, 5 stakeholder sessions and 3 large community wide sessions (modeled after process used to create Economic Development Strategy and Downtown Plan).		X	X	**Community Development Director**	

GOAL 12: Complete community visioning process and communication plan to engage Newberg residents (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
Actions	Based on listening sessions and stakeholders meetings develop series of values community values, emerging trends and issues.		X	X	**Community Development Director**	
Actions	Develop a community visioning plan and actions		X	X	**City Manager or Designee**	
12.3	**Develop Communications Plan and Strategy**					
Actions	Create a Communications Plan based on interviews and research of best practices for public agencies.	X	X	X	**Community Engagement Specialist/ Community Development Director**	A draft communications plan has been developed based on the following themes and guiding principles: 1. Engage the community. 2. Ensure City of Newberg has a positive image with all stakeholders. 3. Ensure consistent and proactive external communication. 4. Enhance internal communication to increase awareness, coordination and participation of City employees in City goals. Open Two-Way Communication - Ensure that information is shared throughout the community and the organization emphasizing two-way informational flow. Community Problem Solving - Provide citizens with complete, accurate and timely information enabling them to make informed judgments. Proactive - The plan attempts to give the City the opportunity to tell its story rather than rely exclusively on others to interpret the City's actions, issues and decisions. Inclusive - Including everyone in the process builds teamwork and a feeling of belonging, breaking down feelings of us vs. them, which are common in many city governments and in many relationships of city government with citizens. The goal is to include everyone who cares to participate and to motivate those who are not currently engaged. Strong and Consistent Messages -The communication plan should support, reinforce and reflect the goals of the City government as established by the City Council and the City management, thus underscoring the idea of an organization with one common purpose: the citizens. **8/28/2018 – A draft communications plan with an implementation schedule was presented to the Council.** **8/6/2018 – An update of the communications plan will occur in September 2018.**
Action	**Use interactive communication channels and techniques wherever and whenever possible.**				**Community Engagement Specialist**	**Strategy included in the communication plan presented August 2018 to the Council.**

GOAL 12: Complete community visioning process and communication plan to engage Newberg residents (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
						8/6/2018 – The city has been active in using the following communication channels and techniques to reach its residents: • **Publishing frequently to the City's website homepage** • **Populating the City's web calendar** • **Facebook page** • **Facebook messenger** • **List serve of public information officers in the area** • **Electronic Newsletters** • **Print media – Flyer distribution** • **Displays at city facilities**
Actions	**Integrate a community engagement plan at the onset and throughout major city initiatives.**	**X**	**X**	**X**	**Community Engagement Specialist**	**Strategy included in the communication plan presented August 2018 to the Council.** **8/6/2018 – This strategy is being implemented in the current Riverfront Master Plan process. The planning department included the community engagement specialist in the onset of creating a public information plan. As a result, the plan includes nontraditional channels for reaching residents and Spanish speakers. The plan includes information booths at Tunes on Tuesday, Latino Stage and 5k/Run at Newberg Old Fashioned Festival and bilingual materials online and print. Latino leaders have also been included in the interview process for developing the plan. Information reaches residents on a bi-monthly basis, to keep them informed. The Riverfront Master Plan is scheduled to go before Council for adoption in Feb./Mar. 2019**
Action	**Foster an ongoing relationship with communities typically not reached via traditional or mainstream channels.**	**X**	**X**	**X**	**Community Engagement Specialist**	**Strategy included in the communication plan presented August 2018 to the Council.** **8/6/2018 – The city has made inroads with the Spanish speaking population of Newberg. A community identified in the communication plan to reach and connect with city administration. In collaboration with Unidos Newberg Network, Newberg-Dundee Police Department and the community engagement specialist, six community forums have been held in Spanish. Making progress in gaining the community's trust.** **With the Latino community push and the need for leadership, the community engagement specialist spearheads the first international committee of the Old Fashioned Festival. Through this involvement, the Spanish peaking community is being reached by the city. In addition, the city has been key in providing knowledge and skills to assist the Latino community in creating their online presence. As a result, a Facebook page (Newberg Presenta – *Newberg presents*) and community discussion group (Newberg en Acción – *Newberg in action*) for Spanish speakers has been created. These are used to inform Spanish speakers about city happenings and to promote activities and events in Newberg.**

GOAL 12: Complete community visioning process and communication plan to engage Newberg residents (continued)

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
						The community engagement specialist participates in an ongoing basis in the following committees: • **Martin Luther King Day Committee** • **Service Integration Team meetings AKA Community Coalition of local social service organizations** • **Latino American Heritage Month Committee** • **Newberg PCC Advisory Committee**
Action	**Employ a multi-media and multi-level communication approach that is monitored and updated to current methods of communication.**	**X**	**X**	**X**	**Community Engagement Specialist**	**Strategy included in the communication plan presented August 2018 to the Council.** **8/6/2018 – In almost two years, the city has made a significant presence in social media, and on the web. An average of 13 emails via our website are received and answered, citizens have also discovered that they can communicate with the city though Facebook comments and/or messages. They are reporting pot holes, trees covering street signs, inquire about code compliance and about how to get involved in the different community events. An average of 5 people follow or like our Facebook page, now totaling 1,758 (a 38% increase since Sept. 2016) and reaching an average of 966 people a month. The city continues to evaluate additional channels to communicate with its residents.** **The city has also been active in providing news stories to local print and TV media. At least twice a month, there is an article in the local news provided by the city.**
Action	**Use current research conducted by City departments and community organization to measure public attitudes and opinions that use both quantitative and qualitative methods.**	**X**	**X**	**X**	**Community Engagement Specialist**	**Strategy included in the communication plan presented August 2018 to the Council.** **8/6/2018 – The following research have been identified to use for measuring public attitude and opinions:** • **2017 Yamhill County Needs and Opportunities Assessment by the Oregon Community Foundation** • **Newberg 2030 by the Community Development Department** • **Latinos in Oregon: Trends and Opportunities in a Changing State 2016 by Oregon Community Foundation** • **2017 Dundee Community Survey** • **Communities Reporter Tool: http://oe.oregonexplorer.info/rural/CommunitiesReporter** • **An unofficial channels is online social media community groups**

GOAL 13: Improve the transit system in and out of Newberg

STRATEGIES		TIMELINE (in months)			LEAD	PROGRESS
		Short-Term (0-12)	Mid-Term (12-24)	Long-Term (24-36)		
13.1	**Actively contribute to development of Yamhill County's Transit Plan for Newberg**					
Actions	Appoint Council member to Yamhill County Transit Master Plan study group.	X			**Mayor**	Councilor Essin is the appointed City Council representative.
Actions	Appoint staff member to support Yamhill County Transit Master Plan.	X			**Community Development Director**	Brad Allen is the City staff member assisting Councilor Essin.
Actions	Recommend Newberg residents to participate in the County Committee reviewing the Transit Master Plan.	X	X		**Mayor & City Manager**	The City assisted in outreach efforts in Newberg for residents to participate in Yamhill County Transit Area workshops in Newberg and surveys on the existing transit system and possible modifications to the system.
Actions	Periodic updates on the Transit Plan development to the City Council.	X	X			Councilor Essin provided material from the draft technical memorandums prepared for the Transit Master Plan with the City Council on October 5, 2017. 5/7/18 – The City Council and Yamhill County Board of Commissioners on March 19, 2018 and discussed Newberg's transit needs and desires. City submitted recommendations to the County Transit Advisory Committee for Newberg Transit improvements including modified routes, new signage and downtown Newberg Transit Center. Committee incorporating recommendation in their plan submitted to Commissioners, May 2018. **8/6/18 – Staff evaluating and looking at possible options for an on-street transit center. The Yamhill County Transit Advisory Committee has completed its work and is forwarding their recommendations to the Yamhill County Commission. Councilor Essin and City Manager participated in the advisor committee that is recommending revision to Newberg's routes from two routes to four with each route intersecting the other routes at a proposed central, downtown transit center. More work is still to come on long term transit funding.**

City Council Business Session
August 6, 2018 - 7:00 PM
Public Safety Building 401 East Third Street

I. CALL TO ORDER

II. ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. PRESENTATIONS

IV.a Chehalem Valley Chamber of Commerce quarterly report
Q4 Visitor Center Tourism Report 2018-0806.pdf

IV.b Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting, June 30, 2017
2018-08-06 CAFR Award.pdf

V. CITY MANAGER'S REPORT

VI. COUNCIL APPOINTMENTS

VI.a Transient Lodging Tax Ad Hoc Committee Appointment
RCA Motion TLT Appointment - August 6, 2018.pdf

VII. PUBLIC COMMENTS

(30 minutes maximum which may be extended at the mayor's discretion; an opportunity to speak for not more than five (5) minutes per speaker allowed)

VIII. CONSENT CALENDAR

VIII.a Resolution 2018-3495, A Resolution approving an Intergovernmental Agreement between the City of Newberg and Mid-Willamette Valley Council of Governments for Economic Development Revolving Loan Fund services
RCA Resolution 3495 EDRLF COG-City.doc
Exhibit A - 2018-2019 Newberg EDRLF COG Contract.pdf

VIII.b Resolution 2018-3494, A resolution to authorize the city manager to enter into a professional services agreement with GSI Water Solutions, Inc. for a cost not to exceed $69,600.00 to perform work on the City's Water Management Conservation Plan Update and Water Rights Review Project

Res2018-3494_WtrMgmCP & WRRPj_PSA Award.pdf

IX. PUBLIC HEARINGS

IX.a Ordinance 2018-2833, Comprehensive Plan Text Amendment of the Springbrook Oaks Specific Plan and Amendment to the R-P/SP Area F-1 district.
CPTA18-0003-Staff Report -RCA Ordinance.pdf
Exhibit A Development Code amendment.pdf
Exhibit B Springbrook Oaks Map.pdf
Exhibit C Findings.pdf
Attachment 1 PC Resolution 2018-09 Signed.pdf
Attachment 2 Location Map.pdf
Attachment 3 Application.pdf
CPTA18-0003-Springbrook Oaks-CC Presentation.pdf

IX.b Ordinance 2018-2838, An Ordinance amending the Comprehensive Plan Map designation from Medium Density Residential (MDR) to High Density Residential (HDR) and amending the Zoning designation from R-2 (Medium Density Residential) to R-3 (High Density Residential) for a property located at 1109 S River Street, Yamhill County Tax Lot 3220CC-05400.
RCA ORD 2838 w Exhibits and Att.pdf
CC Presentation CPMA18-0002 ZMA18-0001 Final.pptx

IX.c Resolution 2018-3488, A Resolution Approving The Sale Of The Newberg Animal Shelter Property After A Public Hearing And Ratifying The Purchase And Sale Agreement Between The City And The Newberg Animal Shelter Friends Dated June 21, 2018, Thereby Removing The Council Approval Contingency To That Agreement
Resolution 2018-3488 Public Hearing on Animal Shelter Sale.pdf
Animal_Shelter_Appraisal_Report_2018 Attachment 1.pdf
Purchase_and_Sale_Agreement_Shelter_EXECUTED_COPY_June_2018 Exhibit A.pdf

IX.d Resolution 2018-3454 Updating the Master Fee Schedule
Master Fee Schedule 18-19 Vol 2.pdf

X. NEW BUSINESS

X.a 2016 Newberg Economic Development Strategy Annual Review
RCA Information Economic Development Strategy 2018.doc
Attachment 1 - Newberg Economic Development Strategy Annual Report PP.pdf
Attachment 2 - 2017 - 2018 Annual Report.pdf

XI. COUNCIL BUSINESS

XI.a Yamhill Local Government Dinner
Yamhill LGD August 16.pdf

XII. ADJOURNMENT

COMMENTS

Council accepts comments on agenda items during the meeting. Fill out a form identifying the item you wish to speak on prior to the agenda item beginning and turn it into the City Recorder.

Speakers who wish the Council to consider written material are encouraged to submit written information in writing by 12:00 p.m. (noon) the day of the meeting.

ADA STATEMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS: In order to accommodate persons with physical impairments, please notify the City Recorder's Office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than two business days prior to the meeting. To request these arrangements, please contact the City Recorder at (503) 537-1283. For TTY services please dial 711.

ORDER

The Mayor reserves the right to change the order of items to be considered by the Council at their meeting. No new items will be heard after 11:00 p.m., unless approved by the Council.

CHEHALEM VALLEY CHAMBER OF COMMERCE Q3 VISITOR CENTER & TOURISM PROMOTION REPORT

Visitor Center	Q1	Q2	Q3	Q4
Walk-in Visitors	1,572	1,555	1,572	868

Tourism Website	Q1	Q2	Q3	Q4
Website Sessions	1,200	407	485	683
Avg Duration (minutes:seconds	1:47	2:42	1:53	2:12
Bounce Rate*	63%	62%	60%	56%

*Bounce rate = the percentage of visitors that leave the website after visiting only 1 page.

Visitor (Tourism) Website Page Rankings (excludes the Home Page)

Most Visited Page:	*Plan Your Visit*	*Plan You Visit*	*Plan Your Visit*	*Plan Your Visit*
2nd Most Visited Page:	*Wine Tours*	*Wine Tours*	*Accomodations & Things to do (tied)*	*Things to do (Free)*
3rd Most Visited Page:	*Wineries*	*Wineries*	*Things to do*	*Things to do*
4th Most Visited Page:	*Things to Do*	*Accomodations*	*Wine Tours*	*Accomodations*

Visitor Center & Tourism	Q1	Q2	Q3	Q4	YTD Budget	YTD Actual
Revenue						
TLT Revenue:						
City of Newberg	$ 34,971.50	$ 34,971.50	$ 34,971.50	$ 34,971.50	$ 139,886.00	$ 139,886.00
City of Dundee	$ -	$ 2,500.00			$ 2,500.00	$ 2,500.00
Other Revenue:						
Travel Oregon Grant		$ 10,000.00		$ 8,000.00		$ 18,000.00
Total Revenues:	$ 34,971.50	$ 37,471.50	$ 34,971.50	$ 34,971.50	$ 142,386.00	$ 160,386.00
Expense						
Personnel	$ 16,873.53	$ 15,042.16	$ 9,170.42	$ 8,062.06	$ 62,000.00	$ 49,148.17
Tourism Marketing	$ 9,584.62	$ 1,441.54	$ 9,105.25	$ 44,539.59	$ 42,000.00	$ 64,671.00
Overhead, Utilities, etc.	$ 11,055.73	$ 12,307.76	$ 12,307.76	$ 12,307.75	$ 47,979.00	$ 47,979.00
Total Expenses:	$ 37,513.88	$ 28,791.45	$ 30,583.43	$ 64,909.40	$ 151,979.00	$ 161,798.16
Net Income:	$ (2,542.38)	$ 8,680.05	$ 4,388.07	$ (29,937.90)	$ (9,593.00)	$ (1,412.16)

Q4 TLT Tourism Marketing Expense	Q4
Expense Category:	
Advertising-Design	$ 120.00
Advertising-Print (Field Guides)	$ 4,408.00
Event Promotion-Taste Dundee	$ 3,001.29
Event Promotion-Brews & BBQ	$ 1,172.80
Sponsorship-Anvil Acad. Rose Parade	$ 200.00
Rain or Shine Campaign	$ 35,500.00
Visitor Website	$ 137.50
Total Expenses:	$ 44,539.59

NOTE:
Personnel costs down due to CEO's absence.
Tourism work filled-in with BOD members.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018	
Order ___ No. **Ordinance ___ No.** **Resolution ___ No.** **Motion ___** **Information XX**	
SUBJECT: Recognition of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2017	**Contact Person (Preparer) for this Item: Matt Zook, Finance Director** **Dept.: Finance** **File No.:**

RECOMMENDATION: No action necessary other than the celebration of a major goal.

BACKGROUND: The City of Newberg has achieved annual recognition from the Government Finance Officers Association (GFOA) for its excellence in financial reporting 24 of the last 26 years. The GFOA lists several requirements for achieving the Certificate of Achievement. The CAFR must include financial statements presented in conformity with generally accepted accounting principles (GAAP), be audited in accordance with GAAP, and demonstrate legal compliance. Benefits of participation in this program include extensive technical accounting and financial reporting scrutiny, national recognition, standardization in terminology and formatting, as well as a valuable single report for assessing the financial position of the City, which includes statistical and economic information.

I would like to thank the entire Finance Department for their work in achieving this award.

FISCAL IMPACT: No current financial impact. The certificate does represent the achievement of a high standard of financial reporting. One of the most critical readers of financial statements is credit rating agencies. While not going so far as to say that this would directly impact a rating, it certainly presents a positive image of City management while also providing much of the information that a rating agency would use to assess the City's financial position.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Newberg

Oregon

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018				
Order ___ No.	**Ordinance ___ No.**	**Resolution ___ No.**	**Motion** XX	**Information ___**
SUBJECT: Appoint Shannon Buckmaster to the Transient Lodging Tax Ad Hoc Committee.			**Contact Person (Preparer) for this Motion: Mayor Bob Andrews Dept.: Council**	

RECOMMENDATION:
To consent to the Mayor's appointment of Shannon Buckmaster to the Transient Lodging Tax Ad Hoc Committee with a term that will expire December 31, 2020.

EXECUTIVE SUMMARY:

Transient Lodging Tax Ad-Hoc Committee:
The Transient Lodging Tax Ad-Hoc Committee was formed on December 5, 2016 by the Mayor with the consent of the Newberg City Council. The purpose of the TLT Ad Hoc Committee is to implement the Newberg Strategic Tourism Plan adopted by the City Council in June 2016. The TLT Ad Hoc Committee consists of not more than 13 members and two Ex Officio members. The role of the TLT Ad Hoc Committee is to solicit for tourism related facility projects, review proposals and make recommendations to the Newberg City Council, along with making recommendations on the Small Grant Program to the City Council.

The Mayor recommends the appointment of Shannon Buckmaster to the Transient Lodging Tax Ad-Hoc Committee from August, 2018 to December 31, 2020. Ms. Buckmaster is the executive director of the Chehalem Valley Chamber of Commerce. She has a BA from George Fox University and a Masters in Divinity from Yale University. Ms. Buckmaster has served on the Board of Directors for Newberg Area Habitat for Humanity, Newberg Noon Rotary and Petra Peacebuilders International. She is also a Yamhill County CASA, National Speaker Association Professional Speaker and Leadership Newberg Participant. She loves living, doing business, and raising her family in Newberg and she's invested in the success of this community.

FISCAL IMPACT:
Not applicable

STRATEGIC ASSESSMENT:
Not applicable

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018				
Order No. __	**Ordinance No. __**	**Resolution No. XX 2018-3495**	**Motion __**	**Information ___**
SUBJECT: A Resolution approving an Intergovernmental Agreement between the City of Newberg and Mid-Willamette Valley Council of Governments for Economic Development Revolving Loan Fund services			**Contact Person (Preparer) for this Motion: Doug Rux, Director Dept.: Community Development File No.:**	

RECOMMENDATION:

Adopt Resolution No. 2018-3495 authorizing the City Manager to execute an Intergovernmental Agreement with the Mid-Willamette Valley Council of Governments for Economic Development Revolving Loan Fund services.

EXECUTIVE SUMMARY:

The City of Newberg created the Economic Development Revolving Loan Fund program by Resolution No. 1984-1109. The Economic Development Revolving Loan Fund went through a major revision in 1988 by approval of Resolution No. 1988-356. Oregon Revised Statutes, Chapter 190 allows units of governments to enter into agreements for services. The City of Newberg initially entered into an Intergovernmental Agreement with the Mid-Willamette Valley Council of Governments in 1995 to provide services for the City's Economic Development Revolving Loan Fund.

Annually the Mid-Willamette Valley Council of Governments forwards to the City an Intergovernmental Agreement to cover the current fiscal year for providing the services. The compensation for the services is as follows:

Loan packaging and Loan Closing – Fee basis at rate of 1.5% of the loan amount for a complete loan package with a minimum fee amount of $600.00.

Loan Servicing and Reporting is a flat monthly fee of $150.00.

Special Technical Assistance and Collections Assistance the rate is $90.00 hour for the Loan Officer and the Loan Documentation and Servicing Specialist rate of $60.00 hour.

The term of the Intergovernmental Agreement is July 1, 2018 through June 30, 2019.

The City currently has three Economic Development Revolving Loan Fund loans outstanding for Ruddick-Wood, Newberg Bakery and Debra Fields. Two of these loans are current in payments. The Fields loan is on deferment. A loan to Boniventura was settled in FY 15/16 and has been paid off. The Mid-Willamette Valley Council of Governments does the loan servicing on the two outstanding loans. No loan applications were submitted during FY 17/18.

FISCAL IMPACT:

Funds for FY 2018-2019 have been budgeted in Fund 14, Professional Services, line item 14-4120-580000 for Economic Development Revolving Loan Fund services with the Mid-Willamette Valley Council of Governments.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL PRIORITIES FROM SEPTEMBER 2017):

Not applicable.

RESOLUTION NO. 2018-3495

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF NEWBERG AND MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS FOR ECONOMIC DEVELOPMENT REVOLVING LOAN FUND SERVICES

RECITALS:

1. The City of Newberg created the Economic Development Revolving Loan Fund program by Resolution No. 1984-1109.

2. The Economic Development Revolving Loan Fund went through a major revision in 1988 by approval of Resolution No. 1988-356.

3. Oregon Revised Statutes, Chapter 190 allows units of governments to enter into agreements for services. The City of Newberg initially entered into an Intergovernmental Agreement with the Mid-Willamette Valley Council of Governments in 1995 to provide services for the City's Economic Development Revolving Loan Fund.

4. The City of Newberg is a member of the Mid-Willamette Valley Council of Governments.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Manager is authorized to execute the Intergovernmental Agreement between the City of Newberg and the Mid-Willamette Valley Council of Governments in the form substantially in conformance with Exhibit A.

2. Exhibit "A" is hereby attached and by this reference incorporated.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: August 7, 2018.

ADOPTED by the City Council of the City of Newberg, Oregon, this 6th day of August, 2018.

_____
Sue Ryan, City Recorder

ATTEST by the Mayor this 9th day of August, 2018.

_____
Bob Andrews, Mayor

A G R E E M E N T

Between

MID WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS

and

CITY OF NEWBERG

R E C I T A L S:

1. The **Mid-Willamette Valley Council of Governments (COG)** and the **City of Newberg, Oregon**, a municipal corporation, **(CITY)** have long had interests in common; and

2. The **CITY** is a member of the **COG**; and

3. The **CITY** desires assistance with various aspects of the operation of its business development loan fund and the **COG** provides such services for its member governments; and

4. The **CITY** has authority to enter into intergovernmental agreements for cooperation between units of local government in accordance with Oregon Revised Statutes Chapter 190.

In consideration of the mutual benefits and obligations set out herein, the parties agree as follows:

1. <u>DESCRIPTION OF WORK TO BE PERFORMED BY COG</u>

The **COG** shall provide the following services for the **CITY'S** Economic Development Revolving Loan Program:

A. Loan Packaging
B. Loan Closing
C. Loan Servicing
D. Reporting
E. Special Technical Assistance and Loan Collection work, including training of **CITY** staff as required

2. <u>COMPENSATION</u>

A. For services described under 1.A and 1.B above, the **COG** will be compensated on a fee basis at the rate of 1.5% of the loan amount for any complete loan package prepared by **COG** staff and

submitted to the **CITY** for final disposition. The fee shall be due at the time the loan is closed. The minimum fee for such loans shall be **$600**. The **CITY** shall reserve the right to provide all of the loan packaging services based on the City Manager's evaluation of staff capabilities and the needs of the **CITY**. The **CITY** shall provide **COG** with notice that the **CITY** intends to provide loan-packaging services.

B. For all activities described in 1.C, 1.D, above (Loan Servicing and Reporting), the COG will be compensated at a flat monthly rate of $150. These services include monitoring and verifying the provisions of all loan agreements, maintaining current documentation of insurance and tax payments, collecting and reviewing financial statements from each borrower on at least an annual basis and preparing an annual loan activity from report to the CITY.

C. Services described under 1.E above, (Special Technical Assistance and Loan Collections Assistance Activities) will be provided as requested by the **COG** will be compensated at the Loan Officer hourly rate of $90 and the Loan Documentation Specialist hourly rate of $60. This rate include salary and all overhead costs, including travel.

3. TRAVEL

COG shall bear the cost of staff travel and incidental expenses and these costs are included as part of the fees stipulated in this Agreement.

4. TERMS AND TERMINATION

This Agreement shall be effective on *July 1, 2018* and continue until *June 30, 2019* or until such time as either party provides sixty (60) days written notice of its intent to terminate the Agreement, and then the Agreement shall terminate on the 60th day following said notice.

5. AMENDMENTS

This Agreement may be amended by mutual agreement of **CITY** and **COG**. Any amendments shall be in writing and signed by duly authorized representatives of both parties.

IN WITNESS WHEREOF, the above parties have caused this Agreement to be signed in their respective names by their duly authorized representatives.

MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS

By: _____ Date: _____
Sean O'Day, Executive Director

CITY OF NEWBERG

Signed by the City Manager pursuant to his authority as the administrator of the Economic Development Revolving Loan Fund.

By: _____ Date: _____
Joe Hannan, City Manager

APPROVED AS TO FORM:

By: _____ Date: _____
Truman Stone, City Attorney

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018

Order No.	Ordinance No.	Resolution No. 2018-3494	Motion	Information
___	___	XX	___	___

SUBJECT: A resolution to authorize the city manager to enter into a professional services agreement with GSI Water Solutions, Inc. for a cost not to exceed $69,600.00 to perform work on the City's Water Management Conservation Plan Update and Water Rights Review Project	**Contact Person (Preparer) for this Motion: Paul Chiu, P.E., Senior Engineer** **Dept.: Public Works Engineering** **File No.:**

RECOMMENDATION:

Adopt Resolution No. 2018-3494.

EXECUTIVE SUMMARY:

The City's current Water Management and Conservation Plan (WMCP) was approved by the Oregon Water Resources Department (OWRD) in February 2009. The final order approving the 2007 WMCP requires the City to submit an updated WMCP to the State no later than July 17, 2019 for approval.

The City's current raw water supply source to produce potable water consists of groundwater wells located in the City's well field on the south side of the Willamette River in Marion County. The City holds six municipal groundwater rights that authorize a total appropriation of 35.16 cubic feet per second or 22.6 million gallons per day. The current peak summertime use of groundwater from the production wells is approximately 4.5 million gallons per day. The latest Well No. 9 was completed and approved for use by the Oregon Health Authority in March 2017 as several older wells are planned for decommissioning in this fiscal year due to declining yield. Water rights for any decommissioned wells needs to be re-appropriated and the water rights for all working wells need to be secured or "perfected" also by OWRD.

In response to the above project needs, staff advertised the Request for Proposals on April 13, 2018 and received one (1) qualified proposal from GSI Water Solutions, Inc. (GSI) on May 1, 2018. Staff entered into negotiations with GSI per ORS. 279C.110. GSI submitted a detailed proposal with a scope of work and cost breakdown for the city's consideration (refer to Exhibit "A"). GSI's proposal is straightforward and the consultant cost is reasonable and within the City's allocated budget for this combined project.

FISCAL IMPACT:

This is a combination of two projects that leverages City's funding resources. GSI will be updating the City's Water Management and Conservation Plan, review and analyze the City's water rights, complete all required applications and secure their approvals at the State level for a total fee of $69,600.00. The current fiscal budget appropriates funding for consultant services under account number 04-5150-707557 for the WMCP update portion and account number 04-5150-707502 for the water rights review portion. The work is anticipated to be complete within this current fiscal year.

STRATEGIC ASSESSMENT:

This project allows the City to meet OWRD regulatory requirements for water permit holders and manage the City's water resources identified in the 2017 Water Master Plan.

RESOLUTION NO. 2018-3494

A resolution to authorize the city manager to enter into a professional services agreement with GSI Water Solutions, Inc. for a cost not to exceed $69,600.00 to perform work on the City's Water Management Conservation Plan Update and Water Rights Review Project

RECITALS:

1. The Newberg Water Master Plan identified the need to update the Water Management and Conservation Plan to meet the regulatory requirements of the Oregon Water Resources Department (OWRD) and review existing water rights and secure their partial perfection for the City's water system as several older wells will be decommissioned.

2. The City advertised the Project in the Daily Journal of Commerce and also through the city's Proposal and Bid Management System on April 13, 2018 and received one qualified proposal from GSI Water Solutions, Inc. per ORS.279C.110.

3. GSI Water Solutions,, Inc. submitted a detailed proposal outlining the scope of work with a reasonable phase-by-phase cost breakdown, which is attached as Exhibit "A" and by this reference incorporated.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. The City Council, acting as contract review board for the city, does hereby authorize the City Manager to enter into a Professional Services Agreement with GSI Water Solutions, Inc. to complete the city's Water Management and Conservation Plan Update and the Water Rights Review Project that includes application submittals and securing approvals by the OWRD in the amount of $69,600.00.

2. The City Attorney will modify and approve all contracts and agreements as to form and content.

3. The City Manager is authorized to amend the Professional Services Agreement up to ten (10) percent of the original contract amount.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: August 7, 2018.

ADOPTED by the City Council of the City of Newberg, Oregon, this 6th day of August, 2018.

_____
Sue Ryan, City Recorder

ATTEST by the Mayor this 9th day of August, 2018.

_____
Bob Andrews, Mayor

GSI Water Solutions, Inc.

July 15, 2018

Paul Chiu, PE
Senior Engineer/Project Manager
City of Newberg
414 East First Street, PO Box 970
Newberg, OR 97132

RE: Scope of Work for City of Newberg, Water Management and Conservation Plan Update and Water Rights Review Project

Dear Paul:

GSI Water Solutions, Inc. (GSI) is pleased to have been selected by the City of Newberg (City) to lead the City's Water Management and Conservation Plan Update and Water Rights Review Project. As we have discussed by telephone, GSI has developed the following scope of work for review by the City.

Scope of Work

Task 1 – Water Management and Conservation Plan Update

The overall goal of this task is to obtain an approved Water Management and Conservation Plan (WMCP) for the City of Newberg (City) from the Oregon Water Resources Department (OWRD). The City's current WMCP was approved by OWRD on February 3, 2009. The final order approving the 2007 WMCP requires the City to submit an updated WMCP within ten years, by July 17, 2019. The City is requesting GSI to update the WMCP and meet all relevant WMCP requirements in OAR Chapter 690, Division 86. To complete an updated WMCP, GSI will reference the City's 2007 WMCP, information found in the City's 2017 Water System Plan (WSP), and more contemporary information provided by City staff, among other sources.

Deliverables: A draft WMCP for City review; a local government review draft WMCP submitted to affected local governments; a final draft WMCP submitted to OWRD; after incorporating any comments provided by OWRD, a final WMCP submitted to OWRD; and up to five copies of the final WMCP and an electronic version provided to the City. GSI will also provide the City with all relevant supporting working files (word, excel, etc.)

Activities under this task include the following.

1.1 – Develop Water Supplier Element - *Preparation*: Obtain demand and consumption values, population, and service area and infrastructure descriptions from the City's 2017 WMP and

augment this information with more recent information provided by the City. Using the water rights evaluation in task 2, determine the adequacy and reliability of the City's water rights.

Update Element per OAR 690-086-140: water source(s), interconnections, intergovernmental agreements, service area, service population, adequacy and reliability of existing water supplies, water demands, water rights, identification of streamflow-dependent species, customer descriptions, system description and schematic, and water loss.

1.2 – Develop Water Conservation Element - *Preparation*: Work with City staff to acquire recent information about management and operational measures implemented by the City that contribute to water conservation, such as billing rates and practices, leak detection programs, meter testing programs, and public education programs. Work with City staff to evaluate progress on conservation benchmarks set in 2007 and establish new five-year conservation benchmarks, as needed.

Update Element per OAR 690-086-150: Describe existing conservation and water use and reporting programs. As needed, develop or modify five-year benchmarks for all required conservation measures which include, but are not limited to, annual water audits, meter testing and replacement, rate structures and billing practices, public education, technical and financial assistance to customers to implement conservation, and inefficient fixture replacement programs.

1.3 – Develop Water Curtailment Element - *Preparation*: Work with the City staff to update the existing curtailment element by identifying and describing any recent water shortage(s) and City response(s).

Update Element per OAR 690-086-160: Describe historic supply deficiencies. Define stages of alert and triggers initiating each stage and describe the curtailment actions under each stage.

1.4 — Develop Water Supply Element - *Preparation*: Obtain demand projections from the WMP and calculate water use/demand projections for 10 years, 20 years, and longer, if appropriate. Analyze and recommend how the City's water rights can be used to meet the projected demands. Reference WMP and work with staff to identify infrastructure or supply issues limiting the City's sources. Obtain existing projections to delineate future service area. Evaluate water conservation measures or interties that could provide water at a cost equal to or lower than identified sources.

Update Element per OAR 690-086-170: Delineate future service areas; describe the projected population and demand during the next 10 years, 20 years, and longer, if applicable; describe the schedule to exercise existing water right permits; compare projected need to existing supply; evaluate alternative sources (including new source development costs compared to conservation savings); seek access to "green light" water as necessary; quantify projected use in maximum rate and monthly volume; and describe mitigation actions needed to comply with federal requirements, if any.

1.5 – Executive Summary and Introduction - Provide an overview of the WMCP, including the updated elements listed in OAR 690-086-0125.

1.6 – Prepare Draft WMCP - Compile information from 1.1 through 1.5 into WMCP. Submit draft to City for review.

1.7 – Prepare Final Draft WMCP and Notice to Affected Local Governments — Incorporate the City's comments on the draft WMCP, and at least 30 days before submitting the final draft

1600 SW Western Blvd., Suite 240 Corvallis, OR 97333 P: 541.753.0745 F: 541.754.4211 info@gsiws.com www.gsiws.com

WMCP to OWRD, seek comments from affected local governments regarding consistency with each of the local government's comprehensive land use plan. Work with the City to address any relevant comments from affected local governments before submitting the final draft WMCP to OWRD.

1.8 -- Respond to OWRD Comments and Third-Party Comments and Submit the Final WMCP

Respond to any comments from third parties, as appropriate, and from OWRD on its review of the final draft WMCP, and submit the final WMCP to OWRD for approval.

1.9 -- Meetings

GSI will attend up to two meetings with the City in Newberg, one of which will be a kick-off meeting. GSI will also hold up to eight (8) monthly conference calls with the City at up to 30 minutes each for checking in and coordination. The topics and timing for the monthly conference calls and in-person meetings can be adjusted as jointly determined by the City's staff and GSI depending on the progress of the work.

Task 1 Schedule

GSI will begin this project upon notice to proceed. **The following schedule assumes notice to proceed by no later than August 15, 2018.** Estimated timelines are based on OWRD workload and are not in the control of GSI. In addition, the estimated schedule is contingent upon receiving requested information from the City and the City reviewing and providing comments on draft WMCP sections in a timely manner.

November 14, 2018 - Submit draft WMCP for City review
November 29, 2018 – City to provide WMCP comments
December 7, 2018 - Send draft WMCP to affected local governments (30 days to comment)
January 14, 2019 – Submit draft WMPC to OWRD
April 19, 2019 – (estimated) - Receive comments from OWRD
May 19, 2019 – (estimated) Submit final WMCP to OWRD
June 28, 2019 (estimated) – OWRD issues WMCP final order

Task 1 Assumptions

- The City will provide the 2007 WMCP and the 2017 WMP in MS Word format, if available. (GSI understands that the 2007 WMCP may only be available in a pdf format).
- The City will provide demand and consumption data in MS Excel format.
- The City will provide a GIS map package of the City's current and future service area and major infrastructure (e.g. water lines, pump stations, reservoirs, wells, and interties).

Task 2 - Water Rights Review and Analysis

Under this task, GSI will review the City's existing water rights and evaluate their status and any conditions associated with their use. The general activities GSI will undertake as part of this task may include but are not limited to:

- Review OWRD on-line water rights database and original paper files in Salem, as well as the documents GSI prepared for previous water right-related work with the City.

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- Compile the water rights information in a comprehensive summary table that describes the attributes of each water right (priority date, authorized rate, etc.), and water rights conditions, status, amount of available water rights capacity compared to associated well capacity, any other notes or observations, and preliminary recommendations for securing the water right, such as developing a Claim of Beneficial Use and "partial perfection" certificate for the City's Permit G-17583. The summary table will be drafted in a manner that supports the City's effort to update its Water Management and Conservation Plan (WMCP).

Deliverables: Comprehensive water rights summary table.

Task 3 – Water Right Transactions

Under task 3 GSI will implement up to 5 water rights transactions identified as part of Task 2. Depending on the transactions determined to be needed, the activities that GSI will undertake may include but are not limited to:

- Completing necessary water rights transactions forms (permit amendments, water right transfers, groundwater registration modifications, certificate requests, etc.) and developing supporting documentation including land use information forms and maps.
- Communicating with the City regarding the selected transactions.
- Communicating with staff at OWRD to facilitate the agency's processing of applications or to respond to questions from agency staff.
- Reviewing draft and final orders issued by OWRD.

Deliverables: *To be determined*

Budget/Schedule

The estimated budget for Tasks 1—3 is not to exceed $69,600, as shown in Table 1, and will be based on time and materials. This budget will not be exceeded unless approved by the City. The budget for Task 3 is difficult to determine at this time since it is based on the outcome of Task 2; however, it is a "best estimate" for 5 water rights transactions based on our experience, professional judgment, and past practice.

This budget is based on our current understanding of the project. The budget does not include any application fees charged by OWRD. The City will coordinate and provide checks to OWRD as needed. GSI is not required to perform activities in excess of this stated not-to-exceed time and materials budget.

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Table 1. Estimated Budget by Task

Task	Budget
Task 1. WMCP	$39,000
Task 2. Water Rights Review	$5,600
Task 3. Transactions (up to 5)	$25,000
Total	**$69,600**

The schedule for Task 1 is outlined above.

Task 2 is anticipated to take approximately 2 months to complete. The schedule for completing Task 3 will be dependent of the number and types of transactions to be completed; GSI will work closely with the City to complete the transactions once confirmed by the City.

We appreciate the opportunity to continue GSI's work with the City. Please contact me at 541-257-9001 if you need any additional information.

Sincerely,
GSI Water Solutions, Inc.

Adam Sussman
Principal

1600 SW Western Blvd., Suite 240 Corvallis, OR 97333 P: 541.753.0745 F: 541.754.4211 info@gsiws.com www.gsiws.com

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018				
Order No. __	**Ordinance No. XX 2018-2833**	**Resolution No. __**	**Motion __**	**Information ___**
SUBJECT: An Ordinance approving the 2018 amendment to the Springbrook Oaks Specific Plan and the Newberg Municipal Code to remove the restriction on residential development within the F-1 area within the RP-SP zone			**Contact Person (Preparer) for this Motion: Keith Leonard Dept.: Community Development File No.: CPTA18-0003**	

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

RECOMMENDATION:

Approve Ordinance 2018-2833.

EXECUTIVE SUMMARY:

A. BACKGROUND:

Area F-1 of the Springbrook Oaks Specific Plan is zoned R-P (Residential-Professional). The concept of this zone is to allow professional office uses, medical centers, and similar professional uses. Residential uses were allowed in the area as support to the professional uses, such as small cottages adjacent to a medical care center. To avoid having the entire area simply developed as residences, the Specific Plan limited residential development to 20 percent of the area. The applicant wants to develop the F-1 Area with residential use and is asking that the restrictions for residential use be removed from the F-1 Area.

The subject property was involved in a recent partition, Newberg File number PAR17-0002 and Yamhill County Clerk Record Number 201709029. The original parcel size was ±9.63 acres. After the partition the subject property was ±6.66 acres. The subject property has relatively flat topography and is currently vacant.

Surrounding Land Use
North: Providence Newberg Medical Center
South: Senior independent living community (Friendsview - Springbrook Meadows)
East: Proposed Providence Medical Office Building II, Chehalem Glenn Golf Course
West: light industrial facility (Argyle Winery)

B. PROCESS:

A comprehensive plan amendment is a Type III application and follows the procedures in Newberg Municipal Code 15.100.050. The Planning Commission will hold a public hearing and make a recommendation to City Council. The city council will hold a public hearing and make a final decision on the applicants' request. Important dates related to this application are as follows:

1. 5/16/18: The Community Development Director deemed the application

complete.

2.	6/20/17:	City staff placed a notice in 4 public buildings.
3.	6/20/18:	Applicant mailed public hearing notice to all property owners within 500 feet of the subject property.
4.	6/26/18:	Applicant posted public hearing notice on the subject property.
5.	6/27/18:	Public hearing notice was published in the Newberg Graphic.
6.	7/12/18:	After proper public notice, the Planning Commission held a public hearing, took public testimony, and deliberated on the proposal and adopted Resolution 2018-09 (Attachment 1).
7.	7/25/18	Applicant mailed notices to all property owners within 500 feet of the subject property for the City Council public hearing.
8.	7/25/18	Planning staff posted the notice in four public buildings.
9.	7/25/18	The Newberg Graphic published the notice of the City Council public hearing.
10.	8/06/18	After property notice, the City Council held a quasi-judicial public hearing, too public testimony and deliberated on the proposal.

C. PUBLIC COMMENTS:

As of the writing of this report, the city has not received any written public comments.

D. STAFF/PUBLIC AGENCIES COMMENTS:

As of the writing of this report, all agency comments have been reviewed by City staff. No concerns were raised in the comments received.

E. DISCUSSION AND PROPOSED CHANGES:

The applicant has made a request for site specific Comprehensive Plan amendment of the Springbrook Oaks Specific Plan R-P/SP Area F-1 to remove a restriction on residential development. The RP (Residential Professional) base zone designation of the Specific Plan (SP) allows residential use. However, the F-1 Area, where the subject property is located, was amended in 2006 by Ordinance 2657 to prohibit residential land use. The purpose of eliminating the residential land use from the F-1 was to eliminate impacts from the future planned Newberg-Dundee Bypass. The plan for the Bypass has been further refined resulting in the need for not restricting residential uses on the subject property.

F. PLANNING COMMISSION RECOMMENDATION:

The Newberg Planning Commission held a public hearing on June 12, 2018, heard public testimony, and approved Resolution No.2018-09 recommending the City Council approve the proposal.

FISCAL IMPACT:

No significant fiscal impact to the City is expected.

ASSESSMENT (RELATED TO COUNCIL PRIORITIES FROJ SEPTEMEBER 2017):

Not applicable.

City Council Ordinance No.2018-2833
Exhibit "A" Amendment to the Newberg Development Code Section 15.246.070(B)
Exhibit "B" Springbrook Oaks Specific Plan Map
Exhibit "C" Findings

Attachments:

1. Planning Commission Resolution 2018-09
2. Location Map
3. Applicant Material

ORDINANCE NO. 2018-2833

AN ORDINANCE APPROVING THE 2018 AMENDMENT TO THE SPRINGBROOK OAKS SPECIFIC PLAN AND THE NEWBERG MUNICIPAL CODE TO REMOVE THE RESTRICTION ON RESIDENTIAL DEVELOPMENT WITHIN THE F-1 AREA WITHIN THE RP-SP ZONE

RECITALS:

1. On August 2, 1999, the Newberg City Council adopted Ordinance 99-2517 approving the Springbrook Oaks Specific Plan.

2. On October 16, 2006, the Newberg City Council revised Ordinance 2006-2657, amending the Springbrook Oaks Specific Plan to prohibit residential use on R-P/SP zoned property within the F-1 area.

3. MJD Development, Inc. submitted an application requesting a Specific Plan amendment to the Springbrook Oaks Specific Plan F-1 area to remove the restriction on residential development for Yamhill County Tax Lot 3216-02026.

4. After proper notice, the Newberg Planning Commission held a public hearing on July 12, 2018 to consider the application. The Commission took public testimony, closed public testimony, and deliberated.

5. The Newberg Planning Commission found that the application met the applicable criteria from the Newberg Development Code and the goals and policies of the Newberg Comprehensive Plan as shown in the findings shown in Exhibit "C".

6. On July 25, 2018, written notices of the August 6, 2018, City Council public hearing were sent by the applicant to all property owners within 500 feet of the subject property.

7. On July 25, 2018, public hearing signs were posted along the perimeter of the subject property in compliance with the Newberg Development Code Section 15.100.260.

8. After proper notice, the Newberg City Council held a public hearing on August 6, 2018 to consider the application. The Council took public testimony, closed public testimony, and deliberated.

THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

1. The amendment to Section 15.246.070 (B) shown in Exhibit "A" is adopted, and by this reference incorporated.

2. The amendment to the Springbrook Oaks Specific Plan Map shown in Exhibit "B" is adopted, and by this reference incorporated.

3. The findings shown in Exhibit "C" are hereby adopted. Exhibit "C" is by this reference incorporated.

- **EFFECTIVE DATE** of this ordinance is 30 days after the adoption date, which is: September 5, 2018.

ADOPTED by the City Council of the City of Newberg, Oregon, this 6th day of August, 2018, by the following votes: **AYE:** **NAY:** **ABSENT:** **ABSTAIN:**

_____
Sue Ryan, City Recorder

ATTEST by the Mayor this 9th day of August, 2018.

_____
Bob Andrews, Mayor

City Council Ordinance No.2018-2833
Exhibit "A" Amendment to the Newberg Development Code Section 15.246.070(B)
Exhibit "B" Springbrook Oaks Specific Plan Map
Exhibit "C" Findings

Exhibit "A" Springbrook Oaks Specific Area Plan
Amendment of NMC Section 15.346.070(B) – File CPTA18-0003

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15.345.070 B. Springbrook Oaks Specific Plan.

1. Report Adopted. The Springbrook Oaks specific plan dated August 2, 1999, is adopted by reference. The development standards listed in this section are intended to implement the policies of the Springbrook Oaks specific plan. Development of Springbrook Oaks shall follow the standards of this code section as well as the policies of the plan. If a conflict exists between the Springbrook Oaks specific plan policies and the development code, the Springbrook Oaks specific plan shall govern.

2. Permitted Uses and Conditional Uses. Eight development areas have been established with corresponding zones within the Springbrook Oaks specific plan. The permitted and conditional uses allowed under the SP subdistrict shall be the same as those uses permitted in the base zoning districts. Exceptions to this standard include the following:

a. A golf course shall be permitted within the M-1 area, adjacent to the stream corridor; and

b. Densities and lot sizes shall be in accordance to the standards established in subsection (B)(8)(a) of this section.

c. In addition to the permitted uses in the R-P zone, area F-1 permits:

i. Medically related industrial uses, such as medical laboratories, manufacture and wholesale distribution of medical equipment, medical research facilities, and laundries and similar services for medical facilities.

ii. Medically related retail uses, such as a pharmacy, gift shop or cafe (limited to 3,000 square feet), or medical appliance sale and rental store.

iii. Barber and beauty shops.

Area F-1 ~~does not permit~~ permits residential uses.

8. Residential Density. Residential density is governed by the SP overlay subdistrict.

a. The following development standards shall be applied to Springbrook Oaks (please refer to Graphic VI for map of development areas A through H of the Springbrook Oaks specific plan). See Appendix A, Figure 20. These standards shall supersede any density or density transfer standards established in the development code.

Area	*Zone*	*Minimum Lot Size (Square Feet)*	*Minimum Lot Area per Dwelling Unit(Square Feet)*	*Maximum Density (Dwelling Units per Acre)*
A	*C-2*	*5,000*	*NA*	*NA*
B	*RP*	*1,500**	*1,500**	*21.8*[1]*
C	*R-3*	*2,500**	*2,500**	*13.1**
D	*R-2*	*3,750**	*3,750*	*8.8*
E	*R-2*	*5,000*	*5,000**	*6.6**
F-1	*RP*	*1,500**	~~*NA**~~ **1,500***	~~*NA**~~ **21.8***
F-2	*RP*	*1,500**	*None*[2]*	*None*[2]*
F-3	*RP*	*1,500**	*1,500**	*21.8**
G	*M-1*	*20,000*	*NA*	*NA*
H	*R-1*	*5,000**	*10,000**[3]	*3.3**

** Different than the standards established elsewhere in the development code.* **Residential land use only permitted on F-1 area for Yamhill County tax lot 3216-02026**

[1] Up to 100 percent of the land zoned R-P within area B may be developed for residential use.

[2] There is no limit on the number of dwelling units allowed in area F-2.

[3] Average lot area per dwelling in any one subdivision.

Finding: As found in Exhibit "C" Findings, City staff concur with the applicants request to remove the restriction of residential land use on Yamhill County Tax Lot R3216-02026 and the findings that have been presented within this report support the request.

Exhibit "B":
File CPTA18-0003 – Springbrook Oaks Specific Plan Map Amendment

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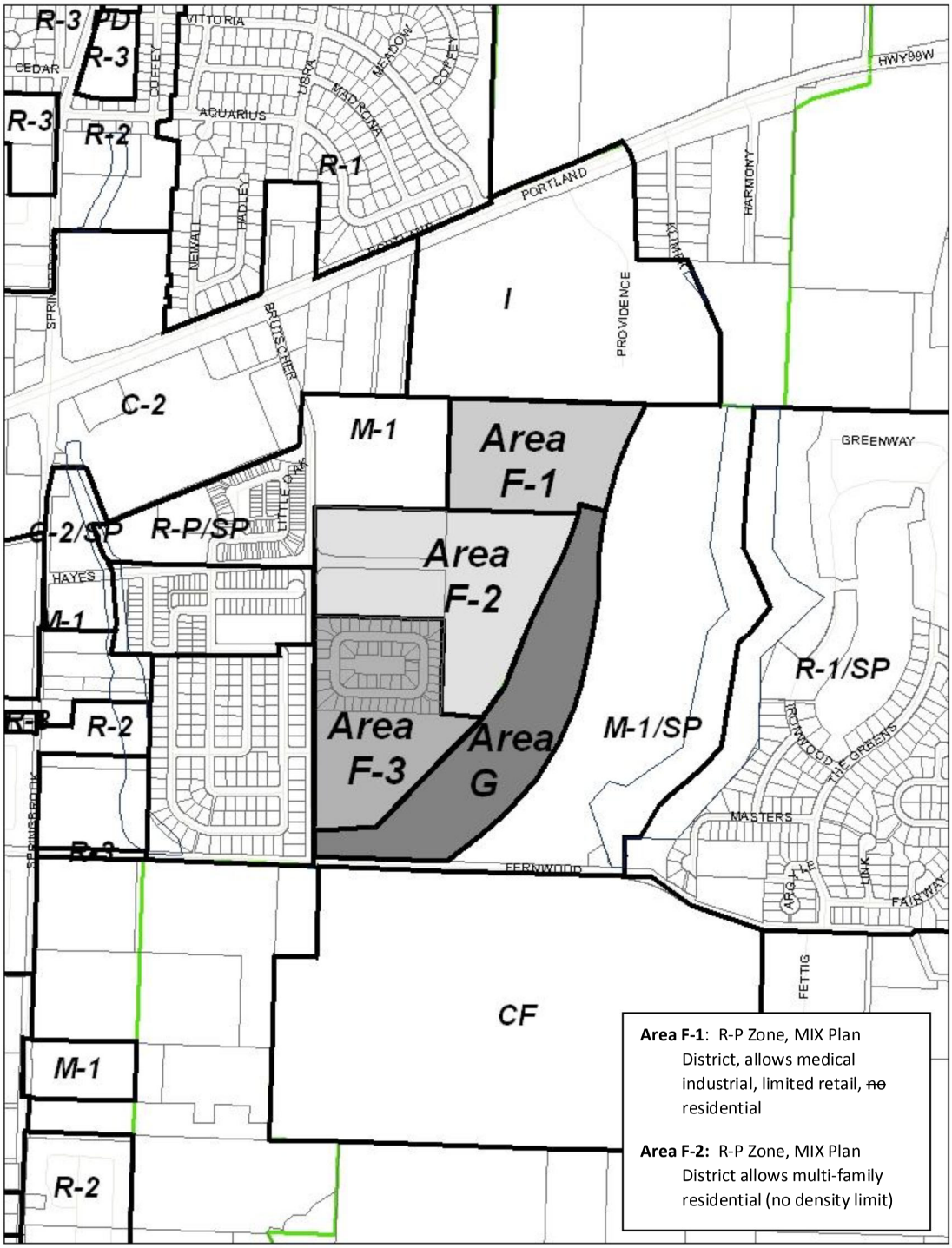


Exhibit "C" Findings for the Springbrook Oaks Specific Plan Amendment to the F-1 Area– File CPTA18-0003

15.302.030 Procedures for comprehensive plan map and zoning map amendments.

This section describes the procedures and criteria that apply to any application to amend the land use designations identified on the comprehensive plan map, zoning map and land use regulations.

A. Type III Plan and Zoning Map Amendments – One Parcel or Small Group of Parcels.

1. Property owners or the city may initiate a map amendment for one parcel or a small group of parcels under the Type III procedure. May be initiated by a resolution of the planning commission or city council. Unlike other Type III procedures, the decision of the planning commission on a Type III plan map amendment shall be in the form of a recommendation to the city council. The city council shall hold another new hearing and make a final decision.

2. Where an application has been denied, no new application for the same purpose shall be filed within one year of the date of the previous denial unless the city council for good cause shall grant permission to do so.

Finding: The owner of the property, Werth Family LLC, initiated the process for a Comprehensive Plan Specific Plan (SP) amendment to the Springbrook Oaks Specific Plan F-1 Area. Therefore, the application is processed as a Type III process, which requires the Planning Commission hold a public hearing and make a recommendation to City Council. The City Council will hold a second public hearing to make a final decision on the applicants' request. City staff concur with the applicants findings.

3. Amendment Criteria. The owner must demonstrate compliance with the following criteria:

a. The proposed change is consistent with and promotes the goals and policies of the Newberg comprehensive plan and this code;

Finding: The Newberg Comprehensive Plan (NCP) has been drafted to meet the Statewide Planning Goals (SPG). The following text illustrates how both the Newberg Comprehensive Plan and State of Oregon Planning Goals are being met by the applicant.

A. GOAL 1: CITIZEN INVOLVEMENT (SPG 1/NCP)

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

Finding: This application is subject to the Type III quasi-judicial review process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with this Goal. A

public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

On July 25, 2018, the applicant mailed a public hearing notice to all property owners within 500 feet of the subject property. On July 25, 2018, signs were posted on the subject property further providing public notice of the proposed amendment. On July 25, 2018, planning staff placed public hearing notices in 4 public buildings. On July 25, 2018, a public hearing notice was published in the Newberg Graphic newspaper.

At both the planning commission and city council meetings the public will be provided the opportunity to provide public testimony on the applicants' proposal. City staff concurs with the applicants' findings and the request is consistent with Goal "A" of the comprehensive plan.

B. LAND USE PLANNING (SPG 2/NCP)
GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: The City of Newberg Comprehensive Plan complies with DLCD Statewide Planning Goals. The Springbrook Oaks Plan is considered a Specific Plan (SP) or a subarea plan and is consider a subsection of the Comprehensive Plan. The applicants request does not conflict with natural or cultural resources and needs of the City. City staff concur with the applicants findings and the application is consistent with Goal "B" of the Comprehensive Plan.

C. AGRICULTURAL LANDS (SPG 3/NCP)
GOAL: To provide for the orderly and efficient transition from rural to urban land uses.

Finding: Not applicable because the proposal does not affect any agricultural uses either within the City of Newberg or in the rural areas of Yamhill County.

D. WOODED AREAS (SPG 4/NCP)
GOAL: To retain and protect wooded areas.

Finding: Not applicable because the proposal is for land that is already cleared and does not have any wooded areas within the confines of the subject property.

E. AIR, WATER, AND LAND RESOURCE QUALITY (SPG 6/NCP)
GOAL: To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

Finding: The NCP is acknowledged by the Oregon Department of Land Conservation and Development. The proposed Springbrooks Oaks Specific Plan amendment will allow the development of residential land use on the subject property. For this application there is no development being proposed. If residential housing is provided and those who reside in these units work within or close to the City of Newberg then the impact to air quality could be lessened if people are not driving their combustable engine cars as far or are walking to work. Because there is no development application at this time the impact to air, water and land resource quality cannot be assessed. This SPC and NCP goal is not applicable.

F. AREAS SUBJECT TO NATURAL HAZARDS (SPG Goal 7/NCP)
GOAL: To protect life and property from flooding and other natural hazards.

Finding: The Newberg Development Code Section 15.343 Areas of Special Flood Hazard overlay is intended to protect areas that are prone to flooding. The City's GIS provides a layer that illustrates areas prone to flooding. A review of the City's GIS showed that the subject property is not prone flooding. There are no other known natural hazards within the area that could affect the subject property. Because the property is not within an area prone to flooding and there are no other known natural hazards the NCP and SPG Goals do not apply.

G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES (SPG 8 and 9/NCP)
GOALS:
1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

Finding: The Newberg Development Code (NDC) provides protection for natural resources, scenic and historic areas and open spaces. The NDC provides for protection of stream corridors, historic landmarks (buildings and sites) and requires open space for many types of land development. The City utilizes a Stream Corridor (SC) overlay subdistrict, Historic Landmarks subdistrict and the NDC has requirements for developments to provide open space that can be utilized for both passive and active recreation. This application is for amending area F-1 area of the Springbrook Oaks Specific Plan to allow residential use. There are no stream corridors or historic buildings or sites within the subject property. Because there are no natural resources, scenic or historic areas within the confines of the property this goal is not applicable to the current application. When a development application is submitted then City staff will review the project and determine the need for open space required by the NDC, SPG 8 and 9 and the NCP.

H. THE ECONOMY (SPG 9/NCP)

GOAL: To develop a diverse and stable economic base.

POLICIES:

1. General Policies

a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs. (Ordinance 2006-2634, January 3, 2006)

b. The City shall encourage economic expansion consistent with local needs

Finding: In order to encourage a diverse and stable economic base, the city needs sufficient housing for both consumers and workers. The City of Newberg is currently experiencing a shortage in housing types and availability. The removal of the prohibition of residential development on the subject property will create the opportunity for needed housing, which will help fuel the economy in both making additional housing available and construction jobs. The Comprehensive Plan identifies a long-term shortage of residential land in Newberg in the Land Need and Supply analysis section of the Plan. City staff concur with the applicants findings and the application is consistent with Goal "H" of the Comprehensive Plan.

I. HOUSING (SPG 10/NCP)

GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels (Ordinance 2006-2634)

2. Location Policies

a. Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces.

Finding: City staff find that the aforementioned Comprehensive Plan Goal and Policy (2)(a) are applicable to the request to amend the F-1 area meant to provide additional housing. As stated above, sufficient housing of varying types and densities are necessary to meet the needs of the City of Newberg and its residents. The Comprehensive Plan identifies a long-term shortage of residential land in Newberg in the Land Need and Supply analysis section of the Plan. The removal of the prohibition on residential development on the subject property increases the amount of available residential land providing additional potential housing in the City. The subject property is located adjacent to Providence Drive, designated as a Major Collector, as well as the Highway 99 Corridor and associated commercial services and public amenities of the

City. City staff concur with the applicants findings and the application is consistent with Goal "I" of the Comprehensive Plan.

J. URBAN DESIGN (SPG 14/NCP)

GOAL 1: To maintain and improve the natural beauty and visual character of the City.

7. Specific Plans

a. The City should encourage the use of specific plans to coordinate development and create neighborhood identity. Specific plans are intended to serve as master plans for land development or redevelopment and may be applied to one parcel or multiple parcels. Specific Plans are used to promote coordinated planning concepts and pedestrian oriented mixed use development. (Ordinance 2379, April 19, 1994; Ordinance 2016-2810, December 19, 2016)

b. The Zoning Ordinance shall set forth the process and procedure for adoption of and amendments to specific plans. Approval of new specific plans will require Comprehensive Plan Map amendments to apply the SP (Specific Plan) plan district overlay to the affected property. (Ordinance 2379, April 19, 1994).

Finding: Planning staff find the aforementioned Goal and Specific Plan (SP) Policies are applicable to the applicants' request. The Springbrook Oaks SP is a SP that is encompassed in the Comprehensive Plan and Section 15.346.070 (B) of the Newberg Development Code (NDC). The NDC has design standards for the Springbrook Oaks SP dealing with setbacks, street trees and densities. Natural beauty and visual character tend to be a subjective standard. Permitting of residential use on the subject property will back the property owners' ability to development residential use on the subject property, which was the original intent of the F-1 Area. The process to amend SPs is described in the NDC and the applicant is following said procedure. City staff concur with the applicants' findings, in addition policy 7.b. of the Comprehensive Plan is applicable, and the application is consistent with Goal "J" of the Comprehensive Plan.

K. TRANSPORTATION (SPG 12/NCP)

GOAL 4: Minimize the impact of regional traffic on the local transportation system.

POLICIES:

d. Minimize the use of local and minor collector streets for regional traffic through application of traffic calming measures as traffic operations and/or safety problems occur. (Ordinance 99-2513, August 2, 1999, Ordinance 2016-2810, December 19, 2016)

p. Special planning and efforts should be made to retain and create livable and desirable neighborhoods near the bypass. This should include retaining or creating street connections, pedestrian paths, recreational areas, landscaping, noise attenuation, physical barriers to the bypass, and other community features. (Ordinance 2016-2810,

December 19, 2016)

Finding: The subject property is located adjacent to Providence Drive, designated by the Newberg Transportation System Plan (TSP) as a major collector. Any future access to the site will likely be from Providence Drive because the adjacent uses and circulation are established and the subject property directly accesses Providence Drive. Maintaining livability of the neighborhood is a priority and that a thorough site plan review will be conducted for any proposed residential development on the subject property. Through the development application review process a review of a developments connectivity, pedestrian paths, noise attenuation, screening and other aspects of land development will be assessed and a report drafting findings and conditions of approval will be produced. City staff concur with the applicants' findings and the application is consistent with Goal "K" and policies "d" and "p" of the Comprehensive Plan.

L. PUBLIC FACILITIES AND SERVICES GOALS AND POLICIES (SPG 11/NCP)

Goal: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

1. All Facilities & Services Policies. f: Maximum efficiency for existing urban facilities and services will be encouraged though infill of vacant City land.

2. Sewers and Water Policies. c: Developments with urban densities should be encouraged to locate within the area which can be serviced by Newberg's present sanitary sewer system.

Finding: The subject property has stormwater, wastewater and potable water services available within the Providence Drive area and one 8-inch water line that extends into the property from the west. The City of Newberg has adopted Wastewater, Stormwater and Water Master Plans to address the needs of the community and future development. These plans incorporate all properties within the City into their analysis and provide direction for these services. Because the subject property is vacant and located within the City's UGB, any future development will be infill development. Because the subject property is located within the City of Newberg and there are services that can be utilized by any future development, the SPG and NCP goals are satisfied.

M. ENERGY (SPG 13/NCP)

GOAL: To conserve energy through efficient land use patterns and energy- related policies and ordinances.

Finding: The subject property is located within the City near services such as grocery stores, gas stations and employers. Although the current application is not for development of the subject property, when the subject property is developed it is located within the UGB. The UGB provides for urban development within its confines and encourages efficient land use patterns. Additionally, the NDC has various zones that provide for low, medium and high density residential development. Because the subject property is located within the UGB, energy will be conserved through the efficient use of land and services if future development takes place on the property. The SPG and NCP goals are satisfied.

N. URBANIZATION (SPG 14/NCP)

GOALS:

1. To provide for the orderly and efficient transition from rural to urban land uses.

2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.

3. To create a quality living environment through a balanced growth of urban and cultural activities.

Finding: The City of Newberg has an Urban Growth Boundary (UGB) where urban density development is permitted. Additionally, the City has an Urban Reserve Area where development is coordinated with Yamhill County to ensure an efficient transition from rural to urban land use. The applicant is not proposing an expansion of the UGB. Because the subject property is located within the UGB, urban development and urban densities are permitted. The SPG and NCP goals are satisfied.

V. LAND NEED AND SUPPLY

B. HOUSING AND RESIDENTIAL LAND NEEDS

4. Residential Land Need and Supply

Comparing the residential land need the current supply, the City has a deficit of residential land to meet needs through 2025 in all residential categories. It also has a deficit of land within the URA to meet the needs from 2026-2040. Table V-7 compares the amount of residential land with the available supply.

Table V- 1. Buildable Residential Land Needs vs. Supply

Plan Designation	*Buildable Acres Needed 2005-2025*	*Buildable Acres in UGB (2004)*	*Surplus (Deficit) for 2005-2025*	*Buildable Acres Needed 2026-2040*
LDR	*612*	*359*	*(253)*	*735*
MDR	*173*	*142*	*(31)*	*191*
HDR	*89*	*13*	*(76)*	*83*
Total	*874*	*514*	*(380)*	*1009*

Finding: As depicted in table V-7, The City of Newberg needs another 1,009 residential units through the year 2025. The subject properties underlying zoning RP is a mixed use district that allows residential land use. In the original 1999 Springbrook Oaks SP, Area F permitted high density residential use at over 20 units per acre. Ordinance 2006-2657 designated the land use for F-1 through F-3 sub-areas. This ordinance prohibited residential land use within the F-1 where the subject property is located but allowed continued residential land use in the F-2 and F-3 sub-areas. The Comprehensive Plan clearly identifies the need for additional residential land use through the year 2025. The applicants request to allow residential land use where it was formally allowed for Area F-1 would provide the ability to add additional residential units within

the City of Newberg. City staff concur with the applicants' findings that the application is consistent with Section "V4" of the Comprehensive Plan.

b. Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change;

Finding: In November of 2016, the applicant attended a pre-application conference with City staff. Part of the pre-application conference looked at the availability of public water, stormwater and wastewater facilities. At the conference it was determined that adequate public facilities existed and are so located that extension of these services is possible. City staff concur with the applicants' findings that adequate public facilities and services are available to serve the development. This criterion is met.

c. Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

Finding: The applicant evaluated the proposed Springbrook Oaks SP amendment and found that allowing residential land uses would not "significantly impact the local transportation system because even a relatively high density residential use of the site, such as 100+ apartments, would not exceed the projected trip generation of currently permitted uses such as a fully –developed medical office complex or a community college." City staff concur with the applicants findings that "no further analysis for OAR Transportation Planning Rule compliance is required". This criterion is met.

4. The property owner who desired to have their property reclassified has the burden of establishing that the requested classification meets the requirements of this section. As part of the application, the property owner requesting a change shall file a waiver stating that the owner will not file any demand against the city under Ballot Measure 49, approved November 6, 2007, that amended ORS Chapters 195 and 197.

Finding: The applicant has provided a Measure 49 Waiver, which meets the City requirements. This criterion is met.

5. A traffic study shall be submitted for any proposed change that would significantly affect a transportation facility, or that would allow uses that would increase trip generation in excess of 40 trips per p.m. peak hour. This requirement may be waived by the director when a determination is made that a previous traffic study adequately addresses the proposal and/or when off-site and frontage improvements have already been completed, which adequately mitigate any traffic impacts and/or the proposed use is not in a location, which is adjacent to an intersection, which is functioning at a poor level of service. A traffic study may be required by the director for changes in areas below 40 trips per p.m. peak hour where the use is located immediately adjacent to an intersection functioning at a poor level of service. The traffic study shall be conducted according to the City of Newberg design standards.

Finding: The applicant indicates in their narrative that the Community Development Director was contacted and referred to the "City Senior Engineer who clarified that the trigger for a traffic study in this case would be the specific planned use for the site would generate in excess of 40 additional p.m. peak hour trips per the ITE Trip Generation Manual 10th Edition". The applicant stated that "Per the ITE Manual, 50 units for senior attached (duplex-style) housing would generate an average of 16 additional p.m. peak hour trips, well below the 40 trip threshold to require a traffic study". City staff will revisit the need for a Traffic Impact Study at the time a development application is submitted. If the actual development proposal triggers the need for a Traffic Impact Study then one will be required. This criterion is met.

Section 15.346.070 B. Springbrook Oaks Specific Plan

> ***13. Plan Amendments. Proposed amendments and adjustments to the specific plan will follow the procedure described in NMC 15.346.050. Exceptions to this amendment and adjustment procedure are as follows:***
>
> > ***a. Proposed boundary modifications for development areas B through E (see Appendix A, Figure 20) that increase any individual area no more than five percent of its original total acreage will be reviewed under a Type I process. Proposed boundary modifications that change the total acreage of any of the aforementioned development areas more than five percent will be reviewed under a Type III process.***
> >
> > ***b. Proposed boundary modifications for development areas F and G that move a boundary less than 50 feet and do not change the total acreage in a development area by more than 0.1 acre will be reviewed under a Type I process. Other proposed boundary modifications will be reviewed under a Type III process.***

Finding: The applicant is not proposing a boundary change so these criteria do not apply. The applicant has demonstrated through their application material and narrative that removal of the restriction on residential land use within the F-1 Area of the Springbrook Oaks Specific Plan are warranted.

Conclusion: The proposed Springbrook Oaks Specific Plan and municipal code amendments meet the applicable requirements of the Statewide Planning Goals, the Newberg Comprehensive Plan and should be approved.

Attachment 1

PLANNING COMMISSION RESOLUTION 2018-09

A RESOLUTION RECOMMENDING AMENDING THE TEXT OF THE SPRINGBROOK OAKS SPECIFIC PLAN AND THE NEWBERG MUNICIPAL CODE TO REMOVE RESTRICTION ON RESIDENTIAL DEVELOPMENT WITHIN THE F-1 AREA WITH THE RP-SP ZONE

RECITALS

1. MJD Development, Inc. submitted an application requesting a Specific Plan amendment to the Springbrook Oaks Specific Plan F-1 area to remove the restriction on residential development for Yamhill County Tax Lot 3216-02026.

2. After proper notice, the Newberg Planning Commission held a public hearing on July 12, 2018 to consider the application. The Commission took public testimony, closed public testimony, and deliberated.

3. The Newberg Planning Commission finds that the application met the applicable criteria from the Newberg Development Code and the goals and policies of the Newberg Comprehensive Plan as shown in the findings shown in Exhibit A.

4.

The Newberg Planning Commission resolves as follows:

1. The Planning Commission recommends that the City Council adopt the amendment to the Springbrook Oaks Specific Plan and Newberg Municipal Code as shown in Exhibit "A". Exhibit "A" is hereby adopted and by this reference incorporated.

2. The findings shown in Exhibit "B" are hereby adopted. Exhibit "B" is by this reference incorporated.

Adopted by the Newberg Planning Commission July 12th day of July, 2018.

Planning Commission Chair

ATTEST:

Planning Commission Secretary

List of Exhibits:

Exhibit "A": NDC Section 15.246.070(B) Amendments
Exhibit "B": Findings (including consistency with the Comprehensive Plan)
Exhibit "C": Springbrook Oaks Specific Plan Map Amendment

Exhibit "A" to Planning Commission Resolution 2018-09
Findings – File CPTA18-0003
Springbrook Oaks Specific Plan Amendment to the F-1 Area

15.302.030 Procedures for comprehensive plan map and zoning map amendments.

This section describes the procedures and criteria that apply to any application to amend the land use designations identified on the comprehensive plan map, zoning map and land use regulations.

A. Type III Plan and Zoning Map Amendments – One Parcel or Small Group of Parcels.

1. Property owners or the city may initiate a map amendment for one parcel or a small group of parcels under the Type III procedure. May be initiated by a resolution of the planning commission or city council. Unlike other Type III procedures, the decision of the planning commission on a Type III plan map amendment shall be in the form of a recommendation to the city council. The city council shall hold another new hearing and make a final decision.

2. Where an application has been denied, no new application for the same purpose shall be filed within one year of the date of the previous denial unless the city council for good cause shall grant permission to do so.

Finding: The owner of the property, Werth Family LLC, initiated the process for a Comprehensive Plan Specific Plan (SP) amendment to the Springbrook Oaks Specific Plan F-1 Area. Therefore, the application is processed as a Type III process, which requires the Planning Commission hold a public hearing and make a recommendation to City Council. The City Council will hold a second public hearing to make a final decision on the applicants' request. City staff concur with the applicants findings.

3. Amendment Criteria. The owner must demonstrate compliance with the following criteria:

a. The proposed change is consistent with and promotes the goals and policies of the Newberg comprehensive plan and this code;

Finding: The Newberg Comprehensive Plan (NCP) has been drafted to meet the Statewide Planning Goals (SPG). The following text illustrates how both the Newberg Comprehensive Plan and State of Oregon Planning Goals are being met by the applicant.

A. GOAL 1: CITIZEN INVOLVEMENT (SPG 1/NCP)

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

Finding: This application is subject to the Type III quasi-judicial review process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with this Goal. A public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

On June 20, 2018, the applicant mailed a public hearing notice to all property owners within 500 feet of the subject property. On June 26, 2018, signs were posted on the subject property further providing public notice of the proposed amendment. On June 26, 2018, planning staff placed public hearing notices in 4 public buildings. On June 27, 2018, a public hearing notice was published in the Newberg Graphic newspaper.

At both the planning commission and city council meetings the public will be provided the opportunity to provide public testimony on the applicants' proposal. City staff concurs with the applicants' findings and the request is consistent with Goal "A" of the comprehensive plan.

B. LAND USE PLANNING (SPG 2/NCP)
GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: The City of Newberg Comprehensive Plan complies with DLCD Statewide Planning Goals. The Springbrook Oaks Plan is considered a Specific Plan (SP) or a subarea plan and is consider a subsection of the Comprehensive Plan. The applicants request does not conflict with natural or cultural resources and needs of the City. City staff concur with the applicants findings and the application is consistent with Goal "B" of the Comprehensive Plan.

C. AGRICULTURAL LANDS (SPG 3/NCP)
GOAL: To provide for the orderly and efficient transition from rural to urban land uses.

Finding: Not applicable because the proposal does not affect any agricultural uses either within the City of Newberg or in the rural areas of Yamhill County.

D. WOODED AREAS (SPG 4/NCP)
GOAL: To retain and protect wooded areas.

Finding: Not applicable because the proposal is for land that is already cleared and does not have any wooded areas within the confines of the subject property.

E. AIR, WATER, AND LAND RESOURCE QUALITY (SPG 6/NCP)
GOAL: To maintain and, where feasible, enhance the air, water and land resource qualities within the community.

Finding: The NCP is acknowledged by the Oregon Department of Land Conservation and

Development. The proposed Springbrooks Oaks Specific Plan amendment will allow the development of residential land use on the subject property. For this application there is no development being proposed. If residential housing is provided and those who reside in these units work within or close to the City of Newberg then the impact to air quality could be lessened if people are not driving their combustable engine cars as far or are walking to work. Because there is no development application at this time the impact to air, water and land resource quality cannot be assessed. This SPC and NCP goal is not applicable.

F. AREAS SUBJECT TO NATURAL HAZARDS (SPG Goal 7/NCP)
GOAL: To protect life and property from flooding and other natural hazards.

Finding: The Newberg Development Code Section 15.343 Areas of Special Flood Hazard overlay is intended to protect areas that are prone to flooding. The City's GIS provides a layer that illustrates areas prone to flooding. A review of the City's GIS showed that the subject property is not prone flooding. There are no other known natural hazards within the area that could affect the subject property. Because the property is not within an area prone to flooding and there are no other known natural hazards the NCP and SPG Goals do not apply.

G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES (SPG 8 and 9/NCP)
GOALS:
1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

Finding: The Newberg Development Code (NDC) provides protection for natural resources, scenic and historic areas and open spaces. The NDC provides for protection of stream corridors, historic landmarks (buildings and sites) and requires open space for many types of land development. The City utilizes a Stream Corridor (SC) overlay subdistrict, Historic Landmarks subdistrict and the NDC has requirements for developments to provide open space that can be utilized for both passive and active recreation. This application is for amending area F-1 area of the Springbrook Oaks Specific Plan to allow residential use. There are no stream corridors or historic buildings or sites within the subject property. Because there are no natural resources, scenic or historic areas within the confines of the property this goal is not applicable to the current application. When a development application is submitted then City staff will review the project and determine the need for open space required by the NDC, SPG 8 and 9 and the NCP.

H. THE ECONOMY (SPG 9/NCP)
GOAL: To develop a diverse and stable economic base.

POLICIES:
1. General Policies

a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs. (Ordinance 2006-2634, January 3, 2006)

b. The City shall encourage economic expansion consistent with local needs

Finding: In order to encourage a diverse and stable economic base, the city needs sufficient housing for both consumers and workers. The City of Newberg is currently experiencing a shortage in housing types and availability. The removal of the prohibition of residential development on the subject property will create the opportunity for needed housing, which will help fuel the economy in both making additional housing available and construction jobs. The Comprehensive Plan identifies a long-term shortage of residential land in Newberg in the Land Need and Supply analysis section of the Plan. City staff concur with the applicants findings and the application is consistent with Goal "H" of the Comprehensive Plan.

I. HOUSING (SPG 10/NCP)

GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels (Ordinance 2006-2634)

2. Location Policies

a. Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces.

Finding: City staff find that the aforementioned Comprehensive Plan Goal and Policy (2)(a) are applicable to the request to amend the F-1 area meant to provide additional housing. As stated above, sufficient housing of varying types and densities are necessary to meet the needs of the City of Newberg and its residents. The Comprehensive Plan identifies a long-term shortage of residential land in Newberg in the Land Need and Supply analysis section of the Plan. The removal of the prohibition on residential development on the subject property increases the amount of available residential land providing additional potential housing in the City. The subject property is located adjacent to Providence Drive, designated as a Major Collector, as well as the Highway 99 Corridor and associated commercial services and public amenities of the City. City staff concur with the applicants findings and the application is consistent with Goal "I" of the Comprehensive Plan.

J. URBAN DESIGN (SPG 14/NCP)

GOAL 1: To maintain and improve the natural beauty and visual character of the City.

7. Specific Plans

a. The City should encourage the use of specific plans to coordinate

development and create neighborhood identity. Specific plans are intended to serve as master plans for land development or redevelopment and may be applied to one parcel or multiple parcels. Specific Plans are used to promote coordinated planning concepts and pedestrian oriented mixed use development. (Ordinance 2379, April 19, 1994; Ordinance 2016-2810, December 19, 2016)

b. The Zoning Ordinance shall set forth the process and procedure for adoption of and amendments to specific plans. Approval of new specific plans will require Comprehensive Plan Map amendments to apply the SP (Specific Plan) plan district overlay to the affected property. (Ordinance 2379, April 19, 1994).

Finding: Planning staff find the aforementioned Goal and Specific Plan (SP) Policies are applicable to the applicants' request. The Springbrook Oaks SP is a SP that is encompassed in the Comprehensive Plan and Section 15.346.070 (B) of the Newberg Development Code (NDC). The NDC has design standards for the Springbrook Oaks SP dealing with setbacks, street trees and densities. Natural beauty and visual character tend to be a subjective standard. Permitting of residential use on the subject property will back the property owners' ability to development residential use on the subject property, which was the original intent of the F-1 Area. The process to amend SPs is described in the NDC and the applicant is following said procedure. City staff concur with the applicants' findings, in addition policy 7.b. of the Comprehensive Plan is applicable, and the application is consistent with Goal "J" of the Comprehensive Plan.

K. TRANSPORTATION (SPG 12/NCP)
GOAL 4: Minimize the impact of regional traffic on the local transportation system.

POLICIES:
d. Minimize the use of local and minor collector streets for regional traffic through application of traffic calming measures as traffic operations and/or safety problems occur. (Ordinance 99-2513, August 2, 1999, Ordinance 2016-2810, December 19, 2016)
p. Special planning and efforts should be made to retain and create livable and desirable neighborhoods near the bypass. This should include retaining or creating street connections, pedestrian paths, recreational areas, landscaping, noise attenuation, physical barriers to the bypass, and other community features. (Ordinance 2016-2810, December 19, 2016)

Finding: The subject property is located adjacent to Providence Drive, designated by the Newberg Transportation System Plan (TSP) as a major collector. Any future access to the site will likely be from Providence Drive because the adjacent uses and circulation are established and the subject property directly accesses Providence Drive. Maintaining livability of the neighborhood is a priority and that a thorough site plan review will be conducted for any proposed residential development on the subject property. Through the development application review process a review of a developments connectivity, pedestrian paths, noise attenuation, screening and other aspects of land development will be assessed and a report drafting findings and conditions of approval will be produced. City staff concur with the applicants' findings and the application is consistent with Goal "K" and policies "d" and "p" of the Comprehensive Plan.

L. PUBLIC FACILITIES AND SERVICES GOALS AND POLICIES (SPG 11/NCP)

Goal: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

1. All Facilities & Services Policies. f: Maximum efficiency for existing urban facilities and services will be encouraged though infill of vacant City land.

2. Sewers and Water Policies. c: Developments with urban densities should be encouraged to locate within the area which can be serviced by Newberg's present sanitary sewer system.

Finding: The subject property has stormwater, wastewater and potable water services available within the Providence Drive area and one 8-inch water line that extends into the property from the west. The City of Newberg has adopted Wasterwater, Stormwater and Water Master Plans to address the needs of the community and future development. These plans incorporate all properties within the City into their analysis and provide direction for these services. Because the subject property is vacant and located within the City's UGB, any future development will be infill development. Because the subject property is located within the City of Newberg and there are services that can be utilized by any future development, the SPG and NCP goals are satisfied.

M. ENERGY (SPG 13/NCP)

GOAL: To conserve energy through efficient land use patterns and energy- related policies and ordinances.

Finding: The subject property is located within the City near services such as grocery stores, gas stations and employers. Although the current application is not for development of the subject property, when the subject property is developed it is located within the UGB. The UGB provides for urban development within its confines and encourages efficient land use patterns. Additionally, the NDC has various zones that provide for low, medium and high density residential development. Because the subject property is located within the UGB, energy will be conserved through the efficient use of land and services if future development takes place on the property. The SPG and NCP goals are satisfied.

N. URBANIZATION (SPG 14/NCP)

GOALS:

1. *To provide for the orderly and efficient transition from rural to urban land uses.*
2. *To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.*
3. *To create a quality living environment through a balanced growth of urban and cultural activities.*

Finding: The City of Newberg has an Urban Growth Boundary (UGB) where urban density development is permitted. Additionally, the City has an Urban Reserve Area where development is coordinated with Yamhill County to ensure an efficient transition from rural to urban land use. The applicant is not proposing an expansion of the UGB. Because the subject property is located within the UGB, urban development and urban densities are permitted. The SPG and NCP goals are satisfied.

V. LAND NEED AND SUPPLY

B. HOUSING AND RESIDENTIAL LAND NEEDS

4. Residential Land Need and Supply

Comparing the residential land need the current supply, the City has a deficit of residential land to meet needs through 2025 in all residential categories. It also has a deficit of land within the URA to meet the needs from 2026-2040. Table V-7 compares the amount of residential land with the available supply.

Table V- 1. Buildable Residential Land Needs vs. Supply

Plan Designation	Buildable Acres Needed 2005-2025	Buildable Acres in UGB (2004)	Surplus (Deficit) for 2005-2025	Buildable Acres Needed 2026-2040
LDR	612	359	(253)	735
MDR	173	142	(31)	191
HDR	89	13	(76)	83
Total	874	514	(380)	1009

Finding: As depicted in table V-7, The City of Newberg needs another 1,009 residential units through the year 2025. The subject properties underlying zoning RP is a mixed use district that allows residential land use. In the original 1999 Springbrook Oaks SP, Area F permitted high density residential use at over 20 units per acre. Ordinance 2006-2657 designated the land use for F-1 through F-3 sub-areas. This ordinance prohibited residential land use within the F-1 where the subject property is located but allowed continued residential land use in the F-2 and F-3 sub-areas. The Comprehensive Plan clearly identifies the need for additional residential land use through the year 2025. The applicants request to allow residential land use where it was formally allowed for Area F-1 would provide the ability to add additional residential units within the City of Newberg. City staff concur with the applicants' findings that the application is consistent with Section "V4" of the Comprehensive Plan.

b. Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change;

Finding: In November of 2016, the applicant attended a pre-application conference with City staff. Part of the pre-application conference looked at the availability of public water, stormwater and wastewater facilities. At the conference it was determined that adequate public facilities existed and are so located that extension of these services is possible. City staff concur with the applicants' findings that adequate public facilities and services are available to serve the development. This criterion is met.

c. Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

Finding: The applicant evaluated the proposed Springbrook Oaks SP amendment and found that allowing residential land uses would not "significantly impact the local transportation system because even a relatively high density residential use of the site, such as 100+ apartments, would not exceed the projected trip generation of currently permitted uses such as a fully –developed medical office complex or a community college." City staff concur with the applicants findings that "no further analysis for OAR Transportation Planning Rule compliance is required". This criterion is met.

4. The property owner who desired to have their property reclassified has the burden of establishing that the requested classification meets the requirements of this section. As part of the application, the property owner requesting a change shall file a waiver stating that the owner will not file any demand against the city under Ballot Measure 49, approved November 6, 2007, that amended ORS Chapters 195 and 197.

Finding: The applicant has provided a Measure 49 Waiver, which meets the City requirements. This criterion is met.

5. A traffic study shall be submitted for any proposed change that would significantly affect a transportation facility, or that would allow uses that would increase trip generation in excess of 40 trips per p.m. peak hour. This requirement may be waived by the director when a determination is made that a previous traffic study adequately addresses the proposal and/or when off-site and frontage improvements have already been completed, which adequately mitigate any traffic impacts and/or the proposed use is not in a location, which is adjacent to an intersection, which is functioning at a poor level of service. A traffic study may be required by the director for changes in areas below 40 trips per p.m. peak hour where the use is located immediately adjacent to an intersection functioning at a poor level of service. The traffic study shall be conducted according to the City of Newberg design standards.

Finding: The applicant indicates in their narrative that the Community Development Director was contacted and referred to the "City Senior Engineer who clarified that the trigger for a traffic study in this case would be the specific planned use for the site would generate in excess of 40 additional p.m. peak hour trips per the ITE Trip Generation Manual 10th Edition". The applicant stated that "Per the ITE Manual, 50 units for senior attached (duplex-style) housing would generate an average of 16 additional p.m. peak hour trips, well below the 40 trip threshold to require a traffic study". City staff will revisit the need for a Traffic Impact Study at the time a development application is submitted. If the actual development proposal triggers the need for a Traffic Impact Study then one will be required. This criterion is met.

Section 15.346.070 B. Springbrook Oaks Specific Plan

13. Plan Amendments. Proposed amendments and adjustments to the specific plan will follow the procedure described in NMC 15.346.050. Exceptions to this amendment and adjustment procedure are as follows:

a. Proposed boundary modifications for development areas B through E (see Appendix A, Figure 20) that increase any individual area no more than five percent of its original total acreage will be reviewed under a Type I process. Proposed boundary modifications that change the total acreage of any of the aforementioned development areas more than five percent will be reviewed under a Type III process.

b. Proposed boundary modifications for development areas F and G that move a boundary less than 50 feet and do not change the total acreage in a development area by more than 0.1 acre will be reviewed under a Type I process. Other proposed boundary modifications will be reviewed under a Type III process.

Finding: The applicant is not proposing a boundary change so these criteria do not apply. The applicant has demonstrated through their application material and narrative that removal of the restriction on residential land use within the F-1 Area of the Springbrook Oaks Specific Plan are warranted.

Conclusion: The proposed Springbrook Oaks Specific Plan and municipal code amendments meet the applicable requirements of the Statewide Planning Goals, the Newberg Comprehensive Plan and should be approved.

Exhibit "B" to Planning Commission Resolution 2018-09
Amendment of NDC Section 15.346.070(B) – File CPTA18-0003

Proposed deletions use ~~strike through~~ text

Proposed new text is in double underline non italicized text

15.345.070 B. Springbrook Oaks Specific Plan.

1. Report Adopted. The Springbrook Oaks specific plan dated August 2, 1999, is adopted by reference. The development standards listed in this section are intended to implement the policies of the Springbrook Oaks specific plan. Development of Springbrook Oaks shall follow the standards of this code section as well as the policies of the plan. If a conflict exists between the Springbrook Oaks specific plan policies and the development code, the Springbrook Oaks specific plan shall govern.

2. Permitted Uses and Conditional Uses. Eight development areas have been established with corresponding zones within the Springbrook Oaks specific plan. The permitted and conditional uses allowed under the SP subdistrict shall be the same as those uses permitted in the base zoning districts. Exceptions to this standard include the following:

a. A golf course shall be permitted within the M-1 area, adjacent to the stream corridor; and

b. Densities and lot sizes shall be in accordance to the standards established in subsection (B)(8)(a) of this section.

c. In addition to the permitted uses in the R-P zone, area F-1 permits:

i. Medically related industrial uses, such as medical laboratories, manufacture and wholesale distribution of medical equipment, medical research facilities, and laundries and similar services for medical facilities.

ii. Medically related retail uses, such as a pharmacy, gift shop or cafe (limited to 3,000 square feet), or medical appliance sale and rental store.

iii. Barber and beauty shops.

Area F-1 ~~does not permit~~ permits residential uses.

8. Residential Density. Residential density is governed by the SP overlay subdistrict.

a. The following development standards shall be applied to Springbrook Oaks (please refer to Graphic VI for map of development areas A through H of the Springbrook Oaks

specific plan). See Appendix A, Figure 20. These standards shall supersede any density or density transfer standards established in the development code.

Area	Zone	Minimum Lot Size (Square Feet)	Minimum Lot Area per Dwelling Unit(Square Feet)	Maximum Density (Dwelling Units per Acre)
A	C-2	5,000	NA	NA
B	RP	1,500*	1,500*	21.8*[1]
C	R-3	2,500*	2,500*	13.1*
D	R-2	3,750*	3,750	8.8
E	R-2	5,000	5,000*	6.6*
F-1	RP	1,500*	~~NA*~~ 1,500*	~~NA*~~ 21.8*
F-2	RP	1,500*	None[2]*	None[2]*
F-3	RP	1,500*	1,500*	21.8*
G	M-1	20,000	NA	NA
H	R-1	5,000*	10,000*[3]	3.3*

* ***Different than the standards established elsewhere in the development code.*** **Residential land use only permitted on F-1 area for Yamhill County tax lot 3216-02026**

[1] ***Up to 100 percent of the land zoned R-P within area B may be developed for residential use.***

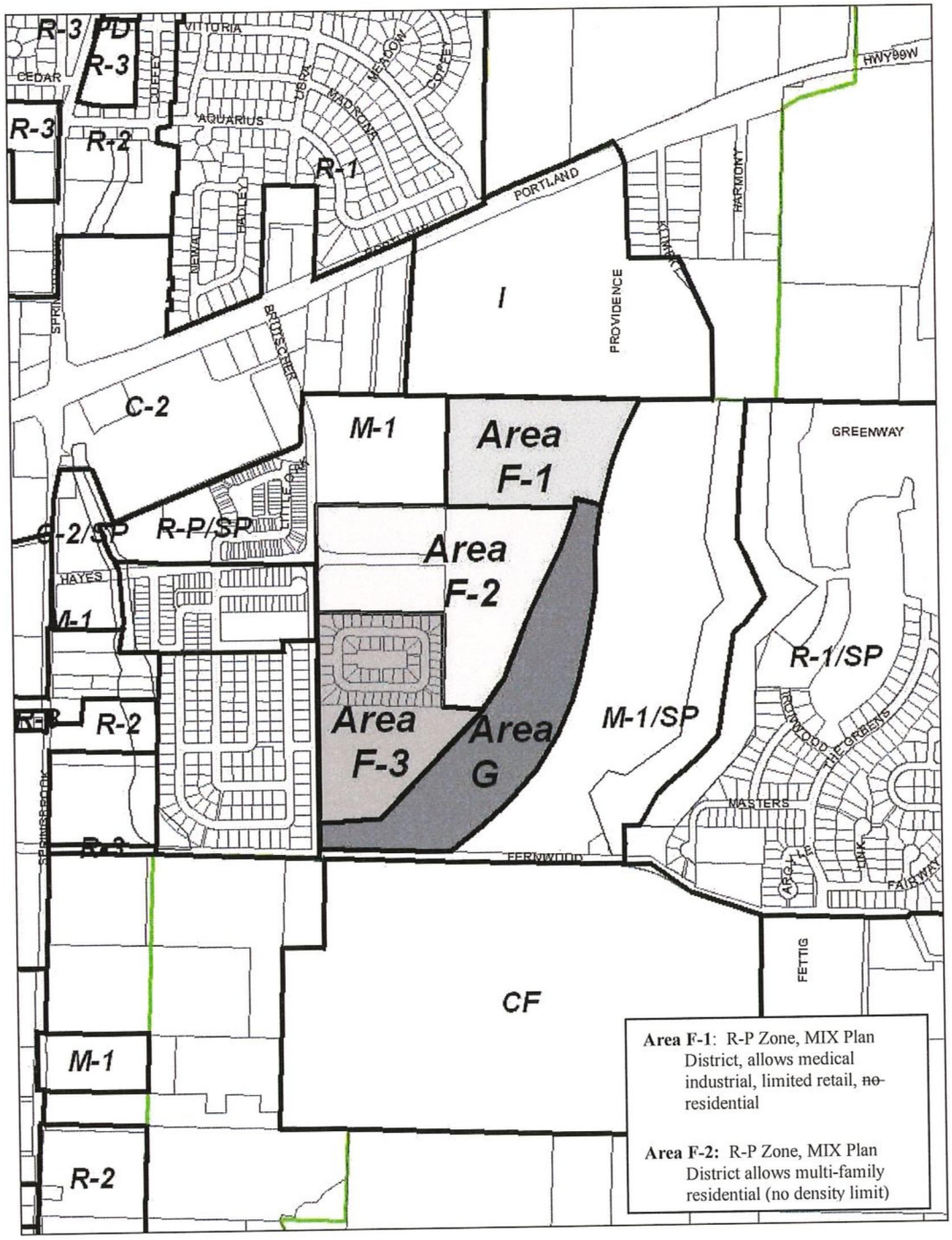
[2] ***There is no limit on the number of dwelling units allowed in area F-2.***

[3] ***Average lot area per dwelling in any one subdivision.***

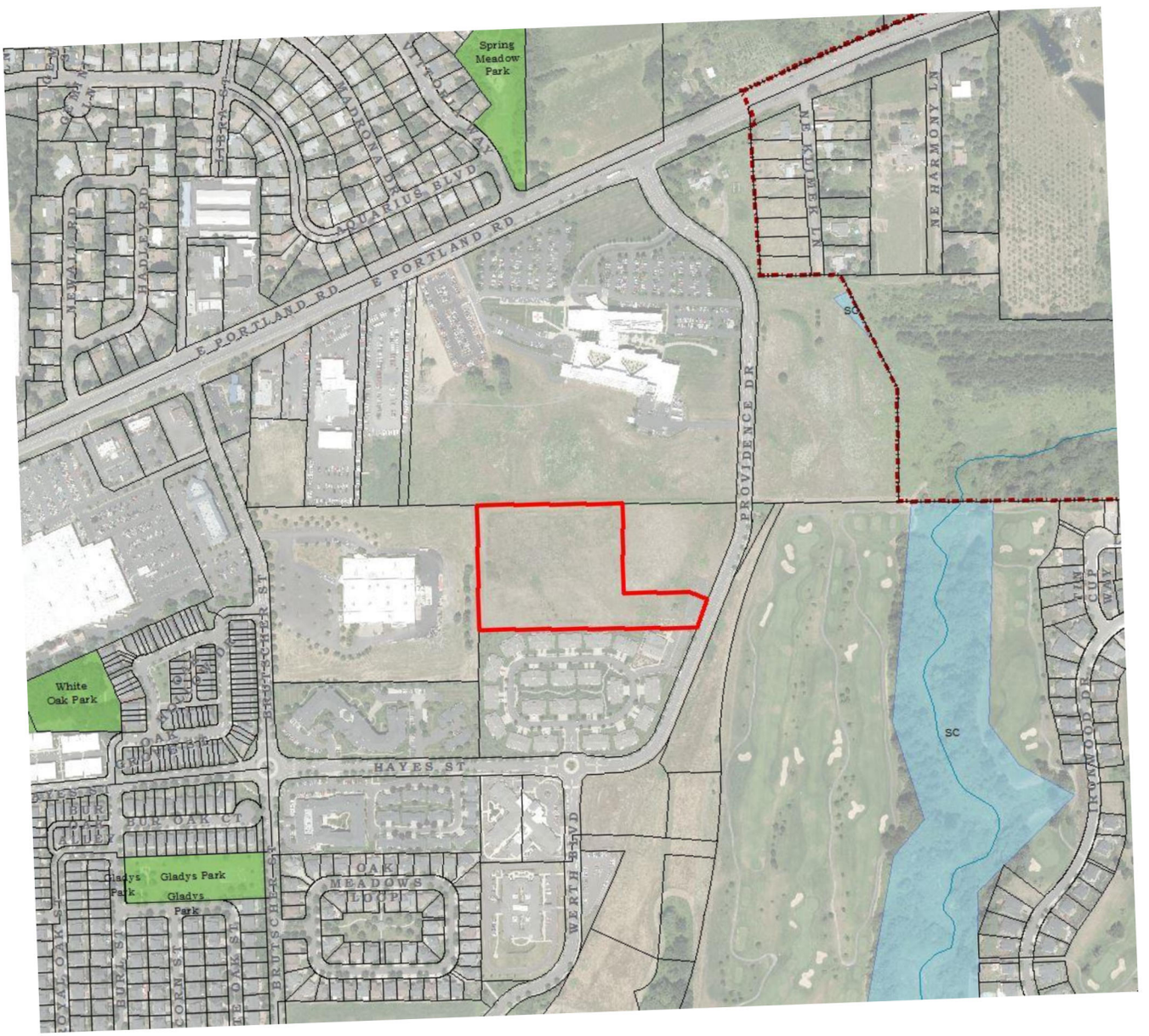
Finding: As found in Exhibit "A" Findings, City staff concur with the applicants request to remove the restriction of residential land use on Yamhill County Tax Lot R3216-02026 and the findings that have been presented within this report support the request.

Exhibit "C" to Planning Commission Resolution 2018-09
File CPTA18-0003 – Springbrook Oaks Specific Plan Map Amendment

~~Strike through~~ indicates deleted text



Attachment 2: Location Map
File CPTA18-0003 – Springbrook Oaks Specific Plan Map Amendment



Attachment 3: Applicant Material

City of Newberg

TYPE III APPLICATION - 2018
(QUASI-JUDICIAL REVIEW)

File #: CPTA18-0003

TYPES – PLEASE CHECK ONE:

___ Annexation
X Comprehensive Plan Amendment (site specific)
__ Zoning Amendment (site specific)
___ Historic Landmark Modification/alteration
___ Conditional Use Permit
___ Type III Major Modification
___ Planned Unit Development
___ Other: (Explain)_____

APPLICANT INFORMATION:

APPLICANT: MJG Development, Inc.
ADDRESS: 901 N. Brutscher Street, Suite 206, Newberg, OR 97132
EMAIL ADDRESS: _____
PHONE: Engineer is Primary Contact (below) MOBILE: _____ FAX: _____
OWNER (if different from above): Werth Family, LLC PHONE: _____
ADDRESS: 3330 SW 70th Avenue, Portland, OR 97225
ENGINEER/SURVEYOR: AKS Engineering and Forestry (~~Chuck Gregory, PE - primary contact~~) MIKE DOUGLAS, AICP, PLA - PRIMARY CONTACT PHONE: (503) 563-6151
ADDRESS: 12965 SW Herman Road, Suite 100, Tualatin, OR 97062 chuckg@aks-eng.com

GENERAL INFORMATION:

PROJECT NAME: Oak Meadows II Lot 2 - Specific Plan Amendment PROJECT LOCATION: 879 Providence Drive, Newberg, OR 97132
PROJECT DESCRIPTION/USE: Site Specific Comp. Plan Amendment to Allow Residential Use in Springbrook Oaks Specific Plan, Area F-1
MAP/TAX LOT NO. (i.e.3200AB-400): 3216 02026 ZONE: R-P/SP SITE SIZE: 6.66 SQ. FT. ☐ ACRE ☐■
COMP PLAN DESIGNATION: MIX/SP Specific Plan TOPOGRAPHY: Flat to gently sloping
CURRENT USE: Vacant/Pasture on TL 02026
SURROUNDING USES:
NORTH: Providence Medical Center SOUTH: Senior Independent Housing (Duplex)
EAST: Medical Office/Providence Drive/Future Bypass/Golf Course WEST: Private light industrial/commercial

SPECIFIC PROJECT CRITERIA AND REQUIREMENTS ARE ATTACHED

General Checklist: ☒ Fees ☒ Public Notice Information ☒ Current Title Report ☒ Written Criteria Response ☒ Owner Signature

For detailed checklists, applicable criteria for the written criteria response, and number of copies per application type, turn to:

Annexation .....p. 15
Comprehensive Plan / Zoning Map Amendment (site specific) .....p. 19
Conditional Use Permit .....p. 21
Historic Landmark Modification/Alteration .....p. 23
Planned Unit Development p.26

The above statements and information herein contained are in all respects true, complete, and correct to the best of my knowledge and belief. Tentative plans must substantially conform to all standards, regulations, and procedures officially adopted by the City of Newberg. All owners must sign the application or submit letters of consent. Incomplete or missing information may delay the approval process.

G M Gougler 3/16/18
Applicant Signature Date

Dean E Werth
Owner Signature Date

G. MICHAEL GOUGLER
Print Name

DEAN E WERTH
Print Name

Attachments: General Information, Fee Schedule, Noticing Procedures, Planning Commission Schedule, Criteria, Checklists

Table of Contents

I. Executive Summary 2

II. Site Description/Setting 2

III. Applicable Review Criteria 3

CITY OF NEWBERG COMPREHENSIVE PLAN 3

SPRINGBROOK OAKS SPECIFIC PLAN 5

CITY OF NEWBERG DEVELOPMENT CODE 6

IV. Conclusion 18

Exhibits

Exhibit A: Land Use Plan
Exhibit B: Land Use Application Form and Checklist
Exhibit C: Property Title Information
Exhibit D: Measure 49 Waiver
Exhibit E: Public Notice Information

Land Use Application
For Oak Meadows II
Specific Plan Amendment

Submitted to:	City of Newberg Planning Department 414 E. First Street Newberg, OR 97132
Applicant:	MJG Development, Inc. 901 N. Brutscher Street, Suite 206 Newberg, OR 97132
Property Owner:	Werth Family, LLC 3330 SW 70th Avenue Portland, OR 97225
Applicant's Consultant:	AKS Engineering & Forestry, LLC 12965 SW Herman Road, Suite 100 Tualatin, OR 97062 Contact: Mimi Doukas, AICP, RLA Email: mimid@aks-eng.com Phone: (503) 563-6151
Site Location:	Adjacent west of 879 Providence Drive, Newberg, OR
Assessor's Map:	Tax Map 3S2W16 Tax Lot 02026
Site Size:	±6.66 Acres
Land Use Districts:	R-P/SP (Residential-Professional, Springbrook Oaks Specific Plan, Area F-1)

I. Executive Summary

MJG Development, Inc. (applicant) is submitting this application for a City of Newberg site-specific Comprehensive Plan amendment of the Springbrook Oaks Specific Plan R-P/SP Area F-1 to remove a restriction on residential development for the subject property Tax Lot 3S2W16 02026 located adjacent west of 879 Providence Drive, Newberg. The R-P (Residential-Professional) base zone designation of the Specific Plan allows residential uses. However, the F-1 Area where the subject property is located was amended in 2006 by Ordinance 2657 to prohibit residential uses due primarily to anticipated impacts from the planned Newberg-Dundee bypass. With further refinement of the bypass plan the need to restrict residential use on the subject site has become unnecessary. The applicant wants to develop the property for residential use and is therefore requesting a site-specific plan amendment of the F-1 Area for this specific tax lot to remove the prohibition.

This narrative and supporting documents show the specific plan amendment request is consistent with the applicable portions of the City of Newberg Comprehensive Plan Goals and Policies, the Springbrook Oaks Specific Plan, and the Newberg Development Code. This application includes the City application forms, written materials, and preliminary plans necessary for City Staff to review and determine compliance with the applicable approval criteria. The evidence is substantial and supports the City's approval of the application.

II. Site Description/Setting

The subject property (Tax Lot 3S2W16 02026) is ±6.66 acres, with relatively flat topography and is currently vacant. The property is located adjacent west of Providence Drive, south of Providence Medical Center and north of a private independent living retirement community. Directly east of the subject is Tax Lot 02001 which is currently being improved with a medical office complex. Adjacent west is a private industrial zoned property improved with a light industrial facility. The general Springbrook Oaks neighborhood is well-served by roads and transit and is directly west of the planned Newberg Bypass highway. There are several multi-family and single family residential properties to the southwest of the subject indicating that residential improvement of the site fits well with the general use patterns of the neighborhood.

Regarding parcel status and ownership, the subject property was involved in the recent Partition 2017-06 (Yamhill County Clerk Record Number 201709029). Prior to the partition the subject was a part of the larger ±9.63-acre Tax Map 3S2W16 02001 that was mapped as the F-1 subdistrict of the Springbrook Oaks Specific Plan area. The partition resulted in the subject west Tax Lot 02026 ("Parcel 2") and Tax Lot 02001 ("Parcel 1"). After the partition Parcel 1 retained the Tax lot 02001 number and was transferred to WP-99, LLC (see enclosed Warranty Deed, County Recording Number 201711890). The remainder subject Parcel 2 stayed in Werth Family, LLC ownership. Information from the Yamhill County Assessor's Office and other relevant title documentation is included as Exhibit C with this application and confirms the current ownership.

III. Applicable Review Criteria

CITY OF NEWBERG COMPREHENSIVE PLAN

A. **CITIZEN INVOLVEMENT GOAL: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.**

Response: The City of Newberg has established public notice and hearing requirements for land use decisions which meet Statewide Planning Goals and DLCD requirements. The applicant will provide notice and a public hearing as required by Newberg Municipal Code (NMC) 15.100.200, et seq. (discussed below). The application will be processed as a Type III application and requires final approval by the City Council who may impose reasonable, relevant conditions upon the approval. The application is consistent with Goal A.

B. **LAND USE PLANNING GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.**

Response: The City of Newberg Comprehensive Plan complies with DLCD Statewide Planning Goals. Specific Plan areas, such as the Springbrook Oaks Plan, are adopted as sub-parts of the Comprehensive Plan. The City of Newberg Development Code implements the Comprehensive Plan and the Specific Plans. The purpose of this application is to demonstrate compliance with applicable criteria of the Newberg Comprehensive Plan, the Springbrook Oaks Specific Plan, and the Development Code relating to amendment of the plans. Thus, this application is consistent with Goal B.

H. **THE ECONOMY GOAL: To develop a diverse and stable economic base.**

GOAL: To develop a diverse and stable economic base.

POLICIES:

1. **General Policies**

   a. **In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs. (Ordinance 2006-2634, January 3, 2006)**

Response: A stable and diverse economic base requires sufficient housing, both for consumers and workers. It is generally understood that communities in northwest Oregon are currently experiencing a housing shortage. The removal of the prohibition of residential development on the subject property will create the opportunity for needed housing which will fuel economic development. In addition, the comprehensive plan specifically identifies a long-term shortage of residential land in Newberg (see discussion under "V. Land Need and Supply" below). Thus, this application is consistent with Goal H.

I. **HOUSING GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.**

2. **Location Policies**

a. Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces

Response: As stated above, sufficient housing of varying types is necessary to meet the needs of Newberg's citizens. It is generally known that northwest Oregon communities currently have a housing shortage. The comprehensive plan specifically identifies a long-term shortage of residential land in Newberg (see discussion under "V. Land Need and Supply" below). The removal of the prohibition on residential development on the subject property increases the amount of available residential land providing additional potential housing in the city. The subject property is located adjacent to Providence Drive, a major collector, as well as the Highway 99W corridor and associated commercial services and public amenities of the City. The application is consistent with Goal I, Housing.

J. URBAN DESIGN

GOAL 1: To maintain and improve the natural beauty and visual character of the City.

7. Specific Plans

a. The City should encourage the use of specific plans to coordinate development and create neighborhood identity. Specific plans are intended to serve as master plans for land development or redevelopment and may be applied to one parcel or multiple parcels. Specific Plans are used to promote coordinated planning concepts and pedestrian oriented mixed use development.

Response: The subject property is located in the Springbrook Oaks Specific Plan Area, as adopted under the Comprehensive Plan. The City of Newberg Development Code implements the Comprehensive Plan and the Specific Plans. (See discussion below of Springbrook Oaks Specific Plan policies.) Although the "natural beauty and visual character of the City" is a purely subjective standard, the implementation of specific plan areas provides greater specialization of the zoning districts to individual neighborhoods. In this case, Area F-1 is applied only to an 11.6-acre area, which includes the subject property. This application requests removal of the F-1 Area prohibition on residential development specifically for the subject property (Tax Lot 3S2W16 02026). The permitting of residential use on the subject property widens the range of mixed use development options. Thus, this application is consistent with Urban Design Goal 1, 7, a.

K. TRANSPORTATION

GOAL 4: Minimize the impact of regional traffic on the local transportation system.

POLICIES:

d. Minimize the use of local and minor collector streets for regional traffic through application of traffic calming measures as traffic operations and/or safety problems occur.

p. Special planning and efforts should be made to retain and create livable and desirable neighborhoods near the bypass. This should include retaining or creating street connections, pedestrian paths, recreational areas, landscaping, noise attenuation, physical barriers to the bypass, and other community features.

Response: The subject property is located adjacent to Providence Drive, designated by the Newberg Transportation System Plan (TSP) as a major collector. Any future access to the site will likely be from Providence Drive because the adjacent uses and circulation are established. The planned route for the bypass will run nearby to the east of the subject. It is understood maintaining livability of the neighborhood is a priority and that a thorough site plan review is required for new permitted uses. Site plan review will address the listed criteria, including connectivity, pedestrian paths, noise attenuation, screening, etc. Thus, this specific plan amendment is consistent with Transportation Goal 4.

V. LAND NEED AND SUPPLY

4. Residential Land Need and Supply

Comparing the residential land need the current supply, the City has a deficit of residential land to meet needs through 2025 in all residential categories. It also has a deficit of land within the URA to meet the needs from 2026-2040.

Response: The subject property's underlying R-P zoning district is a mixed-use zone that permits residential use. In the original 1999 Springbrook Oaks Specific Plan, Area F permitted high density residential use at over 20 units per acre. Ordinance 2006-2657 designated the F-1 through F-3 sub-Areas. The ordinance prohibited residential use in Area F-1 where the subject property is located but continued to allow residential use in the neighboring F-2 and F-3 sub-Areas. However, the residential land need and supply section of the comprehensive plan clearly demonstrates the City's deficit for all categories of residential land through the 2025 planning horizon. Table V-7 shows a deficit of 380 acres of buildable residential land in the 2005-2025 timeframe. This application speaks directly to that deficit through a comprehensive plan specific area amendment to remove the prohibition on residential development for Area F-1 overlaying the subject property. Thus, the application is consistent with Section V, 4. of the Comprehensive Plan.

SPRINGBROOK OAKS SPECIFIC PLAN

The Springbrook Oaks Specific Plan (as amended) applies to the subject property. The F-1 through F-3 sub-Areas were implemented by Ordinance 2006-2657. The Ordinance specifically prohibited residential development in Area F-1 where the subject property is located. The Springbrook Oaks Specific Plan policies (and amendments) are implemented through adoption of Newberg City Development Code sections, including Chapter 15.326 Springbrook (SD) District and Chapter 15.346 Specific Plan (SP) Subdistrict, B. Springbrook Oaks Specific Plan. 15.346 (B) (1). Conformance with the applicable portions of these Chapters is demonstrated in this narrative.

In addition, the Springbrook Oaks Specific Plan contains general policy criteria which supplement the Development Code. Applicable excerpts of the Plan are as follows:

SUMMARY

The Springbrook Oaks Specific Plan is intended to provide a coordinated framework for development of one of the largest undeveloped areas in Newberg. Springbrook Oaks will be a mixed use development, containing multi-family and single family residential, office, and industrial uses. The Specific Plan establishes a framework plan for land use, streets, and utilities for the approximately 284-acre parcel located southeast of the Springbrook Road / Highway 99W intersection.

> Land uses for the property will be mixed. A range of housing opportunities will be provided. Residential facilities may include apartments, single family attached housing, duplexes, and single family detached homes. Light industrial and office development will provide a convenient work location for community residents as well as support the economy of the greater Newberg area....

Response: At the time of adoption of the Springbrook Oaks Specific Plan much of the area was undeveloped. Subsequently, most of the area has been developed, the subject property being one of the exceptions. Land uses surrounding the subject are mixed as envisioned by the Specific Plan, including light industrial, commercial, assisted living, medical offices, the Providence Medical Center, and the future path of the Newberg-Dundee Bypass. The prohibition on residential use in Area F-1 restricts needed residential buildable land in the Newberg area. Although a site plan is not proposed with this application, the subject property is planned to be improved with senior/retirement duplex housing development similar in density to the Springbrook Meadows neighborhood adjacent south. Thus, the application is consistent with the intent of the Plan.

FUTURE LAND USE PLAN

> The Springbrook Oaks Specific Plan provides some flexibility in how actual development occurs....
>
> Eight (8) development areas have been established within Springbrook Oaks (see Graphic VI). A brief description of these development areas is as follows:
>
> Areas B and F These areas are zoned Residential-Professional (R-P). The purpose of this land use designation is to create a desirable mixing of residential land uses with professional offices in possible close proximity to adjacent low density residential areas. Examples of permitted uses include group care facilities, medical labs, clinics, professional offices, and single-family dwellings.

Response: The subject property is in Area F of the Springbrook Oaks Specific Plan. The underlying R-P zone applies to the entire F Area which is divided into subdistrict Areas F-1 through F-3. As stated in the purpose of the Future Land Use Plan, flexibility and mix of development were primary goals of the original Springbrook Oaks Specific Plan. The prohibition of residential development in the F-1 Area removed crucial flexibility of use. The purpose of this site-specific specific plan area amendment is to permit residential use for the subject property, encouraging a mixing of uses as originally intended. Thus, this application is consistent with the Springbrook Oaks Specific Plan Future Land Use Plan.

CITY OF NEWBERG DEVELOPMENT CODE

Title 15 DEVELOPMENT CODE

Chapter 15.100 LAND USE PROCESSES AND PROCEDURES

Article I. Procedure Types and Determination of Proper Procedures

> 15.100.010 Procedures for processing development permits.
>
> All development permits shall be classified as one of the following: Type I, Type II, Type III, or Type IV procedures.
>
> 15.100.050 Type III procedure – Quasi-judicial hearing.
>
> A. All Type III decisions shall be heard and decided by the planning commission. The planning commission's decision shall be final

unless the decision is appealed or the decision is a recommendation to the city council.

B. Type III actions include, but are not limited to:

7. Comprehensive plan map amendments: This action is a recommendation to the city council.

8. Zoning map amendments and designation of subdistricts: This action is a recommendation to the city council.

Response: This application is for a comprehensive plan specific plan area amendment to allow residential use on the subject property. Therefore, the application will be processed as a Type III action.

C. Planning Commission Decisions and Recommendation Actions.

1. Planning Commission Decision. Development actions shall be decided by the planning commission for those land use actions that require a Type III procedure and do not require the adoption of an ordinance. The decision shall be made after public notice and a public hearing is held in accordance with the requirements of NMC 15.100.090 et seq. A Type III decision may be appealed to the city council by a Type III affected party in accordance with NMC 15.100.160 et seq.

2. Planning Commission Recommendation to City Council. Land use actions that would require the adoption of an ordinance shall be referred to the city council by the planning commission together with the record and a recommendation. The recommendation shall be made after public notice and a public hearing is held in accordance with the requirements of NMC 15.100.090 et seq.

D. City Council Action. If a recommendation to the city council is required, the matter shall be reviewed by the city council as a new hearing. The final decision on these actions is made by the city council.

E. The applicant shall provide notice pursuant to NMC 15.100.200 et seq.

F. The hearing body may attach certain conditions necessary to ensure compliance with this code.

G. If the application is approved, the director shall issue a building permit when the applicant has complied with all of the conditions and other requirements of this code.

H. If a Type III application is denied, or if the applicant wishes to make substantive modifications to an approved application, the applicant may modify the application after the planning commission hearing and request a new planning commission hearing to consider the application. An application so modified shall be considered a new application for purposes of the 120-day time limit for processing applications in accordance with NMC 15.100.100 and state statutes. The applicant shall acknowledge in writing that this is a new application for purposes of the 120-day rule. The city council shall establish a fee for such a reconsideration or modification by resolution. Application of this provision is limited to three times during a continuous calendar year.

Response: It is understood this application will be processed as a Type III application and requires final approval by the City Council who may impose reasonable, relevant conditions upon the approval. The applicant will provide notice as required by NMC 15.100.200, et seq. (See discussion below.) The standards, as applicable, are met.

Article IV. Notice

15.100.200 Compliance required.

Notice on all Type I through Type IV actions, including appeals, shall be conducted in accordance with this article.

15.100.210 Mailed notice.

Mailed notice shall be provided as follows:

A. Type I Actions. No public notice is required.

B. Type II and Type III Actions. The applicant shall provide public notice to:

1. The owner of the site for which the application is made; and

2. Owners of property within 500 feet of the entire site for which the application is made. The list shall be compiled from the most recent property tax assessment roll. For purposes of review, this requirement shall be deemed met when the applicant can provide an affidavit or other certification that such notice was deposited in the mail or personally delivered.

3. To the owner of a public use airport, subject to the provisions of ORS 215.416 or 227.175.

C. The director may request that the applicant provide notice to people other than those required in this section if the director believes they are affected or otherwise represent an interest that may be affected by the proposed development. This includes, but is not limited to, neighborhood associations, other governmental agencies, or other parties the director believes may be affected by the decision.

D. The director shall provide the applicant with the following information regarding the mailing of notice:

1. The latest date by which the notice must be mailed;

2. An affidavit of mailing (to be signed and returned) certifying that the notice was mailed, acknowledging that a failure to mail the notice in a timely manner constitutes an agreement by the applicant to defer the 120-day process limit and acknowledging that failure to mail will result in the automatic postponement of a decision on the application; and

3. A sample notice.

E. The notice of a Type II and Type III development application shall be reasonably calculated to give actual notice and shall:

1. Set forth the street address or other easily understood geographical reference to the subject property;

2. List, by commonly used citation, the applicable criteria for the decision;

3. Include the name and phone number of a local government contact person, the telephone number where additional information may be obtained and where information may be examined;

4. Explain the nature of the application and the proposed use or uses which could be authorized;

5. State that a copy of the application, all documents and evidence relied upon by the applicant and applicable criteria are available for inspection at no cost and will be provided at a reasonable cost.

F. Prior to mailing or posting any notice required by this code, the applicant shall submit a copy of the notice to the director.

G. The applicant shall mail the notice for Type II actions at least 14 days before a decision is rendered. The applicant shall file with the director an affidavit of mailing as identified in subsection (D) of this section within two business days after notice is mailed.

H. The applicant shall mail the notice for Type III actions at least 20 days before the first new hearing, or if two or more new hearings are allowed, 10 days before the first new hearing. The applicant shall file with the director an affidavit of mailing as identified in subsection (D) of this section within two business days after notice is mailed.

I. All public notices shall be deemed to have been provided or received upon the date the notice is deposited in the mail or personally delivered, whichever occurs first. The failure of a property owner to receive notice shall not invalidate an action if a good faith attempt was made to notify all persons entitled to notice. An affidavit of mailing issued by the person conducting the mailing shall be conclusive evidence of a good faith attempt to contact all persons listed in the affidavit.

J. Failure to mail the notice and affirm that the mailing was completed in conformance with the code shall result in:

1. Postponement of a decision until the mailing requirements have been met; or

2. Postponement of the hearing to the next regularly scheduled meeting or to such other meeting as may be available for the hearing; or

3. The entire process being invalidated; or

4. Denial of the application.

15.100.230 Additional notice procedures for Type III quasi-judicial hearing.

In addition to the requirements of NMC 15.100.210, mailed notice for Type III development actions shall also contain the following:

A. State that an issue which may be the basis for an appeal to the Land Use Board of Appeals shall be raised not later than the close of the record at or following the final new hearing on the proposal before the city. Such issues shall be raised with sufficient specificity so as to

afford the hearing body and the parties an adequate opportunity to respond to each issue;

B. State the date, time and location of the hearing;

C. State that the failure of an issue to be raised in a hearing, in person or by letter, or failure to provide sufficient specificity to afford the hearing body an opportunity to respond to the issue may preclude appeal to the Land Use Board of Appeals on that issue;

D. State that a copy of the staff report will be available for inspection at no cost at least seven calendar days prior to the hearing and will be provided at reasonable cost;

E. Include a general explanation of the requirements for submission of testimony and the procedure for conduct of hearings.

Response: It is understood that the applicant is responsible for providing public notice for this Type III quasi-judicial action meeting the requirements of NMC 15.100 Article IV. The application includes the required "Public Notice Information" listed in the City application checklist. The applicant will provide notice required by this Chapter when the City provides the information listed in NMC 15.100.210 (D). The standards, as applicable, are met, or will be met at the appropriate time in the application process.

Chapter 15.302 DISTRICTS AND THEIR AMENDMENT

15.302.010 Establishment and designation of use districts and subdistricts.

In order to classify, regulate, restrict and segregate the uses of lands and buildings, to regulate and restrict the height and size of buildings, to regulate the area of yards and other open spaces about buildings, and to regulate the density of population, the following classes of use districts and subdistricts are established:

A. Use Districts.

4. RP residential professional district.

B. Subdistricts of Use Districts.

8. SP specific plan subdistrict.

Response: The City of Newberg Comprehensive Plan designates the subject property R-P District for the base zone. The Springbrook Oaks Specific Plan designates the subject property as subdistrict "Area F-1." The planned site-specific amendment of Area F-1 to allow for residential use on the subject property is the purpose of this application. The amendment criteria for the R-P base zone and the Springbrook Oaks Plan Area F-1 subdistrict are addressed as applicable in this narrative.

15.302.030 Procedures for comprehensive plan map and zoning map amendments.

This section describes the procedures and criteria that apply to any application to amend the land use designations identified on the comprehensive plan map, zoning map and land use regulations.

A. Type III Plan and Zoning Map Amendments – One Parcel or Small Group of Parcels.

1. Property owners or the city may initiate a map amendment for one parcel or a small group of parcels under the Type III procedure. May be initiated by a resolution of the planning commission or city council. Unlike other Type III procedures, the decision of the planning commission on a Type III plan map amendment shall be in the form of a recommendation to the city council. The city council shall hold another new hearing and make a final decision.

2. Where an application has been denied, no new application for the same purpose shall be filed within one year of the date of the previous denial unless the city council for good cause shall grant permission to do so.

Response: This is an owner-initiated application for a comprehensive plan specific plan area amendment to allow residential use on the subject property. Therefore, the application will be processed as a Type III action. No application for this same purpose has been filed within the last year for this property. The criteria are met.

3. Amendment Criteria. The owner must demonstrate compliance with the following criteria:

   a. The proposed change is consistent with and promotes the goals and policies of the Newberg comprehensive plan and this code;

Response: The purpose of this application is to demonstrate compliance with the applicable amendment criteria. Consistency with the applicable goals and policies of the Newberg Comprehensive Plan the Newberg Development Code are thoroughly addressed by this narrative and the accompanying application materials. The criteria are met.

   b. Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change;

Response: Available information indicates public facilities and services are available or can reasonably be made available to the subject property. A pre-application conference was conducted in November 2016 for the subject property to evaluate a medical office and residential mixed-use. At that time adequate facilities were available or reasonably could be made available to the site.

In addition, the Springbrook Oaks Specific Plan anticipates full improvement of the site. At the time of original adoption of the Springbrook Oaks Specific Plan in 1999, Area F in the R-P zone was designated for relatively high-density residential use at 21.8 dwelling units per acre (approximately one dwelling for every 2,000 sf.). Public facilities and services were anticipated to be adequate for such density, even at that time. Therefore, the criterion is met.

   c. Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

Response: OAR 660-012-0060 (1) and (2) require a comprehensive plan and zoning amendment to follow a two-step process to evaluate the impact on transportation facilities. First is to compare the trip generation potential of the site under the existing and planned zoning,

assuming a reasonable worst-case scenario. If the trip generation increases based on the change then further analysis is required. However, if the trip generation under the planned zoning is equal to or less than the trip generation under the current zoning then the change does not "significantly affect" the transportation facilities and no further analysis is required.

The current zoning for the subject property is the R-P/SP Area F-1. The general R-P/SP zone allows for all underlying uses in the R-P zone, as supplemented by the Springbrook Oaks Plan per 15.346.070 (B). Area F-1 additionally allows for medical/industrial uses, research laboratories, and medically related retail uses, but currently prohibits residential uses. NMC 15.305.020 (Zoning use table) lists the permitted and conditional uses in the R-P zone. Looking to the uses allowed in the R-P zone there are many potential non-residential, high-intensity uses that could be developed, including schools, churches, hospitals, business offices, personal services offices, or traded sector industry offices.

Utilizing the ITE Trip Generation Manual – 10th Edition, as applied to these uses, the re-introduction of residential use to the subject does not increase reasonable worst-case trip generation potential. For example, one of the more likely non-residential scenarios for the site would be medical/dental offices (ITE code 720). The trip generation of this potential use, whether calculated by employee or by square footage, exceeds the trip generation potential of reasonable residential development of the site. In this example, a medical/dental office park with 100 employees is estimated to generate 870 average weekday trips, while a 100-unit low-rise apartment complex (ITE code 220) generates 732 average weekday trips. Other less common, but fully-permitted uses in the R-P zone, such as a junior/community college, can exceed 1,000 average weekday trips. For instance, a junior/community college (ITE code 540) with a 50,000-sf building is calculated to generate 1,013 average weekday trips. Further, the anticipated residential use of the site after the plan amendment is not high-density, but rather ± 50 units of (duplex-style) senior adult housing-attached (ITE code 252) which would generate an estimated 185 daily trips, far less than the reasonable "worst case" non-residential uses discussed above which are currently permitted in the R-P/SP zone.

Based on the above discussion, reasonable "worst case" trip generation estimates for the Specific Plan amendment to allow residential use in Area F-1 would not "significantly impact" the local transportation system because even a relatively high density residential use of the site such as 100+ apartments, would not exceed the projected trip generation of currently-permitted uses such as a fully-developed medical office complex or a community college. Thus, no further analysis is for OAR Transportation Planning Rule compliance is required. The criteria are met.

4. The property owner who desired to have their property reclassified has the burden of establishing that the requested classification meets the requirements of this section. As part of the application, the property owner requesting a change shall file a waiver stating that the owner will not file any demand against the city under Ballot Measure 49, approved November 6, 2007, that amended ORS Chapters 195 and 197.

Response: A Measure 49 Waiver, meeting the City's requirements, is included with this application. The criterion is met.

5. A traffic study shall be submitted for any proposed change that would significantly affect a transportation facility, or that would allow uses that would increase trip generation in excess of 40 trips per p.m. peak hour. This requirement may be waived by the director when a determination is made that a previous traffic study adequately addresses the proposal and/or when off-site and frontage improvements have already been completed, which adequately mitigate any traffic impacts and/or the proposed use is not in a location, which is adjacent to an intersection, which is functioning at a poor level of service. A traffic study may be required by the director for changes in areas below 40 trips per p.m. peak hour where the use is located immediately adjacent to an intersection functioning at a poor level of service. The traffic study shall be conducted according to the City of Newberg design standards.

Response: As discussed previously regarding Oregon Transportation Planning Rule compliance, the proposed change will not "significantly affect a transportation facility." In addition, the planned use of the subject property after the site specific plan amendment to allow residential use in the R-P/SP Area F-1 will not increase trip generation in excess of 40 p.m. peak hour trips. Because this criterion allows for significant discretion by the Director, the applicant's consultant contacted the City Planning Director and was referred to the City Senior Engineer who clarified that the trigger for a traffic study in this case would be if the specific planned use for the site would generate in excess of 40 additional p.m. peak hour trips per the ITE Trip Generation Manual 10th Edition. As discussed above regarding Transportation Planning Rule compliance, the planned residential use of the property after the amendment is ±50 units of senior adult housing – attached (ITE code 252), similar to the current use of the property adjacent south. Per the ITE Manual, 50 units for senior attached (duplex-style) housing would generate an average of 16 additional p.m. peak hour trips, well below the 40 trip threshold to require a traffic study. Thus, a traffic study is not submitted with this application. The criterion is met.

15.302.032 Purposes of each zoning district.

E. RP Residential-Professional District. The RP residential-professional district provides for a desirable mixing of residential land uses with medical and local business office uses in possible close proximity to adjacent residential areas. The office building and parking coverage, traffic generation, open space and other external factors are intended to be compatible with the residential uses permitted. This district may be appropriate in transition areas between major land uses as indicated in the adopted plan. The RP district is intended to be consistent with commercial or residential designations on the Newberg comprehensive plan. RP districts shall be located as to conform to goals and policies identified within the Newberg comprehensive plan and in areas which have a minimal impact on the livability or appropriate development of abutting property.

Response: Per the City of Newberg Comprehensive Plan and the Springbrook Oaks Specific Plan, the base zone for the subject property is R-P District. This R-P zoning is significant insofar as where Area F-1 does not have specific requirements, the R-P District applies.

15.302.040 Subdistricts.

Subdistricts of each of the use districts may be established. The parent residential district requirements shall apply to those respective subdistricts except those regulations pertaining to lot area per dwelling unit or density.

H. SP Specific Plan Subdistrict. The SP subdistrict identifies the area in which a specific plan has been approved. The subdistrict overlay may be applied within any zoning district. The subdistrict shall be designated by the suffix SP added to the symbol of the parent district. Uses allowed in the parent district may be limited or expanded under the approved specific plan.

Response: This application is for a comprehensive plan specific plan area amendment to allow residential use on the subject property located in the F-1 Subdistrict of the Springbrook Oaks Specific Plan Area. Thus, the criteria NMC 15.346.050 for a specific plan area subdistrict amendment are applicable and are addressed where appropriate in this narrative.

Chapter 15.346 SPECIFIC PLAN (SP) SUBDISTRICT

15.346.030 Approval criteria.

Adoption of the specific plan and its related subdistrict shall be based on compliance with the zone change criteria of NMC 15.302.010 et seq.

Response: This application is for a comprehensive plan specific plan area amendment to allow residential use on the subject property. As discussed elsewhere in this narrative, the application will be processed as a Type III action. The amendment requested in this application applies to the subject property in Area F-1 only. No boundary modifications are proposed. This application complies with the Plan amendment procedures of NMC 15.346.050 and the zone change criteria of NMC 15.302.010, as demonstrated by this narrative and supporting application materials. Thus, the criteria for a specific plan amendment are satisfied.

15.346.050 Amendments and adjustments to the specific plan.

Amendments to the specific plan may be either major or minor amendments.

A. Minor and Major Amendments.

1. Major amendments are those which result in any of the following:

a. A change in land use.

B. Major Amendment – Type III Procedure. A major amendment to a specific plan shall be processed as a Type III comprehensive plan amendment. The amendment shall meet the criteria of NMC 15.346.030. In addition, findings must demonstrate that the change will not adversely affect the purpose, objectives, or functioning of the specific plan.

Response: This application is for a comprehensive plan specific plan area amendment to allow residential use on the subject property located in Area F-1 of the Springbrook Oaks Specific Plan Area. This would be a "change in land use," and so this is a major amendment processed as a Type III action. This application demonstrates this

amendment will not adversely affect the purpose, objectives, or functioning of the specific plan. These issues are discussed in detail elsewhere in this narrative. Specifically, the narrative responses regarding the plan "Summary" and "Future Land Use Plan" on pages 5 and 6 of the application narrative demonstrate consistency with the Springbrook Oaks Specific Plan. The "Summary" of the plan states it "is intended to provide a coordinated framework for development of one of the largest undeveloped areas in Newberg. Springbrook Oaks will be a mixed use development, containing multi-family and single family residential, office, and industrial uses." As discussed elsewhere in this narrative, since the adoption of the original plan in 1999, the area has developed with the desired mix of uses, with the subject property being one of the last undeveloped parcels. Thus, the plan is functioning as intended.

The "Future Land Use Plan" of the Springbrook Oaks Specific Plan further calls for "flexibility in how actual development occurs" and instituted the Residential-Professional (R-P) zone for Area F where the subject property is located. The stated purpose of the R-P zone "is to create a desirable mixing of residential land uses with professional offices in possible close proximity to adjacent low density residential areas." Providence Medical Center is directly north of the subject property, light industrial and commercial uses are to the west, low-density residential is to the south, and the medical office complex under construction is immediately to the northeast. Allowing the subject site to develop with residential use will show flexibility in the development pattern and would enhance the "mix" by providing residential use between the adjacent medical/office and light industrial/commercial uses on the north, east, and west sides of the site. Therefore, allowing medium density residential use of the newly-created subject Tax Lot 2026 is consistent with the stated flexible mixed-use purpose, objectives, and function of the Springbrook Oaks Specific Plan. This narrative and supporting application materials show the application meets the criteria of NMC 15.346.030. Thus, the criteria for a specific plan area amendment are satisfied.

15.346.070 Specific plan development standards.

Development standards for specific plans are listed below. The standards shall be utilized in conjunction with the specific plan adopted as an exhibit to the SP overlay subdistrict. This section is intended to be amended as new specific plans are adopted.

B. Springbrook Oaks Specific Plan.

1. Report Adopted. The Springbrook Oaks specific plan dated August 2, 1999, is adopted by reference. The development standards listed in this section are intended to implement the policies of the Springbrook Oaks specific plan. Development of Springbrook Oaks shall follow the standards of this code section as well as the policies of the plan. If a conflict exists between the Springbrook Oaks specific plan policies and the development code, the Springbrook Oaks specific plan shall govern.

2. Permitted Uses and Conditional Uses. Eight development areas have been established with corresponding zones within the Springbrook Oaks specific plan. The permitted and conditional uses allowed under the SP subdistrict shall

be the same as those uses permitted in the base zoning districts. Exceptions to this standard include the following:

a. A golf course shall be permitted within the M-1 area, adjacent to the stream corridor; and

b. Densities and lot sizes shall be in accordance to the standards established in subsection (B)(8)(a) of this section.

c. In addition to the permitted uses in the R-P zone, area F-1 permits:

i. Medically related industrial uses, such as medical laboratories, manufacture and wholesale distribution of medical equipment, medical research facilities, and laundries and similar services for medical facilities.

ii. Medically related retail uses, such as a pharmacy, gift shop or cafe (limited to 3,000 square feet), or medical appliance sale and rental store.

iii. Barber and beauty shops.

Response: This application is for a comprehensive plan and specific plan amendment to allow residential use on the subject property, located in Area F-1 of the Springbrook Oaks Specific Plan Area. NMC 15.346.070 (B), (2), (c) explicitly states, "Area F-1 does not permit residential uses." The sole purpose of this application is to remove the prohibition on residential use on the subject property within Area F-1. This amendment thus strikes the text "Area F-1 does not permit residential uses," and amends the "Residential Density" development table text, as highlighted orange below with strikethrough and new density language inserted (double underline). As demonstrated by this narrative and supporting application materials, the criteria for a specific plan area amendment are satisfied.

~~Area F-1 does not permit residential uses.~~

d. Area F-2 does not permit single-family dwellings.

8. Residential Density. Residential density is governed by the SP overlay subdistrict.

a. The following development standards shall be applied to Springbrook Oaks (please refer to Graphic VI for map of development areas A through H of the Springbrook Oaks specific plan). See Appendix A, Figure 20. These standards shall supersede any density or density transfer standards established in the development code.

Area	Zone	Minimum Lot Size (Square Feet)	Minimum Lot Area per Dwelling Unit(Square Feet)	Maximum Density (Dwelling Units per Acre)
A	C-2	5,000	NA	NA

Area	Zone	Minimum Lot Size (Square Feet)	Minimum Lot Area per Dwelling Unit(Square Feet)	Maximum Density (Dwelling Units per Acre)
B	RP	1,500*	1,500*	21.8*[1]
C	R-3	2,500*	2,500*	13.1*
D	R-2	3,750*	3,750	8.8
E	R-2	5,000	5,000*	6.6*
F-1	RP	1,500*	~~NA*~~ 1,500*	~~NA*~~ 21.8*
F-2	RP	1,500*	None[2]*	None[2]*
F-3	RP	1,500*	1,500*	21.8*
G	M-1	20,000	NA	NA
H	R-1	5,000*	10,000*[3]	3.3*

* Different than the standards established elsewhere in the development code. Residential use permitted in MapTaxlot R3216 02026 only.

1 Up to 100 percent of the land zoned R-P within area B may be developed for residential use.

2 There is no limit on the number of dwelling units allowed in area F-2.

3 Average lot area per dwelling in any one subdivision.

Response: This application involves the removal of the prohibition on residential development in Area F-1 of the Springbrook Oaks Specific Plan. As shown above on Table 15.346.050 (B)(8)(a), the orange strike through indicates the language to be removed and the orange double underline indicates the language to be added. The criteria justifying this amendment are addressed throughout this narrative.

13. Plan Amendments.

Proposed amendments and adjustments to the specific plan will follow the procedure described in NMC 15.346.050. Exceptions to this amendment and adjustment procedure are as follows:

a. Proposed boundary modifications for development areas B through E (see Appendix A, Figure 20) that increase any individual area no more than five percent of its original total acreage will be reviewed under a Type I process. Proposed boundary modifications that change the total acreage of any of the aforementioned development areas more than five percent will be reviewed under a Type III process.

b. Proposed boundary modifications for development areas F and G that move a boundary less than 50 feet and do not change the total acreage in a development area by more than 0.1 acre will be reviewed under a Type I process. Other proposed boundary modifications will be reviewed under a Type III process.

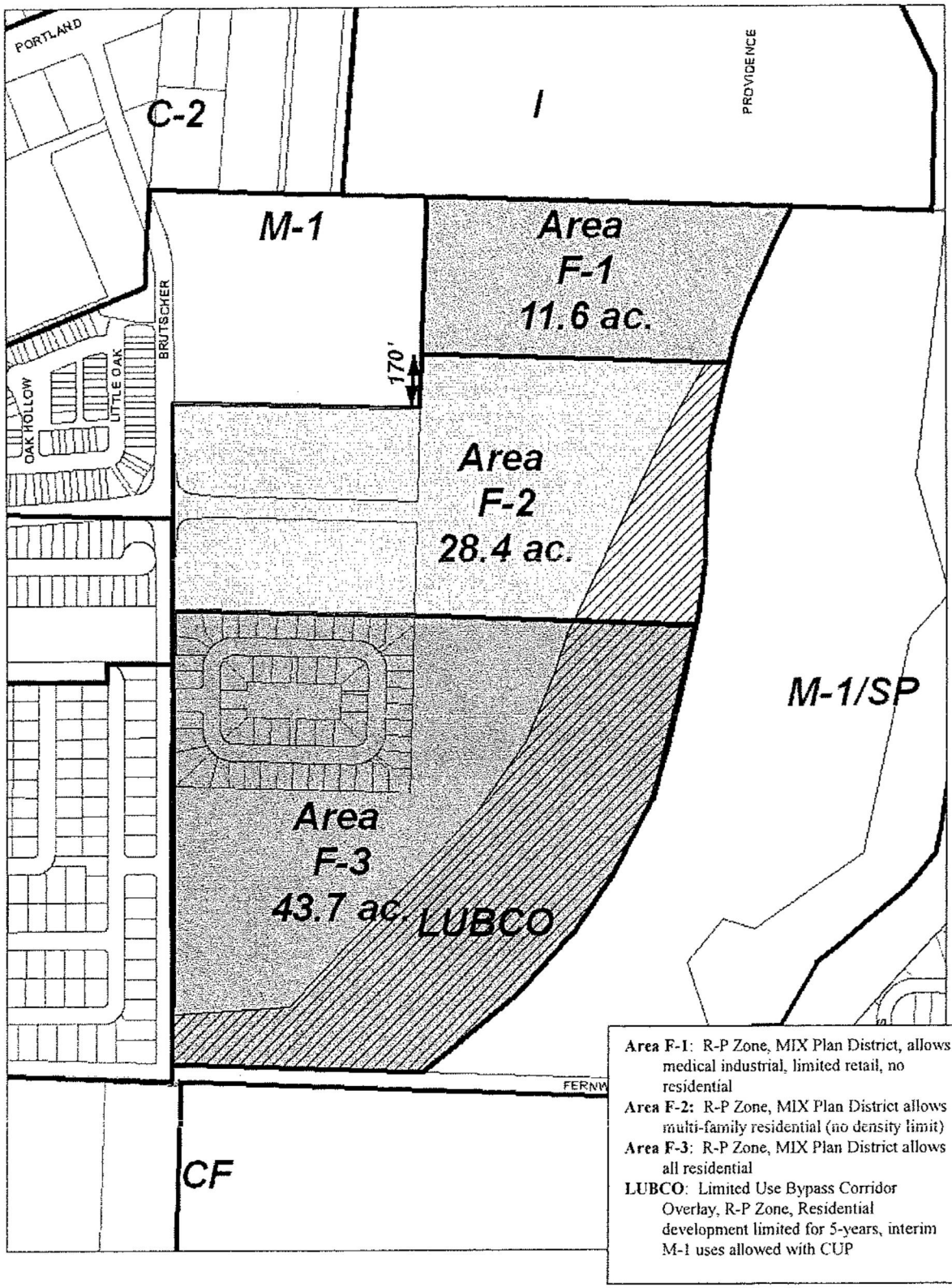
c. **Proposed boundary changes for areas A and H will be reviewed under a Type III process.**

Response: This application is for a comprehensive plan specific plan area amendment to allow residential use on the subject property. As discussed in this narrative, the application will be processed as a Type III action. The amendment requested in this application is site specific and applies to the subject property within Area F-1 only. No boundary modifications or changes to the underlying R-P/SP Zone are proposed. This application complies with the Plan amendment procedures of NMC 15.346.050, as demonstrated by this narrative and supporting application materials. Thus, the criteria for a specific plan amendment are satisfied.

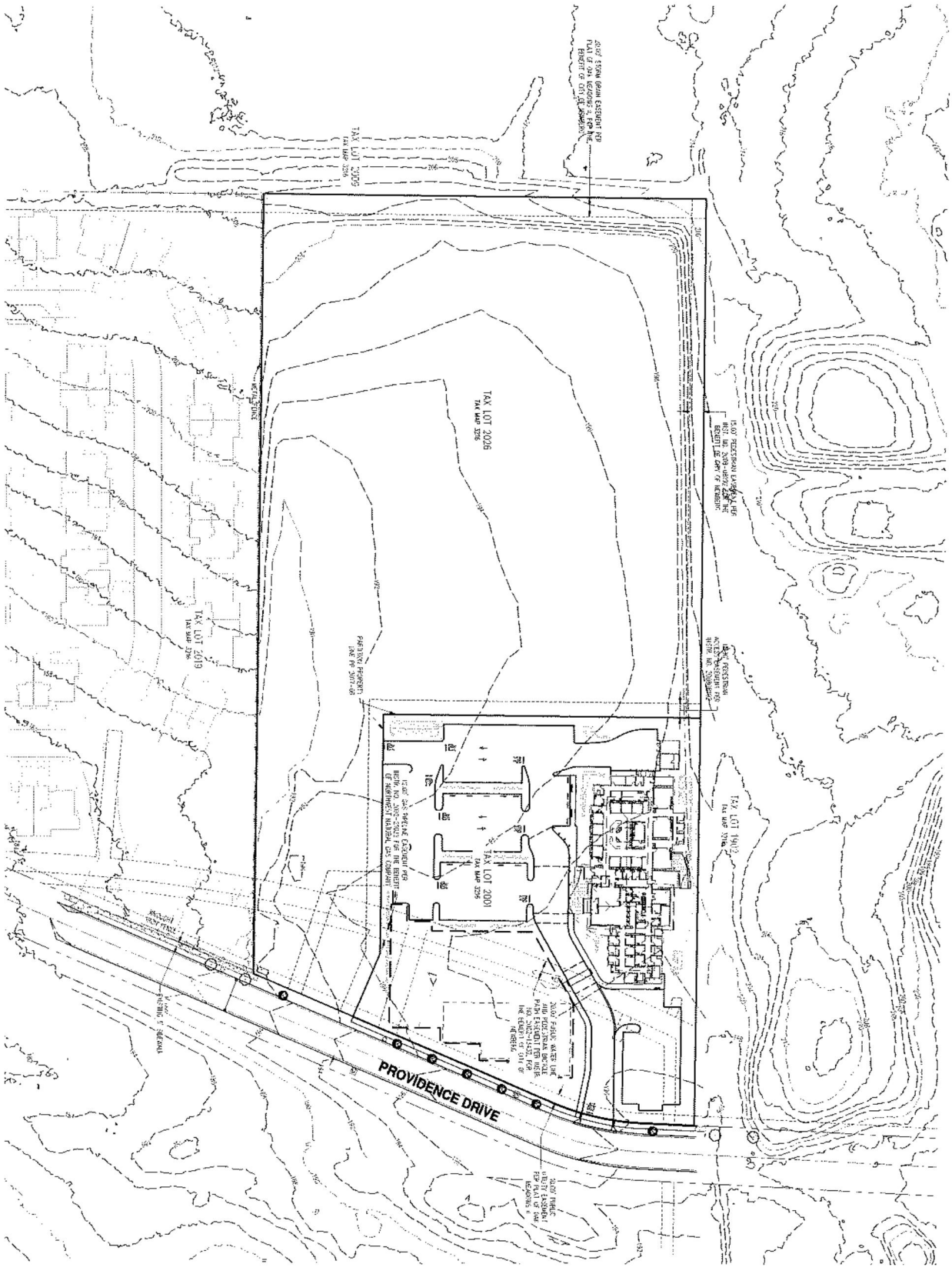
IV. Conclusion

The required findings have been made and this written narrative and accompanying documentation demonstrate the application is consistent with the applicable provisions of the Newberg Development Code (Newberg Municipal Code, Title 15) and the City of Newberg Comprehensive Plan. The evidence in the record is substantial and supports approval of the application. Therefore, the applicant respectfully requests the City approve this application for a comprehensive plan specific plan area amendment to allow residential use on the subject property.

EXHIBIT "A" TO ORD. 2006-2657:
SPECIFIC PLAN MAP AMENDMENT



AKS DRAWING FILE: 5680 GENERAL LAND USE.DWG | LAYOUT: LAYOUT1



GENERAL LAND USE PLAN

OAK MEADOWS II
LOT 1 PARTITION

NEWBERG
TAX LOT 2001

OREGON
YAMHILL COUNTY TAX MAP 3S2W1B

PRELIMINARY NOT FOR CONSTRUCTION

DESIGNED BY: OAK
DRAWN BY: ANC
CHECKED BY: CEG
DATE: 03/15/18
AS NOTED

JOB NUMBER 5680
SHEET LU-001

AKS ENGINEERING & FORESTRY, LLC
12965 SW HERMAN RD STE 100
TUALATIN, OR 97062
P: 503.563.6151
F: 503.563.6152
aks-eng.com

AKS
ENGINEERING · SURVEYING · NATURAL RESOURCES
FORESTRY · PLANNING · LANDSCAPE ARCHITECTURE

AFTER RECORDING RETURN TO:
City of Newberg
Planning and Building Department
PO Box 970 – (414 E. First Street)
Newberg, OR 97132

COVENANT OF WAIVER OF RIGHTS AND REMEDIES

Recitals

1) The undersigned, DEAN E. WERTH FOR WERTH FAMILY LLC and _____ (hereinafter referred to as "Owner" or "Owners") has/have petitioned the City of Newberg (hereinafter referred to as "City") to commence certain proceedings, relating to a comprehensive plan amendment ,---------- for the real property described as: Oak Meadows II, Lot 2 (Map/Tax. 3216 2026)

2) Pursuant to the enactment of **Ballot Measure 49** (adopted November 6, 2007), if a public entity enacts one or more land use regulations that restrict the residential use of private real property or a farming or forest practice and that reduce the fair market value of the property, then the owner of the property shall be entitled to just compensation from the public entity that enacted the land use regulation or regulations as provided in Measure 49.

3) There is the potential that the Oregon electors or the Oregon Legislature may, in the future, enact further statutory or constitutional amendments relating to compensation for the impact of local regulations upon real property, under certain circumstances.

4) City does not wish to approve the Owner's/Owners' requested proceedings if the result would or could arguably give rise to a later claim by the Owner or Owners, or the Owner's/Owners' successors or assigns for compensation for the land use regulations in effect upon the effective date of the proceedings, or would or could arguably require the City to waive the City's land use regulations in effect upon the effective date of the proceedings, which are being newly imposed upon the property by reason and result of the proceedings.

5) Owner(s) seek(s) to induce the City to proceed with the proceedings and therefore Owner(s) agree(s) to eliminate the potential of claim for compensation or the right to seek waiver from the City's land use regulations existing as of the effective date of the proceedings.

NOW THEREFORE, the undersigned Owner(s) warrant(s) that the Owner(s) executing this covenant hold(s) the full and complete present ownership or any interest therein in the property, and hereby agree(s) and covenant(s) as follows:

1) As inducement to the City to proceed with the following proceeding(s) affecting the subject real property: Oak Meadows II, Lot 2 (Map/Tax. 3216 2026), which may include designation of the property as subject to additional applicable overlay zones and districts, e.g., Limited Use Overlay District, (all inclusively referred to herein as "proceedings"), the undersigned Owner(s), on behalf of Owner(s), Owner's/Owners' heirs, devisees, executors, administrators, successors and assigns, agree(s) and covenant(s) to the City of Newberg, its officers, agents, employees and assigns that the undersigned hereby remises, waives, releases and forever discharges, and agrees that Owner(s) shall be estopped from asserting any rights and remedies, actions, causes of action, suits, claims, liabilities, demands, and rights to waivers arising under or granted by any statutory or constitutional regulatory compensation or waiver provisions, including but not limited to Ballot Measure 49 (2007) or otherwise enacted after the date of this proceeding which would create a right of claim for compensation or waiver from City land use regulations that exist upon the effective date of the proceeding and which, by the approval of the proceeding, are then applicable to the property.

2) This waiver and release shall bind the undersigned's heirs, devisees, executors and administrators, successors in interests, and assigns. This covenant, waiver, release and discharge shall run with the land, and this instrument, or a memorandum hereof, may be recorded in the official records of the County in which the subject real property is located. This instrument may be terminated upon the filing of a Notice of Termination of Covenant filed by the City of Newberg.

3) If this instrument is given contemporaneous with a consent to future proceedings to be initiated by the City, Owner(s) acknowledge(s) that the proceedings may be initiated by the City of Newberg at any time in the discretion of the City of Newberg, and that this waiver and release is applicable to any ordinances adopted prior to the effective date of the proceeding.

4) This document is executed of my/our own free will and without duress. I, or if more than one, each of us respectively acknowledge that I/we have been advised to obtain legal advice prior to the execution of this document, and that either I, or each of us respectively, have either obtained legal advice or have independently elected not to seek legal advice prior to the execution of this document, recognizing that this document may affect my/our legal rights and remedies.

OWNER

OWNER

STATE OF OREGON)
) ss.
County of Yamhill)

This instrument was acknowledged before me on this 16th day of march, 2018 (ALS), by Dean Werth and Werth Family LLC.

Notary Public for Oregon
My Commission expires: Oct 09, 2021

OFFICIAL STAMP
NICHOLAS SPENCER
NOTARY PUBLIC - OREGON
COMMISSION NO. 967070
MY COMMISSION EXPIRES OCTOBER 09, 2021

CITY OF NEWBERG

Norma I. Alley, City Recorder

Dated: _____

APPROVED AS TO FORM:

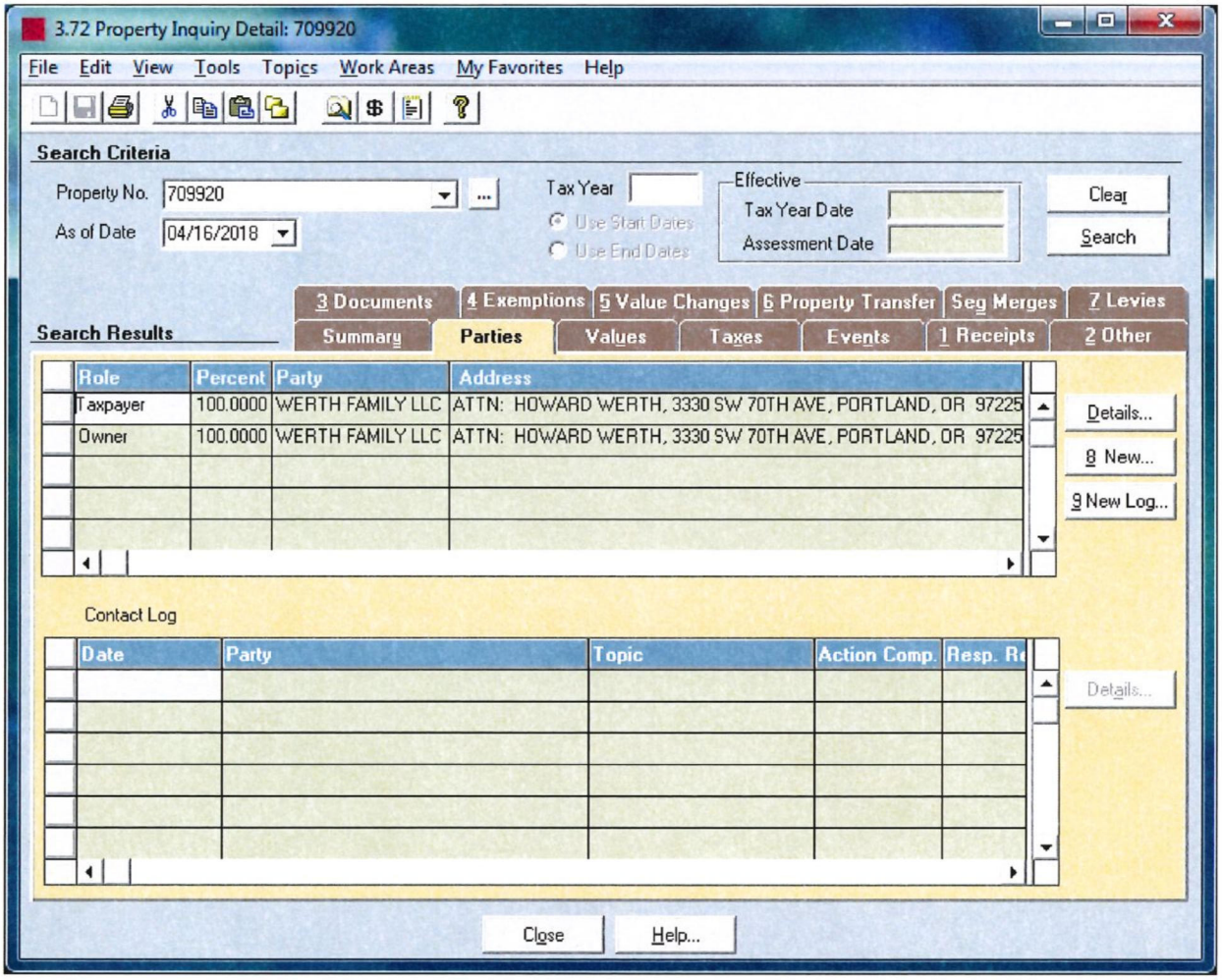
Terrence D. Mahr, City Attorney

Dated: _____

From: Patricia Landsiedel
To: Bart Catching
Subject: RE: Ownership verification question
Date: Monday, April 16, 2018 8:58:04 AM
Attachments: image002.png
image001.png

Mr. Catching,

Below is what we are showing as owner of the property.



We also a document number of 2017-09029 where the plat& partition of deed records is filed with the County Clerk's office.

If you need further information, please let us know.

Patty Landsiedel
Yamhill County Assessment and Tax
Office Administrator
503-474-5072

*****CONFIDENTIALITY NOTICE*****

This e-mail may contain information that is privileged, confidential, or otherwise exempt from disclosure under applicable law. If you are not the addressee or it appears from the context or otherwise that you have received this e-mail in error, please advise me immediately by reply e-mail, keep the contents confidential, and immediately delete the message and any attachments from your system.
****

From: Bart Catching [mailto:catchingb@aks-eng.com]
Sent: Friday, April 13, 2018 3:55 PM
To: Assessor Mailbox
Subject: Ownership verification question

Hello,
I am a land use planner working on a zone change in Newberg.
Part of the city land use application requires signature by the current owner, verified by current ownership information.
The property I'm working with was involved in a recent partition.

The new map/tax is: R3 02 16 02026 (no address).

The Newberg City GIS shows the property to be owned by Werth Family, LLC. This is who I believe the current owner to be. But the title company we work with cannot find a vesting deed for this new Tax Lot 02026 showing the ownership changing from WP-99, LLC to Werth Family, LLC.

Any help you could give me to prove Werth Family, LLC is the owner of Tax Lot 02026 (recording number of a vesting deed?) would be much appreciated.

Thanks!

Bart Catching, CFM

AKS ENGINEERING & FORESTRY, LLC

9600 NE 126th Avenue, Suite 2520 | Vancouver, WA 98682
P: 360.882.0419 Ext. 304 | F: 360.882.0426 | www.aks-eng.com | catchingb@aks-eng.com
Offices in: Bend, OR | Keizer, OR | Tualatin, OR | Vancouver, WA

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ArcGIS Interactive Planning Map

Details | Basemap

About Content Legend

Legend

Streets

Railroad Tracks

Stream Corridors

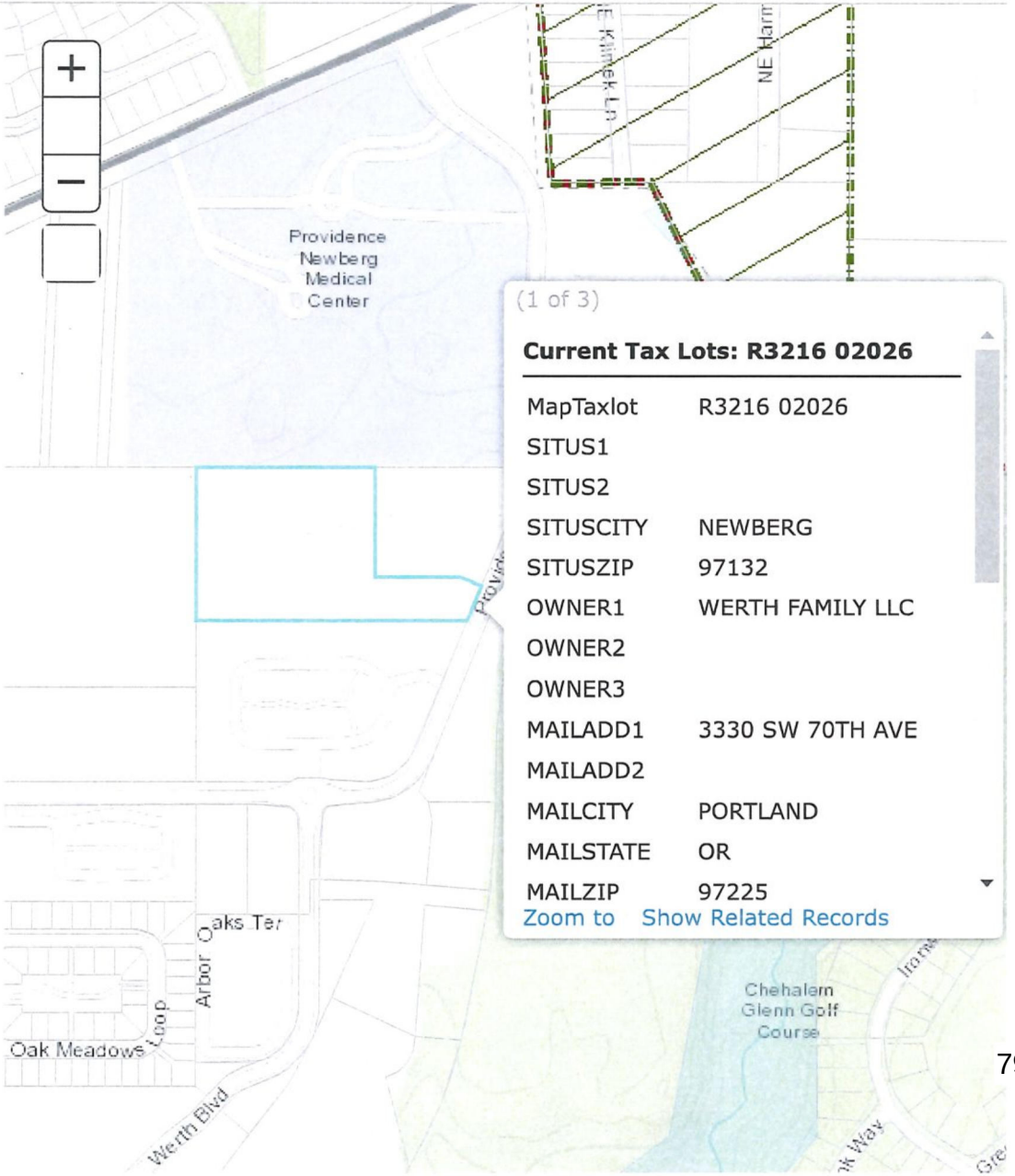
Tax Lots

Boundaries

Newberg Boundaries
- City Limit
- UGB
- URA

Dundee City Limits

Dundee UGB



From: firstamyam
To: Bart Catching
Subject: RE: Trio Request
Date: Monday, March 19, 2018 10:54:30 AM

Correct, the Plat is recorded but not deeds yet.

Darlene Morris
Escrow Assistant
First American Title Company of Oregon
515 E. Hancock St, Newberg, OR 97132
Direct: 503-538-7361
Email: dlmorris@firstam.com

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From: Bart Catching [mailto:catchingb@aks-eng.com]
Sent: Monday, March 19, 2018 10:53 AM
To: firstamyam <firstamyam@firstam.com>
Subject: RE: Trio Request

Ah. That's why this is so confusing.
So the plat was recorded, but no deeds yet. That seems odd.
And that's why the trio that I pulled last month still had the full 9.63-acre parent parcel in W-P 99 ownership.
Thanks for all your help on this.

Bart Catching, CFM
AKS ENGINEERING & FORESTRY, LLC
P: 360.882.0419 Ext. 304 | F: 360.882.0426 | www.aks-eng.com | catchingb@aks-eng.com

From: firstamyam <firstamyam@firstam.com>
Sent: Monday, March 19, 2018 10:48 AM
To: Bart Catching <catchingb@aks-eng.com>
Subject: RE: Trio Request

There has not been one recorded yet.

Darlene Morris

Escrow Assistant
First American Title Company of Oregon
515 E. Hancock St, Newberg, OR 97132
Direct: 503-538-7361
Email: dlmorris@firstam.com

FORTUNE 100 BEST COMPANIES TO WORK FOR 2018

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From: Bart Catching [mailto:catchingb@aks-eng.com]
Sent: Monday, March 19, 2018 10:36 AM
To: firstamyam <firstamyam@firstam.com>
Subject: RE: Trio Request

This is helpful.
So do you have access to the new post-partition deed for Parcel 2 (Werth)?
Thanks.

Bart Catching, CFM
AKS ENGINEERING & FORESTRY, LLC
P: 360.882.0419 Ext. 304 | F: 360.882.0426 | www.aks-eng.com | catchingb@aks-eng.com

From: firstamyam <firstamyam@firstam.com>
Sent: Monday, March 19, 2018 10:30 AM
To: Bart Catching <catchingb@aks-eng.com>
Cc: firstamyam <firstamyam@firstam.com>
Subject: RE: Trio Request

Hi Bart,

Attached is the partition which is unfortunately all we have to offer at this time. The assessor has not assigned any values, parcel 1 was sold, and there is no deed for parcel 2, as it is still held by Werth.

Please let me know if I can assist further at this time,

Darlene

Darlene Morris
Escrow Assistant
First American Title Company of Oregon

515 E. Hancock St, Newberg, OR 97132
Direct: 503-538-7361
Email: dlmorris@firstam.com

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From: Bart Catching [mailto:catchingb@aks-eng.com]
Sent: Monday, March 19, 2018 9:28 AM
To: firstamyam <firstamyam@firstam.com>
Subject: RE: Trio Request

I had a feeling.
The current owner is **Werth Family LLC**.
Anything you can dig up would be great!
Thanks.

Bart Catching, CFM
AKS ENGINEERING & FORESTRY, LLC
P: 360.882.0419 Ext. 304 | F: 360.882.0426 | www.aks-eng.com | catchingb@aks-eng.com

From: firstamyam <firstamyam@firstam.com>
Sent: Monday, March 19, 2018 9:25 AM
To: Bart Catching <catchingb@aks-eng.com>
Cc: firstamyam <firstamyam@firstam.com>
Subject: RE: Trio Request

Hello Bart,

The system is not updated yet for this property, I don't have that R# yet. I am happy to send you what I can, would you please give me the owner name?

Darlene Morris
Escrow Assistant
First American Title Company of Oregon
515 E. Hancock St, Newberg, OR 97132
Direct: 503-538-7361
Email: dlmorris@firstam.com

OFFICIAL YAMHILL COUNTY RECORDS
BRIAN VAN BERGEN, COUNTY CLERK

201709029

$81.00

00512834201700090290020023

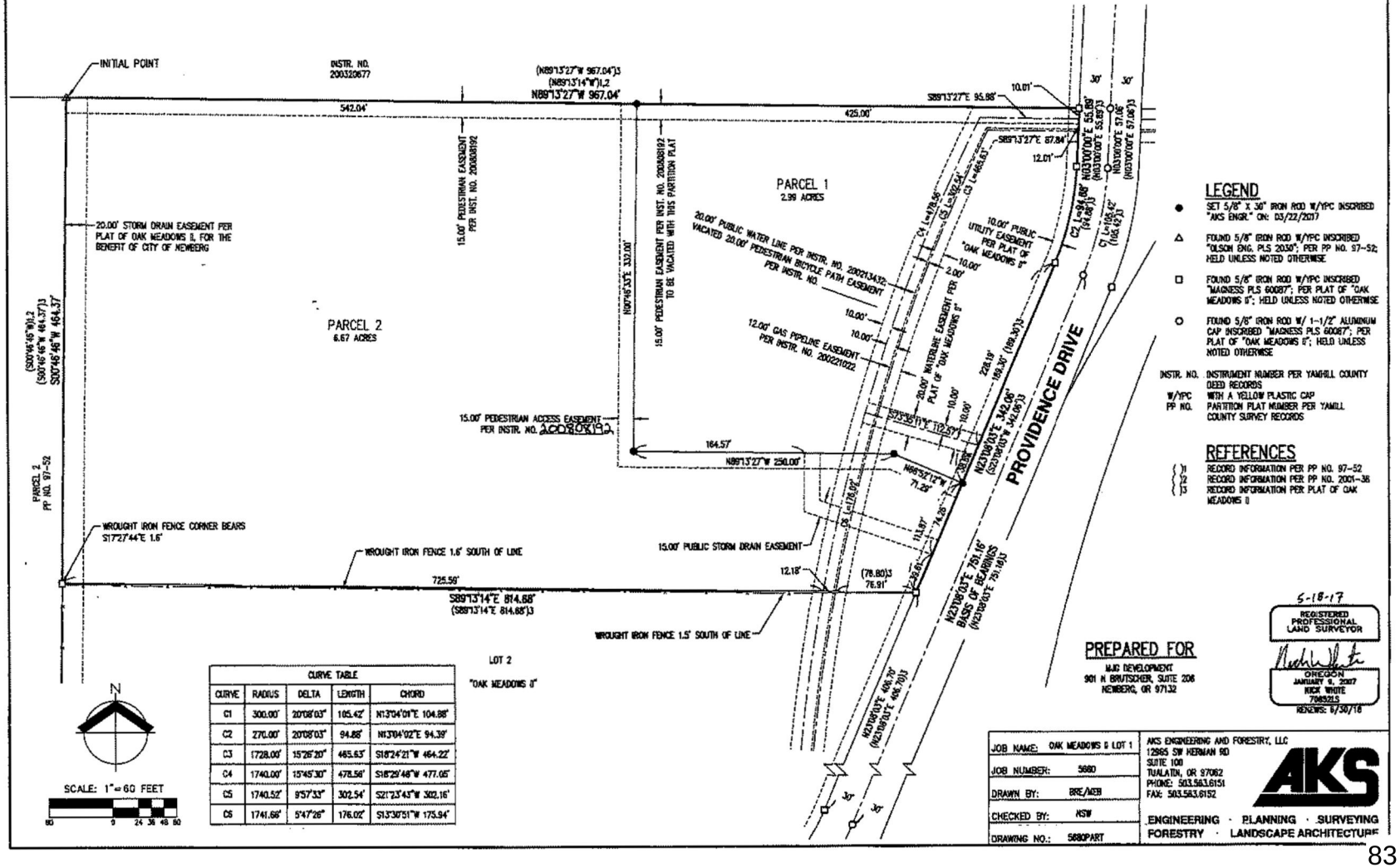
06/06/2017 09:14:19 AM

PR-PARPR Cnt=1 Stn=3 SUTTONS
$45.00 $5.00 $11.00 $20.00

PARTITION PLAT 2017-06

A REPLAT OF LOT 1 OF THE PLAT "OAK MEADOWS II",
LOCATED IN THE SOUTHEAST 1/4 OF SECTION 16,
TOWNSHIP 3 SOUTH, RANGE 2 WEST, WILLAMETTE MERIDIAN,
CITY OF NEWBERG, YAMHILL COUNTY, OREGON
MARCH 22, 2017

SHEET 1 OF 2



CURVE TABLE				
CURVE	RADIUS	DELTA	LENGTH	CHORD
C1	300.00'	20°08'03"	105.42'	N1°30'01"E 104.88'
C2	270.00'	20°08'03"	94.88'	N1°30'02"E 94.39'
C3	1728.00'	15°26'20"	465.63'	S18°24'21"W 464.22'
C4	1740.00'	15°45'30"	478.56'	S18°29'48"W 477.05'
C5	1740.52'	9°57'33"	302.54'	S21°23'43"W 302.16'
C6	1741.66'	5°47'26"	176.02'	S13°30'51"W 175.94'

LEGEND

- ● SET 5/8" X 30" IRON ROD W/YPC INSCRIBED "AKS ENGR." ON: 03/22/2017
- △ FOUND 5/8" IRON ROD W/YPC INSCRIBED "OLSON ENG. PLS 20340"; PER PP NO. 97-52; HELD UNLESS NOTED OTHERWISE
- □ FOUND 5/8" IRON ROD W/YPC INSCRIBED "MAGNESS PLS 60087"; PER PLAT OF "OAK MEADOWS II"; HELD UNLESS NOTED OTHERWISE
- ○ FOUND 5/8" IRON ROD W/ 1-1/2" ALUMINUM CAP INSCRIBED "MAGNESS PLS 60087"; PER PLAT OF "OAK MEADOWS II"; HELD UNLESS NOTED OTHERWISE

INSTR. NO. INSTRUMENT NUMBER PER YAMHILL COUNTY DEED RECORDS
W/YPC WITH A YELLOW PLASTIC CAP
PP NO. PARTITION PLAT NUMBER PER YAMHILL COUNTY SURVEY RECORDS

REFERENCES

)1 RECORD INFORMATION PER PP NO. 97-52
)2 RECORD INFORMATION PER PP NO. 2001-36
)3 RECORD INFORMATION PER PLAT OF OAK MEADOWS II

5-18-17
REGISTERED PROFESSIONAL LAND SURVEYOR
OREGON
JANUARY 8, 2007
NICK WHITE
70852LS
RENEWS: 6/30/18

PREPARED FOR
MJD DEVELOPMENT
901 N BRUTSCHER, SUITE 206
NEWBERG, OR 97132

JOB NAME:	OAK MEADOWS II LOT 1
JOB NUMBER:	5680
DRAWN BY:	BRE/MEB
CHECKED BY:	NSW
DRAWING NO.:	5680PART

AKS ENGINEERING AND FORESTRY, LLC
12965 SW HERMAN RD
SUITE 100
TUALATIN, OR 97062
PHONE: 503.563.6151
FAX: 503.563.6152

AKS
ENGINEERING · PLANNING · SURVEYING
FORESTRY · LANDSCAPE ARCHITECTURE

PARTITION PLAT 2017-06

A REPLAT OF LOT 1 OF THE PLAT "OAK MEADOWS II",
LOCATED IN THE SOUTHEAST 1/4 OF SECTION 16,
TOWNSHIP 3 SOUTH, RANGE 2 WEST, WILLAMETTE MERIDIAN,
CITY OF NEWBERG, YAMHILL COUNTY, OREGON
MARCH 22, 2017

SURVEYORS CERTIFICATE

I, NICK WHITE, PLS 70852LS, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF OREGON, DO HEREBY CERTIFY THAT I HAVE CORRECTLY SURVEYED AND MARKED WITH PROPER MONUMENTS THE LANDS REPRESENTED ON THE ATTACHED PARTITION PLAT, AND BEING DESCRIBED AS FOLLOWS:

BEING A REPLAT OF LOT 1 OF THE PLAT "OAK MEADOWS II", LOCATED IN THE SOUTHEAST 1/4 OF SECTION 16, TOWNSHIP 3 SOUTH, RANGE 2 WEST, WILLAMETTE MERIDIAN, CITY OF NEWBERG, YAMHILL COUNTY, OREGON BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INITIAL POINT, BEING A 5/8" IRON ROD WITH A YELLOW PLASTIC CAP INSCRIBED "OLSON ENG PLS 2030" AT THE NORTHWEST CORNER OF LOT 1 OF THE PLAT "OAK MEADOWS II," SAID POINT ALSO BEING THE NORTHEAST CORNER OF PARCEL 2 OF PARTITION PLAT NO. 97-52; THENCE ALONG THE WEST LINE OF SAID LOT 1 SOUTH 00°46'46" WEST 464.37 FEET TO A 5/8 INCH IRON ROD WITH A YELLOW PLASTIC CAP INSCRIBED "MAGNESS PLS 60087" AT THE SOUTHWEST CORNER OF SAID LOT 1; THENCE ALONG THE SOUTH LINE THEREOF SOUTH 89°13'14" EAST 814.66 FEET TO A 5/8 INCH IRON ROD WITH A YELLOW PLASTIC CAP INSCRIBED "MAGNESS PLS 60087" AT THE SOUTHEAST CORNER THEREOF AND BEING ON THE WESTERLY RIGHT-OF-WAY LINE OF PROVIDENCE DRIVE (30 FEET FROM CENTERLINE); THENCE ALONG SAID WESTERLY RIGHT-OF-WAY LINE NORTH 23°08'03" EAST 342.06 FEET TO A 5/8 INCH IRON ROD WITH A YELLOW PLASTIC CAP INSCRIBED "MAGNESS PLS 60087"; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE, ALONG A CURVE TO THE LEFT WITH A RADIUS OF 270.00 FEET, A DELTA OF 20°08'03", A LENGTH OF 94.88 FEET, AND A CHORD OF NORTH 13°04'02" EAST 94.39 FEET TO A 5/8 INCH IRON ROD WITH A YELLOW PLASTIC CAP INSCRIBED "MAGNESS PLS 60087"; THENCE NORTH 03°00'00" EAST 55.89 FEET TO A 5/8 INCH IRON ROD WITH A YELLOW PLASTIC CAP INSCRIBED "MAGNESS PLS 60087" AT THE NORTHEAST CORNER OF SAID LOT 1; THENCE ALONG THE NORTH LINE THEREOF, NORTH 89°13'27" WEST 967.04 FEET TO THE INITIAL POINT.

THE ABOVE DESCRIBED TRACT OF LAND CONTAINS 9.66 ACRES, MORE OR LESS.

NARRATIVE

THE PURPOSE OF THIS SURVEY IS TO REPLAT LOT 1 OF PLAT "OAK MEADOWS II" PER CITY OF NEWBERG PLANNING FILE NO SUB2-07-006 INTO PARCELS 1 AND 2 AS SHOWN HEREON. BASIS OF BEARINGS IS THE CENTERLINE OF PROVIDENCE DRIVE PER PLAT OF "OAK MEADOWS II".

ALL FOUND MONUMENTS, BEARINGS, DISTANCES, AND CURVE INFORMATION PER THE PLAT OF "OAK MEADOWS II" ARE HELD.

OFFICIAL YAMHILL COUNTY RECORDS
BRIAN VAN BERGEN, COUNTY CLERK 201709029

$81.00

08/08/2017 08:14:19 AM

PR-PARPR Cnt=1 Stn=3 SUTTONS
$45.00 $5.00 $11.00 $20.00

DECLARATION

KNOW ALL MEN BY THESE PRESENTS THAT WERTH FAMILY L.L.C., AN OREGON LIMITED LIABILITY COMPANY, IS THE OWNER OF THE LAND REPRESENTED ON THE ATTACHED MAP AND MORE PARTICULARLY DESCRIBED IN THE SURVEYOR'S CERTIFICATE AND HAS CAUSED SAID LANDS TO BE ADJUSTED AND PARTITIONED IN TO 2 PARCELS AS SHOWN ON THE ATTACHED MAP, IN ACCORDANCE WITH THE PROVISIONS OF THE RESPECTIVE O.R.S. AND THE STANDARDS OF THE CITY OF NEWBERG. WE THE UNDERSIGNED DO HEREBY DEDICATE FOR THE PUBLIC USE FOREVER ALL EASEMENTS FOR THE PURPOSES SHOWN AND NOTED ON THE ATTACHED MAP.

DEAN WERTH, MEMBER
WERTH FAMILY, LLC

ACKNOWLEDGMENTS

STATE OF OREGON)
) SS
COUNTY OF YAMHILL)

THIS DECLARATION WAS ACKNOWLEDGED BEFORE ME ON May 25th, 2017 BY DEAN WERTH, MEMBER OF WERTH FAMILY, LLC, WHO, BEING DULY SWORN, DID SAY THAT HE IS THE IDENTICAL PERSON NAMED IN THE FOREGOING INSTRUMENT AND THAT HE EXECUTED SAID INSTRUMENT ON BEHALF OF SAID LIMITED LIABILITY COMPANY, FREELY AND VOLUNTARILY.

NOTARY PUBLIC - OREGON

Robert E Lewis
PRINT NAME

COMMISSION NO. 951132

MY COMMISSION EXPIRES: June 07 2020

PLAT NOTES

1. THE PARCELS IN THIS PARTITION PLAT ARE SUBJECT TO EXISTING EASEMENTS AND ENCUMBRANCES OF RECORD.

CITY OF NEWBERG APPROVALS

APPROVED THIS 25th DAY OF May, 2017
CITY OF NEWBERG COMMUNITY DEVELOPMENT DIRECTOR

BY:

APPROVED THIS 25th DAY OF May, 2017
CITY OF NEWBERG RECORDER

BY:

YAMHILL COUNTY APPROVALS

APPROVED THIS 30th DAY OF May, 2017
YAMHILL COUNTY SURVEYOR

BY: William A. Gille

APPROVED THIS 5th DAY OF June, 2017,
ALL TAXES, FEES, ASSESSMENTS OR OTHER CHARGES AS PROVIDED BY O.R.S. 92.095 HAVE BEEN PAID THROUGH June 30th 2017.
YAMHILL COUNTY TAX COLLECTOR

BY:

PREPARED FOR

MJG DEVELOPMENT
901 N BRUTSCHER, SUITE 206
NEWBERG, OR 97132

5-17-17

REGISTERED PROFESSIONAL LAND SURVEYOR
OREGON
JANUARY 9, 2007
NICK WHITE
70852LS
RENEWS: 6/30/18

JOB NAME:	OAK MEADOWS II LOT 1
JOB NUMBER:	5680
DRAWN BY:	BRE/MEB
CHECKED BY:	NSW
DRAWING NO.:	5680CPART

AKS ENGINEERING AND FORESTRY, LLC
12965 SW HERMAN RD
SUITE 100
TUALATIN, OR 97062
PHONE: 503.563.6151
FAX: 503.563.6152

AKS
ENGINEERING · PLANNING · SURVEYING
FORESTRY · LANDSCAPE ARCHITECTURE

FIRST AMER. TITLE 2764139

After recording return to:
W-P 99, LLC
1508 Division St, Ste 15
Oregon City, OR 97045

Until a change is requested all tax statements shall be sent to the following address:
W-P 99, LLC
1508 Division St, Ste 15
Oregon City, OR 97045

File No.: 1031-2764139 (JLW)
Date: October 25, 2016

THIS SPACE RESERVED FOR RECORDER'S USE

Yamhill County Official Records **201711890**
DMR-DDMR
Stn=0 MILLSA **07/24/2017 04:04:00 PM**
3Pgs $15.00 $11.00 $5.00 $20.00 **$51.00**

I, Brian Van Bergen, County Clerk for Yamhill County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.
Brian Van Bergen - County Clerk

STATUTORY WARRANTY DEED

Werth Family, LLC, an Oregon limited liability company, Grantor, conveys and warrants to **W-P 99, LLC, an Oregon limited liability company** , Grantee, the following described real property free of liens and encumbrances, except as specifically set forth herein:

LEGAL DESCRIPTION: Real property in the County of Yamhill, State of Oregon, described as follows:

Parcel 1 of Partition Plat 2017-06, recorded June 6, 2017 as Instrument No. 201709029, Deed and Mortgage Records, Yamhill County, State of Oregon, corrected by Affidavit of Correction recorded June 22, 2017 as Instrument No. 201709900, Deed and Mortgage Records.

Exhibit A attached hereto and made a part hereof.

The true consideration for this conveyance is **$976,833.00.** (Here comply with requirements of ORS 93.030)

APN: **483646** Statutory Warranty Deed - continued File No.: **1031-2764139 (JLW)**

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Dated this 24 day of July, 2017.

Werth Family LLC, an Oregon limited liability company

By: Dean E Werth

Name: Dean Werth
Title: Operating Manager

STATE OF Oregon)
)ss.
County of Yamhill)

This instrument was acknowledged before me on this 24 day of July, 2017 by **Dean Werth as Operating Manager of Werth Family LLC, an Oregon Limited Liablity Company.**

Janet L Winder

OFFICIAL STAMP
JANET L WINDER
NOTARY PUBLIC-OREGON
COMMISSION NO. 961741
MY COMMISSION EXPIRES APRIL 30, 2021

Notary Public for Oregon
My commission expires: 4/30/2021

EXHIBIT "A"

1. 2017-18 Taxes, a lien not yet payable

2. Waiver of Rights to Remonstrance, pertaining to Streets, Future Streets, or Public Utilities including storm sewer, sanitary sewer, sanitary sewer and water lines including the terms and provisions thereof:
   Recorded: August 22, 1991 in Film Volume 258, Page 1175, Deed and Mortgage Records

3. Easement, including terms and conditions contained therein:
   Granted to: City of Newberg, a municipal corporation
   For: Public Water Line and Pedestrian and Bicycle Path Easement
   Recorded: July 11, 2002
   Recording Information: 200213432
   Partial Release of Easement, recorded June 21, 2017 as Instrument No. 201709858. Affects Pedestrian Bicycle Path Easement.

4. Easement, including terms and conditions contained therein:
   Granted to: Northwest Natural Gas Company, an Oregon corporation
   For: Gas Pipeline Easement
   Recorded: October 25, 2002
   Recording Information: 200221022

5. Covenant of Waiver of Rights and Remedies, including the terms and provisions thereof:
   Recorded: July 25, 2006 as Instrument No. 200616704, Deed and Mortgage Records

6. Advanced Financing Agreement and the terms and conditions thereof:
   Between: Providence Health Systems-Oregon
   And: City of Newberg, a municipal corporation of the State of Oregon
   Recording Information: July 28, 2006 as Instrument No. 200617344, Deed and Mortgage Records

7. Easements as shown on the recorded plat of Oak Meadows II for 10 foot public utility easement and a 20 foot water line easement

8. Covenants, conditions, restrictions and/or easements; but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, family status, or national origin to the extent such covenants, conditions or restrictions violate Title 42, Section 3604(c), of the United States Codes:
   Recording Information: May 16, 2008 as Instrument No. 200808480, Deed and Mortgage Records

9. The By-Laws, including the terms and provisions thereof of Oak Meadows II Owner's Association, Inc.
   Recorded: May 16, 2008 as Instrument No. 200808481, Deed and Mortgage Records

10. Regulations and Assessments of Oak Meadows II Owner's Association, Inc. Homeowner's Association, as set forth in Declaration recorded May 16, 2008 as Instrument No. 200808480, Deed and Mortgage Records.

Comprehensive Plan Amendment of the Springbrook Oaks Specific Plan R-P/SP Area F-1

CPTA18-0003

CITY COUNCIL- PUBLIC HEARING AUGUST 6, 2018

Application Information

Applicant: MJG Development, Inc.

Owner: Werth Family, LLC.

Request: Site-specific Comprehensive Plan amendment of the Springbrook Oaks Specific Plan R-P/SP Area F-1 to allow residential use

Location: West of 879 Providence Dr., south of Providence Newberg Medical Center

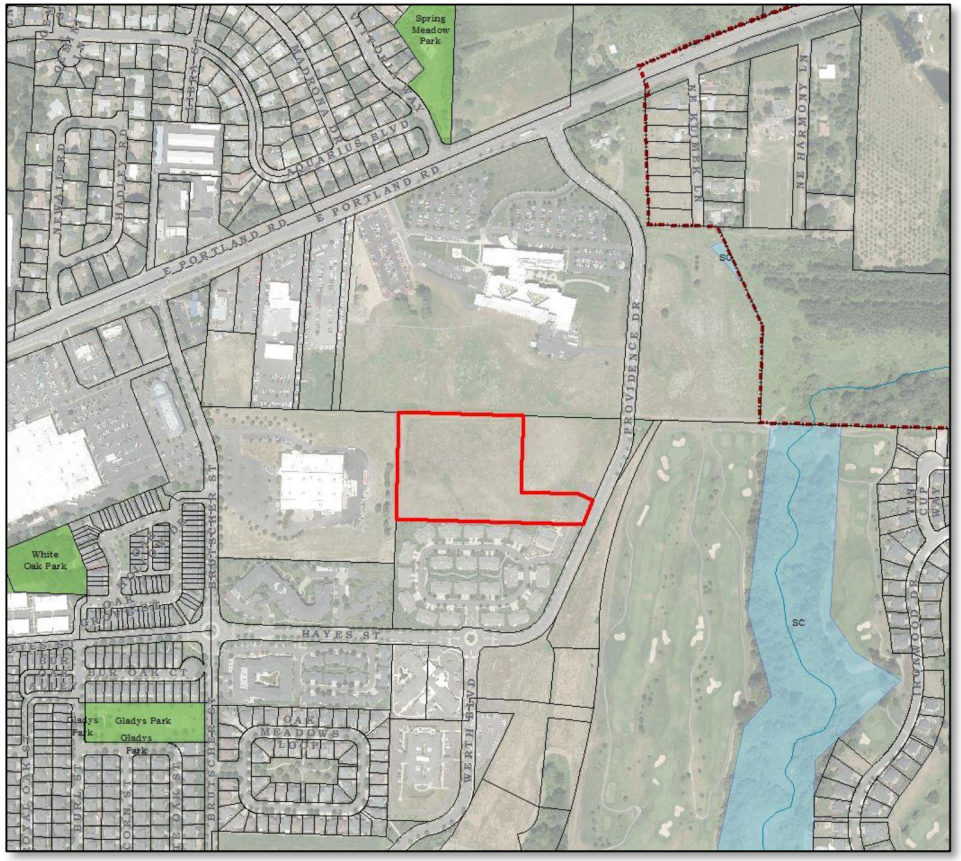
Tax Lot: 3216-02026

Size: 6.66 acres

Zone: R-P / SP (Residential - Professional / Specific Plan)

Review Criteria: 15.302.030, 15.346.070 (B) (13)

Location


Spring Meadow Park
E FORTLAND RD
E FORTLAND RD
SAMARITUS BLVD
NEWPORT AVE
NE KOLMEK LN
NE HARMONY LN
PROVIDENCE DR
SC
White Oak Park
BRISTOL ST
HAYES ST
BUR OAK CT
Gladys Park
Gladys Park
Gladys Park
OAK MEADOWS LOOP
SC

Background

- Springbrook Oaks Specific Plan was originally adopted by City Council on August 2, 1999
- Area F-1 previously allowed residential use
  - Springbrook Oaks area F-1 amended in 2006 to prohibit residential use to eliminate impacts from the future planned Newberg-Dundee Bypass
  - Further refinement of Bypass Plan removed need to prohibit residential use

Findings

- Meets several State Planning Goals and Newberg Comprehensive Plan Goals
  - Citizen Involvement
  - Land Use and Planning
  - The Economy
  - Housing
  - Urban Design
  - Transportation
  - Public Facilities and Services Goals and Policies
  - Energy and Urbanization
  - Consistent with NCP Housing and Residential Land Needs

Housing and Residential Land Needs

- Residential density would be up to 21.8 units/acre or possibly up to 145 units on 6.66 acres

Plan Designation	*Buildable Acres Needed 2005-2025*	*Buildable Acres in UGB (2004)*	*Surplus (Deficit) for 2005-2025*	*Buildable Acres Needed 2026-2040*
LDR	*612*	*359*	*(253)*	*735*
MDR	*173*	*142*	*(31)*	*191*
HDR	*89*	*13*	*(76)*	*83*
Total	*874*	*514*	*(380)*	*1009*

Findings

- Adequate public facilities and services are available for future use
- Complies with State Transportation Planning Rule
- Provided a Measure 49 Waiver
- Section 15.346.070 (B) (13)
  - No boundary change is being requested so aforementioned section does not apply

Amendment of NDC Section 15.346.070 (B)

- ***Area F-1 ~~does not permit~~*** **permits** ***residential uses.***

Area	Zone	Minimum Lot Size (Sq.Ft.)	Minimum Lot Area per Dwelling Unit (Sq.Ft.)	Maximum Density (Dwelling Units per Acre)
F-1	RP	1,500*	~~*NA**~~ **1,500***	~~*NA**~~ **21.8***

- ***** Residential land use only permitted on F-1 area for Yamhill County tax lot 3216-02026**

Staff Recommendation

Staff recommends that City Council adopt Ordinance No. 2018-2833, which approves the 2018 Amendment to the the Springbrook Oaks Specific Plan and Newberg Municipal Code to allow residential use for the R-P/SP zone within the F-1 Area with Exhibits “A”, “B” and “C”.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018				
Order No. __	**Ordinance No.** XX **2018-2838**	**Resolution No.** __	**Motion** ___	**Information** ___
SUBJECT: An Ordinance amending the Comprehensive Plan Map designation from Medium Density Residential (MDR) to High Density Residential (HDR) and amending the Zoning designation from R-2 (Medium Density Residential) to R-3 (High Density Residential) for a property located at 1109 S River Street, Yamhill County Tax Lot 3220CC-05400.			**Contact Person (Preparer) for this Motion: Cheryl Caines, Senior Planner Dept.: Community Development File No.: CPMA18-0002/ZMA18-0001**	

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

RECOMMENDATION:

Adopt Ordinance No. 2018-2838 as recommended by Planning Commission Resolution 2018-08.

EXECUTIVE SUMMARY:

A. BACKGROUND: On February 21, 2018, RHW Enterprises, Inc. submitted a request to amend the Comprehensive Plan map designation from Medium Density Residential (MDR) to High Density Residential (HDR) and Zoning map designation from R-2 (Medium Density Residential) to R-3 (High Density Residential) for a property located at 1109 S River Street, Yamhill County tax lot 3220CC-05400.

It is important to note that the applicant's concept plan is not being approved at this time, and the applicant is not bound by the concept plan in this application. If this Comprehensive Plan map amendment/Zoning map amendment application is approved then the applicant will apply for design review approval. A design review application would include more detailed information about the design of the buildings, parking layout, and street frontage improvements. A design review application is a Type II process with public notice for a two-week public comment period. The Community Development Director then makes a decision on the application.

The site is approximately 2.13 acres and is located on the western side of S River Street just north of the Newberg-Dundee Bypass and the Newberg city limit boundary. The site is developed with a house and oversized garage. There is a creek that flows southwest across the western side of the property. This area is within the Stream Corridor Overlay. No changes are proposed to the overlay. Surrounding uses and zoning include:

- North: single family residential (R-2)
- West: multi-family residential across the creek (R-3)
- East: single family residential (R-2) across S River Street
- South: single family residential (R-2).

B. PROCESS: This is a Type III application for a Comprehensive Plan map amendment and Zoning map amendment. A Type III application of this nature goes first to the Planning Commission for a recommendation to the Newberg City Council. Following the Planning Commission's recommendation, the Newberg City Council will hold quasi-judicial hearing to consider the matter. Important dates related to this application are as follows:

a. 6/27/18: The Community Development Director deemed the application complete.
b. 7/12/18: After proper notice, the Planning Commission held a quasi-judicial hearing to consider the application, took public comment, and approved Resolution No. 2018-08 (Attachment 1).
c. 8/6/18: After proper notice, the City Council held a quasi-judicial hearing to consider the application.

C. PUBLIC COMMENTS (summarized): The Planning Commission received one public comment letter (Attachment 2) and oral testimony at the July 12, 2018 public hearing. The primary concerns were about traffic operations on S River Street and at the Hwy 99W intersection, the impact of future development on S River Street which is currently in a degraded condition, and the height of the future apartment buildings compared to existing development. If the city receives additional written comments by the comment deadline, Planning staff will forward them to the City Council.

D. STAFF & AGENCY COMMENTS (shown in full):

- *City of Newberg Building Official, Public Works Maintenance, Finance, and Police:* Reviewed, no conflict.

- *City of Newberg, Public Works, Engineering Services Division*: A Transportation Planning Rule analysis has been submitted, not a "full traffic impact analysis" which is referenced in the narrative. When the applicant submits for the apartment land use, a traffic study will be required if they create more than 40 pm peak hour trips.

- *Frontier*: Reviewed, no conflict.

- *Tualatin Valley Fire & Rescue*: Reviewed, no conflict. No comments at this phase.

E. DISCUSSION:

The following is a summary of the findings found in Exhibit "A".

Need for and Site Suitability for High Density Residential Land

In 2005, the City Council adopted amendments to the Comprehensive Plan, including updated residential land need and supply numbers for LDR (Low Density Residential), MDR (Medium Density Residential) and HDR (High Density Residential) land designations. That data shows that the City had a demonstrated need for HDR (High Density Residential). The goal of the city's comprehensive plan policies is to ensure that there is adequate housing of all density types and for every income level. The proposed amendments would help the City remedy its deficit of available multi-family housing.

The site is suitable for the HDR designation because it is adjacent to S River Street, which is classified as a major collector in the Newberg Transportation System Plan. River Street also

connects to other collector and arterial streets in the area. The site is also within ¼ to ¾ mile of parks, an elementary school, commercial businesses and transit in Downtown Newberg, and George Fox University.

Adequate Infrastructure to Serve the Site

The applicant noted that there are water and wastewater facilities available in S River Street to serve the site. There is an existing 6-inch water line, 12-inch wastewater line, and 18-inch storm line in S River Street. A change in zoning from R-2 to R-3 would not significantly increase the demand on the utility systems. Capacity of services and necessary improvements will be addressed in more detail as part of any future development permits.

The proposed development site is located adjacent to S River Street, which is a major collector. Existing improvements do not meet the standard for a major collector and will be required with development.

Traffic Concerns and Transportation Planning Rule

A majority of the public comments for this application had to do with increased traffic on S River Street and the existing conditions of that street. Mr. David Venable submitted a letter (Attachment 2) pointing to the need for improvements on S River Street including street widening, street repaving, and traffic revisions at the S River Street/Hwy 99W and S River Street and E Sixth Street intersections. Mr. Venable also submitted a copy of the letter to the Newberg Traffic Safety Commission. Other citizens submitted oral testimony at the July 12, 2018 Planning Commission hearing about the current traffic use and condition of S River Street.

Currently S River Street is not on the list of city projects for widening or repaving in the near future. However, S River Street is within and connected to the Riverfront Master Plan area. This means that as the master plan is developed, it is likely that new projects and infrastructure improvements will be identified and priorities may change. Any new development along S River Street will need to include right-of-way dedication and improvements to a major collector standard.

The Newberg Municipal Code requires that any map amendment that significantly affects transportation facilities show compliance with the State Transportation Planning Rule (OAR 660-012-0060). The applicant submitted a Transportation Planning Rule (TPR) analysis prepared by a licensed traffic engineer. According to the analysis, the proposed zone change will not significantly impact the transportation system. A full traffic study was not required as the proposed change will not increase trip generation in excess of 40 trips per p.m. peak hour and the site is not adjacent to an intersection that is functioning at a poor level of service.

F. PLANNING COMMISSION RECOMMENDATION:

The Newberg Planning Commission held a public hearing on July 12, 2018, heard public testimony, and approved Resolution No.2018-08 recommending the City Council amend the Comprehensive Plan map designation from Medium Density Residential (MDR) to High Density Residential (HDR) and amend the Zoning map designation from R-2 (Medium Density Residential) to R-3 (High Density Residential) for the property located at 1109 S River Street, Yamhill County tax lot 3220CC-05400. (Attachment 1).

G. FISCAL IMPACT:

No direct fiscal impact. The applicant must pay for any costs associated with future development, such as street and utility improvements.

H. STRATEGIC ASSESSMENT (RELATE TO COUNCIL PRIORITIES FROM SEPTEMBER 2017):

Not applicable to this proposal.

City Council Ordinance No. 2018-2838 with:

Exhibit "A": Findings
Exhibit "B": Site Boundary Map and Legal Description
Exhibit "C": Comprehensive Plan Map
Exhibit "D": Zoning Map

Attachments:

1. Resolution 2018-08 Planning Commission Recommendation
2. Public Comments
3. Aerial Map
4. Application Materials

ORDINANCE NO. 2018-2838

AN ORDINANCE AMENDING THE COMPREHENSIVE PLAN MAP DESIGNATION FROM MEDIUM DENSITY RESIDENTIAL (MDR) TO HIGH DENSITY RESIDENTIAL (HDR) AND AMENDING THE ZONING DESIGNATION FROM R-2 (MEDIUM DENSITY RESIDENTIAL) TO R-3 (HIGH DENSITY RESIDENTIAL) FOR A PROPERTY LOCATED AT 1109 S RIVER STREET, YAMHILL COUNTY TAX LOT 3220CC-05400.

RECITALS:

1. RHW Enterprises, Inc. submitted an application requesting a Comprehensive Plan map amendment from MDR (Medium Density Residential) to HDR (High Density Residential) and a Zoning map amendment from R-2 (Medium Density Residential) to R-3 (High Density Residential) for property located at 1109 S River Street, Yamhill County tax lot 3220CC-5400.

2. The Planning Commission held a public hearing to consider the proposal on July 12, 2018. The Commission took public testimony, deliberated, and found that the application met the applicable criteria in the Newberg Development Code, the goals and policies of the Newberg Comprehensive Plan, and Oregon Statewide Planning Goals as shown in the findings in Exhibit A.

3. At their July 12, 2018 meeting the Planning Commission adopted Resolution 2018-08, recommending that the City Council approve the requested Comprehensive Plan map amendment and Zoning map amendment.

4. The City Council held a public hearing on August 6, 2018 to consider the proposal. After reviewing the evidence and hearing public testimony, the City Council finds that the application meets the applicable Newberg Development Code criteria, Newberg Comprehensive Plan goals and policies, and Oregon Statewide Planning Goals for approval.

THE CITY OF NEWBERG ORDERS AS FOLLOWS:

1. The Comprehensive Plan designation is changed from Medium Density Residential (MDR) to High Density Residential (HDR), and the Zoning designation is changed from R-2 (Medium Density Residential) to R-3 (High Density Residential) for the property located at 1109 S River Street, Tax Lot 3220CC-5400, as shown and described in Exhibit "B". Exhibit "B" is hereby adopted and by this reference incorporated.

2. The findings shown in Exhibit "A" are hereby adopted and by this reference incorporated.

3. The Newberg Comprehensive Plan map and Zoning map shall be amended to reflect Exhibits "C" and "D".

- **EFFECTIVE DATE** of this ordinance is 30 days after the adoption date, which is: September 5, 2018.

ADOPTED by the City Council of the City of Newberg, Oregon, this 6th day of August, 2018, by the following votes: **AYE:** **NAY:** **ABSENT:** **ABSTAIN:**

_____
Sue Ryan, City Recorder

ATTEST by the Mayor this 9th day of August, 2018.

_____
Bob Andrews, Mayor

ATTACHED:
Exhibit "A": Findings
Exhibit "B": Site Boundary Map & Legal Description
Exhibit "C": Comprehensive Plan map
Exhibit "D": Zoning map

Section I. Newberg Development Code § 15.302.030: Procedures for Comprehensive Plan Map and Zoning Map Amendments.

(A) Type III Plan and zoning map amendments – one parcel or small group of parcels.

(3) Amendment Criteria. The owner must demonstrate compliance with the following criteria:

(a) The proposed change is consistent with and promotes the goals and policies of the Newberg Comprehensive Plan and this Code;

Finding: Section II of these findings addresses the Comprehensive Plan goals and policies. It can be found that this proposal is consistent with and promotes numerous applicable goals and policies, as summarized below.

Density:

The site contains 2.13 acres, or approximately 93,000 square feet. The Stream Corridor Overlay subtracts out about 35,000 square feet. Assuming no additional right-of-way dedications, there would be an approximate net site area of 58,000 square feet. If the site develops as R-2 it would be expected to have approximately 23 dwelling units. In the R-3 zone the site would allow an approximate maximum net density of 46 dwelling units and a minimum of 28 dwelling units. These calculations include an allowed 20% density transfer from the area within the stream corridor overlay. The actual density will depend on the final site design and will be limited by parking requirements, open space requirements, and stormwater facilities, but is expected by the applicant to be approximately 46 units. Both the R-2 and the R-3 zone allow a mix of housing types, including multi-family. R-3 allows housing at a higher density.

15.302.032 Purposes of each zoning district.

B. R-2 Medium Density Residential District.

1. The purpose of this land use designation is to provide a wide range of dwelling types and styles at an average overall density of nine units per gross buildable acre in the district.

2. Typical housing types will include single-family dwellings on small lots, attached single-family, duplex or multifamily dwellings, and manufactured dwelling parks. The district also is intended to allow low intensity institutional uses that operate consistent with peaceful enjoyment of residential neighborhoods. The R-2 district is intended to be consistent with the medium density residential (MDR) designation of the comprehensive plan.

C. R-3 High Density Residential District.

1. The purpose of this land use designation is to provide multifamily dwellings of different types and styles at an average overall density of 16.5 units per gross buildable acre in the district.

2. Typical housing types will include duplexes, multifamily dwellings, and manufactured dwelling and mobile home parks. The district also is intended to allow low intensity institutional uses that operate consistent with peaceful enjoyment of residential neighborhoods. Density may vary depending on lot size, off-street parking area, transportation,

landscaping and other site considerations. The R-3 district is intended to be consistent with the high density residential (HDR) designation of the comprehensive plan.

Housing Land Needs and Buildable Land Supply Analysis

History:

Newberg's Comprehensive Plan has consistently shown a significant need for additional HDR (High Density Residential) land.

2005 Comprehensive Plan Land Need and Supply Amendments

In 2005, the City Council adopted amendments to the Comprehensive Plan, including updated residential land need and supply numbers for LDR (Low Density Residential), MDR (Medium Density Residential) and HDR (High Density Residential) land designations. The updates were based on data from the Housing and Residential Land Needs Report compiled by Johnson-Gardner in 2004. The amendments were adopted and acknowledged through the post-acknowledgment plan amendment process in 2005. The 2005 Comprehensive Plan has residential land data for the 20-year period from 2005-2025, and the future planning period out to 2040. That data shows that the City had a demonstrated need for 89 buildable acres of HDR (High Density Residential) through 2025, and an additional 83 acres of HDR land through 2040 (see table below). Buildable land includes vacant and redevelopable land in the existing Urban Growth Boundary (UGB).

Newberg Comprehensive Plan, Table V-7 Buildable Residential Land Needs vs. Supply				
Plan Designation	**Buildable Acres Needed 2005-2025**	**Buildable Acres in UGB (2004)**	**Surplus (Deficit) for 2005-2025**	**Buildable Acres Needed 2026-2040**
LDR	612	359	(253)	735
MDR	173	142	(31)	191
HDR	89	13	(76)	83
Total	**874**	**514**	**(380)**	**1009**

Source: Newberg Ordinance 2005-2626

In 2009 the City proposed an update to the Housing Element of the Comprehensive Plan. This item was appealed to LUBA and remanded; it has not yet been revised and readopted, so the 2005 amendments are the latest acknowledged estimates. A preliminary buildable lands inventory (BLI) was completed for the City in 2016 utilizing the Simplified Method for Urban Growth Boundary (UGB) expansion; however, the BLI has not been finalized because several issues with the methodology were identified by the consultant. The City will finalize this BLI once technical fixes are adopted by the Oregon Land Conservation and Development Commission in Winter 2019.

This application:

The applicant utilized information provided for the Martell Commons Comprehensive Plan/Zone Change application (CPA 15-001/ZMA3 15-001) approved in 2015. That application included a full housing needs analysis and buildable lands inventory prepared by Cogan Owens Greene, which provided the basis for the findings. For

this application, the applicant prepared a narrative based on the findings from the Martell Commons application and updated the data within those findings to reflect the following:

- the 2017 population projections adopted into the Newberg Comprehensive Plan
- annexations and building permits issued since the Martell Commons approval (April 2018)

A full housing needs analysis was not completed. The applicant readjusted the housing unit needs and future land needs from the Martell Commons findings to reflect the downward projections of population growth shown in the 2017 numbers and updated buildable lands information. Housing density trends were assumed to be similar to 2015. The conclusion is a deficit of residential land in Newberg with the greatest deficit in High Density Residential (HDR) land.

Although a full housing needs analysis was not completed, staff agrees with the conclusion regarding land supply and needs. Another Comprehensive Plan/Zone Change application was recently submitted, Newberg Mobile Home Park 501 and 507 E Illinois Street (CPMA18-0005/ZCA18-0002) and is currently under review. The applicant submitted a housing needs analysis and buildable lands inventory to assess the need for residential land, which is an updated version of the report prepared by Cogan Owens Greene in 2015. The updated analysis was prepared by PNW Economics, reflects changes between 2015 and November 2017, and shows a deficit of residential lands through 2032, with the greatest deficit in HDR land.

Excerpted from the application – Population Forecast
This table shows a downward trend in population growth.

Table III-2. Future Population Forecast – Newberg Urban Area			
Year	**Population Forecast 2015**	**Population Forecast 2017**	**Change in Forecast (%)**
2015	**24,663**	**24,296**	
2020	**25,250**	**25,889**	**2%**
2025	**32,213**	**26,602**	**-11%**
2030	**35,408**	**31,336**	**-12%**
2035	**38,490**	**34,021**	**-12%**

Source: Population Research Center, Portland State University – Yamhill County Projections.

Excerpted from the application – Available Land Capacity

Plan Designation	Buildable Acres Needed	Buildable Acres in UGB	Surplus/Deficit	Percentage of Available Capacity
LDR	**406**	**369**	**(37)**	**91%**
MDR	**179**	**92**	**(87)**	**51%**
HDR	**62**	**7**	**(55)**	**11%**
Total	**647**	**468**	**(179)**	**72%**

Adequate Infrastructure to Serve the Site

The applicant noted that there are water and wastewater facilities available in S River Street to serve the site. There is an existing 6-inch water line, 12-inch wastewater line, and 18-inch storm line in S River. GIS data indicates two wastewater service laterals near the north and south ends of the property. There is a ¾ inch copper water service lateral serving the property. The applicant states that treated stormwater from the site will be directed to the creek on the west side of the property.

Capacity of services was not addressed by the applicant beyond stating that capacity of the laterals and lines will be verified as part of any future development permits. A change in zoning from R-2 to R-3 would not significantly increase the demand on the wastewater system, and would not require a larger pipe size than is required with the current zoning. Current standards require an 8-inch water line; therefore, fire flow testing will be required prior to permitting of any development on site. The specifics of pipe upsizing and other utility improvements would be determined during development application review.

The proposed development site is located adjacent to S River Street, which is a major collector. Existing improvements do not meet the standard for a major collector. The applicant will be required to dedicate right-of-way and construct a 1/2 street improvement on the west side of S River Street to major collector standards when development is proposed. According to the applicant's Transportation Planning Rule (TPR) analysis, the proposed zone change will not significantly impact the transportation system.

Availability of Public Services

The site is within walking distance of many services: Within ¼ mile of Scott Levitt Park; within ½ mile of Edwards Elementary school; and within ¾ mile of downtown Newberg and George Fox University. This means that residents of the proposed high density housing may walk or bike to commercial areas, jobs, parks, and schools. Public transit is available on E First Street.

Site is Suitable for HDR Development

The proposed site is suitable for HDR development because it meets the Comprehensive Plan policies of high density housing location, dispersal of high density housing, design of high density housing, and compatibility with

surrounding development. The proposed site is adjacent to a major collector road which will provide adequate access for higher density housing. There are other multi-family developments in the area, along with single-family homes. Future development on the site will be compatible with the surrounding area due to the design review criteria for multi-family housing and due to setbacks, lot coverage limits, height limits, and landscaping buffer requirements.

The application meets this criterion because the proposed change from MDR/R-2 to HDR/R-3 is consistent with many goals and policies in the Comprehensive Plan, and the Development Code.

(b) Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change.

Finding: The applicant noted that there are water and wastewater facilities available in S River Street to serve the site. There is an existing 6-inch water line, 12-inch wastewater line, and 18-inch storm line in S River. GIS data indicates two wastewater service laterals near the north and south ends of the property. There is a ¾ inch copper service later serving the property. The applicant states that treated stormwater from the site be directed to the creek on the west side of the property.

Capacity of services was not addressed by the applicant beyond stating that capacity of the laterals and lines will be verified as part of any future development permits. The zone change at the maximum density does not change the pipe diameter needed for development in the basin. A fire flow analysis will be completed at the time of development and any utility upsizing will be completed with the development. The City's water and wastewater systems can serve the additional units expected with the proposed zone change.

The site is accessed by S River Street, which is not a fully improved street. A major collector cross-section per the Transportation System Plan should accommodate the following: 5-foot sidewalk, 5.5-foot planter, 6-foot bike lane, 12-foot travel lane, 12-foot travel lane, 6-foot bike lane, 5.5-foot planter, 5-foot sidewalk. The required right-of-way for the described cross-section varies from 57 to 80-feet. The existing roadway right-of-way is approximately 60-feet wide, and the current pavement section is approximate 24-feet wide.

A Transportation Planning Rule (TPR) Analysis of the proposed zone change was completed by a professional traffic engineer, Karl Birky, PE PTOE. He concludes that the projected additional units will increase peak hour trips by 11 to 14 trips. These trips are based on an assumed future density of 43 units; whereas, the applicant's narrative states 46 units. Even if an additional three units were developed on the site, the number of trips would not greatly increase; therefore, the proposed zone change does not have a significant impact on the transportation system.

The application meets this criterion because public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change from MDR/R-2 to HDR/R-3.

(c) Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

Finding: The State Transportation Planning Rule is meant to determine whether proposals "significantly affect" existing or planned transportation facilities, and if they do affect them, to ensure that they are properly mitigated. The Rule says that:

> *"a plan or land use regulation amendment significantly affects a transportation facility if it would: (a) Change the functional classification of an existing or planned transportation facility; (b) Change standards implementing a functional classification system; or (c) As measured at the end of the planning period identified in the adopted transportation system plan: (A) Allow land uses or levels of development that would result in types of levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility; (B) Reduce the performance of an existing or planned transportation facility below the minimum acceptable performance standard identified in the TSP or comprehensive plan; or (C) Worsen the performance of an existing or planned transportation facility that is otherwise projected to perform below the minimum acceptable performance standard identified in the TSP or comprehensive plan."*

The proposed plan amendment site is located adjacent to S River Street, which is classified as a Major Collector in the City's Transportation System Plan. The proposal would not: (a) change the functional classification of S River Street; or (b) change standards implementing a functional classification system.

The applicant provided a Transportation Planning Rule (TPR) analysis prepared by a Professional Traffic Operations Engineer (PTOE) for the proposed zone change. The TPR requires an estimate of the effects a land use action will have on the transportation system. The provided analysis outlines the estimated vehicle trips generated by a development under the current R-2 zoning and the proposed R-3 zoning using the maximum density allowed. The engineer estimated 43 possible dwelling units. That number is compared with the trips that would be generated by the possible maximum density allowed by the R-2 zone, 21 units. The analysis indicates that the proposed zone change could result in a net increase of 14 trips during the evening peak hour. In the morning peak hour, the maximum density could result in a net increase of 11 trips. The increase of average daily trips is 146. It should be noted that the applicant's narrative estimates 46 units in a future development. Even if an additional three units were developed on the site, there would not be a large increase in trips. According to the TPR analysis, the future trips generated from the proposed zone change will not "significantly affect" the transportation system.

The proposal meets the State Transportation Planning Rule because it does not significantly affect transportation facilities: (A) It does not allow a level of development that would result in levels of travel inconsistent with the functional classification of the existing transportation facilities; (B) It does not reduce the performance of the existing transportation facilities below the minimum acceptable performance standards; and (C) It does not significantly worsen the performance of an existing transportation facility that is otherwise projected to perform below the minimum acceptable performance standard.

Section II. Applicable Statewide Planning Goals and Newberg Comprehensive Plan Goals & Policies

A. CITIZEN INVOLVEMENT GOAL (SPG/NCP)

Goal: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

Finding: This application is subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with this Goal. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

B. LAND USE PLANNING (SPG/NCP)

GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

The proposed land use action has an adequate factual base. The alternatives to approving the proposed Comprehensive Plan and Zoning map amendments would be to: 1) deny the application and retain the current comprehensive plan and zoning designations (MDR, R-2, Medium Density Residential). There is a clear need for residential land within the City of Newberg, but the deficiency of HDR land is greater than MDR land. The proposed Comprehensive Plan and Zoning Map amendments are consistent with and help to carry out comprehensive plan policies and designations as noted in these findings and comply with the goal.

C. AGRICULTURAL LANDS (SPG/NCP)

GOAL: To provide for the orderly and efficient transition from rural to urban land uses.

Finding: Not applicable because the proposal does not propose any changes to agricultural lands outside of the Newberg Urban Growth Boundary.

D. WOODED AREAS (SPG/NCP)

GOAL: To retain and protect wooded areas.
POLICIES:
2. Development in drainageways shall be limited in order to prevent erosion and protect water quality. Trees provide needed protection from erosion and should be maintained.

Finding: The site includes a stream corridor on the western portion of the site; however, the goal is not applicable because the proposal is to change the Comprehensive Plan and Zoning designations only. The existing Stream Corridor Overlay will remain on the site. Any future development of the site will have to show

compliance with the adopted City of Newberg stream corridor regulations.

E. AIR, WATER, AND LAND RESOURCE QUALITY (SPG/NCP)
GOAL: To maintain and, where feasible, enhance the air, water and land resource qualities within the community.
POLICIES:
1. Development shall not exceed the carrying capacity of the air, water or land resource base.
2. Water quality in the Willamette River and tributary streams shall be protected.

Finding: Newberg has an acknowledged comprehensive plan that complies with this goal. Protections are already in place for air, water and land resource quality. This proposal works within those parameters by providing efficiency of residential land uses within the Urban Growth Boundary and complies with Goal 6.

F. AREAS SUBJECT TO NATURAL HAZARDS (SPG/NCP)
GOAL: To protect life and property from flooding and other natural hazards.

Finding: Newberg has an acknowledged comprehensive plan that complies with this goal. This proposal does not impact the City's natural hazard areas such as flood plain because there are no such areas present on the site.

G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES (SPG/NCP)
GOALS:
1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

Finding: The proposed amendments would not negatively impact inventoried Goal 5 resources. Protections already exist in the Newberg Municipal Code to protect these resources, areas, and open spaces. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources and identified open spaces in compliance with Goal 5. There is a stream on the site with a Stream Corridor overlay across the western portion of the site. The applicant has acknowledged the overlay, and the proposed map amendments do not modify the overlay. Only changes are proposed to the Comprehensive Plan designation (MDR to HDR) and zoning (R-2, Medium Density Residential to R-3, High Density Residential). Future development on the site is required to comply with the Stream Corridor Overlay standards in the Newberg Municipal Code.

H. THE ECONOMY (SPG/NCP)
GOAL: To develop a diverse and stable economic base.
POLICIES:
1. General Policies
a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs.

Finding: The Newberg Economic Development Strategy identifies housing as a need for the community. The proposal would provide for an additional opportunities to develop multi-family housing for the growing Newberg population base and growing economy at rental or for sale price points that are potentially in alignment with income levels.

SPG GOAL 10: HOUSING
To provide for the housing needs of citizens of the state.

NCP I. Housing Goals and Policies
GOAL: To provide for a diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.
2. Location Policies. a: Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces.
3. Mix Policies. b: Low and moderate income housing should not be concentrated within particular areas of the City.
3.j: The City shall encourage innovation in housing types and design as a means of offering a greater variety of housing and reducing housing costs.
3.k: The City shall encourage an adequate supply of rental housing dispersed throughout the city to meet the needs of renters.

Finding: The goal of the city's comprehensive plan policies is to ensure that there is adequate housing of all density types and for every income level. The proposed zone change would help the City remedy its deficit of available multi-family housing.

The proposed site is located adjacent to a major collector (S River Street), and traffic from the site is expected to use this street to access the site. S River Street provides access to Hwy 99W (a major arterial). Other minor collectors in the vicinity (E Eleventh Street and S Wynooski Street/Road) provide access to Hwy 219 (minor arterial). In addition, the site is within walking distance of many services: Within ¼ mile of Scott Levitt Park; within ½ mile of Edwards Elementary school; within ¾ mile of downtown Newberg and George Fox University. This meets the Comprehensive Plan policies of high density housing being located near public services and public open spaces. It also means that residents of the proposed high density housing may walk or bike to commercial areas, jobs, parks, and schools. Public transit is available on E First Street.

Any future development on the site under the proposed R-3 zoning will require a design review process where the applicant will need to meet not only the basic design review criteria, but also the additional multi-family design review criteria. The City would have future opportunities to influence the design of the development and encourage innovation of housing types and design. The proposal is consistent with many of the housing policies in the Comprehensive Plan.

J. URBAN DESIGN GOALS AND POLICIES

Goal 1: To maintain and improve the natural beauty and visual character of the City.

1. General Policies. b: Design review should be provided for all new developments more intensive than duplex residential use.

1.1.l: The City shall encourage compatible architectural design of new structures in the community.

1.1.n: The City shall encourage innovative design and ensure that developments consider site characteristics and the impact on surrounding areas.

1.1.r: Developments of medium or high density shall be of a quality and design which will effectively offset the greater density.

Finding: Any future development on this property under the proposed R-3 zoning will require design review approval. The Newberg Development Code also has supplementary design review standards that multi-family developments must meet, including compatibility with adjacent sites. The site characteristics for future development would be looked at closely to encourage the best design of the property and to properly mitigate any impacts on surrounding uses. The proposal is consistent with many of the urban design goals and policies in the Comprehensive Plan.

K. TRANSPORTATION GOALS AND POLICIES (SPG/NCP)

Goal 3: Promote reliance on multiple modes of transportation and reduce reliance on the automobile.

Policy b.2: The City shall encourage higher density development in residential areas near transit corridors, commercial areas and employment centers, including the downtown.

Finding: The site is within walking distance of many services: Within ¼ mile of Scott Levitt Park; within ½ mile of Edwards Elementary school; and within ¾ mile of downtown Newberg and George Fox University. This meets the Comprehensive Plan policies of high density housing being located near public services and public open spaces. It also means that residents of the proposed high density housing may walk or bike to commercial areas, jobs, parks, and schools. Public transit is available on E First Street. The proposal is consistent with transportation goals and policies in the Comprehensive Plan.

L. PUBLIC FACILITIES AND SERVICES GOALS AND POLICIES

Goal: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

1. All Facilities & Services Policies. f: Maximum efficiency for existing urban facilities and services will be encouraged though infill of vacant City land.

2. Sewers and Water Policies. c: Developments with urban densities should be encouraged to locate within the area which can be serviced by Newberg's present sanitary sewer system.

Finding: It is appropriate to use land within the city limits to its highest and best use in order to preserve the efficiency of public facilities to serve urban development. The site has existing sewer and water facilities available in S River Street. There is adequate capacity to serve the maximum density of the proposed zone

change. It is more efficient to use an existing site such as this as opposed to extending new public utilities to an undeveloped vacant parcel without such services.

There is an existing 12-inch wastewater line along the east side of S River Street. City GIS data indicates there are two service laterals extending to the property near the north and south boundaries of the site. A 6-inch water line is located in S River Street with a service lateral serving the property. There is an 18-inch storm line in S River Street; however, the applicant is proposing to direct treated stormwater to the creek on the west side of the site. Any needed improvements to the public lines will be identified and completed prior to development of the site.

M. ENERGY (SPG/NCP)

Goal: To conserve energy through efficient land use patterns and energy-related policies and ordinances.

Finding: The proposed Comprehensive Plan Change and Zoning amendment from MDR to HDR and R-2 to R-3 will allow for more efficient use of the limited land available within the Urban Growth Boundary. This will help in energy and land conservation because the R-3 zoning district allows for higher density development and will put less strain on surrounding resources.

N. URBANIZATION (SPG/NCP)

Goals:

1. To provide for the orderly and efficient transition from rural to urban land uses.

2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.

3. To create a quality living environment through a balanced growth of urban and cultural activities.

Finding: The proposed amendment does not include an expansion of the Urban Growth Boundary but ensures the efficient use of the land within the Urban Growth Boundary for the projected population and employment opportunities within the City and meets the goal.

SPG GOAL 15: WILLAMETTE RIVER GREENWAY

To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Finding: Existing regulations related to floodplain and stream corridor overlays within the Newberg Comprehensive Plan and Municipal Code protect the Willamette River Greenway within the City of Newberg. There is a stream on the western end of the site and corresponding Stream Corridor Overlay. The proposed Comprehensive Plan and Zoning map amendments do not impact the overlay, Willamette River Greenway, and the protection of these areas. Any future development of the site will have to show compliance with the adopted stream corridor regulations.

Finding: Overall, the proposal is consistent with the goals and policies in the Comprehensive Plan regarding public participation, housing, urban design, transportation, and public facilities.

Exhibit "B" to Ordinance 2018-2838
Site Boundary Map and Legal Description

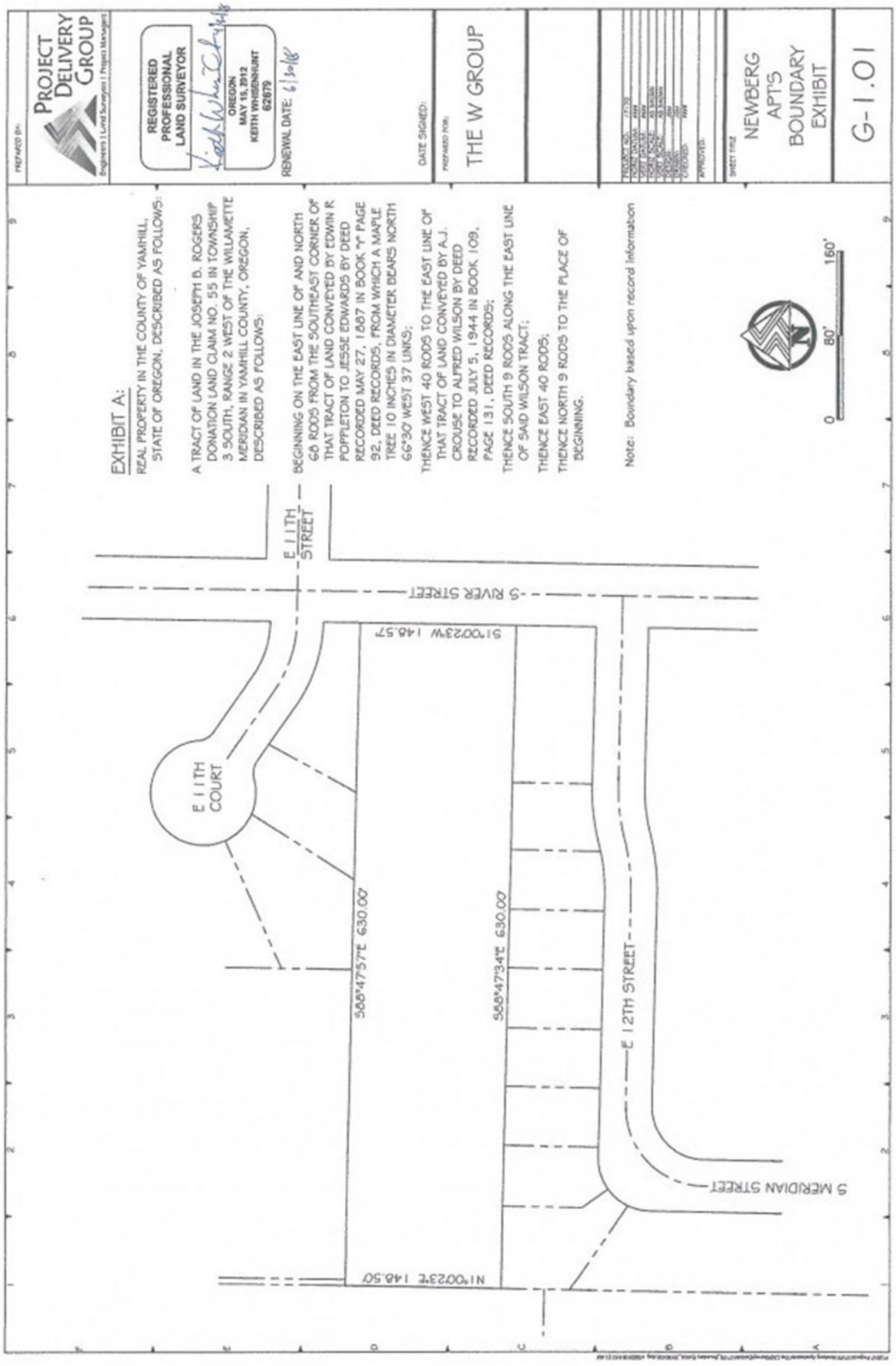


Exhibit "C" to Ordinance 2018-2838
Comprehensive Plan Map

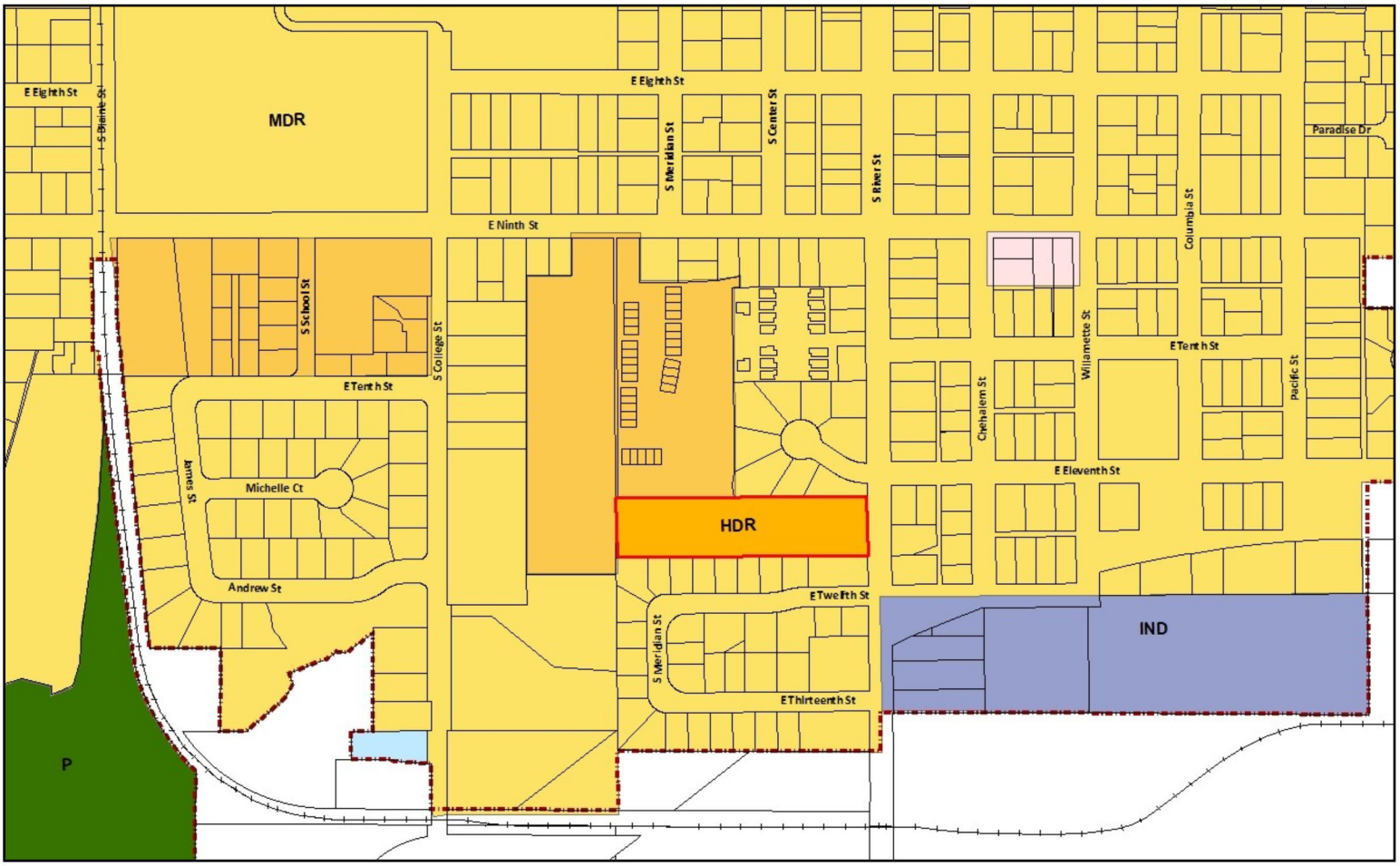
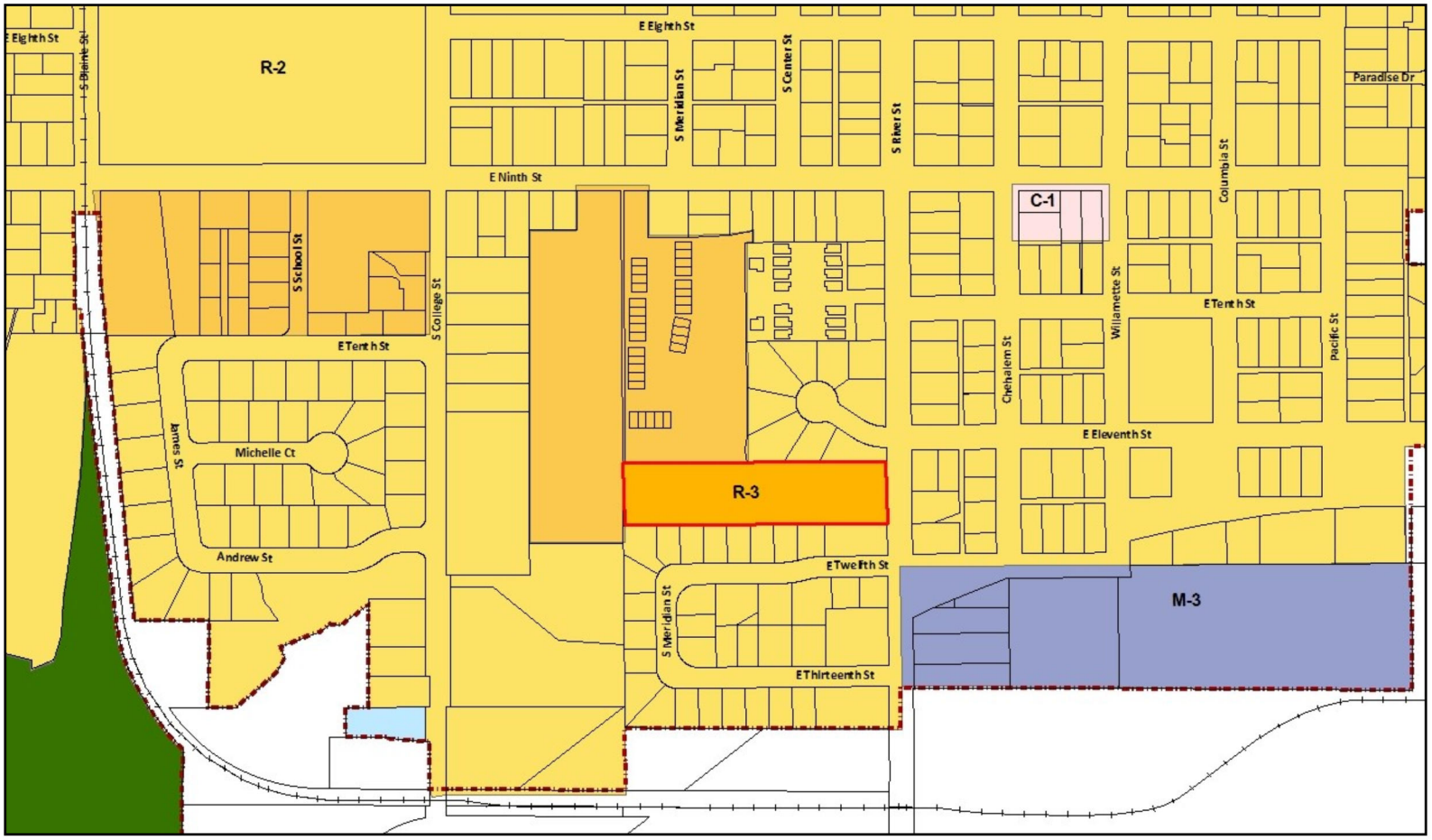


Exhibit "D" to Ordinance 2018-2838
Zoning Map



PLANNING COMMISSION RESOLUTION 2018-08

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF NEWBERG RECOMMENDING THAT THE CITY COUNCIL APPROVE FILE CPMA18-0002/ZMA18-0001, WHICH WOULD AMEND THE COMPREHENSIVE PLAN DESIGNATION FROM MDR (MEDIUM DENSITY RESIDENTIAL) TO HDR (HIGH DENSITY RESIDENTIAL) AND AMEND THE ZONING DESIGNATION FROM R-2 (MEDIUM DENSITY RESIDENTIAL) TO R-3 (HIGH DENSITY RESIDENTIAL) FOR A PROPERTY LOCATED AT 1109 S RIVER STREET, YAMHILL COUNTY TAX LOT 3220CC-5400.

RECITALS

1. RHW Enterprises, Inc. submitted an application requesting a Comprehensive Plan map amendment from MDR (Medium Density Residential) to HDR (High Density Residential) and a Zoning map amendment from R-2 (Medium Density Residential) to R-3 (High Density Residential) for property located at 1109 S River Street, Yamhill County tax lot 3220CC-05400.

2. After proper notice, the Newberg Planning Commission held a public hearing on July 12, 2018 to consider the application. The Commission took public testimony, closed public testimony, and deliberated.

3. The Newberg Planning Commission finds that the application met the applicable criteria from the Newberg Development Code, the goals and policies of the Newberg Comprehensive Plan, and Oregon Statewide Planning Goals as shown in the findings shown in Exhibit "A".

The Newberg Planning Commission resolves as follows:

1. The Planning Commission recommends that the City Council amend the Comprehensive Plan map and Zoning map to include the property shown and described in Exhibit B in the HDR comprehensive plan district and the R-3 zoning district. Exhibit "B" is hereby adopted and by this reference incorporated.

2. This recommendation is based on the findings shown in Exhibit "A". Exhibit "A" is hereby adopted and by this reference incorporated.

Adopted by the Newberg Planning Commission this 12th day of July, 2018.

Planning Commission Chair

ATTEST:

Planning Commission Secretary

List of Exhibits:

Exhibit "A": Findings
Exhibit "B": Boundary Map and Legal Description
Exhibit "C": Existing Comprehensive Plan and Zoning Map
Exhibit "D": Proposed Comprehensive Plan and Zoning Map

Exhibit "A" : Findings to PC Resolution 2018 -08

1109 S River Street Comprehensive Plan Map Amendment & Zoning Amendment, File: CPA18-0002/ZMA18-0001

Section I. Newberg Development Code § 15.302.030: Procedures for Comprehensive Plan Map and Zoning Map Amendments.

(A) Type III Plan and zoning map amendments – one parcel or small group of parcels.

(3) Amendment Criteria. The owner must demonstrate compliance with the following criteria:

(a) The proposed change is consistent with and promotes the goals and policies of the Newberg Comprehensive Plan and this Code;

Finding: Section II of these findings addresses the Comprehensive Plan goals and policies. It can be found that this proposal is consistent with and promotes numerous applicable goals and policies, as summarized below.

Density:

The site contains 2.13 acres, or approximately 93,000 square feet. The Stream Corridor Overlay subtracts out about 35,000 square feet. Assuming no additional right-of-way dedications, there would be an approximate net site area of 58,000 square feet. If the site develops as R-2 it would be expected to have approximately 23 dwelling units. In the R-3 zone the site would allow an approximate maximum net density of 46 dwelling units and a minimum of 28 dwelling units. These calculations include an allowed 20% density transfer from the area within the stream corridor overlay. The actual density will depend on the final site design and will be limited by parking requirements, open space requirements, and stormwater facilities, but is expected by the applicant to be approximately 46 units. Both the R-2 and the R-3 zone allow a mix of housing types, including multi-family. R-3 allows housing at a higher density.

15.302.032 Purposes of each zoning district.

B. R-2 Medium Density Residential District.

1. The purpose of this land use designation is to provide a wide range of dwelling types and styles at an average overall density of nine units per gross buildable acre in the district.

2. Typical housing types will include single-family dwellings on small lots, attached single-family, duplex or multifamily dwellings, and manufactured dwelling parks. The district also is intended to allow low intensity institutional uses that operate consistent with peaceful enjoyment of residential neighborhoods. The R-2 district is intended to be consistent with the medium density residential (MDR) designation of the comprehensive plan.

C. R-3 High Density Residential District.

1. The purpose of this land use designation is to provide multifamily dwellings of different types and styles at an average overall density of 16.5 units per gross buildable acre in the district.

2. Typical housing types will include duplexes, multifamily dwellings, and manufactured dwelling and mobile home parks. The district also is intended to allow low intensity institutional uses that operate consistent with peaceful enjoyment of residential neighborhoods. Density may vary depending on lot size, off-street parking area, transportation, landscaping and other site considerations. The R-3 district is intended to be consistent with the high density residential (HDR) designation of the comprehensive plan.

Housing Land Needs and Buildable Land Supply Analysis

History:

Newberg's Comprehensive Plan has consistently shown a significant need for additional HDR (High Density Residential) land.

2005 Comprehensive Plan Land Need and Supply Amendments

In 2005, the City Council adopted amendments to the Comprehensive Plan, including updated residential land need and supply numbers for LDR (Low Density Residential), MDR (Medium Density Residential) and HDR (High Density Residential) land designations. The updates were based on data from the Housing and Residential Land Needs Report compiled by Johnson-Gardner in 2004. The amendments were adopted and acknowledged through the post-acknowledgment plan amendment process in 2005. The 2005 Comprehensive Plan has residential land data for the 20-year period from 2005-2025, and the future planning period out to 2040. That data shows that the City had a demonstrated need for 89 buildable acres of HDR (High Density Residential) through 2025, and an additional 83 acres of HDR land through 2040 (see table below). Buildable land includes vacant and redevelopable land in the existing Urban Growth Boundary (UGB).

Newberg Comprehensive Plan, Table V-7 Buildable Residential Land Needs vs. Supply				
Plan Designation	**Buildable Acres Needed 2005-2025**	**Buildable Acres in UGB (2004)**	**Surplus (Deficit) for 2005-2025**	**Buildable Acres Needed 2026-2040**
LDR	612	359	(253)	735
MDR	173	142	(31)	191
HDR	89	13	(76)	83
Total	**874**	**514**	**(380)**	**1009**

Source: Newberg Ordinance 2005-2626

In 2009 the City proposed an update to the Housing Element of the Comprehensive Plan. This item was appealed to LUBA and remanded; it has not yet been revised and readopted, so the 2005 amendments are the latest acknowledged estimates. A preliminary buildable lands inventory (BLI) was completed for the City in 2016 utilizing the Simplified Method for Urban Growth Boundary (UGB) expansion; however, the BLI has not been

finalized because several issues with the methodology were identified by the consultant. The City will finalize this BLI once technical fixes are adopted by the Oregon Land Conservation and Development Commission in Winter 2019.

This application:

The applicant utilized information provided for the Martell Commons Comprehensive Plan/Zone Change application (CPA 15-001/ZMA3 15-001) approved in 2015. That application included a full housing needs analysis and buildable lands inventory prepared by Cogan Owens Greene, which provided the basis for the findings. For this application, the applicant prepared a narrative based on the findings from the Martell Commons application and updated the data within those findings to reflect the following:

- the 2017 population projections adopted into the Newberg Comprehensive Plan
- annexations and building permits issued since the Martell Commons approval (April 2018)

A full housing needs analysis was not completed. The applicant readjusted the housing unit needs and future land needs from the Martell Commons findings to reflect the downward projections of population growth shown in the 2017 numbers and updated buildable lands information. Housing density trends were assumed to be similar to 2015. The conclusion is a deficit of residential land in Newberg with the greatest deficit in High Density Residential (HDR) land.

Although a full housing needs analysis was not completed, staff agrees with the conclusion regarding land supply and needs. Another Comprehensive Plan/Zone Change application was recently submitted, Newberg Mobile Home Park 501 and 507 E Illinois Street (CPMA18-0005/ZCA18-0002) and is currently under review. The applicant submitted a housing needs analysis and buildable lands inventory to assess the need for residential land, which is an updated version of the report prepared by Cogan Owens Greene in 2015. The updated analysis was prepared by PNW Economics, reflects changes between 2015 and November 2017, and shows a deficit of residential lands through 2032, with the greatest deficit in HDR land.

Excerpted from the application – Population Forecast
This table shows a downward trend in population growth.

Table III-2. Future Population Forecast – Newberg Urban Area			
Year	Population Forecast 2015	Population Forecast 2017	Change in Forecast (%)
2015	24,663	24,296	
2020	25,250	25,889	2%
2025	32,213	26,602	-11%
2030	35,408	31,336	-12%
2035	38,490	34,021	-12%

Source: Population Research Center, Portland State University – Yamhill County Projections.

Excerpted from the application – Available Land Capacity

Plan Designation	Buildable Acres Needed	Buildable Acres in UGB	Surplus/Deficit	Percentage of Available Capacity
LDR	406	369	(37)	91%
MDR	179	92	(87)	51%
HDR	62	7	(55)	11%
Total	647	468	(179)	72%

Adequate Infrastructure to Serve the Site

The applicant noted that there are water and wastewater facilities available in S River Street to serve the site. There is an existing 6-inch water line, 12-inch wastewater line, and 18-inch storm line in S River. GIS data indicates two wastewater service laterals near the north and south ends of the property. There is a ¾ inch copper water service lateral serving the property. The applicant states that treated stormwater from the site will be directed to the creek on the west side of the property.

Capacity of services was not addressed by the applicant beyond stating that capacity of the laterals and lines will be verified as part of any future development permits. A change in zoning from R-2 to R-3 would not significantly increase the demand on the wastewater system, and would not require a larger pipe size than is required with the current zoning. Current standards require an 8-inch water line; therefore, fire flow testing will be required prior to permitting of any development on site. The specifics of pipe upsizing and other utility improvements would be determined during development application review.

The proposed development site is located adjacent to S River Street, which is a major collector. Existing improvements do not meet the standard for a major collector. The applicant will be required to dedicate right-of-way and construct a 1/2 street improvement on the west side of S River Street to major collector standards when development is proposed. According to the applicant's Transportation Planning Rule (TPR) analysis, the proposed zone change will not significantly impact the transportation system.

Availability of Public Services

The site is within walking distance of many services: Within ¼ mile of Scott Levitt Park; within ½ mile of Edwards Elementary school; and within ¾ mile of downtown Newberg and George Fox University. This means that residents of the proposed high density housing may walk or bike to commercial areas, jobs, parks, and schools. Public transit is available on E First Street.

Site is Suitable for HDR Development

The proposed site is suitable for HDR development because it meets the Comprehensive Plan policies of high density housing location, dispersal of high density housing, design of high density housing, and compatibility

with surrounding development. The proposed site is adjacent to a major collector road which will provide adequate access for higher density housing. There are other multi-family developments in the area, along with single-family homes. Future development on the site will be compatible with the surrounding area due to the design review criteria for multi-family housing and due to setbacks, lot coverage limits, height limits, and landscaping buffer requirements.

The application meets this criterion because the proposed change from MDR/R-2 to HDR/R-3 is consistent with many goals and policies in the Comprehensive Plan, and the Development Code.

(b) Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change.

Finding: The applicant noted that there are water and wastewater facilities available in S River Street to serve the site. There is an existing 6-inch water line, 12-inch wastewater line, and 18-inch storm line in S River. GIS data indicates two wastewater service laterals near the north and south ends of the property. There is a ¾ inch copper service later serving the property. The applicant states that treated stormwater from the site be directed to the creek on the west side of the property.

Capacity of services was not addressed by the applicant beyond stating that capacity of the laterals and lines will be verified as part of any future development permits. The zone change at the maximum density does not change the pipe diameter needed for development in the basin. A fire flow analysis will be completed at the time of development and any utility upsizing will be completed with the development. The City's water and wastewater systems can serve the additional units expected with the proposed zone change.

The site is accessed by S River Street, which is not a fully improved street. A major collector cross-section per the Transportation System Plan should accommodate the following: 5-foot sidewalk, 5.5-foot planter, 6-foot bike lane, 12-foot travel lane, 12-foot travel lane, 6-foot bike lane, 5.5-foot planter, 5-foot sidewalk. The required right-of-way for the described cross-section varies from 57 to 80-feet. The existing roadway right-of-way is approximately 60-feet wide, and the current pavement section is approximate 24-feet wide.

A Transportation Planning Rule (TPR) Analysis of the proposed zone change was completed by a professional traffic engineer, Karl Birky, PE PTOE. He concludes that the projected additional units will increase peak hour trips by 11 to 14 trips. These trips are based on an assumed future density of 43 units; whereas, the applicant's narrative states 46 units. Even if an additional three units were developed on the site, the number of trips would not greatly increase; therefore, the proposed zone change does not have a significant impact on the transportation system.

The application meets this criterion because public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change from MDR/R-2 to HDR/R-3.

(c) Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

Finding: The State Transportation Planning Rule is meant to determine whether proposals "significantly affect" existing or planned transportation facilities, and if they do affect them, to ensure that they are properly mitigated. The Rule says that:

> *"a plan or land use regulation amendment significantly affects a transportation facility if it would: (a) Change the functional classification of an existing or planned transportation facility; (b) Change standards implementing a functional classification system; or (c) As measured at the end of the planning period identified in the adopted transportation system plan: (A) Allow land uses or levels of development that would result in types of levels of travel or access that are inconsistent with the functional classification of an existing or planned transportation facility; (B) Reduce the performance of an existing or planned transportation facility below the minimum acceptable performance standard identified in the TSP or comprehensive plan; or (C) Worsen the performance of an existing or planned transportation facility that is otherwise projected to perform below the minimum acceptable performance standard identified in the TSP or comprehensive plan."*

The proposed plan amendment site is located adjacent to S River Street, which is classified as a Major Collector in the City's Transportation System Plan. The proposal would not: (a) change the functional classification of S River Street; or (b) change standards implementing a functional classification system.

The applicant provided a Transportation Planning Rule (TPR) analysis prepared by a Professional Traffic Operations Engineer (PTOE) for the proposed zone change. The TPR requires an estimate of the effects a land use action will have on the transportation system. The provided analysis outlines the estimated vehicle trips generated by a development under the current R-2 zoning and the proposed R-3 zoning using the maximum density allowed. The engineer estimated 43 possible dwelling units. That number is compared with the trips that would be generated by the possible maximum density allowed by the R-2 zone, 21 units. The analysis indicates that the proposed zone change could result in a net increase of 14 trips during the evening peak hour. In the morning peak hour, the maximum density could result in a net increase of 11 trips. The increase of average daily trips is 146. It should be noted that the applicant's narrative estimates 46 units in a future development. Even if an additional three units were developed on the site, there would not be a large increase in trips. According to the TPR analysis, the future trips generated from the proposed zone change will not "significantly affect" the transportation system.

The proposal meets the State Transportation Planning Rule because it does not significantly affect transportation facilities: (A) It does not allow a level of development that would result in levels of travel inconsistent with the functional classification of the existing transportation facilities; (B) It does not reduce the performance of the existing transportation facilities below the minimum acceptable performance standards; and (C) It does not significantly worsen the performance of an existing transportation facility that is otherwise projected to perform below the minimum acceptable performance standard.

Section II. Applicable Statewide Planning Goals and Newberg Comprehensive Plan Goals & Policies

A. CITIZEN INVOLVEMENT GOAL (SPG/NCP)

Goal: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

Finding: This application is subject to the Type IV Legislative process, which requires public notification and public hearings before the Planning Commission and the City Council. This process has been established by the City and determined to be consistent with this Goal. The public hearing notice of the action and decision, and the hearings on this case before the Planning Commission and the City Council are all recognized as opportunities for citizen participation.

B. LAND USE PLANNING (SPG/NCP)

GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

Finding: This Goal requires that land use decisions 1) have an adequate factual base, 2) that alternatives have been considered, and 3) that implementation measures are consistent with and adequate to carry out comprehensive plan policies and designations.

The proposed land use action has an adequate factual base. The alternatives to approving the proposed Comprehensive Plan and Zoning map amendments would be to: 1) deny the application and retain the current comprehensive plan and zoning designations (MDR, R-2, Medium Density Residential). There is a clear need for residential land within the City of Newberg, but the deficiency of HDR land is greater than MDR land. The proposed Comprehensive Plan and Zoning Map amendments are consistent with and help to carry out comprehensive plan policies and designations as noted in these findings and comply with the goal.

C. AGRICULTURAL LANDS (SPG/NCP)

GOAL: To provide for the orderly and efficient transition from rural to urban land uses.

Finding: Not applicable because the proposal does not propose any changes to agricultural lands outside of the Newberg Urban Growth Boundary.

D. WOODED AREAS (SPG/NCP)

GOAL: To retain and protect wooded areas.
POLICIES:
2. Development in drainageways shall be limited in order to prevent erosion and protect water quality. Trees provide needed protection from erosion and should be maintained.

Finding: The site includes a stream corridor on the western portion of the site; however, the goal is not applicable because the proposal is to change the Comprehensive Plan and Zoning designations only. The

existing Stream Corridor Overlay will remain on the site. Any future development of the site will have to show compliance with the adopted City of Newberg stream corridor regulations.

E. AIR, WATER, AND LAND RESOURCE QUALITY (SPG/NCP)
GOAL: To maintain and, where feasible, enhance the air, water and land resource qualities within the community.
POLICIES:
1. Development shall not exceed the carrying capacity of the air, water or land resource base.
2. Water quality in the Willamette River and tributary streams shall be protected.

Finding: Newberg has an acknowledged comprehensive plan that complies with this goal. Protections are already in place for air, water and land resource quality. This proposal works within those parameters by providing efficiency of residential land uses within the Urban Growth Boundary and complies with Goal 6.

F. AREAS SUBJECT TO NATURAL HAZARDS (SPG/NCP)
GOAL: To protect life and property from flooding and other natural hazards.

Finding: Newberg has an acknowledged comprehensive plan that complies with this goal. This proposal does not impact the City's natural hazard areas such as flood plain because there are no such areas present on the site.

G. OPEN SPACE, SCENIC, NATURAL, HISTORIC AND RECREATIONAL RESOURCES (SPG/NCP)
GOALS:
1. To ensure that adequate land shall be retained in permanent open space use and that natural, scenic and historic resources are protected.
2. To provide adequate recreational resources and opportunities for the citizens of the community and visitors.
3. To protect, conserve, enhance and maintain the Willamette River Greenway.

Finding: The proposed amendments would not negatively impact inventoried Goal 5 resources. Protections already exist in the Newberg Municipal Code to protect these resources, areas, and open spaces. Newberg has an acknowledged Stream Corridor designation, inventoried historic resources and identified open spaces in compliance with Goal 5. There is a stream on the site with a Stream Corridor overlay across the western portion of the site. The applicant has acknowledged the overlay, and the proposed map amendments do not modify the overlay. Only changes are proposed to the Comprehensive Plan designation (MDR to HDR) and zoning (R-2, Medium Density Residential to R-3, High Density Residential). Future development on the site is required to comply with the Stream Corridor Overlay standards in the Newberg Municipal Code.

H. THE ECONOMY (SPG/NCP)
GOAL: To develop a diverse and stable economic base.
POLICIES:
1. General Policies
a. In order to increase the percentage of persons who live in Newberg and work in Newberg, the City shall encourage a diverse and stable economic base. Potential methods may include, but are not limited to, land use controls and capital improvement programs.

Finding: The Newberg Economic Development Strategy identifies housing as a need for the community. The proposal would provide for an additional opportunities to develop multi-family housing for the growing Newberg population base and growing economy at rental or for sale price points that are potentially in alignment with income levels.

SPG GOAL 10: HOUSING
To provide for the housing needs of citizens of the state.

NCP I. Housing Goals and Policies
GOAL: To provide for a diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.
2. Location Policies. a: Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces.
3. Mix Policies. b: Low and moderate income housing should not be concentrated within particular areas of the City.
3.j: The City shall encourage innovation in housing types and design as a means of offering a greater variety of housing and reducing housing costs.
3.k: The City shall encourage an adequate supply of rental housing dispersed throughout the city to meet the needs of renters.

Finding: The goal of the city's comprehensive plan policies is to ensure that there is adequate housing of all density types and for every income level. The proposed zone change would help the City remedy its deficit of available multi-family housing.

The proposed site is located adjacent to a major collector (S River Street), and traffic from the site is expected to use this street to access the site. S River Street provides access to Hwy 99W (a major arterial). Other minor collectors in the vicinity (E Eleventh Street and S Wynooski Street/Road) provide access to Hwy 219 (minor arterial). In addition, the site is within walking distance of many services: Within ¼ mile of Scott Levitt Park; within ½ mile of Edwards Elementary school; within ¾ mile of downtown Newberg and George Fox University. This meets the Comprehensive Plan policies of high density housing being located near public services and public open spaces. It also means that residents of the proposed high density housing may walk or bike to commercial areas, jobs, parks, and schools. Public transit is available on E First Street.

Any future development on the site under the proposed R-3 zoning will require a design review process where the applicant will need to meet not only the basic design review criteria, but also the additional multi-family design review criteria. The City would have future opportunities to influence the design of the development and encourage innovation of housing types and design. The proposal is consistent with many of the housing policies in the Comprehensive Plan.

J. URBAN DESIGN GOALS AND POLICIES

Goal 1: To maintain and improve the natural beauty and visual character of the City.

1. General Policies. b: Design review should be provided for all new developments more intensive than duplex residential use.

1.1.l: The City shall encourage compatible architectural design of new structures in the community.

1.1.n: The City shall encourage innovative design and ensure that developments consider site characteristics and the impact on surrounding areas.

1.1.r: Developments of medium or high density shall be of a quality and design which will effectively offset the greater density.

Finding: Any future development on this property under the proposed R-3 zoning will require design review approval. The Newberg Development Code also has supplementary design review standards that multi-family developments must meet, including compatibility with adjacent sites. The site characteristics for future development would be looked at closely to encourage the best design of the property and to properly mitigate any impacts on surrounding uses. The proposal is consistent with many of the urban design goals and policies in the Comprehensive Plan.

K. TRANSPORTATION GOALS AND POLICIES (SPG/NCP)

Goal 3: Promote reliance on multiple modes of transportation and reduce reliance on the automobile.

Policy b.2: The City shall encourage higher density development in residential areas near transit corridors, commercial areas and employment centers, including the downtown.

Finding: The site is within walking distance of many services: Within ¼ mile of Scott Levitt Park; within ½ mile of Edwards Elementary school; and within ¾ mile of downtown Newberg and George Fox University. This meets the Comprehensive Plan policies of high density housing being located near public services and public open spaces. It also means that residents of the proposed high density housing may walk or bike to commercial areas, jobs, parks, and schools. Public transit is available on E First Street. The proposal is consistent with transportation goals and policies in the Comprehensive Plan.

L. PUBLIC FACILITIES AND SERVICES GOALS AND POLICIES

Goal: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

1. All Facilities & Services Policies. f: Maximum efficiency for existing urban facilities and services will be encouraged though infill of vacant City land.

2. Sewers and Water Policies. c: Developments with urban densities should be encouraged to locate within the area which can be serviced by Newberg's present sanitary sewer system.

Finding: It is appropriate to use land within the city limits to its highest and best use in order to preserve the efficiency of public facilities to serve urban development. The site has existing sewer and water facilities available in S River Street. There is adequate capacity to serve the maximum density of the proposed zone change. It is more efficient to use an existing site such as this as opposed to extending new public utilities to an undeveloped vacant parcel without such services.

There is an existing 12-inch wastewater line along the east side of S River Street. City GIS data indicates there are two service laterals extending to the property near the north and south boundaries of the site. A 6-inch water line is located in S River Street with a service lateral serving the property. There is an 18-inch storm line in S River Street; however, the applicant is proposing to direct treated stormwater to the creek on the west side of the site. Any needed improvements to the public lines will be identified and completed prior to development of the site.

M. ENERGY (SPG/NCP)

Goal: To conserve energy through efficient land use patterns and energy-related policies and ordinances.

Finding: The proposed Comprehensive Plan Change and Zoning amendment from MDR to HDR and R-2 to R-3 will allow for more efficient use of the limited land available within the Urban Growth Boundary. This will help in energy and land conservation because the R-3 zoning district allows for higher density development and will put less strain on surrounding resources.

N. URBANIZATION (SPG/NCP)

Goals:

1. To provide for the orderly and efficient transition from rural to urban land uses.

2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.

3. To create a quality living environment through a balanced growth of urban and cultural activities.

Finding: The proposed amendment does not include an expansion of the Urban Growth Boundary but ensures the efficient use of the land within the Urban Growth Boundary for the projected population and employment opportunities within the City and meets the goal.

SPG GOAL 15: WILLAMETTE RIVER GREENWAY
To protect, conserve, enhance and maintain the natural, scenic, historical, agricultural, economic and recreational qualities of lands along the Willamette River as the Willamette River Greenway.

Finding: Existing regulations related to floodplain and stream corridor overlays within the Newberg Comprehensive Plan and Municipal Code protect the Willamette River Greenway within the City of Newberg. There is a stream on the western end of the site and corresponding Stream Corridor Overlay. The proposed Comprehensive Plan and Zoning map amendments do not impact the overlay, Willamette River Greenway, and the protection of these areas. Any future development of the site will have to show compliance with the adopted stream corridor regulations.

Finding: Overall, the proposal is consistent with the goals and policies in the Comprehensive Plan regarding public participation, housing, urban design, transportation, and public facilities.

Exhibit "B": Boundary Map & Legal Description

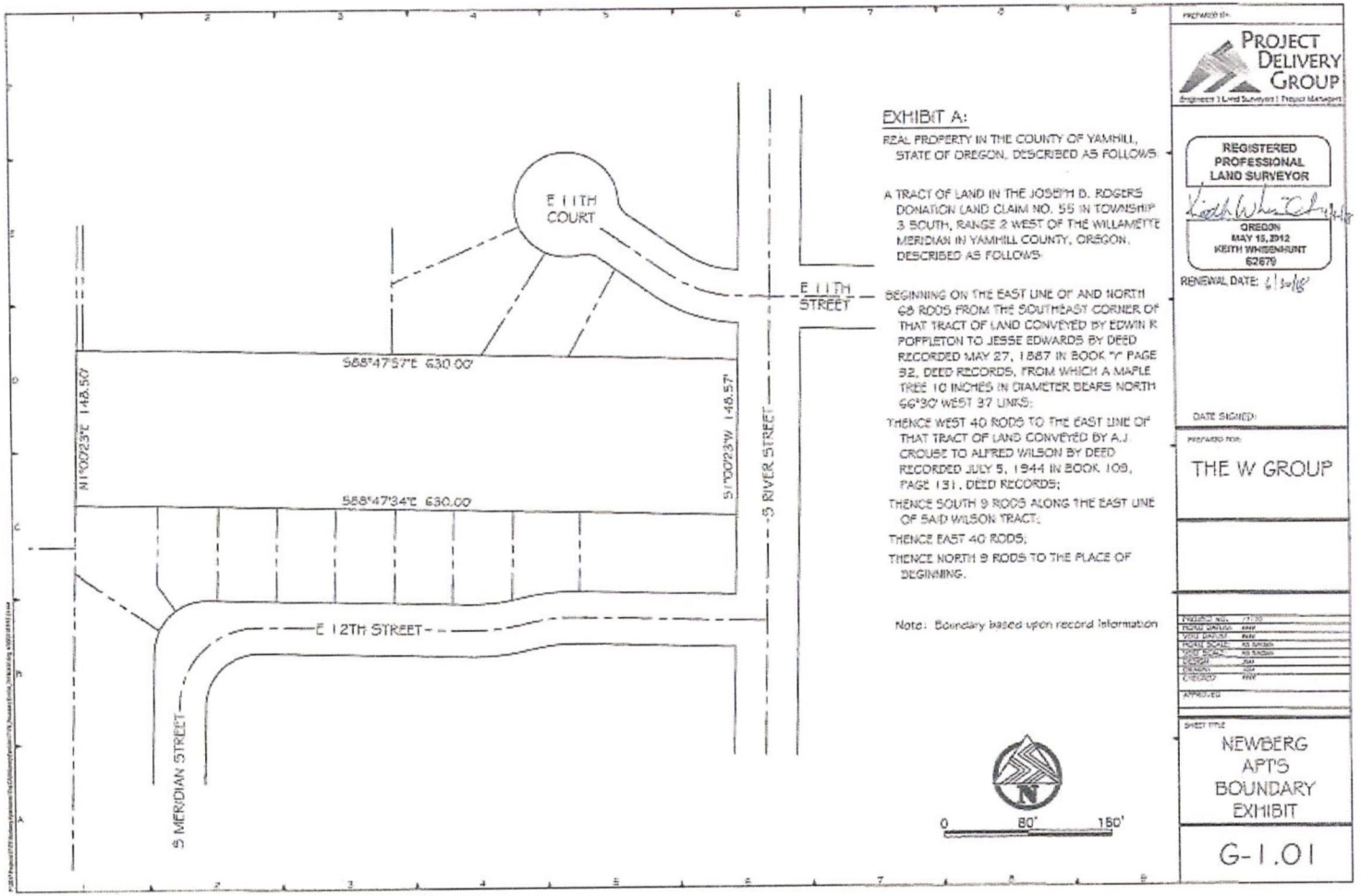


EXHIBIT A:

REAL PROPERTY IN THE COUNTY OF YAMHILL, STATE OF OREGON, DESCRIBED AS FOLLOWS:

A TRACT OF LAND IN THE JOSEPH D. ROGERS DONATION LAND CLAIM NO. 55 IN TOWNSHIP 3 SOUTH, RANGE 2 WEST OF THE WILLAMETTE MERIDIAN IN YAMHILL COUNTY, OREGON, DESCRIBED AS FOLLOWS:

BEGINNING ON THE EAST LINE OF AND NORTH 68 RODS FROM THE SOUTHEAST CORNER OF THAT TRACT OF LAND CONVEYED BY EDWIN R POPPLETON TO JESSE EDWARDS BY DEED RECORDED MAY 27, 1887 IN BOOK "I" PAGE 92, DEED RECORDS, FROM WHICH A MAPLE TREE 10 INCHES IN DIAMETER BEARS NORTH 66°30' WEST 37 LINKS;

THENCE WEST 40 RODS TO THE EAST LINE OF THAT TRACT OF LAND CONVEYED BY A.J. CROUSE TO ALFRED WILSON BY DEED RECORDED JULY 5, 1944 IN BOOK 109, PAGE 131, DEED RECORDS;

THENCE SOUTH 9 RODS ALONG THE EAST LINE OF SAID WILSON TRACT;

THENCE EAST 40 RODS;

THENCE NORTH 9 RODS TO THE PLACE OF BEGINNING.

Note: Boundary based upon record information

PREPARED BY:
PROJECT DELIVERY GROUP
Engineers | Land Surveyors | Project Managers

REGISTERED PROFESSIONAL LAND SURVEYOR
OREGON
MAY 15, 2012
KEITH WHISENHUNT
62670
RENEWAL DATE: 6/30/18

DATE SIGNED:

PREPARED FOR:
THE W GROUP

APPROVED

SHEET TITLE
NEWBERG APT'S BOUNDARY EXHIBIT

G-1.01

Exhibit "C": Existing Comprehensive Plan & Zoning Map

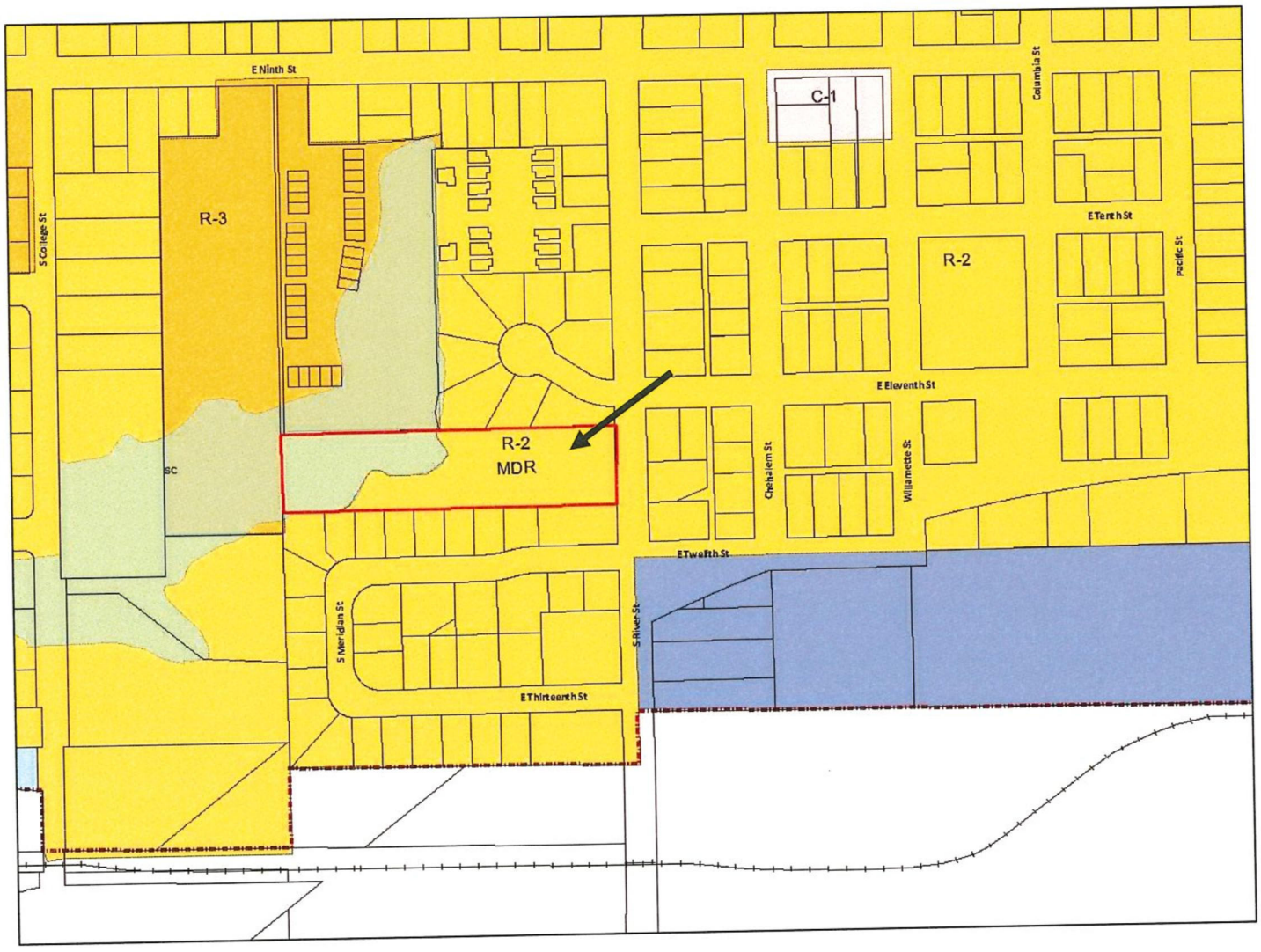
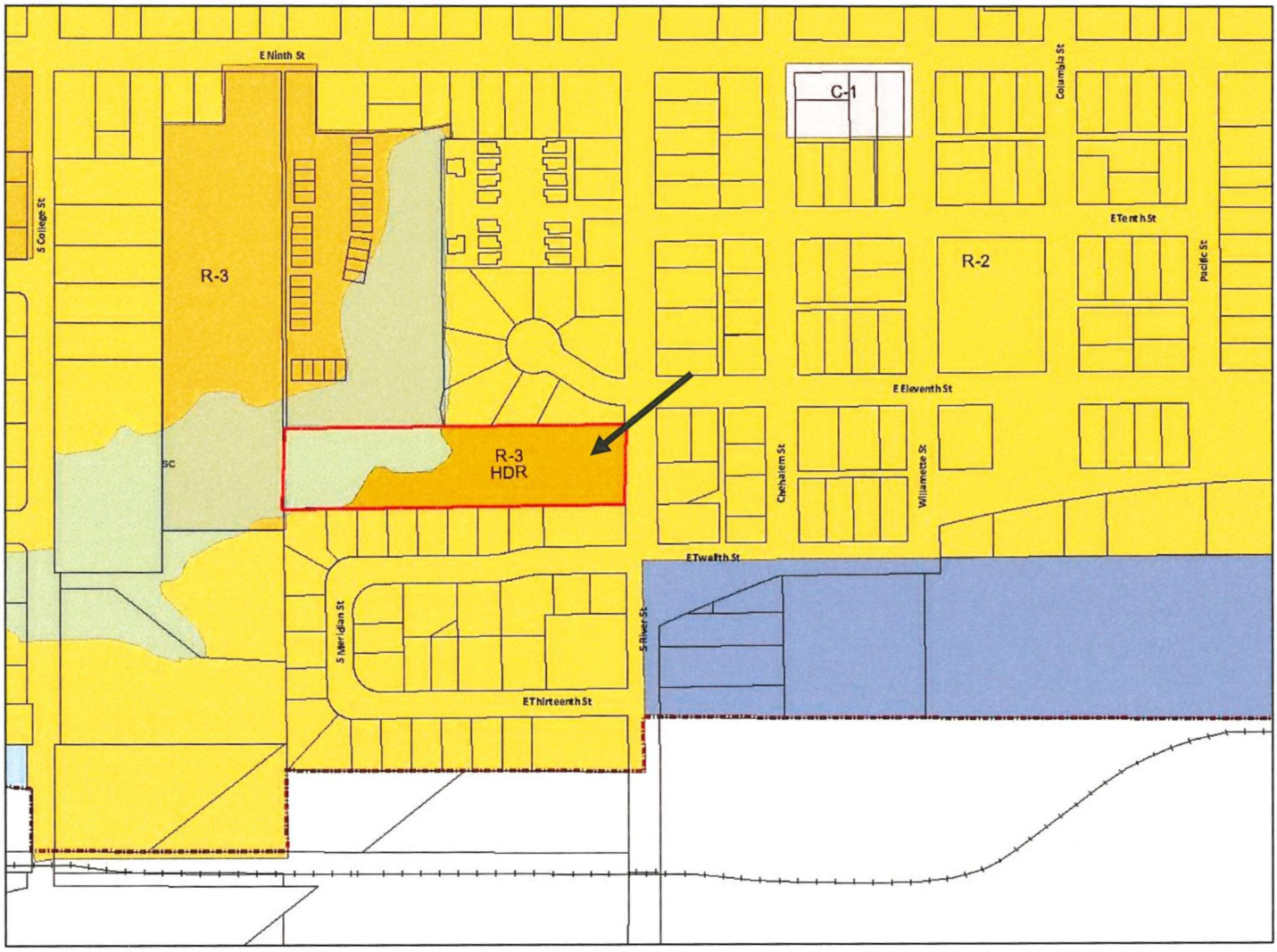


Exhibit "D": Proposed Comprehensive Plan & Zoning Map



Written Comments: File No: CPMA 18-0002/ZMA 18-0001
City of Newberg
Planning & Building Department
PO Box 970 Newberg, OR 97132
cc: Traffic Safety committee

Dear Planning & Building Department,

As I looked over the plans for a 45 unit apartment complex in my neighborhood, I have several concerns that should be brought to your attention. They all have to do with the traffic impacts on River Street. For each, I have also proposed a solution.

1. The intersection of River Street and 6th Street has a stop sign for traffic on River Street but not on 6th Street. There is more traffic on River Street than on 6th Street. With the new development there will be much more traffic on River Street than on 6th Street. There are two possible solutions to this. One is to change the stop sign so that 6th Street traffic stops and River Street traffic does not stop. The simpler solution that I favor is to put a 4 way stop at that intersection making it like the intersection at 4th and River.

2. The intersection of River Street and 99W, even with a light, has a serious problem that I encounter frequently. With heavier traffic on River Street, this problem will be exacerbated. Most cars exiting River Street turn right towards the East. About one third of the traffic turns left. River Street is only two lanes except right at the end it is widened to 3 lanes to give a turn lane. This turn lane is about 3 cars long. The problem arises when there are more than 3 cars waiting to turn right (nearly every light). The excess cars block access to the left turn lane. The only way a car can get to the left turn lane without waiting is to swing left into the oncoming lane around those cars waiting to turn right. This happens all the time.

The solution is to lengthen the turn lanes. This can be easily done by removing the barrier and the 8 parking spots for the park. Make that whole section of road two lanes for turning left and turning right. Then the parking for the park should be moved to the lot for the old swimming pool at the corner of 3rd Street and River.

3. The left turn lane off 99W into River Street even now often backs up into the regular traffic lane. With increased traffic down River Street, this back up will be more frequent and create a hazard on 99W. The solution is to adjust the light so that the wait time for the turn lane is not as long.

4. River street in general is one of the most broken up and deteriorating streets in the city. I didn't see it on the list of those to fix or repave in the near future. It's priority for repaving needs to be bumped up especially with the increased traffic that it is going to get. And when you do repave it, how about widening it at least 10 feet.

Thank you for considering these requests.

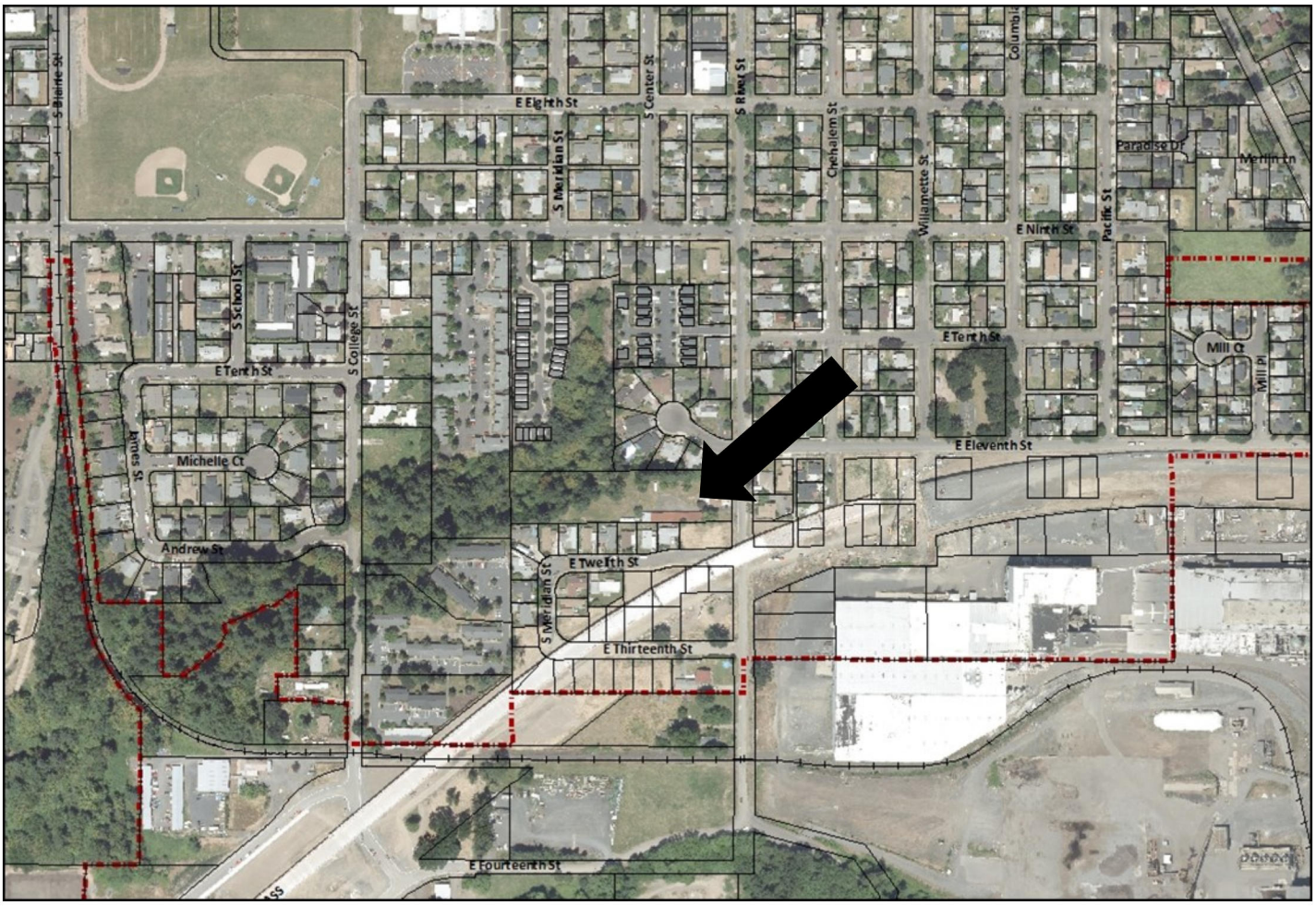
Sincerely,

David P. Venable

David P. Venable
1005 E 11th Ct, Newberg
503-538-4099

River Street 99W intersection

Write a description for your map.


E Eighth St
S Center St
S River St
S Meridian St
Chehalem St
Willamette St
Columbia
Paradise Dr
Merlin Ln
E Ninth St
Pacific St
S School St
S College St
E Tenth St
E Tenth St
Mill Ct
Mill Pl
E Eleventh St
Michelle Ct
Ames St
Andrew St
E Twelfth St
S Meridian St
E Thirteenth St
E Fourteenth St

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TYPE III APPLICATION - 2017
(QUASI-JUDICIAL REVIEW)

File #: _____

TYPES – PLEASE CHECK ONE:

___ Annexation
___ Comprehensive Plan Amendment (site specific)
___ Zoning Amendment (site specific)
___ Historic Landmark Modification/alteration
___ Conditional Use Permit
___ Type III Major Modification
___ Planned Unit Development
_x_ Other: (Explain) Zone Change

APPLICANT INFORMATION:

APPLICANT: RHW Enterprises INC
ADDRESS: 5201 SW Westgate Portland OR 97221
EMAIL ADDRESS: wade@thewgropuloans.com markdaneplanning@gmail.com
PHONE: 5033327167 MOBILE: 5038199244 FAX: 503 296 2980
OWNER (if different from above): Carol Boyes PHONE: _____
ADDRESS: _____
ENGINEER/SURVEYOR: Mark Dane Planning PHONE: 503 332 7167
ADDRESS: 12725 SW Glenhaven Street Portland OR 97225

GENERAL INFORMATION:

PROJECT NAME: River Street Apartments PROJECT LOCATION: 1109 S River Street Newberg
PROJECT DESCRIPTION/USE: 45unit new construction apartment complex / Comp plan and zone change to R3
MAP/TAX LOT NO. (i.e.3200AB-400): R3220CC 05400 ZONE: R2 SITE SIZE: 2.3 SQ. FT. ☐ ACRE ☐■
COMP PLAN DESIGNATION: Low Density TOPOGRAPHY: Flat with draw at west edge
CURRENT USE: Vacant
SURROUNDING USES:
NORTH: SFR/ Apartments SOUTH: SFR
EAST: Duplex WEST: Apartments

SPECIFIC PROJECT CRITERIA AND REQUIREMENTS ARE ATTACHED

General Checklist: ☐ Fees ☐ Public Notice Information ☐ Current Title Report ☐ Written Criteria Response ☐ Owner Signature

For detailed checklists, applicable criteria for the written criteria response, and number of copies per application type, turn to:

Annexation .....p. 15
Comprehensive Plan / Zoning Map Amendment (site specific) .....p. 19
Conditional Use Permit .....p. 21
Historic Landmark Modification/Alteration .....p. 23
Planned Unit Development p.26

The above statements and information herein contained are in all respects true, complete, and correct to the best of my knowledge and belief. Tentative plans must substantially conform to all standards, regulations, and procedures officially adopted by the City of Newberg. All owners must sign the application or submit letters of consent. Incomplete or missing information may delay the approval process.

DocuSigned by: Wade Willers 2/12/2018
Applicant Signature Date

DocuSigned by: Carol Boyes 2/12/2018
Owner Signature Date

Wade Willers
Print Name

Carol Boyes
Print Name

Attachments: General Information, Fee Schedule, Noticing Procedures, Planning Commission Schedule, Criteria, Checklists

First American

First American Title Company of Oregon

825 NE Evans Street
McMinnville, OR 97128
Phn - (503)376-7363
Fax - (866)800-7294

Order No.: 1032-2971979
November 20, 2017

FOR QUESTIONS REGARDING YOUR CLOSING, PLEASE CONTACT:
JESSICA GRELL, Escrow Officer/Closer
Phone: (503)538-7361 - Fax: (866)800-7290 - Email:jgrell@firstam.com
First American Title Company of Oregon
515 E Hancock, Newberg, OR 97132

FOR ALL QUESTIONS REGARDING THIS PRELIMINARY REPORT, PLEASE CONTACT:
Clayton Carter, Title Officer
Phone: (503)376-7363 - Fax: (866)800-7294 - Email: ctcarter@firstam.com

Preliminary Title Report

County Tax Roll Situs Address: 1109 South River Street, Newberg, OR 97132

2006 ALTA Owners Standard Coverage	Liability	$ 305,000.00	Premium	$	960.00
2006 ALTA Owners Extended Coverage	Liability	$	Premium	$	
2006 ALTA Lenders Standard Coverage	Liability	$	Premium	$	
2006 ALTA Lenders Extended Coverage	Liability	$ To Come	Premium	$	To Come
Endorsement 9.10, 22 & 8.1			Premium	$	100.00
Govt Service Charge			Cost	$	20.00
Other			Cost	$	

Proposed Insured Lender: To Be Determined

Proposed Borrower: RHW Enterprises Inc. and/or Assigns

We are prepared to issue Title Insurance Policy or Policies of First American Title Insurance Company, a Nebraska Corporation in the form and amount shown above, insuring title to the following described land:

The land referred to in this report is described in Exhibit A attached hereto.

and as of November 15, 2017 at 8:00 a.m., title to the fee simple estate is vested in:

Carol L. Boyes

Subject to the exceptions, exclusions, and stipulations which are ordinarily part of such Policy form and the following:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceedings

This report is for the exclusive use of the parties herein shown and is preliminary to the issuance of a title insurance policy and shall become void unless a policy is issued, and the full premium paid.

by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.

3. Easements, or claims of easement, not shown by the public records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.

4. Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.

5. Any lien, or right to a lien, for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.

The exceptions to coverage 1-5 inclusive as set forth above will remain on any subsequently issued Standard Coverage Title Insurance Policy.

In order to remove these exceptions to coverage in the issuance of an Extended Coverage Policy the following items are required to be furnished to the Company; additional exceptions to coverage may be added upon review of such information:

A. Survey or alternative acceptable to the company
B. Affidavit regarding possession
C. Proof that there is no new construction or remodeling of any improvement located on the premises. In the event of new construction or remodeling the following is required:
   i. Satisfactory evidence that no construction liens will be filed; or
   ii. Adequate security to protect against actual or potential construction liens;
   iii. Payment of additional premiums as required by the Industry Rate Filing approved by the Insurance Division of the State of Oregon

6. Water rights, claims to water or title to water, whether or not such rights are a matter of public record.

7. Taxes for the year 2017-2018

Tax Amount	$	4,971.67
Unpaid Balance:	$	4,971.67, plus interest and penalties, if any
Code No.:	29.0	
Map & Tax Lot No.:	R3220CC-05400	
Property ID No.:	62185	

8. City liens, if any, of the City of Newberg.

   Note: There are no liens as of August 07, 2017. All outstanding utility and user fees are not liens and therefore are excluded from coverage.

9. The rights of the public in and to that portion of the premises herein described lying within the limits of streets, roads and highways.

10. Agreement and the terms and conditions thereof:

Between:	Dale D. Voss and Alice A. Voss
And:	Brentwood Corporation and Gary Albertson
Recording Information:	June 21, 1991 in Film Volume 256, Page 370, Deed and Mortgage Records

11. Deed of Trust and the terms and conditions thereof.

Grantor/Trustor:	Charles M Boyes and Carol L Boyes, as tenants by the entirety
Grantee/Beneficiary:	West Coast Bank
Trustee:	West Coast Trust
Amount:	$250,000.00
Recorded:	May 07, 2007
Recording Information:	Instrument No. 200709924, Deed and Mortgage Records

- END OF EXCEPTIONS -

NOTE: According to the public record, the following deed(s) affecting the property herein described have been recorded within 24 months of the effective date of this report: NONE

NOTE: We find no matters of public record against RHW Enterprises, Inc. that will take priority over any trust deed, mortgage or other security instrument given to purchase the subject real property as established by ORS 18.165.

Situs Address as disclosed on Yamhill County Tax Roll:

1109 South River Street, Newberg, OR 97132

THANK YOU FOR CHOOSING FIRST AMERICAN TITLE!
WE KNOW YOU HAVE A CHOICE!

RECORDING INFORMATION

Filing Address: **Yamhill County**
535 NE Fifth Street
McMinnville, OR 97128

Recording Fees: $ **41.00** for the first page
$ **5.00** for each additional page

cc: RHW Enterprises Inc. and/or Assigns
cc: Carol Boyes
cc: To Be Determined

cc: Rob Molzahn, Berkshire Hathaway HomeServices Northwest Real Estate
2501 Portland Road, Newberg, OR 97132
cc: Rob Molzahn, Berkshire Hathaway HomeServices Northwest Real Estate
2501 Portland Road, Newberg, OR 97132

First American Title Insurance Company

SCHEDULE OF EXCLUSIONS FROM COVERAGE

ALTA LOAN POLICY (06/17/06)

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
   (a) a fraudulent conveyance or fraudulent transfer, or
   (b) a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

ALTA OWNER'S POLICY (06/17/06)

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
   (i) the occupancy, use, or enjoyment of the Land;
   (ii) the character, dimensions, or location of any improvement erected on the Land;
   (iii) the subdivision of land; or
   (iv) environmental protection;
   or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
   (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
   (a) created, suffered, assumed, or agreed to by the Insured Claimant;
   (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
   (c) resulting in no loss or damage to the Insured Claimant;
   (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
   (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
   (a) a fraudulent conveyance or fraudulent transfer; or
   (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

SCHEDULE OF STANDARD EXCEPTIONS

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records; proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.
3. Easements, or claims of easement, not shown by the public records; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
4. Any encroachment (of existing improvements located on the subject land onto adjoining land or of existing improvements located on adjoining land onto the subject land), encumbrance, violation, variation, or adverse circumstance affecting the title that would be disclosed by an accurate and complete land survey of the subject land.
5. Any lien" or right to a lien, for services, labor, material, equipment rental or workers compensation heretofore or hereafter furnished, imposed by law and not shown by the public records.

NOTE: A SPECIMEN COPY OF THE POLICY FORM (OR FORMS) WILL BE FURNISHED UPON REQUEST

TI 149 Rev. 7-22-08

First American Title

Privacy Information

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.
In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.
There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.
FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Fair Information Values

Fairness We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.
Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.
Use We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.
Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.
Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.
Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.

Exhibit "A"

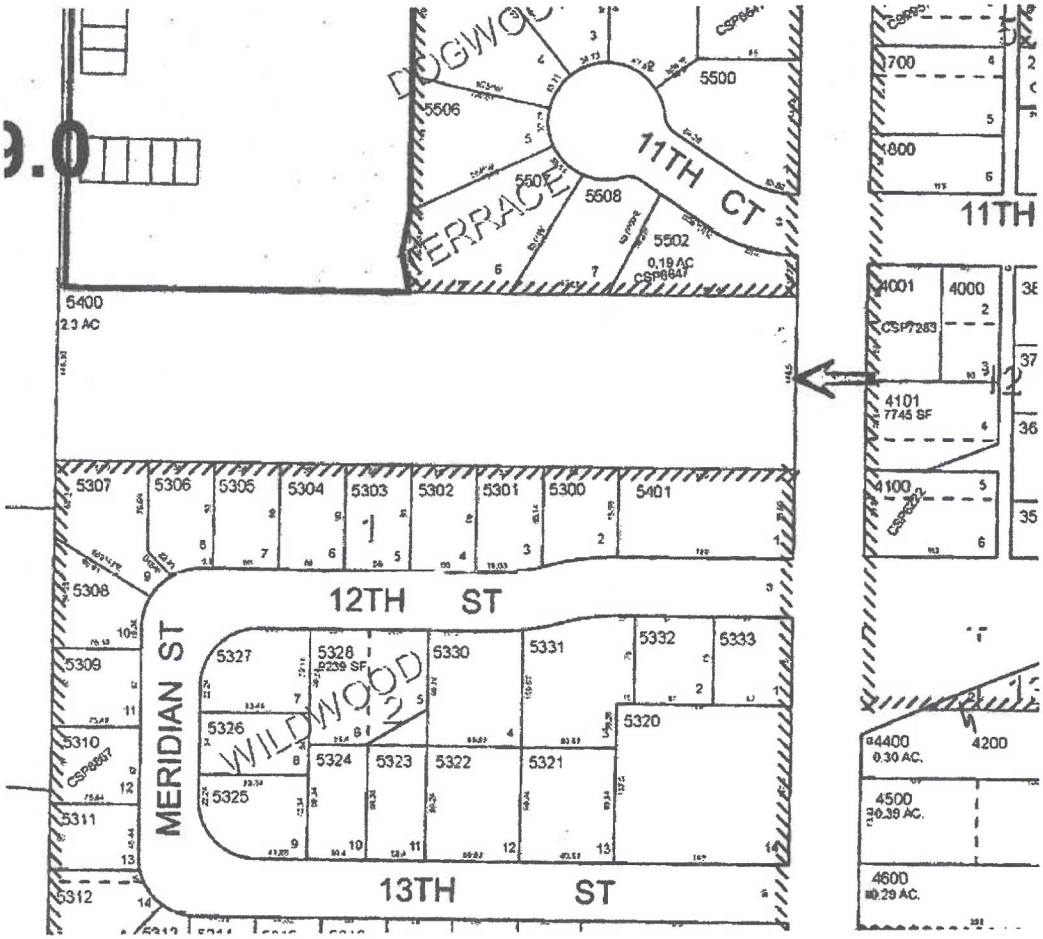
Real property in the County of Yamhill, State of Oregon, described as follows:

A tract of land in the Joseph B. Rogers Donation Land Claim No. 55 in Township 3 South, Range 2 West of the Willamette Meridian in Yamhill County, Oregon, described as follows:

BEGINNING on the East line of and North 68 rods from the Southeast corner of that tract of land conveyed by Edwin R. Poppleton to Jesse Edwards by Deed recorded May 27, 1887 in Book "Y" Page 92, Deed Records, from which a maple tree 10 inches in diameter bears North 66°30' West 37 links; thence West 40 rods to the East line of that tract of land conveyed by A.J. Crouse to Alfred Wilson by Deed recorded July 5, 1944 in Book 109, Page 131, Deed Records; thence South 9 rods along the East line of said Wilson tract; thence East 40 rods; thence North 9 rods to the place of beginning.

First American

This map is furnished for illustration and to assist in property location. The company assumes no liability for any variation in dimensions by location ascertainable by actual survey



MARK DANE PLANNING INC.
14631 SW MILLIKAN WAY, SUITE 6, BEAVERTON OR 97006 / 503-332-7167

ATTACHMENTS:

1) Appended Narrative
2) Existing Conditions Plan
3) Conceptual Site Plan
4) Site Plan with Aerial Overlay
5) Boundary Exhibit
6) Area Map
7) Planning Commission Notice
8) Updated Traffic Report
9) Ordinance 2018-2824
10) Covenant of Waiver of Rights and Remedies

Application for Comprehensive Plan Amendment and Zone Change for 1109 South River Street

Submitted to:
City of Newberg Planning Department
Newberg City Hall
414 E. First Street
Newberg, OR 97132

Applicant:
RHW Enterprises Inc
Att: Wade Willers
5201 SW Westgate,
Portland OR 97221
503-819-9244 / 503-296-2980

Owner:
Carol Boyes
1109 South River Road, Newberg

Land Use
Mark Dane Planning Inc.
14631 SW Millikan Way # 6
Beaverton OR 97003
(503) 332-7167
Contact: Mark Dane
(markdaneplanning@gmail.com)

Civil Engineer: TBD

Traffic Engineer: Lancaster Traffic Engineering
Todd E. Mobley, PE | Principal
321 SW 4th Avenue, Suite 400 |
Portland, OR 97204
O: 503-248-0313 | C: 503-319-9811 |
todd@lancasterengineering.com

Economist: Cogan Owens Greene *
813 Alder Street, Suite 320
Portland, OR 97205-3111
**Original Source of work from obtained from public files*

Site Location:	1109 South River Street Property
Assessor's Information:	Tax Map 3220CC -05400
Site Size:	2.13 Acres
Existing Land Use/Zone:	Low Density Residential (LDR) / R-1
Proposed Land Use/Zone:	High Density Residential (HDR) / R-3

I. General Information 3

Request 3

Project Description 3

Site Description 3

Comprehensive Plan Map: 5

Zoning Map: 5

II. Applicable Review Criteria 6

Newberg Development Code 6

Chapter 15.100 LAND USE PROCESSES AND PROCEDURES 6

Article I. Procedure Types and Determination of Proper Procedures 6

Article II. Processing Type I – IV Development Actions 7

Article III. Appeals 7

Article IV. Notice 7

Chapter 15.302 DISTRICTS AND THEIR AMENDMENT 8

Chapter 15.305 ZONING USE TABLE 11

Chapter 15.405 LOT REQUIREMENTS 12

Newberg Comprehensive Plan 15

III. GOALS AND POLICIES 15

A. CITIZEN INVOLVEMENT 15

I. HOUSING 15

K. TRANSPORTATION 17

L. PUBLIC FACILITIES AND SERVICES 21

M. ENERGY 22

N. URBANIZATION 22

III. PLAN CLASSIFICATIONS 23

IV POPULATION GROWTH 23

A. HISTORIC POPULATION 23

B. POPULATION PROJECTIONS 24

V. LAND NEED AND SUPPLY 24

IV. Conclusion 28

I. General Information

Request

Comment: *RHW Enterprises Inc is requesting approval of a Type III Comprehensive Plan Amendment and Zone Change from Med Density Residential/R-2 to High Density Residential/R-3 for 2.13 acres on Tax lot R3220CC 05400 (the property is overlaid with a stream corridor overlay so that the net site area is 1.33 acres. This written narrative, together with preliminary plans and other documentation included in the application materials, establishes that the application follows all applicable approval criteria. This documentation represents substantial evidence and provides the basis for the Planning Commission and City Council to approve the application.*

Project Description

Comment: *Ultimately, RHW Enterprises Inc intends to build an apartment complex on the River Street property. A concept sketch has been included in Exhibit A, although this application is only for the Comprehensive Plan Amendment and Zone Change at this time. If approved, the Applicant will then submit a Development Review application for the final site design. The Applicant will meet with surrounding property owners in January 2018 to discuss the land use proposal. Concept sketches were shared, as well as example building elevations. It is anticipated that Key areas of concern will be traffic impacts, the number of units proposed, and adequate parking.*

From a land use perspective, Yamhill County projects a growth rate for Newberg of approximately three percent per year over the next 15 years. A Publicly available Housing Needs Analysis prepared by Cogan Owens Green, for a recent land development project the land available for residential development within the Newberg Urban Growth Boundary is not sufficient to accommodate this expected growth. Newberg lacks enough land in the LDR, MDR, and HDR designations. Proportionately, Newberg only has current capacity to accommodate 89% of the projected LDR need, 34% of the projected MDR need, and only 13% of the projected HDR need. Changing the South River Street property from MDR to HDR will allow for more efficient use of the limited land available within the Urban Growth Boundary but will also provide more diverse housing opportunities.

Site Description

Comment: *The South River Street property (R3220CC 05400) is located on the west side of River Road just north of the new bypass Road. The parent parcel currently contains a house, and oversized garage. This site has remained unused, and largely vacant as the neighborhoods around it have developed to urban densities. Land to the north has been developed on the west half of the north line with apartments and single-family homes on E 11th Court. The property to the west has also been developed with apartments (Woodside Apartments). The property to the south has been developed with double wide manufactured homes. East of the property is a fourplex, and a single-family home Facing E 11th Street. These homes are over shadowed by the new bypass that is raised some 60-ft to 80-ft above the ground.*

The area is flat, but there is a draw along the western third of the property that flows southwest and falls from a top of bank to a low point of 128-feet. There is a small creek that runs along a clearly demarked food hazard area about 30-40-feet wide, and the toe of the slope. This draw is wooded. There is also a line of mature conifers that run along the central portion of the north line. It is the applicants goal where possible to retain these trees, as a vertical screen between the existing homes, and the proposed apartments. There is an SC overlay that roughly covers the Draw location. This area has been netted out of the density calculation.

DESCRIPTION OF SURROUNDING AREA

Area Jurisdiction Zoning Land Uses

North	Newberg R-3: Multifamily residential / R2 single family residential
South	Newberg R-2: Single Family Residential
East	Newberg R-2: Single-family detached residential / and multifamily
West	Newberg R-3: Multi family

PUBLIC UTILITIES

Streets:

Comment: *There is currently a 60-ft right-of-way. River Street is a Major Collector. This functional classification requires between 57 to 80-feet. The applicant is requesting that the existing right of-way is sufficient, and that given that the properties both north and south of this parcel are fully developed that there is little chance of this street being widened. That to continue to match the curb line, that the existing curb not be altered. The street is currently 24-feet wide, with 18-feet from face of curb to the property line. There is currently a 4-ft wide sidewalk located 1.5 -feet forward of the property line. This should be replaced with a 5-ft sidewalk, 1 ft forward of said right-of-way.*

Wastewater:

Comment*: There is a 12-inch wastewater line along the east side of River Street. City GIS data indicates two service laterals extending to the property near the north and south ends of the property. Capacity of the existing service lateral and wastewater main will be verified by the applicant as suitable for the intended project. There is also an abandoned 27-inch wastewater line located on the west side of S. River Street that was installed in 1987 and served both sides of S. River Street. This will remain untouched.*

Water:

Comment: *There is a 6-inch water line on S. River Street (Ductile Iron – 1969), with a ¾-inch copper service lateral serving the property. Fire flow testing will be required. The applicant will propose either a 1 of 1 ½" combined domestic / fire flow meter and run the water line back onto the property. There will be a fire turn around, and probably a fire hydrant will be required at the time of the apartment design being submitted.*

Stormwater:

Comment: *There is an 18-inch storm line located on the east side of S. River Street. However, no public improvements will be required to be treated. All the private onsite storm drainage will be treated onsite in a water quality swale, and then delivered into the draw along the western edge of the property.*

III. Applicable Review Criteria Newberg Development Code

Chapter 15.100 LAND USE PROCESSES AND PROCEDURES

Article I. Procedure Types and Determination of Proper Procedures

15.100.010 Procedures for processing development permits.

All development permits shall be classified as one of the following: Type I,

Type II, Type III, or Type IV procedures.

15.100.050 Type III procedure – Quasi-judicial hearing.

A. All Type III decisions shall be heard and decided by the planning commission. The planning commission's decision shall be final unless the decision is appealed, or the decision is a recommendation to the city council.

B. Type III actions include, but are not limited to:

8. Comprehensive plan map amendments: this action is a recommendation to the city council.

9. Zoning map amendments and designation of subdistricts: this action is a recommendation to the city council.

C. Planning Commission Decisions and Recommendation Actions.

1. Planning Commission Decision. Development actions shall be decided by the planning commission for those land use actions that require a Type III procedure and do not require the adoption of an ordinance. The decision shall be made after public notice and a public hearing is held in accordance with the requirements of NMC 15.100.090 et seq. A Type III decision may be appealed to the city council by a Type III affected party in accordance with NMC 15.100.160 et seq.

2. Planning Commission Recommendation to City Council. Land use actions that would require the adoption of an ordinance shall be referred to the city council by the planning commission together with the record and a recommendation. The recommendation shall be made after public notice and a public hearing is held in accordance with the requirements of NMC 15.100.090 et seq.

D. City Council Action. If a recommendation to the city council is required, the matter shall be reviewed by the city council as a new hearing. The final decision on these actions is made by the city council.

E. The applicant shall provide notice pursuant to NMC 15.100.200 et seq.

F. The hearing body may attach certain conditions necessary to ensure compliance with this code.

G. If the application is approved, the director shall issue a building permit when the applicant has complied with all of the conditions and other requirements of this code.

H. If a Type III application is denied, or if the applicant wishes to make substantive modifications to an approved application, the applicant may modify the application after the planning commission hearing and request a new planning commission hearing to consider the application. An application so modified shall be considered a new application for purposes of the 120-day Comprehensive Plan Amendment and time limit for processing applications in accordance with NMC 15.100.100 and state statutes. The applicant shall acknowledge in writing that this is a new application for purposes of the 120-day rule. The city council shall establish a fee for such a reconsideration or modification by resolution. Application of this provision is limited to three times during a continuous calendar year.

Comment: *This application proposes a Comprehensive Plan Amendment and Zone Change. This will be reviewed as a Type III application reviewed by the Planning Commission with a recommendation to City Council for a final decision. The Applicant will provide notice of the hearings in compliance with the development code. This criterion will be met.*

15.100.150 Decision, findings and order – Types III and IV.

A. Following the hearing for review of a development permit, the hearing body shall approve, conditionally approve, or deny the application. If the hearing is an appeal, the hearing body shall affirm, reverse, or remand the decision that is on appeal.

B. The hearing body shall prepare written findings of fact and an order which shall include:

1. A statement of the applicable criteria against which the proposal was tested.

2. A statement of the facts that the hearing body found establishing compliance or noncompliance with each applicable criterion and assurance of compliance with applicable standards.

3. The reasons for a conclusion to approve or deny.

4. The decision to approve the proposed change with or without conditions, or the decision to deny the proposed change.

C. The director shall notify the applicant and others entitled to notice of the disposition of the application within five calendar days of the written decision. This shall include the applicant, anyone providing written testimony prior to the close of the hearing, anyone providing oral testimony at the hearing, or anyone requesting such notice. The notice shall include a description of the item, indicate the date that the decision will take effect and describe the right of appeal pursuant to NMC 15.100.160 et seq.

Comment: *This Type III application will be reviewed by the Planning Commission with a recommendation to City Council for a final decision. The City Council will issue a final decision based on written findings of fact and notify all participants.*

Article III. Appeals

15.100.160 Appeal procedures.

C. Type III. An appeal of a Type III decision by the planning commission may be appealed within 14 calendar days of the date of the planning commission's written decision. Appeals may be made only by an affected party, Type III. Article IV. Notice

15.100.200 Compliance required.

Notice on all Type I through Type IV actions, including appeals, shall be conducted in accordance with this article.

15.100.210 Mailed notice.

Mailed notice shall be provided as follows:...

15.100.230 Additional notice procedures for Type III quasi-judicial hearing. In addition to the requirements of NMC 15.100.210, mailed notice for Type III development actions shall also contain the following:...

15.100.260 Procedure for posted notice for Type II and III procedures....

15.100.270 Procedure for published notice on Type III and Type IV procedures....

Comment: *The Applicant will work with City Staff to provide all required notice for this Type III application. This criterion will be met.*

Chapter 15.302 DISTRICTS AND THEIR AMENDMENT

15.302.030 Procedures for comprehensive plan map and zoning map amendments.

This section describes the procedures and criteria that apply to any application to amend the land use designations identified on the comprehensive plan map, zoning map and land use regulations.

A. Type III Plan and Zoning Map Amendments – One Parcel or Small Group of Parcels.

1. Property owners or the city may initiate a map amendment for one parcel or a small group of parcels under the Type III procedure. May be initiated by a resolution of the planning commission or city council. Unlike other Type III procedures, the decision of the planning commission on a Type III plan map amendment shall be in the form of a recommendation to the city council. The city council will hold another new hearing and make a final decision.

Comment: *The Applicant, RHW Enterprises Inc proposes a Comprehensive Plan Amendment and Zone Change for one parcel, Tax lot R2110CC 05400. This will be reviewed as a Type III application reviewed by the Planning Commission with a recommendation to City Council for a final decision.*

2. Where an application has been denied, no new application for the same purpose shall be filed within one year of the date of the previous denial unless the city council for good cause shall grant permission to do so.

3. Amendment Criteria. The owner must demonstrate compliance with the following criteria:

a. The proposed change is consistent with and promotes the goals and policies of the Newberg comprehensive plan and this code;

Comment: *The goals and policies of the Comprehensive Plan are addressed in detail later in this narrative. Overall, the proposed Plan and Zoning Map amendments promote the efficient use of limited land within the Urban Growth Boundary, improve housing diversity in this area of Newberg, provide affordable multi-family housing close to employment and urban services, and located along a major collector. These all match the goals and policies outlined in the Comprehensive Plan.*

b. Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change;

Comment: *Exhibit D includes an Infrastructure Analysis for the proposed Comprehensive Plan Amendment and Zone Change. This memo reviews the existing infrastructure for domestic water, sanitary sewer, and storm drainage. It then reviews the impact that the potential 45 dwelling units will have on the existing*

infrastructure and identifies any mitigation necessary to accommodate this additional impact. In addition, the memo outlines the expected transportation improvements necessary for development based upon City Standards, the Transportation System Plan, and recommendations from the Traffic Impact Analysis in Exhibit F. In summary, the water, sewer, and storm drainage facilities have sufficient capacity to accommodate development of the South River road development. Expected transportation improvements may include half street widening for South Road including the addition of a bike lane and sidewalks. The applicant would however like to discuss this further. Given the existing curb it would appear to propose a waiver of remonstrance against any future improvements while maintaining continuity of the current street and sidewalk infrastructure.

c. Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

***Comment**: A full Transportation Impact Analysis (Attachment 8) specifically addresses the Transportation Planning Rule OAR 660-12-0060. The proposed zone change does not require or result in any changes to the functional classification of any transportation facility near the site or to the standards that implement the functional classification system*

4. The property owner who desired to have their property reclassified has the burden of establishing that the requested classification meets the requirements of this section. As part of the application, the property owner requesting a change shall file a waiver stating that the owner will not file any demand against the city under Ballot Measure 49, approved November 6, 2007, that amended ORS Chapters 195 and 197.

***Comment:** The amendment criteria have been addressed above and throughout this narrative. The property owner will sign a waiver on City forms.*

5. A traffic study shall be submitted for any proposed change that would significantly affect a transportation facility, or that would allow uses that would increase trip generation in excess of 40 trips per p.m. peak hour. This requirement may be waived by the director when a determination is made that a previous traffic study adequately addresses the proposal and/or when off-site and frontage improvements have already been completed, which adequately mitigate any traffic impacts and/or the proposed use is not in a location, which is adjacent to an intersection, which is functioning at a poor level of service. A traffic study may be required by the director for changes in areas below 40 trips per p.m. peak hour where the use is located immediately adjacent to an intersection functioning at a poor level of service. The traffic study shall be conducted according to the City of Newberg design standards.

***Comment:** A full Traffic Impact Analysis has been included (Attachment 8). This report studied both the impact of the proposed zone change on the 2035 performance of the planned transportation system, as well as the short term build out impacts of the proposed apartment complex on the existing roadway system and listed necessary mitigation measures to ensure there is not a significant degradation of the Newberg Transportation system.*

15.302.032 Purposes of each zoning district.

15.302.032 Purposes of each zoning district.

B. R-2 Medium Density Residential District.

1. The purpose of this land use designation is to provide a wide range of dwelling types and styles at an average overall density of nine units per gross buildable acre in the district.

2. Typical housing types will include single-family dwellings on small lots, attached single-family, duplex or multifamily dwellings, and manufactured dwelling parks. The district also is intended to allow low intensity institutional uses that operate consistent with peaceful enjoyment of residential neighborhoods. The R-2 district is intended to be consistent with the medium density residential (MDR) designation of the comprehensive plan.

C. R-3 High Density Residential District.

1. The purpose of this land use designation is to provide multifamily dwellings of different types and styles at an average overall density of 16.5 units per gross buildable acre in the district.

2. Typical housing types will include duplexes, multifamily dwellings, and manufactured dwelling and mobile home parks. The district also is intended to allow low intensity institutional uses that operate consistent with peaceful enjoyment of residential neighborhoods. Density may vary depending on lot size, off-street parking area, transportation, landscaping and other site considerations. The R-3 district is intended to be consistent with the high density residential (HDR) designation of the comprehensive plan.

Comment: *If this application is approved, RHW Enterprises Inc will submit for Site Plan Review for an apartment complex based on the Concept Sketch in Exhibit A. The land use review will consider parking, intensity, landscaping, buffering, and transportation impacts. The Concept Plan has been revised based on neighborhood feedback to reduce the number of dwelling units, increase the number of parking spaces per dwelling unit, and reduce the number of structures adjacent to existing homes along the northern property line. The impact of the apartments has in part been mitigated by retention of a number of the conifers trees along the properties northern boundary.*

An R-3 designation is appropriate in this location due to several factors. The size of the property allows for thoughtful site planning, with three story structures along the northern boundary separated by the existing trees and significant separation for buffering. The location is within walking and biking distance to several parks including boat access to the Tualatin River. South River road planned for bike lanes for convenient alternative connections to community services listed above, including education, employment, services, and recreation.

Chapter 15.305 ZONING USE TABLE

15.305.010 Classification of uses.

The zoning use table under NMC 15.305.020 identifies the land uses that are allowed in the various zoning districts.

# Use	R-2	R-3	Notes and Special Use Standards
200 RESIDENTIAL USES			
Def. Dwelling, single-family detached	P(2)	P(3)	Subject to density limits of NMC 15.405.010(B)
Def. Dwelling, single-family attached	S(2)	S(3)	NMC 15.415.050; subject to density limits of NMC 15.405.010(B)
Def. Manufactured home on individual lot 15.405.010(B)	S(2)	S(3)	NMC 15.445.050 – 15.445.070; subject density limits of NMC
Def. Manufactured dwelling park		S	NMC 15.445.075 – 15.445.160

Def. Mobile home park		S	NMC 15.445.075 – 15.445.160
Def. Manufactured home subdivision			NMC 15.445.075 – 15.445.160
Def. Dwelling, two-family (duplex)	P(2)	P	Subject to density limits of NMC 15.405.010(B)
Def. Dwelling multifamily	P	P	Subject to density limits of NMC 15.405.010(B)

Comment: *As previously described, the Applicant's goal is to build a multi-family apartment complex. This is a permitted use within the R-3 zone.*

Chapter 15.405 LOT REQUIREMENTS

15.405.010 Lot area – Lot areas per dwelling unit.

A. In the following districts, each lot or development site shall have an area as shown below except as otherwise permitted by this code:

1. In the R-1 district, each lot or development site shall have a minimum area of 5,000 square feet or as may be established by a subdistrict. The average size of lots in a subdivision intended for single-family development shall not exceed 10,000 square feet.

2. In the R-2, R-3, and RP districts, each lot or development site shall have a minimum area of 3,000 square feet or as may be established by a subdistrict. In the R-2 and R-P districts, the average size of lots

in a subdivision intended for single-family development shall not exceed 5,000 square feet.

Comment: *The proposed development site contains 2.13 acres, well above the minimum lot size of 3,000 square feet of this section. This criterion is met.*

B. Lot or Development Site Area per Dwelling Unit.

2. In the R-2, AR, and R-P districts, there shall be a minimum of 3,000 square feet of lot or development site area per dwelling unit. In the R-2 and R-P districts, lots or development sites more than 15,000 square feet used for multiple single-family, duplex or multifamily dwellings shall be developed at a minimum of one dwelling per 5,000 square feet lot area.

3. In the R-3 district, there shall be a minimum of 1,500 square feet of lot or development site area per dwelling unit. Lots or development sites more than 15,000 square feet used for multiple single-family, duplex or multifamily dwellings shall be developed at a minimum of one dwelling per 2,500 square feet lot area.

Comment: *The site contains 2.13 acres of 93,000 SF. The Stream corridor overlay subtracts out about 35,000 SF netting 58,000 SF. This Area divided 1,500 / 58,000 = 38.67 units. When a density transfer of the 35,000 SF of unbuildable area is multiplied in the unit count can be increased by 20% or 38.67 x 1.2 = 46.4 units. It is possible to develop the site with up to 45 units, and provide the necessary parking, and open space. This will be shown under the Design review submittal.*

C. In calculating lot area for this section, lot area does not include land within public or private streets. In calculating lot area for maximum lot area/minimum density requirements, lot area does not include land within stream corridors, land reserved for public parks or open spaces, commons buildings, land for preservation of natural, scenic, or historic resources, land on slopes exceeding 15 percent or for avoidance of identified natural hazards, land in shared access easements, public walkways, or entirely used for utilities, land held in reserve in accordance with a future development plan, or land for uses not appurtenant to the residence.

D. Lot size averaging is allowed for any subdivision. Some lots may be under the minimum lot size required in the zone where the subdivision is located, if the average size of all lots is at least the minimum lot size.

Comment: *Final net site area calculations will be provided for Site Design Review once a final design is proposed.*

15.405.030 Lot dimensions and frontage.

A. Width.

Widths of lots shall conform to the standards of this code.

Comment: *The proposed development parcel is 148.6-feet wide*

B. Depth to Width Ratio.

Each lot and parcel shall have an average depth between the front and rear lines of not more than two and one-half times the average width between the side lines. Depths of lots shall conform to the standards of this code. Development of lots under 15,000 square feet are exempt from the lot depth to width ratio requirement.

Comment: *The parcel is 629-feet wide giving it a width depth ratio of 4.2 : 1. This is the size of the pre-existing parcel and is not caused by the applicant who is requesting an adjustment to this standard.*

C. Area.

Lot sizes shall conform to standards set forth in this code. Lot area calculations shall not include area contained in public or private streets as defined by this code.

Comment: *The proposed develop parcel contains 2.13 acres on Tax lot R2110CC 05400 (the property is overlaid with a stream corridor overlay so that the net site area is 1.33 acres. No public, or private streets are proposed within the development site*

D. Frontage.

No lot or development site shall have less than the following lot frontage standards:

a. Each lot or development site shall have either frontage on a public street for a distance of at least 25 feet or have access to a public street through an easement that is at least 25 feet wide. No new private streets, as defined in NMC 15.05.030, shall be created to provide frontage or access.

b. Each lot in an R-2 and R-3 zone shall have a minimum width of 30 feet at the front building line.

c. Each lot in an R-1, AI, or RP zone shall have a minimum width of 50 feet at the front building line.

d. Each lot in an AR zone shall have a minimum width of 45 feet at the front building line.

Comment: *The proposed development has 148.6-feet of frontage onto South River Road*

2. The above standards apply with the following exceptions:

a. Legally created lots of record in existence prior to the effective date of the ordinance codified in this code.

b. Lots or development sites which, as a process of their creation, were approved with sub-standard widths in accordance with provisions of this code.

c. Existing private streets may not be used for new dwelling units, except private streets that were created prior to March 1, 1999, including paving to fire access roads standards and installation of necessary utilities, and private streets allowed in the airport residential and airport industrial districts.

Comment: *The proposed development parcel was a legally created parcel, and lot of record. Please see the attached Title Report.*

15.405.040 Lot coverage and parking coverage requirements.

A. Purpose. The lot coverage and parking coverage requirements below are intended to:

1. Limit the amount of impervious surface and storm drain runoff on residential lots.

2. Provide open space and recreational space on the same lot for occupants of that lot.

3. Limit the bulk of residential development to that appropriate in the applicable zone.

B. Residential uses in residential zones shall meet the following maximum lot coverage and parking coverage standards. See the definitions in NMC 15.05.030 and Appendix A, Figure 4.

1. Maximum Lot Coverage.

b. R-2 and RP: 50 percent.

2. Maximum Parking Coverage. R-1, R-2, R-3, and RP: 30 percent.

3. Combined Maximum Lot and Parking Coverage.

b. R-3: 70 percent.

Comment*: Final lot coverage and parking coverage calculations will be provided for Site Design Review once a final design is proposed.*

Newberg Comprehensive Plan

II. GOALS AND POLICIES

The following goals and policies are important elements in the Comprehensive Plan. These statements indicate the intent of the Plan and establish directions for future planning decisions and activities.

A. CITIZEN INVOLVEMENT

GOAL: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

Comment: *The public will also can participate in the Planning Commission hearing as well as the City Council hearing. Public notice will be provided for each of those hearings as well as a notice of decision for all who participate.*

I. HOUSING

GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.

POLICIES:

2. Location Policies

a. Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces.

Comment: *As noted before, an R-3 designation is appropriate in this location due to several factors. . IN part because it is adjacent to R3 zoning to the north along the western portion of that boundary, to the west, and is adjacent to a duplex, and has direct frontage onto a major collector street.*

3. Mix Policies

AFFORDABLE HOUSING means a dwelling unit that provides housing for a family or individual(s) with a household income less than the median household income for the Newberg area, such that a household pays no more than 30 percent of its annual income on housing (rent/mortgage, utilities, property taxes). Affordable housing may include a care home for low-income individuals. Affordability can be assured through deed-restriction or other recorded documents that specify qualifying income of buyers or renters, and limiting sales price, rent levels and appreciation. Affordable housing may also include small, market-rate dwelling units (e.g., studios, apartments and accessory dwelling units).

Comment: *The South River Street Project will not be an Affordable Housing project as defined by this Plan policy, but it will provide an affordable housing option for many residents of Newberg located close to employment, services, and educational uses. The proposed units will be a combination of one, two, and three-bedroom units with efficient internal layouts that allows for a lower overall rental rate. With the close proximity of George Fox University, students are an identified tenant profile that is sensitive to rental rates.*

b. Low and moderate-income housing should not be concentrated within particular areas of the City.

Comment: *This area of Newberg does not contain a large concentration of low and moderate-income housing. There is a new Affordable Housing project west on Meridian Street. Most other R-3/apartment lands (moderate income housing) are located in the southern portion of the City. Approval of this amendment would provide family wage housing opportunities in this area.*

k. The City shall encourage an adequate supply of rental housing dispersed throughout the City to meet the needs of renters.

Comment*: Again, this area of Newberg does not contain a large concentration of low and moderate-income housing. There is a new Affordable Housing project to the west on Meridian Street. Most other R-3/apartment lands are located in the southern portion of the City. Approval of this amendment would provide family wage housing opportunities in this area.*

o. The City has adopted a comprehensive approach to meeting local housing needs that balances density, design, and flexibility in code standards and procedures. The City shall use development incentives such as density bonuses, flexible development standards, and streamlined review procedures to stimulate or require the production and preservation of affordable housing. (replaces old policy "o")

Comment: *No density bonuses are requested. The proposed Plan Amendment and Zone Change will allow for development of an apartment complex. The proposed density is within the typical range for an apartment complex and matches the density of the R-3 zone.*

u. The City shall build understanding and support for affordable housing through educational forums with residents and employers, pre-application consultations with developers, and through local housing studies.

v. The City shall work with local affordable housing providers in developing an overall strategy for meeting Newberg's housing needs.

w. City resources shall be directed toward assisting public and private entities in producing and preserving affordable housing throughout the community.

z. To the extent possible, the City shall zone residential housing near employment centers.

Comment: *The Comprehensive Plan contains many goals and policies in support of affordable housing within Newberg. As noted above, this project will not meet the Plan's definition of affordable housing with specific rent and income limits, it will provide an affordable housing opportunity for the residents of Newberg. This property will also improve the diversity of housing opportunities.*

K. TRANSPORTATION

GOAL 3: Promote reliance on multiple modes of transportation and reduce reliance on the automobile.

POLICIES:

b. Modifications should be made to the City's land use plan and development ordinances that will decrease trip length and encourage non-auto oriented development.

2) The City shall encourage higher density development in residential areas near transit corridors, commercial areas and employment centers, including the downtown.

Comment: This proposed R-3 site is within walking and biking distance of the City center.

GOAL 4: Minimize the impact of regional traffic on the local transportation system.

POLICIES:

k. For the purposes of compliance with the Transportation Planning Rule, OAR 660-12-0060 and in order to support the goal exception that Yamhill County took to advance construction of the Bypass, the City of Newberg acknowledges that reliance upon the Bypass as a planned improvement to support comprehensive plan amendments or zone changes is premature. In accordance with OAR 660-012-0060, the Bypass will be considered a planned improvement that is reasonably likely to be constructed during the 20-year planning horizon when the OTP includes all or a specific phase of the Bypass in the construction section of the Statewide Transportation Improvement Program (STIP), or when ODOT provides a written statement that the improvements are reasonably likely to be provided by the end of the planning period. ODOT expects to provide such a letter upon receiving a record of decision for the design level EIS if it results in a record of decision authorizing a full Bypass or a specific Bypass phase that can be funded within the 20-year planning horizon. During the period before the Bypass can be considered a planned improvement, the City of Newberg will work with ODOT to pursue interim measures to comply with OAR 660-12-0060. This may include adopting alternative mobility standards for Oregon 99W and Oregon 219. For purposes of the Newberg TSP, alternative mobility standards are consistent with the planned function of Oregon 99W through Newberg as a lower speed local arterial intended to provide access to businesses and residences and a more pedestrian friendly environment. Alternative mobility standards may continue to be necessary on Oregon 99W and Oregon 219 until the full Bypass can be completed.

***Comment:** A full Transportation Impact Analysis can specifically addresses the Transportation Planning Rule OAR 660-12-0060. The proposed zone change does not require or result in any changes to the functional classification of any transportation facility in the vicinity of the site or to the standards that implement the functional classification system.*

GOAL 5: Maximize pedestrian, bicycle & other non-motorized travel throughout the City.

POLICIES: The City shall provide safe, convenient and well-maintained bicycle and pedestrian transportation systems that connect neighborhoods with identified community destinations, such as schools, parks, neighborhood commercial centers, and employment centers.

b. Bicycle parking facilities shall be required for all new and improved commercial, institutional, office, industrial, and multi-family development.

c. All new and improved commercial, office, institutional, and multifamily development shall be conveniently and directly accessible from the public right-of-way by bicycle and on foot.

d. Public sidewalks shall be provided along all public street frontages. Pedestrian traffic shall be separated from automobile traffic whenever possible.

(1) Sidewalks should be provided whenever there is development of abutting properties.

(2) Sidewalks should be constructed when any new road is constructed

(3) When existing roads are widened or improved, sidewalks should be provided.

h. On-street bike lanes or parallel bikeways will be provided on all designated major collector and arterial roadways, and on certain neighborhood collectors if warranted from a bicycle system connectivity standpoint.

Comment: *A significant appeal of this site for multi-family development is the location along South River Street which is planned for bike lanes to provide for convenient alternative connections to community services including education, employment, services, and recreation. Development of the site will require frontage improvements along South River Street to improve the bicycle and pedestrian corridor. On-site bicycle parking will also be required as well as a complete interior sidewalk system that connects South River Road. It is an important business investment to complete the pedestrian and bicycle connection to the George Fox campus, and throughout the City to attract student tenants, as well as families, and local businesses*

GOAL 7: Minimize the capital improvement and community costs to implement the transportation plan.

POLICIES:

a. The Transportation System Plan shall identify short and long term improvements to the collector/arterial street system, the public transit system, the pedestrian/bicycle system and the air, rail, water, and pipeline systems.

b. The list of improvement projects in the Transportation System Plan shall guide development of the city's capital improvement plan for transportation projects.

Comment: *Upon development of The South River Street project it will be required to make frontage improvements to to match City standards. In addition, the project is responsible for System Development Charges (SDC's) based on the number of proposed dwelling units. This is a best-case scenario of maximizing the available financing for immediate improvements directly associated with the project. This coordination will continue as the project moves through the public review process.*

i. New development and existing development undergoing expansion or modification shall be designed to accommodate planned long term transportation improvement projects in the vicinity of the development.

Comment: *As described below, development of the South River Street property may require frontage improvements to match City standards.*

GOAL 8: Maintain and enhance the City's image, character and quality of life.

POLICIES:

d. The City will encourage development that protects the integrity of existing neighborhoods, commercial, and industrial areas using the following design techniques.

1) New development and new transportation facilities shall be designed to meet the street classification, design, and access standards identified in the Transportation System Plan.

Comment: *As described below, South River Road is classified as a Major Collector. A half street right-of-way dedication of 30 feet will be required with development, as well as a half street widening of 34 feet to curb with a five foot bike lane, a six foot planter strip, and a six foot detached sidewalk. No on-street parking is permitted.*

GOAL 9: Create effective circulation and access for the local transportation system.

POLICIES:

c. Develop a system of roads that provide for efficient movement of traffic, considering the general design guidelines below:

4) Major Collectors. Major collectors serve multi-neighborhood areas. They are intended to channel traffic from local streets and/or minor collectors to the arterial street system. A major collector can also provide access to abutting properties.

- 60 to 80 feet of right-of-way with ten foot public utility easements.
- 34 to 46 feet curb to curb cross section.
- Five-foot bike lanes on both sides of the street.
- On-street parking is generally not allowed except in the downtown and other areas where special circumstances warrant. No parking will be allowed within 20 feet of curb return.
- A minimum six-foot planter strip and six-foot sidewalk on both sides of the street.

Comment: *South River Road is classified as a Major Collector. A half street right-of-way dedication of 30 feet will be required with development, as well as a half street widening of 34 feet to curb with a five foot bike lane, a six foot planter strip, and a six foot detached sidewalk. No on-street parking is permitted.*

L. PUBLIC FACILITIES AND SERVICES

GOAL: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

POLICIES:

1. All Facilities & Services Policies

a. The provision of public facilities and services shall be used as tools to implement the land use plan and encourage an orderly and efficient development pattern.

b. The extension of publicly-owned facilities and services into currently undeveloped areas shall occur only in accordance with the Public Facilities and Service Plan.

c. New public facilities and services shall be designed at levels consistent with planned densities and designated land uses for the area.

d. Services shall be planned to meet anticipated community needs.

e. Owners of properties which are located on unimproved streets should be encouraged to develop their streets to City standards.

f. Maximum efficiency for existing urban facilities and services will be encouraged through infill of vacant City land.

h. New residential areas shall have: paved streets, curbs, pedestrian ways, water, sewer, storm drainage, street lights and underground utilities.

2. Sewers and Water Policies

a. All existing development within the City limits will connect to public sewer and water systems as soon as they become available.

b. Water systems within the planning area will be designed to provide an adequate peak flow for fire protection.

c. Developments with urban densities should be encouraged to locate within the area which can be serviced by Newberg's present sanitary sewer system.

Comment: *The Newberg Water Master Plan shows that all property under an elevation of 300 feet can be served by the existing reservoir system. This property is at an elevation of 165 at the highest point, and can be served by public water. Eight inch waterlines are existing adjacent to the property within South River Road.*

Storm drainage can be treated on site in a water quality facility and released into the onsite creek which abuts the property along the west boundary. Sanitary sewer is also immediately adjacent to the site; there is an existing eight inch line in South River Road.

No development will be approved without sufficient capacity and improvements can be reasonably conditioned on land use decisions. Development of infill sites supports the policy of efficient use of existing infrastructure. The proposed Plan Amendment maximizes the efficiency of the public investment in water and sanitary sewer systems.

M. ENERGY

GOAL: To conserve energy through efficient land use patterns and energy- related policies and ordinances.

POLICIES:

1. Planning Policies

a. The City will encourage energy-efficient development patterns. Such patterns shall include the mixture of compatible land uses and a compactness of urban development.

Comment: *As noted above, Development of infill sites supports the policy of efficient use of existing infrastructure. The proposed Plan Amendment maximizes the efficiency of the public investment in water and sanitary sewer systems.*

N. URBANIZATION

GOALS:

1. To provide for the orderly and efficient transition from rural to urban land uses.

2. To maintain Newberg's identity as a community which is separate from the Portland Metropolitan area.

3. To create a quality living environment through a balanced growth of urban and cultural activities.

POLICIES:

3. General Policies

a. In new development areas all utility lines shall be placed underground. In existing areas an effort will be made to locate power, telephone, cable television and other utility cables underground over a period of time.

Comment: *All proposed infrastructure will be placed underground. Existing overhead wires along South River Road will be undergrounded with development of the site.*

III. PLAN CLASSIFICATIONS

For the purpose of evaluating and eventually implementing the proposed Comprehensive Plan, descriptions of land use classifications are essential. Explanations of the map designations are as follows:

2. Residential Land Use

Residential land is divided into three categories. Density rather than housing type is generally the most important development criteria used to classify residential areas. Manufactured dwelling parks, mobile home parks and manufactured home subdivisions are permitted outright in the medium density residential zone. Manufactured homes on individual single family lots are permitted.

c. High Density Residential (HDR)

The objective of this designation is to provide multi-family housing of different types while maintaining an overall density of up to 21.8 units to the acre. Typical housing types include apartments, townhouses, and a variety of cluster developments. Density may vary depending on lot sizes, off-street parking and other site constraints. Services shall include improved streets, underground utilities (except electric transmission lines), street lighting, sidewalks, and in some cases, bikeways.

Comment: *As stated previously, if this application is approved, the Applicant intends to submit a Site Plan Review application for an apartment complex as sketched out in the Concept Plan in Exhibit A. As described in this section, final density will depend on site constraints and parking, but will be line with adopted density controls. Full urban infrastructure will be required for development, including underground utilities, lighting, and street improvements as outlined in Exhibit D.*

IV POPULATION GROWTH

A. HISTORIC POPULATION

Comment: *Newberg grew over 500 percent from 1960 to 2010. This population growth was due to a variety of factors: regional population growth, expansion of industry and business in the area, proximity to other employment centers, and the high quality of life in the area.*

Table III-1. Newberg City Population – 1960-2009

Year	Population				
1960	4,204	**1980**	10,394	**2000**	18,064
1970	6,507	**1990**	13,086	**2010**	22,068

Sources: U.S. Census: The Portland State University Population Research Center estimated Newberg's population as of July 1, 2010 to be 22,110. As of July 1, 2011, the Urban Growth Boundary has an estimated population of 22,730.

B. POPULATION PROJECTIONS

Comment: *Population projections are the basis of comprehensive land use planning. To maintain a high quality of living, the community must plan for its future population. Population growth will require sufficient land and services. Many of the same factors that have contributed to Newberg's historic population growth will contribute to its future growth: employment opportunities both in Newberg and nearby, high quality of life, and regional population growth. Newberg is already experiencing a great amount of population growth due to the lack of buildable land within the Portland area. Portland State University's Population Research Center developed a future population forecast for the Newberg Urban Area. This forecast was adopted by Yamhill County as the coordinated population forecast required by state law. This forecast is shown in Table III-2. The projections taken from the US Census at The Portland State University Population Research Center estimated Newberg's population were updated by the Center in June 2017. The updated figures are shown in* ***Bold***

Table III-2. Future Population Forecast – Newberg Urban Area

Year	Population Forecast (2010)	(2015)	CHANGE IN FORCAST AS %
2015	24,663	**24,296** [2017]	
2020	25,250	**25,889**	2%
2025	32,213	**26,602**	-11%
2030	35,408	**31,336**	-12%
2035	38,490	**34,021**	-12%

Source: Population Research Center, Portland State University, Population Forecasts for Yamhill County, its Cities and Unincorporated Area, 2011-2035, 2012, ***June 30 - 2017***

This population forecast was used to determine future land needs within the Newberg urban area.

V. LAND NEED AND SUPPLY

A. BUILDABLE LAND INVENTORY

Comment: *The Newberg Planning Division prepared an inventory of buildable land in the Newberg UGB in 2004. The buildable land inventory includes vacant and redevelop able land in the existing (2004) UGB. This land base is the starting point for determining how much future growth can be accommodated inside the existing UGB and the size of the unmet land need that must be accommodated through zone changes or UGB expansion. Physical constraints such as steep slopes (greater than 25%) and stream setbacks have been deducted from the parcel size, so the buildable land inventory is based on buildable acres, not total acres. In addition, lands that are under development are not considered buildable. This inventory also does not include land located within the future right-of-way of the proposed Newberg- Dundee Bypass. In November 2004, the Newberg UGB had approximately778 acres of buildable land inside the UGB (Table IV-1).*

Table IV-1. Newberg UGB Buildable

	Land Inventory (Nov. 2004)	**Land Inventory (Feb 2015)***	**Land Inventory(2018)***
Plan Designation	Buildable Land		
Low Density Residential	359 ac.	363ac.	402.21 ac.
Medium Density Residential	142 ac.	92 ac.	80.43 ac.
High Density Residential	13 ac.	13 ac.	7.06ac.
Commercial	105 ac.	-	-
Industrial	159 ac.	-	-
TOTAL	778 ac.	-	-

Source: Ad Hoc Committee on Newberg's Future (2005), Report to the City Council

**provided by City Planning Staff April 2018, from Gross Acreage Buildable Land Changes since Markl Commons BLI Inventory 2015*

Comment: *In addition, there is approximately 467 acres of buildable land within the Newberg Urban Reserve Area. This area does not have any comprehensive plan district designations assigned.*

B. HOUSING AND RESIDENTIAL LAND NEEDS

1. Housing Needs.

Comment: *In order to determine the amount of residential land needed, Newberg used Johnson Gardner to create a Housing Needs Analysis. That analysis examined the demographic, housing cost, and household income data for the City of Newberg to determine the need for specific housing types: single-family, multi-family, and manufactured homes. Two adjustments were made to the Johnson Gardner residential land need analysis. Development projects that were in the land use approval process during the preparation of the needs analysis were subtracted from the overall 2005-2025 need. 49 dwelling units displaced by the proposed Newberg-Dundee Bypass were added to the housing need. The result is the future housing needs projections shown in Table IV-2.*

Table IV-2. Future Housing Need by Housing Type (number of dwelling units)

	Single Family Detached	Multi-Family Attached	Medium Density	High Density	Manufactured Parks	Subdivision	Total
	50%	7%	15%	23%	2%	2%	100%
2005 to 2025	3,377	492		1,533	140	140	6,704
2026 to 2040	3,234	471	978	1,467	135	135	6,420
Total	6,611	963	2,000	3,000	275	275	13,124

The residential land need is determined by assigning each housing type to a comprehensive plan designation – low density residential (LDR), medium density residential (MDR), and high density residential (HDR) (Table IV-3).

Table IV-3. Housing Types by Plan and Zone Category Single Family

Multi-Family Detached	**Attached**	**Manufactured Medium Density**	**High Density**	**Park**	**Subdivision**
LDR	MDR	MDR	HDR	MDR	LDR
R-1	R-2	R-2	R-3	R-2	R 1

Source: Johnson Gardner

Table IV-4 presents the 2025 and 2040 housing unit need by comprehensive plan designation.

Table IV-4. Adjusted Housing Unit Need

Plan Designation	***Units Needed 2005-2025 (-11%)***		***Units Needed 2026-2040 (-12%)***	
LDR	*2,691*	*(2395)*	*3,234*	*(2846)*
MDR	*1,556*	*(1385)*	*1,719*	*(1513)*
HDR	*1,473*	*(1311)*	*1,467*	*(1291*
TOTAL	*5,720*	*(5091)*	*6,420*	*(5620)*

Comment: *The re-adjusted housing Unit need takes into consideration the downward projections of population growth shown in the updated numbers provided by the Population Research Center from Portland State University June 30, 2017.*

2. Planned Residential Densities

Table IV-5. Planned Residential Densities

Recent Trends	*Planned Density*	*Single Family*
Units/Acre	*3.6*	*4.4*
Average Lot Size	*9,800 sf*	*8,000 sf*
Med Density Multi-Family Units/ Acre	*5.8*	*9*
Type	*Single Family*	*Townhouses + Duplexes*
High Density Multi-Family Units/Acre	*15.4*	*16.5*
Type	*2 story apts. with surface parking*	*2-3 story apts. with surface parking*
Average Units/Acre	*6.8*	*8.3*

Comment: *there is no evidence to suggest that the overall trends in unit per acre density of development has seen a any statistical change.*

3. Residential Land Need

Comment: *The total amount of residential land needed for housing was calculated by dividing the dwelling units needed by the planned residential densities. The total buildable residential land needs through 2025 and 2040 are shown in Table IV-6.*

Table IV-6. Buildable Residential Land Need

Plan Designation	***Density (du/ac.)***	***Dwelling Units Needed (2005-2025)***	***Buildable Acres Needed (2005-2025)***	***Dwelling Units Needed (2026-2040)***	***Buildable Acres Needed (2026-2040)***
LDR	*4.4*	*2,691*	*612*	*3,234*	*735*
MDR	*9*	*1,556*	*173*	*1,719*	*191*
HDR	*16.5*	*1,473*	*89*	*1,367*	*83*
Total		*5,720*	*874*	*6,320*	*1,009*

4. Residential Land Need and Supply

Comment: *Comparing the residential land need the current supply, the City has a deficit of residential land to meet needs through 2025 in all residential categories. It also has a deficit of land within the URA to meet the needs from 2026-2040. Table IV-7 compares the amount of residential land with the available supply.*

Table IV-7: Buildable Residential Land Needs vs. Supply

Plan Des	Buildable Acres Needed	Buildable Acres UGB (2004) for 2005-2025	Surplus (Deficit) for 2005-2025 2026-2040	Buildable Acres Needed	Buildable Acres In URA (2004)	Surplus (Deficit) 2026-2040
LDR	612	359	(253)	735		
MDR	173	142	(31)	191		
HDR	89	13	(76)	83		
Total	874	514	(380)	1009		

F. SUMMARY OF LAND NEEDS

Table IV-14 summarizes the future land needs for the Newberg urban area.

Table IV-14. Future Land Needs and Supply, Newberg Urban Area

Plan Des for	Buildable Acres Needed		Buildable Acres UGB (2004) 2005-2025		Surplus (Deficit) for 2005-2025		Buildable Acres Needed 2026-2040		Buildable Acres In URA (2004)	Surplus (Deficit) 2026-2040
LDR	612	(544)	359	(402)	-253	(-142)	735	(646)		
MDR	173	(154)	142	(80)	-31	(-74)	191	(168)		
HDR	89	(79)	13	(7)	-76	(-72)	83	(73)		
COM	111		105		-6		109			
IND	50		99		49		37			
IND	100		60		-40		120			
P	85		0		-85		115			
I, PQ, or other Ins	164		0		-164		233			
Total	1,384		778		-606		1,623		467	(1,156)

Comment: *The housing analysis in the adopted Comprehensive Plan dates from 2004. In 2009, Newberg proposed an update to the Housing Element of the Comprehensive Plan parallel with an effort to add industrial land on the south end of town for future employment growth. That effort has been stalled by appeal with LUBA and now enters into an unprecedented mediation process. In October 2012, the Yamhill County Planning Commission adopted a new coordinated population forecast for the Newberg UGB through 2035 based on 2010 census data as well as a report titled "Population Forecasts for Yamhill County, its Cities and Unincorporated Areas 2011-2035" prepared by Portland State University Population Research Center. Cogan Owens Greene prepared a Housing Needs Analysis based on the 2009 inventory updated with current GIS data provided by City Staff, the projections from the Portland State Report, and refined for the remand findings from LUBA. The updated Future Land Needs based on the updated population forecast, the changes to the Buildable land inventory, and the inclusion of the constrained property result in the new numbers shown in brackets within the previous table.*

Overall there will be a shortage of land available in 2030 for LDR, MDR, and HDR lands:

Plan Designation	Buildable Acres Needed	Buildable Acres in UGB	(Deficit)	Percentage of Available Capacity
LDR	406	369	(37)	91%
MDR	179	92	(87)	51%
HDR	62	7	(55)	11%
Total	647	468	(179)	72%

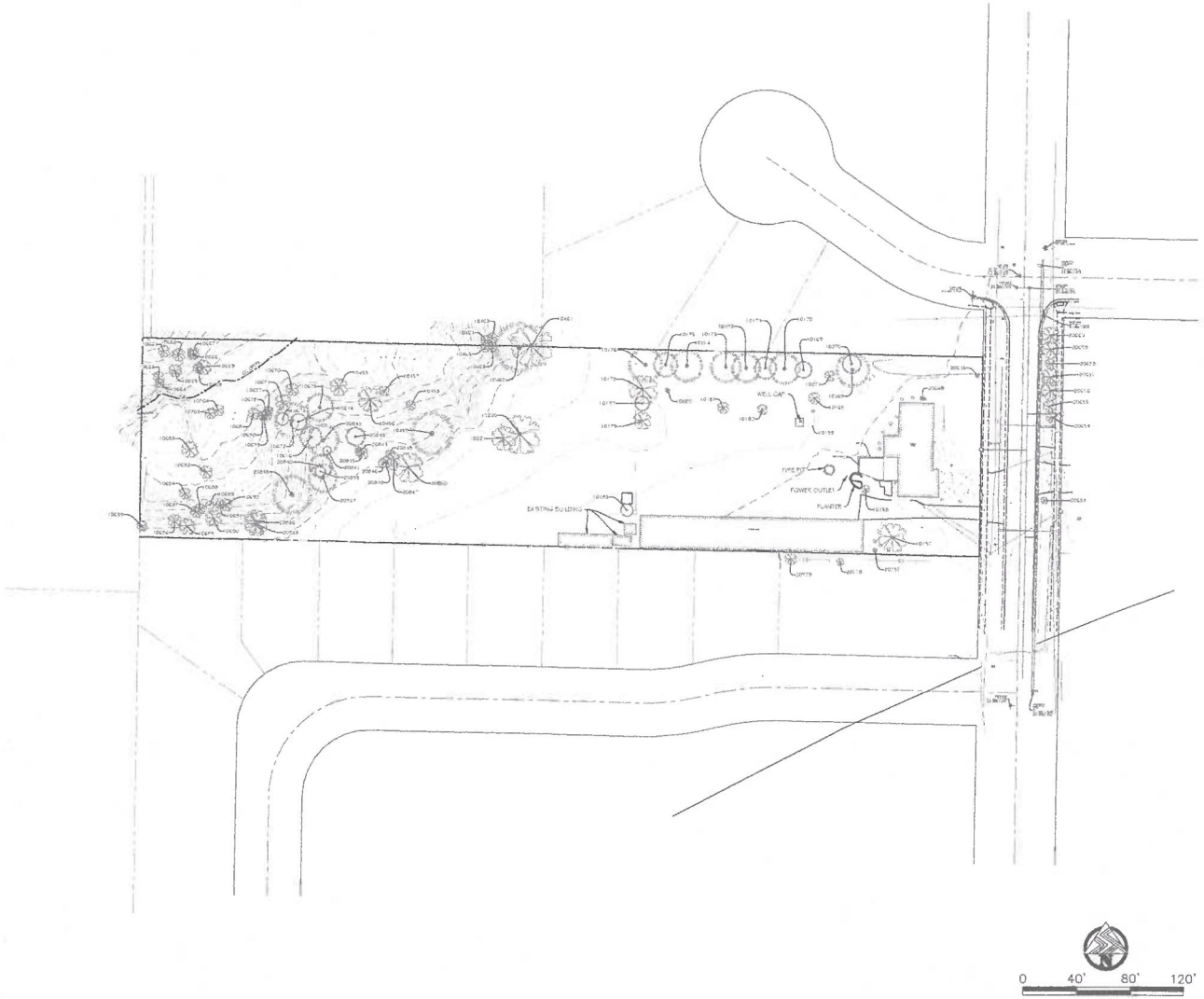
Comment: *While all lands show a shortage, the greatest percentage shortage is HDR with only seven buildable acres within City limits, and the lowest shortage is LDR. It should also be noted that the most efficient use of scarce residential land is HDR. The proposed Comprehensive Plan Amendment and Zone Change would help preserve as much residential opportunity as possible and improve the diversity of housing opportunities. While the City works diligently to resolve the UGB stalemate, it is important to understand the significant shortage of HDR lands across the City. When the UGB is expanded, there is still a need to disperse the available HDR lands throughout the City where there is convenient access to employment and services. Martell Commons is an ideal geographic location to provide diversity for the housing needs of Newberg, consistent with other goals and policies of the Comprehensive Plan addressed above.*

IV. Conclusion

Comment: *The listed findings and accompanying documentation demonstrates that the proposal is consistent with the applicable provisions of the City of Newberg Development Code and Comprehensive Plan. The applicant respectfully requests approval of the proposed South River Street Comprehensive Plan Amendment and Zone Change Application.*

TREE TABLE	
POINT NO.	DESCRIPTION
10157	DTR 25 MAPLE
10158	DTR 7 /3 TRUNK G
10159	DTR PEAR 10 /5 TRUNK G
10168	DTR 10 PEAR /3 TRUNK G
10169	ETR 16 FIR
10170	ETR 29 FIR
10171	ETR 21 FIR
10172	ETR 27 FIR
10173	ETR 29 FIR
10174	ETR 30 FIR
10175	ETR 23 FIR
10176	ETR 32 FIR
10177	14" FIR
10178	25" DECIDUOUS
10179	15" DECIDUOUS
10180	(2)3" & 4" PEAR
10181	10" PEAR
10182	9" DECIDUOUS
10183	12" FIR
10220	34" DECIDUOUS
10221	21" DECIDUOUS
10269	32" FIR
10270	18" FIR
10271	9" DECIDUOUS
10455	15" DECIDUOUS
10456	21" DECIDUOUS
10457	(2) 4" & 9" DECIDUOUS
10458	6.5" DECIDUOUS
10459	40 FIR
10460	46 FIR
10461	36" DECIDUOUS
10462	9" DECIDUOUS
10463	6" DECIDUOUS
10464	9" DECIDUOUS
10465	6" DECIDUOUS
10661	(2)5" & 10" DECIDUOUS
10662	11" DECIDUOUS
10663	8.5" DECIDUOUS
10664	8" DECIDUOUS
10665	11" DECIDUOUS
10666	9" DECIDUOUS
10667	10" DECIDUOUS
10668	8.5",8" & 8.5" DECIDUOUS
10669	4",6" & 13" DECIDUOUS
10670	11" DECIDUOUS
10671	14" DECIDUOUS
10672	33" FIR
10673	12" FIR
10674	16" FIR
10675	26" EVERGREEN

TREE TABLE	
POINT NO.	DESCRIPTION
10676	21" EVERGREEN
10677	8" DECIDUOUS
10678	5",7" & 9" DECIDUOUS
10679	8" DECIDUOUS
10680	8" DECIDUOUS
10681	10" DECIDUOUS
10682	11" & 4.5" DECIDUOUS
10683	14" DECIDUOUS
10684	10" DECIDUOUS
10685	14" DECIDUOUS
10686	12" DECIDUOUS
10687	10" & 8" DECIDUOUS
10688	9" DECIDUOUS
10689	8" FIR
10690	14" DECIDUOUS
10691	8" DECIDUOUS
10692	11" DECIDUOUS
10698	9" DECIDUOUS
10704	10" DECIDUOUS
20645	4" MAPLE
20646	4" ORNAMENTAL
20653	6" MAPLE
20654	10" BIRCH
20655	10" UNKNOWN
20656	16" BIRCH
20657	16" UNKNOWN
20658	9" BIRCH
20659	15" UNKNOWN
20660	15" BIRCH
20757	4" MAPLE
20778	7" MAPLE
20779	10" MAPLE
20835	20" UNKNOWN
20836	20" UNKNOWN
20837	27" FIR
20838	36" FIR
20839	10" FIR
20840	22" FIR
20841	8" FIR
20842	30" FIR
20843	10" FIR
20844	8" UNKNOWN
20845	10" UNKNOWN
20846	8" FIR
20847	12" MAPLE
20848	8" MAPLE
20849	10" MAPLE
20850	26" UNKNOWN



WADE WILLERS

1109 SOUTH RIVER STREET
EXISTING CONDITIONS

CITY OF NEWBERG

SCALE NOTE:
1" BAR IS ONE INCH ON ORIGINAL DRAWING. IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

EXISTING CONDITIONS

P1

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TREE TABLE	
POINT NO.	DESCRIPTION
10157	DIR 25 MAPLE
10158	DIR 7/8 TRUNK C
10159	DIR PEAR 10/5 TRUNK C
10162	DIR 10 PEAR 8 TRUNK C
10163	DIR 16 FIR
10170	DIR 22 FIR
10171	DIR 21 FIR
10172	DIR 27 FIR
10173	DIR 29 FIR
10174	DIR 30 FIR
10175	DIR 23 FIR
10176	DIR 32 FIR
10177	14" FIR
10178	28" DECIDUOUS
10179	15" DECIDUOUS
10180	(2)9" & 4" PEAR
10181	10" PEAR
10182	8" DECIDUOUS
10183	12" FIR
10220	34" DECIDUOUS
10221	21" DECIDUOUS
10269	32" FIR
10270	18" FIR
10271	5" DECIDUOUS
10455	15" DECIDUOUS
10456	21" DECIDUOUS
10457	(2) 4" & 9" DECIDUOUS
10458	6.5" DECIDUOUS
10459	40" FIR
10460	40" FIR
10461	36" DECIDUOUS
10462	18" DECIDUOUS
10463	8" DECIDUOUS
10464	32" DECIDUOUS
10465	8" DECIDUOUS
10466	(2)8" & 10" DECIDUOUS
10467	11" DECIDUOUS
10468	31.5" DECIDUOUS
10469	8" DECIDUOUS
10554	11" DECIDUOUS
10555	9" DECIDUOUS
10556	10" DECIDUOUS
10557	3.5"@ & 6.5" DECIDUOUS
10558	4"@ & 13" DECIDUOUS
10570	11" DECIDUOUS
10571	14" DECIDUOUS
10572	33" FIR
10573	12" FIR
10574	12" FIR
10575	26" EVERGREEN

TREE TABLE	
POINT NO.	DESCRIPTION
10576	21" EVERGREEN
10577	8" DECIDUOUS
10578	51.7" & 9" DECIDUOUS
10579	8" DECIDUOUS
10580	8" DECIDUOUS
10601	10" DECIDUOUS
10642	11" & 4.5" DECIDUOUS
10683	14" DECIDUOUS
10684	10" DECIDUOUS
10685	14" DECIDUOUS
10686	12" DECIDUOUS
10687	10" & 9" DECIDUOUS
10688	9" DECIDUOUS
10689	8" FIR
10690	34" DECIDUOUS
10691	8" DECIDUOUS
10692	11" DECIDUOUS
10693	9" DECIDUOUS
10704	10" DECIDUOUS
20645	4" MAPLE
20646	4" ORNAMENTAL
20653	6" MAPLE
20654	10" BIRCH
20655	10" UNKNOWN
20656	16" BIRCH
20657	10" UNKNOWN
20658	9" BIRCH
20659	15" UNKNOWN
20660	15" BIRCH
20757	4" MAPLE
20778	7" MAPLE
20779	10" MAPLE
20835	30" UNKNOWN
20836	22" UNKNOWN
20837	27" FIR
20838	36" FIR
20839	10" FIR
20840	22" FIR
20841	8" FIR
20842	30" FIR
20843	18" FIR
20844	8" UNKNOWN
20845	10" UNKNOWN
20846	8" FIR
20847	12" MAPLE
20848	8" MAPLE
20849	10" MAPLE
20850	30" UNKNOWN

D1	CONCEPT SITE PLAN (SHEET TITLE)	PROJECT NO: WADE001 HORIZ DATUM: 0 VERT DATUM: 0 HORIZ SCALE: AS SHOWN VERT SCALE: AS SHOWN DRAWN: MSO DESIGN: MSO APPROVED: MSO	REVISIONS NO. / DESCRIPTION / DATE / BY	BAR IS ONE INCH ON ORIGINAL DRAWING. IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.	SCALE NOTE:

WADE WILLERS

1109 S. RIVER ROAD DEVELOPMENT

CITY OF NEWBERG

DATE ISSUED:

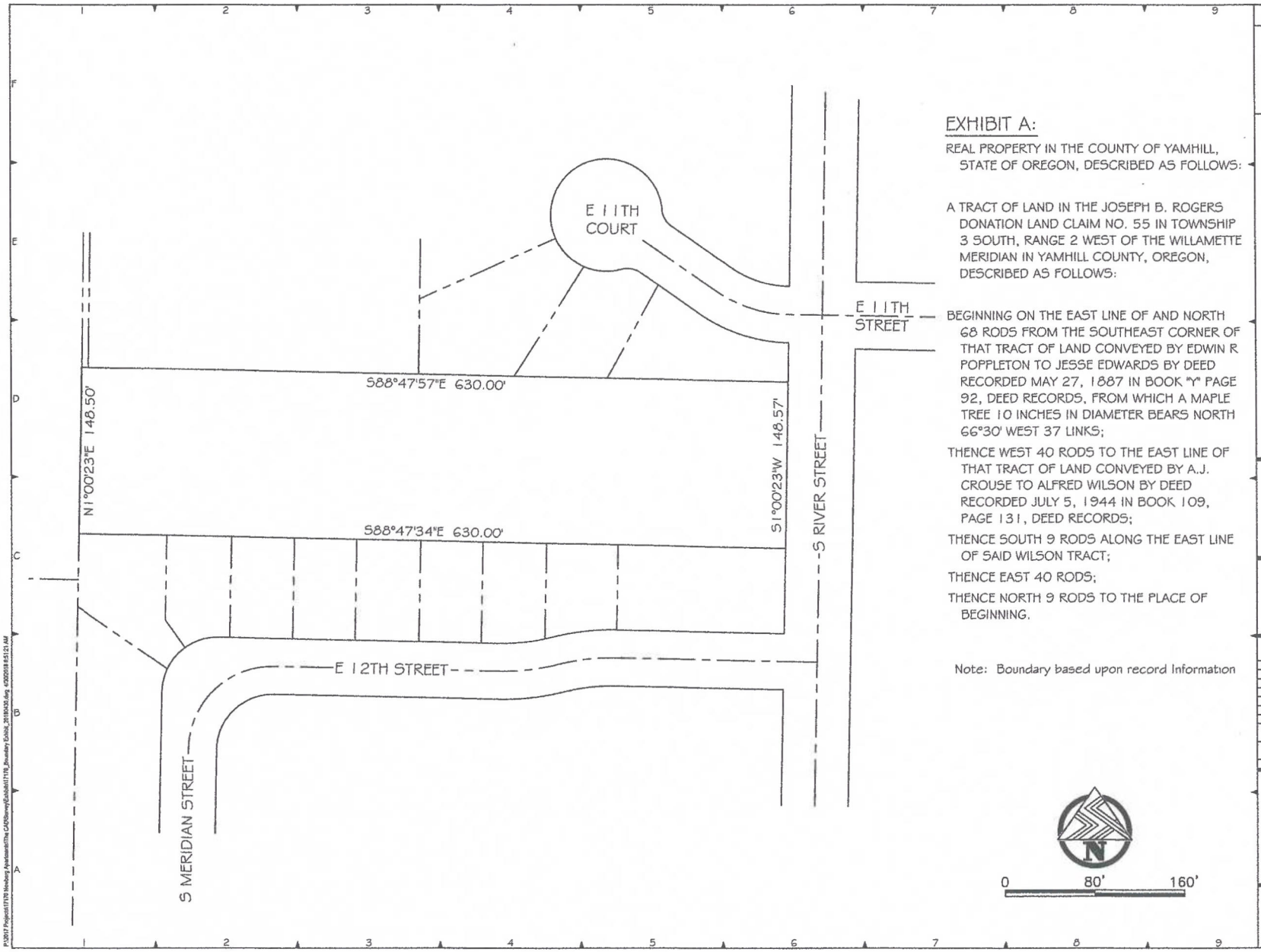

EXHIBIT A:

REAL PROPERTY IN THE COUNTY OF YAMHILL, STATE OF OREGON, DESCRIBED AS FOLLOWS:

A TRACT OF LAND IN THE JOSEPH B. ROGERS DONATION LAND CLAIM NO. 55 IN TOWNSHIP 3 SOUTH, RANGE 2 WEST OF THE WILLAMETTE MERIDIAN IN YAMHILL COUNTY, OREGON, DESCRIBED AS FOLLOWS:

BEGINNING ON THE EAST LINE OF AND NORTH 68 RODS FROM THE SOUTHEAST CORNER OF THAT TRACT OF LAND CONVEYED BY EDWIN R POPPLETON TO JESSE EDWARDS BY DEED RECORDED MAY 27, 1887 IN BOOK "Y" PAGE 92, DEED RECORDS, FROM WHICH A MAPLE TREE 10 INCHES IN DIAMETER BEARS NORTH 66°30' WEST 37 LINKS;

THENCE WEST 40 RODS TO THE EAST LINE OF THAT TRACT OF LAND CONVEYED BY A.J. CROUSE TO ALFRED WILSON BY DEED RECORDED JULY 5, 1944 IN BOOK 109, PAGE 131, DEED RECORDS;

THENCE SOUTH 9 RODS ALONG THE EAST LINE OF SAID WILSON TRACT;

THENCE EAST 40 RODS;

THENCE NORTH 9 RODS TO THE PLACE OF BEGINNING.

Note: Boundary based upon record Information

PREPARED BY:

PROJECT DELIVERY GROUP
Engineers | Land Surveyors | Project Managers

REGISTERED PROFESSIONAL LAND SURVEYOR
OREGON
MAY 15, 2012
KEITH WHISENHUNT
62679
RENEWAL DATE: 6/30/18

DATE SIGNED:

PREPARED FOR:
THE W GROUP

PROJECT NO:	17170
HORIZ DATUM:	####
VERT DATUM:	####
HORIZ SCALE:	AS SHOWN
VERT SCALE:	AS SHOWN
DESIGN:	JGM
DRAWN:	JGM
CHECKED:	####
APPROVED:	

SHEET TITLE
NEWBERG APT'S BOUNDARY EXHIBIT

G-1.01

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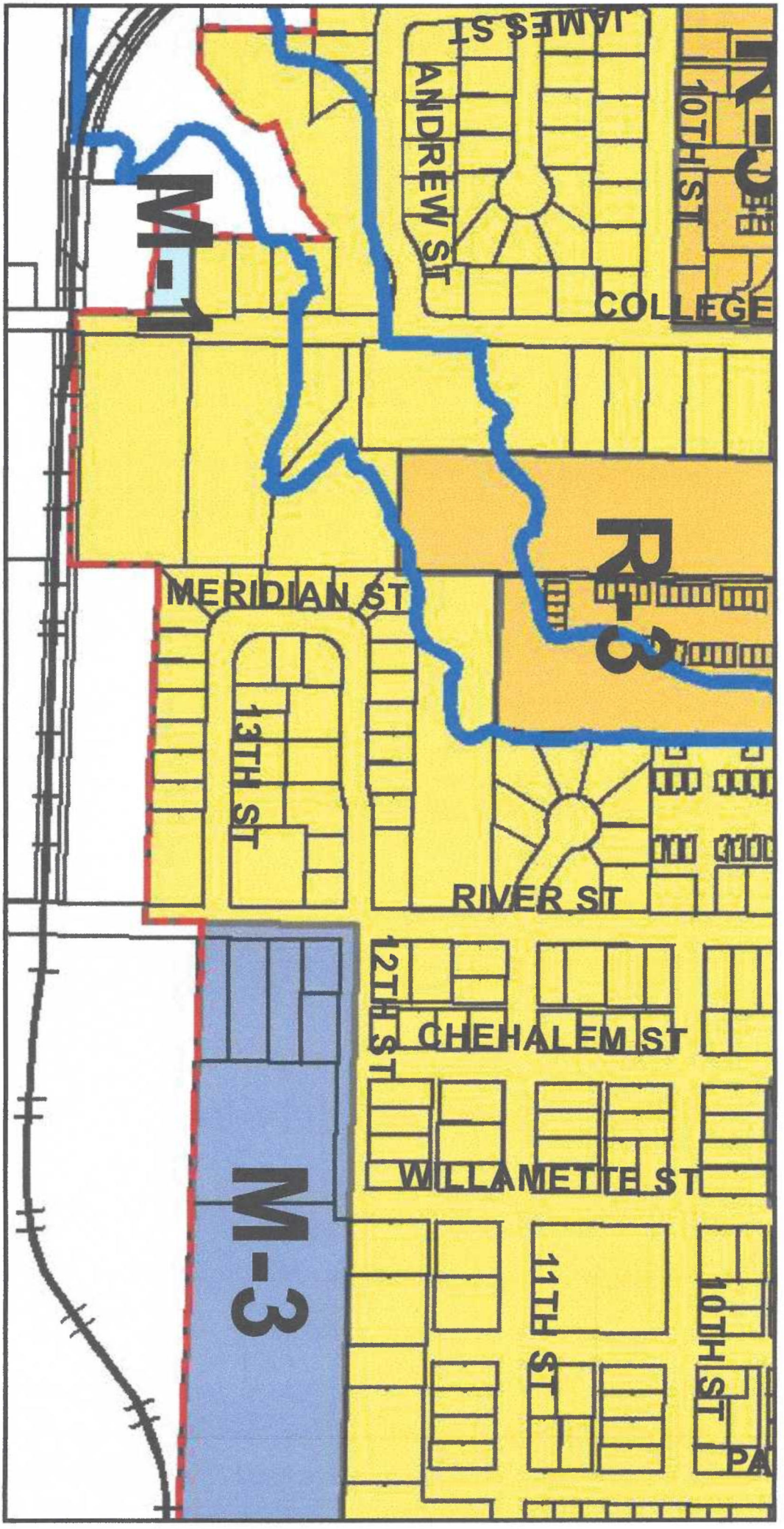

JAMES ST
ANDREW ST
10TH ST
COLLEGE
M-1
R-3
MERIDIAN ST
13TH ST
RIVER ST
12TH ST
CHEHALEM ST
M-3
WILLAMETTE ST
11TH ST
10TH ST

City of Newberg

Planning and Building Department
P.O. Box 970 • 414 E First Street • Newberg, Oregon 97132
503-537-1240. Fax 503-537-1272 www.newbergoregon.gov

NOTICE OF PLANNING COMISSION HEARING ON A COMPREHENSIVE PLAN AND ZONE CHANGE

A property owner in your neighborhood submitted an application to the City of Newberg for a comprehensive plan zone change from Medium Density Residential (MDR) to High Density Residential (HDR) and zone change R2 to R3. The Newberg Planning Commission will hold a hearing on ***July 12, 2018*** at 7pm at the Newberg Public Safety Building, 401 E. Third Street, Newberg, OR, to evaluate the proposal. You are invited to take part in the City's review of this project by sending in your written comments or testifying before the City Council. The applicable criteria used to make a decision on this application for a comprehensive plan map and zone change are found in Newberg Development Code Section 15.302.030(A)(3). For more details about giving comments, please see the back of this sheet.

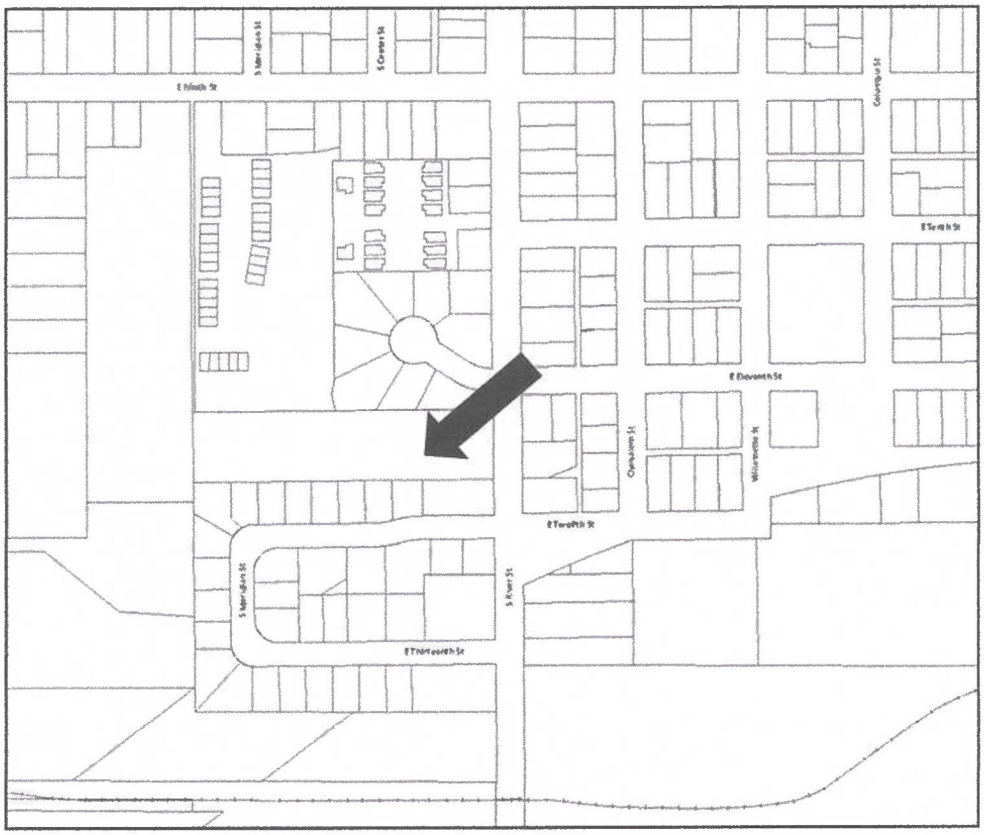
The proposed changes would allow the applicant to submit an application for a 45-unit apartment complex on the currently vacant parcel. There is a need for such housing, and adequate public services necessary are either available, or can be made available to service it. The property is adjacent to other R3 zoned parcels to the west, and north (west half). There is multifamily development east of the property, and close to the south side of the property is the Newberg bypass.

APPLICANT: ***Wade Willers***
TELEPHONE: ***503-819-9244***

PROPERTY OWNER: ***Carol Boyes***

LOCATION: ***1109 South River Road***

TAX LOT NUMBER: *3220CC-05400*



We are mailing you information about this project because you -own land within 500 feet of the proposed comprehensive plan zone change. We invite you to participate in the land use hearing scheduled before the Planning Commission. If you wish to participate in the hearing, you may do so in person or be represented by someone else. You also may submit written comments. Oral testimony is typically limited to five minutes per speaker.

If you mail your comments to the City, please put the following information on the outside of the envelope:

Written Comments: File No: CPMA18-0002/ZMA18-0001
City of Newberg
Planning & Building Department
PO Box 970
Newberg, OR 97132

All written comments must be received by noon on July 9, 2018. Written information received after this time will be read aloud at the hearing subject to time limits for speakers and will be included in the record if there are further proceedings.

You can look over all the information about this project or drop comments off at Newberg City Hall, 414 E. First Street. You can view a copy of the application on the city website at www.newbergoregon.gov/planning. You can also buy copies of the information for a cost of 25 cents a page. A staff report relating to the proposal will be available for inspection at no cost seven days prior to the public hearing. If you have any questions about the project, you can call the Newberg Planning Division at 503-537-1240.

Any issue which might be raised in an appeal of this case to the Land Use Board of Appeals (LUBA) must be raised during the public hearing process. You must include enough detail to enable the decision maker an opportunity to respond. The applicable criteria used to make a decision on this application for a comprehensive plan map and zone change are found in Newberg Development Code Section 15.302.030(A) (3).

Prior to the conclusion of the initial evidentiary hearing, any participant may request an opportunity to present additional evidence, arguments or testimony regarding the application through a continuance or extension of the record. Failure of an issue to be raised in the hearing, in person or by letter, or failure to provide statements or evidence sufficient to afford the decision maker an opportunity to respond to the issue precludes appeal to the State Land Use Board of Appeals based on that issue.

The Planning Commission will make a recommendation to the City Council at the end of the public hearing process. The Planning Commission's recommendation will be forwarded to the City Council. The City Council will hold a hearing on the application at a later date. If you participate in the public hearing process, either by testifying at the public hearing, or by sending in written comments, you will be sent information about any decision made by the City relating to this project.

Date Mailed: _____

ACCOMMODATION OF PHYSICAL IMPAIRMENTS:

In order to accommodate persons with physical impairments, please notify the City Recorder's office of any special physical or language accommodations you may need as far in advance of the meeting as possible and no later than 48 hours prior to the meeting. To request these arrangements, please contact the City Recorder at 503-537-1283. For TTY services please dial 711.

Date: March 28, 2018
To: Mark Dane, Mark Dane Planning Inc.
From: Karl Birky, PE, PTOE
Re: TPR Analysis for 1109 S River St Apts, Newberg, OR

ASSOCIATED TRANSPORTATION ENGINEERING & PLANNING INC.
ATEP, Inc
1155 13th St S.E.
Salem, OR 97302
Tel.: 503-364-5066
FAX: 503-364-1260
e-mail: kbirky@atepinc.com

Mr. Dane:

This letter addresses Transportation Planning Rule aspects of your request to the City of Newberg (OR) to change the Comprehensive Plan map designation and the zoning for Tax Lot 5400 of Tax Map 3S2W20CC. The parcel is currently zoned R-2. Your request to the City of Newberg is to change the zoning to R-3. The site is west of River St and south of 11th St in Newberg. The requested zone change will increase the housing density on the parcel, consistent with City of Newberg goals.

The Oregon Transportation Planning Rule (TPR) requires an estimate of the effects a land use action will have on the transportation system in certain instances. This zoning change request is one of those instances.

The zone change can be allowed if there is no "significant" effect on the transportation system.

Changing the zoning from R-2 to R-3 allows a higher density of development. Uses allowed in R-2 and R-3 are similar. This analysis will assume that any increase in traffic from the site is from the higher density allowed in R-3. Division 15.400 of the Newberg Development Code states "*In the R-2, ... there shall be a minimum of 3,000 (3 ksf) square feet of lot or development site area per dwelling unit.*". It also states "*In the R-3 district there shall be a minimum of 1,500 (1.5 ksf) square feet of lot or development site area per dwelling unit.*"

The parcel is 2.3 acres in size or 100,200 sf. However, 0.78 acres of the site is a wooded slope and cannot be developed. At a minimum the remaining 65,354 sf on the parcel could be developed with 21 apartment units if it is zoned R-2 and with 43 apartment units if it is zoned R-3. Traffic engineers use the Institute of Transportation Engineers - Trip Generation Manual to estimate the trips that different uses generate. Apartments are estimated to generate 0.51 trips in the AM peak hour, 0.62 trips in the PM peak hour and 6.65 trips each day.

Zone	Apt Units	AM trips	PM trips	ADT
R-2	21 units	11	13	140
R-3	43 units	22	27	286
Net Increase	22	11	14	146

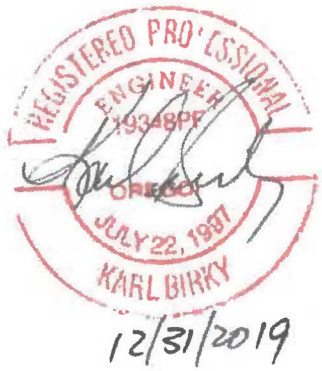
The City of Newberg Comprehensive Plan (Dec 2016) states:

> *"Medium and high density areas should be located for immediate access to collector streets or minor arterials and should not cause traffic to move through low density areas. High density areas should be easily accessible to arterial streets. They should also be located near commercial services and public open spaces".* (I.2.a)
>
> Table V-2 of the Comprehensive Plan indicates a need for 23% of the land in Newberg be zoned High Density from 2005 to 2045 while Table V-1 indicates only 1.6% (13Ac of 778Ac) of the land was zoned R-3 in 2004. *(Newberg Comprehensive Plan (Dec 2016).*

This proposed zone change will increase density on a parcel with direct access to a Major Collector and 3 blocks from Scott Leavitt Park and 6 blocks from school. River St is a Major Collector in the City of Newberg Transportation System Plan (TSP). The estimated 146 additional vehicle trips per day that could result from the requested zone change is 1 vehicle on River St every 10 minutes on average. It is my opinion that the requested zoning can be approved from a traffic engineering perspective without "significantly affecting" the transportation system. Even if the developer were to build 50 units on the site, the resulting 333 trips (193 net additional trips) each day would not "significantly affect" the transportation system. If there is any additional information you or the City would like or find helpful, please do not hesitate to request it. I can be reached at 503-364-5066.

Regards,

Karl Birky, PE, PTOE
Associated Transportation Engineering & Planning, Inc.



ORDINANCE NO. 2018-2824

AN ORDINANCE AMENDING THE NEWBERG COMPREHENSIVE PLAN, SECTION IV (SUBSECTIONS A AND B) TO REFLECT UPDATED HISTORIC AND PROJECTED POPULATION INFORMATION.

RECITALS:

1. The Newberg Planning Commission adopted Resolution 2016-334, which initiated text amendments to the Newberg Comprehensive Plan.

2. After proper notice, the Newberg Planning Commission held a hearing on December 14, 2017 to consider the text amendment. The Commission considered testimony, deliberated, and adopted Resolution No. 2017-336 recommending that the City Council adopt text amendments to the Newberg Comprehensive Plan to update historic and projected population information.

3. The Newberg City Council held a public hearing on January 16, 2018 to consider the proposed text amendment. Due to insufficient notice, the Council continued the item to February 5, 2018 for a second reading.

THE CITY OF NEWBERG ORDAINS AS FOLLOWS:

1. The Council finds that amending the historic and projected population information would be in the best interests of the city. The Council adopts the text amendments to the Newberg Comprehensive Plan as shown in Exhibit "A". Exhibit "A" is hereby adopted and by this reference incorporated.

2. The findings shown in Exhibit "B" are hereby adopted. Exhibit "B" is by this reference incorporated.

- **EFFECTIVE DATE** of this ordinance is 30 days after the adoption date, which is: March 7, 2018.

ADOPTED by the City Council of the City of Newberg, Oregon, this 5th day of February, 2018, by the following votes: **AYE: 6 NAY: 0 ABSENT: 1 ABSTAIN: 0**

Sue Ryan, City Recorder

ATTEST by the Mayor this 8th day of February, 2018.

Bob Andrews, Mayor

Exhibit "A" to City Council Ordinance No. 2018-2824
Comprehensive Plan Text Amendment –File CPTA17-0004
Population Projections Comprehensive Plan Text Amendment

Note: Existing text is shown in regular font.
Added text is shown in double-underline.
Deleted text is shown in strikethrough.

IV POPULATION GROWTH

A. HISTORIC POPULATION

Newberg grew over ~~400~~ 500 percent from 1960 to ~~2004~~ 2010. This population growth was due to a variety of factors: regional population growth, expansion of industry and business in the area, proximity to other employment centers, and the high quality of life in the area.

Table IV-1. Newberg City Population – 1960-~~2004~~2010

Year	Population
1960	4,204
1970	6,507
1980	10,394
1990	13,086
2000	18,064
~~2004~~	~~19,910~~
2010	22,068

Sources: U.S. Census; Population Research Center, Portland State University

~~In addition, approximately 374 people live in the area between the city limits and the urban growth boundary, making the 2004 Newberg UGB population about 20,284.~~

B. POPULATION PROJECTIONS

Population projections are the basis of comprehensive land use planning. To maintain a high quality of living, the community must plan for its future population. Population growth will require sufficient land and services.

Oregon Revised Statutes (ORS) 195.033 requires that Portland State University Population Research Center issue a population forecast for each county and urban growth boundary outside the Metro region not less than once every four years. Previously each county was required to establish and maintain forecasts with local governments. The population forecast was completed in 2017 for Yamhill County and its cities. Population projections from the report *Coordinated Population Forecast for Yamhill County, its Urban Growth Boundaries (UGB), and Area Outside UGBs 2017-2067*, are found in Table IV-2.

Many of the same factors that have contributed to Newberg's historic population growth will contribute to its future growth: employment opportunities both in Newberg and nearby, housing opportunities, high quality of life, and regional population growth. Newberg ~~is already~~ continues

to experience ~~experiencing~~ a great amount of population growth due to ~~the lack of buildable land within the Portland area~~ increased in-migration. Population in Newberg is expected to increase at a fast rate in the first half of the forecast period (through 2035) and then more slowly in the second half.

~~Future population projections for the City of Newberg were prepared in 2004 by Barry Edmonston, Portland State University, Population Research Center,[a] using two different methodologies: a ratio method and a cohort component method. While the two methods produced similar results, City staff and the Ad Hoc Committee on Newberg's Future felt that the cohort component method more accurately projected the future population of Newberg. In addition, projected population growth for the area outside the city limits but inside the UGB was added to the City population projections to yield Urban Area population projections. Table IV-2 presents the resulting population forecasts through 2040.~~

Table IV-2. Future Population Forecast – Newberg Urban Area

Year	Population Forecast
2000[b~~a~~]	18,438
~~2005~~	~~21,132~~
2010	24,497
~~2015~~	~~28,559~~
2020	~~33,683~~ 25,889
2025	~~38,352~~ 28,602
2030	~~42,870~~ 31,336
2035	~~48,316~~ 34,021
2040	~~54,097~~ 36,709

Sources: Johnson Gardner, Barry Edmonston; Population Research Center, Portland State University

~~This population forecast was used to determine future land needs within the Newberg urban area.~~

Footnotes

~~[a] Barry Edmonston, Director, Population Research Center, Portland State University, Portland, Oregon. "Population Projection for Newberg, Yamhill County, Oregon: 2000 to 2040." March 25, 2004.~~

[b] 2000 Population is the U.S. Census estimate for Newberg plus the estimate of population outside City limits but within the UGB.

Exhibit "B" to City Council Ordinance No. 2018-2824
Findings –File CPTA17-0004
Population Projections Comprehensive Plan Text Amendment

Comprehensive Plan amendments must comply with applicable statewide planning goals (SPG) and Newberg Comprehensive Plan (NCP) goals and policies.

NCP: A. Citizen Involvement/SPG 1: Citizen Involvement

NCP/SPG GOAL: To maintain a Citizen Involvement Program that offers citizens the opportunity for involvement in all phases of the planning process.

> **FINDING**: Newberg has a Citizen Involvement Program, including citizens appointed to decision making committees and several opportunities for the public to comment on proposed applications during review of planning applications. This proposed Comprehensive Plan amendment will go before both the appointed Planning Commission and the elected City Council for local decisions. This goal is met.

NCP: B. Land Use Planning/SPG 2: Land Use Planning

NCP GOAL: To maintain an on-going land use planning program to implement statewide and local goals. The program shall be consistent with natural and cultural resources and needs.

NCP POLICIES: 2. The Comprehensive Plan and implementing ordinances shall be reviewed continually and revised as needed. Major reviews shall be conducted during the State periodic review process.

SPG GOAL: To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

> **FINDING**: Newberg has an ongoing land use planning program, which includes using the adopted Comprehensive Plan, Development Code, and related plans to guide planning activities within the city. This proposed amendment to the Comprehensive Plan will help keep the Plan relevant and current. This goal is met.

NCP: H. The Economy/SPG 9: Economic Development

NCP GOAL: To develop a diverse and stable economic base.

NCP POLICIES: 1. General Policies. b. The City shall encourage economic expansion consistent with local needs.

SPG GOAL: To provide adequate opportunities throughout the state for a variety of economic activities vital to the health, welfare, and prosperity of Oregon's citizens.

> **FINDING**: In 2013, the State of Oregon adopted new administrative rules for population forecasts, which specified that the Portland State University Population Research Center (PRC) will forecast populations for the regions of the state. Projections for Yamhill County and its cities were finalized in 2017. The proposed Comprehensive Plan amendment is to update the historic and projected population sections based on these projections and U.S. Census data.

Newberg had previously adopted the coordinated population forecast as part of the south industrial urban growth boundary amendment and Economic Opportunities Analysis code amendments. However, City Council repealed these items on October 5, 2015, through adoption of Ordinance No. 2015-2786, which also voided adoption of the coordinated population forecast

The purpose of these amendments is to help the city plan for the future, including the ability to help develop a diverse and stable economic base and to provide a variety of economic opportunities. Without an accurate population forecast, the city would not be as prepared to plan for future needs. This goal is met.

NCP: I. Housing/SPG 10: Housing

NCP GOAL: To provide for diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.

SPG GOAL: To provide for the housing needs of the citizens of the state.

FINDING: Newberg uses the Comprehensive Plan and related adopted plans to guide future land use planning efforts. The proposed Comprehensive Plan amendment will reference the updated population forecast for the city, enabling future planning efforts to plan for adequate housing for the current and future citizens of the city. This goal is met.

NCP: L. Public Facilities And Services/SPG 11: Public Facilities and Services

NCP/SPG GOAL: To plan and develop a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development.

FINDING: Newberg needs to have an updated population and employment forecast in order to effectively plan future needs for public facilities and services. By updating the Comprehensive Plan, Newberg can more effectively plan for public facility needs. This goal is met.

Appendix C: Detailed Population Forecast Results

Figure 22. Yamhill County—Population by Five-Year Age Group

Population Forecasts by Age Group / Year	2017	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2067
00-04	6,582	6,674	6,978	7,241	7,483	7,727	7,982	8,248	8,506	8,750	8,980	9,072
05-09	6,958	7,147	7,378	7,713	8,004	8,263	8,517	8,784	9,062	9,335	9,591	9,689
10-14	7,190	7,335	7,736	7,985	8,348	8,652	8,915	9,173	9,445	9,731	10,012	10,118
15-19	7,889	7,983	8,320	8,775	9,056	9,456	9,782	10,061	10,334	10,627	10,934	11,056
20-24	7,139	7,325	7,544	7,862	8,291	8,545	8,902	9,191	9,434	9,676	9,935	10,045
25-29	6,341	6,564	6,918	7,133	7,433	7,833	8,055	8,375	8,628	8,844	9,057	9,149
30-34	6,345	6,514	6,963	7,339	7,565	7,875	8,284	8,504	8,828	9,085	9,301	9,388
35-39	6,779	7,027	7,404	7,916	8,345	8,596	8,934	9,385	9,622	9,979	10,260	10,355
40-44	6,865	7,133	7,640	8,048	8,606	9,065	9,316	9,669	10,138	10,384	10,759	10,878
45-49	6,698	6,877	7,401	7,931	8,358	8,932	9,395	9,642	9,995	10,472	10,718	10,871
50-54	6,711	6,774	7,149	7,700	8,256	8,693	9,280	9,751	9,993	10,352	10,837	10,938
55-59	6,651	6,670	6,843	7,229	7,796	8,356	8,790	9,375	9,844	10,084	10,444	10,638
60-64	6,481	6,676	6,777	6,961	7,365	7,944	8,511	8,948	9,541	10,019	10,265	10,412
65-69	5,732	6,350	6,738	6,846	7,038	7,446	8,027	8,592	9,025	9,621	10,100	10,198
70-74	4,311	5,059	6,066	6,448	6,563	6,750	7,145	7,705	8,248	8,667	9,245	9,431
75-79	3,283	3,864	5,014	5,975	6,311	6,373	6,499	6,823	7,298	7,748	8,071	8,256
80-84	2,223	2,592	3,388	4,380	5,200	5,465	5,487	5,564	5,806	6,175	6,519	6,613
85+	2,377	2,534	3,083	3,923	5,079	6,339	7,331	8,019	8,555	9,114	9,777	10,061
Total	**106,555**	**111,101**	**119,339**	**127,404**	**135,096**	**142,311**	**149,150**	**155,808**	**162,303**	**168,662**	**174,806**	**177,170**

Population Forecasts prepared by: Population Research Center, Portland State University, June 30, 2017.

Figure 23. Yamhill County's Sub-Areas—Total Population

Area / Year	2017	2020	2025	2030	2035	2040	2045	2050	2055	2060	2065	2067
Yamhill County	106,555	111,101	119,339	127,404	135,096	142,311	149,150	155,808	162,303	168,662	174,806	177,170
Amity UGB	1,642	1,691	1,769	1,840	1,910	1,975	2,038	2,096	2,154	2,206	2,257	2,276
Carlton UGB	2,229	2,340	2,586	2,813	3,013	3,204	3,384	3,551	3,704	3,841	3,959	3,998
Dayton UGB	2,837	2,914	3,004	3,108	3,200	3,290	3,376	3,461	3,545	3,628	3,723	3,761
Dundee UGB	3,243	3,408	3,772	4,158	4,570	4,936	5,296	5,645	5,979	6,296	6,590	6,697
Gaston UGB (Yamhill)	157	157	158	158	159	159	159	160	160	160	161	161
Lafayette UGB	4,083	4,436	4,958	5,375	5,717	5,970	6,187	6,367	6,540	6,709	6,872	6,937
McMinnville UGB	34,293	35,709	38,437	41,255	44,122	46,956	49,728	52,541	55,428	58,449	61,557	62,803
Newberg UGB	24,296	25,889	28,602	31,336	34,021	36,709	39,393	42,101	44,984	47,966	50,957	52,135
Sheridan UGB	6,340	6,401	6,598	6,754	6,893	7,016	7,122	7,225	7,326	7,424	7,521	7,560
Willamina UGB (Yamhill)	1,227	1,230	1,245	1,259	1,272	1,287	1,302	1,315	1,328	1,341	1,355	1,360
Yamhill UGB	1,077	1,099	1,184	1,264	1,338	1,406	1,467	1,514	1,560	1,606	1,652	1,671
Outside UGB Area	25,132	25,827	27,027	28,084	28,880	29,403	29,698	29,831	29,594	29,037	28,203	27,812

Population Forecasts prepared by: Population Research Center, Portland State University, June 30, 2017.

1109 South River Road

AFTER RECORDING RETURN TO:
City of Newberg
Planning and Building Department
PO Box 970 – (414 E. First Street)
Newberg, OR 97132

COVENANT OF WAIVER OF RIGHTS AND REMEDIES

Recitals

1) The undersigned, WADE WILLERS and CAROL BOYLES (hereinafter referred to as "Owner" or "Owners") has/have petitioned the City of Newberg (hereinafter referred to as "City") to commence certain proceedings, relating to A PROPOSED COMP. PLAN AMENDMENT AND ZONE CHANGE for the real property described in **Exhibit A** which is attached hereto and incorporated herein.

2) Pursuant to the enactment of **Ballot Measure 49** (adopted November 6, 2007), if a public entity enacts one or more land use regulations that restrict the residential use of private real property or a farming or forest practice and that reduce the fair market value of the property, then the owner of the property shall be entitled to just compensation from the public entity that enacted the land use regulation or regulations as provided in Measure 49.

3) There is the potential that the Oregon electors or the Oregon Legislature may, in the future, enact further statutory or constitutional amendments relating to compensation for the impact of local regulations upon real property, under certain circumstances.

4) City does not wish to approve the Owner's/Owners' requested proceedings if the result would or could arguably give rise to a later claim by the Owner or Owners, or the Owner's/Owners' successors or assigns for compensation for the land use regulations in effect upon the effective date of the proceedings, or would or could arguably require the City to waive the City's land use regulations in effect upon the effective date of the proceedings, which are being newly imposed upon the property by reason and result of the proceedings.

5) Owner(s) seek(s) to induce the City to proceed with the proceedings and therefore Owner(s) agree(s) to eliminate the potential of claim for compensation or the right to seek waiver from the City's land use regulations existing as of the effective date of the proceedings.

NOW THEREFORE, the undersigned Owner(s) warrant(s) that the Owner(s) executing this covenant hold(s) the full and complete present ownership or any interest therein in the property, and hereby agree(s) and covenant(s) as follows:

1) As inducement to the City to proceed with the following proceeding(s) affecting the subject real property: 1109 SOUTH RIVER STREET, which may include designation of the property as subject to additional applicable overlay zones and districts, e.g., Limited Use Overlay District, (all inclusively referred to herein as "proceedings"), the undersigned Owner(s), on behalf of Owner(s), Owner's/Owners' heirs, devisees, executors, administrators, successors and assigns, agree(s) and covenant(s) to the City of Newberg, its officers, agents, employees and assigns that the undersigned hereby remises, waives, releases and forever discharges, and agrees that Owner(s) shall be estopped from asserting any rights and remedies, actions, causes of action, suits, claims, liabilities, demands, and rights to waivers arising under or granted by any statutory or constitutional regulatory compensation or waiver provisions, including but not limited to Ballot Measure 49 (2007) or otherwise enacted after the date of this proceeding which would create a right of claim for compensation or waiver from City land use regulations that exist upon the effective date of the proceeding and which, by the approval of the proceeding, are then applicable to the property.

2) This waiver and release shall bind the undersigned's heirs, devisees, executors and administrators, successors in interests, and assigns. This covenant, waiver, release and discharge shall run with the land, and this instrument, or a memorandum hereof, may be recorded in the official records of the County in which the subject real property is located. This instrument may be terminated upon the filing of a Notice of Termination of Covenant filed by the City of Newberg.

3) If this instrument is given contemporaneous with a consent to future proceedings to be initiated by the City, Owner(s) acknowledge(s) that the proceedings may be initiated by the City of Newberg at any time in the discretion of the City of Newberg, and that this waiver and release is applicable to any ordinances adopted prior to the effective date of the proceeding.

4) This document is executed of my/our own free will and without duress. I, or if more than one, each of us respectively acknowledge that I/we have been advised to obtain legal advice prior to the execution of this document, and that either I, or each of us respectively, have either obtained legal advice or have independently elected not to seek legal advice prior to the execution of this document, recognizing that this document may affect my/our legal rights and remedies.

OWNER

Carol Boyes

OWNER

STATE OF OREGON)
) ss.
County of Yamhill)

This instrument was acknowledged before me on this 14 day of May, 2018 by Carol Boyes and _____.

Janet L Winder
Notary Public for Oregon
My Commission expires: 4/30/2021

OFFICIAL STAMP
JANET L WINDER
NOTARY PUBLIC-OREGON
COMMISSION NO. 961741
MY COMMISSION EXPIRES APRIL 30, 2021

CITY OF NEWBERG

Norma I. Alley, City Recorder

Dated: _____

APPROVED AS TO FORM:

Terrence D. Mahr, City Attorney

Dated: _____

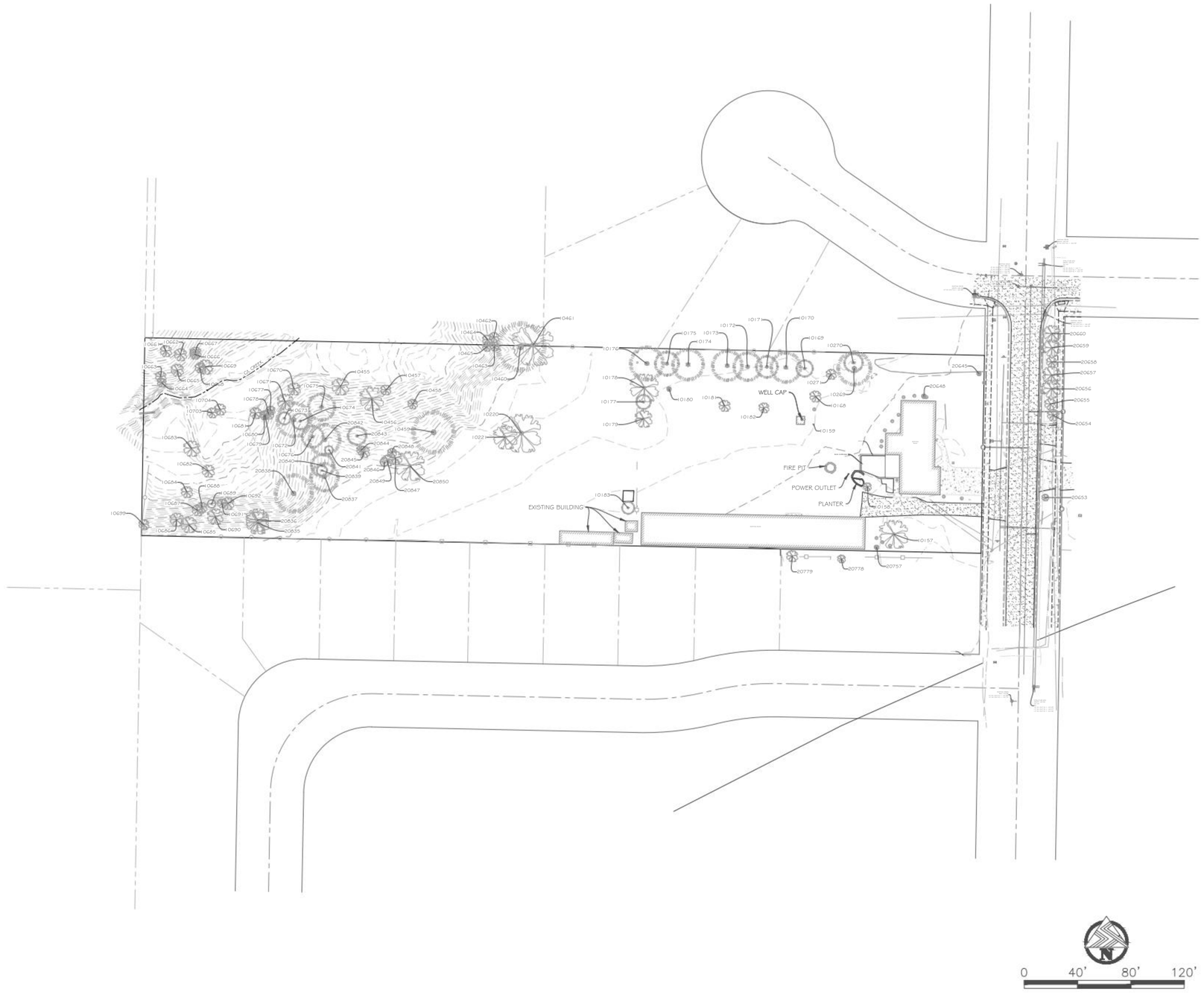
Gross acreage buildable land changes since Martell Commons BLI Inventory Feb 2015

Plan Designation	Buildable Acres After Zone Change*	Annexed	Constrained – stream corridor	Developed – new subdivisions with building permits issued/homes constructed	Net Acres
LDR	363	41.03	(1.82)		402.21
MDR	92	3.06		(14.63)	80.43
HDR	13	-		(5.94)	7.06

*These numbers were taken from Table 10 of the COG Feb 2015 report.

TREE TABLE	
POINT NO.	DESCRIPTION
10157	DTR 25 MAPLE
10158	DTR 7 /3 TRUNK 6
10159	DTR PEAR 10 /5 TRUNK 6
10168	DTR 10 PEAR /3 TRUNK 6
10169	ETR 16 FIR
10170	ETR 29 FIR
10171	ETR 21 FIR
10172	ETR 27 FIR
10173	ETR 29 FIR
10174	ETR 30 FIR
10175	ETR 23 FIR
10176	ETR 32 FIR
10177	14" FIR
10178	25" DECIDUOUS
10179	15" DECIDUOUS
10180	(2)3" & 4" PEAR
10181	10" PEAR
10182	9" DECIDUOUS
10183	12" FIR
10220	34" DECIDUOUS
10221	21" DECIDUOUS
10269	32" FIR
10270	18" FIR
10271	9" DECIDUOUS
10455	15" DECIDUOUS
10456	21" DECIDUOUS
10457	(2) 4" & 9" DECIDUOUS
10458	8.5" DECIDUOUS
10459	40 FIR
10460	46 FIR
10461	36" DECIDUOUS
10462	9" DECIDUOUS
10463	8" DECIDUOUS
10464	9" DECIDUOUS
10465	8" DECIDUOUS
10661	(2)5" & 10" DECIDUOUS
10662	11" DECIDUOUS
10663	9.5" DECIDUOUS
10664	8" DECIDUOUS
10665	11" DECIDUOUS
10666	9" DECIDUOUS
10667	10" DECIDUOUS
10668	3.5",8" & 8.5" DECIDUOUS
10669	4",6" & 13" DECIDUOUS
10670	11" DECIDUOUS
10671	14" DECIDUOUS
10672	33" FIR
10673	12" FIR
10674	16" FIR
10675	26" EVERGREEN

TREE TABLE	
POINT NO.	DESCRIPTION
10676	21" EVERGREEN
10677	8" DECIDUOUS
10678	5",7" & 9" DECIDUOUS
10679	8" DECIDUOUS
10680	8" DECIDUOUS
10681	10" DECIDUOUS
10682	11" & 4.5" DECIDUOUS
10683	14" DECIDUOUS
10684	10" DECIDUOUS
10685	14" DECIDUOUS
10686	12" DECIDUOUS
10687	10" & 9" DECIDUOUS
10688	9" DECIDUOUS
10689	8" FIR
10690	14" DECIDUOUS
10691	8" DECIDUOUS
10692	11" DECIDUOUS
10699	9" DECIDUOUS
10704	10" DECIDUOUS
20645	4" MAPLE
20648	4" ORNAMENTAL
20653	6" MAPLE
20654	10" BIRCH
20655	10" UNKNOWN
20656	16" BIRCH
20657	16" UNKNOWN
20658	9" BIRCH
20659	15" UNKNOWN
20660	15" BIRCH
20757	4" MAPLE
20778	7" MAPLE
20779	10" MAPLE
20835	20" UNKNOWN
20836	20" UNKNOWN
20837	27" FIR
20838	36" FIR
20839	10" FIR
20840	22" FIR
20841	8" FIR
20842	30" FIR
20843	18" FIR
20844	8" UNKNOWN
20845	10" UNKNOWN
20846	8" FIR
20847	12" MAPLE
20848	8" MAPLE
20849	10" MAPLE
20850	26" UNKNOWN



DATE SIGNED:

WADE WILLERS

1109 SOUTH RIVER STREET
EXISTING CONDITIONS

CITY OF NEWBERG

SCALE NOTE:

0" 1"

BAR IS ONE INCH ON ORIGINAL DRAWING. IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

REVISIONS			
NO.	DESCRIPTION	DATE	BY

PROJECT NO: WADE-001
HORIZ DATUM: N/A
VERT DATUM: N/A
HORIZ SCALE: AS SHOWN
VERT SCALE: AS SHOWN
DRAWN: MSD
DESIGN: MSD
APPROVED: MSD

SHEET TITLE:

EXISTING CONDITIONS

P1

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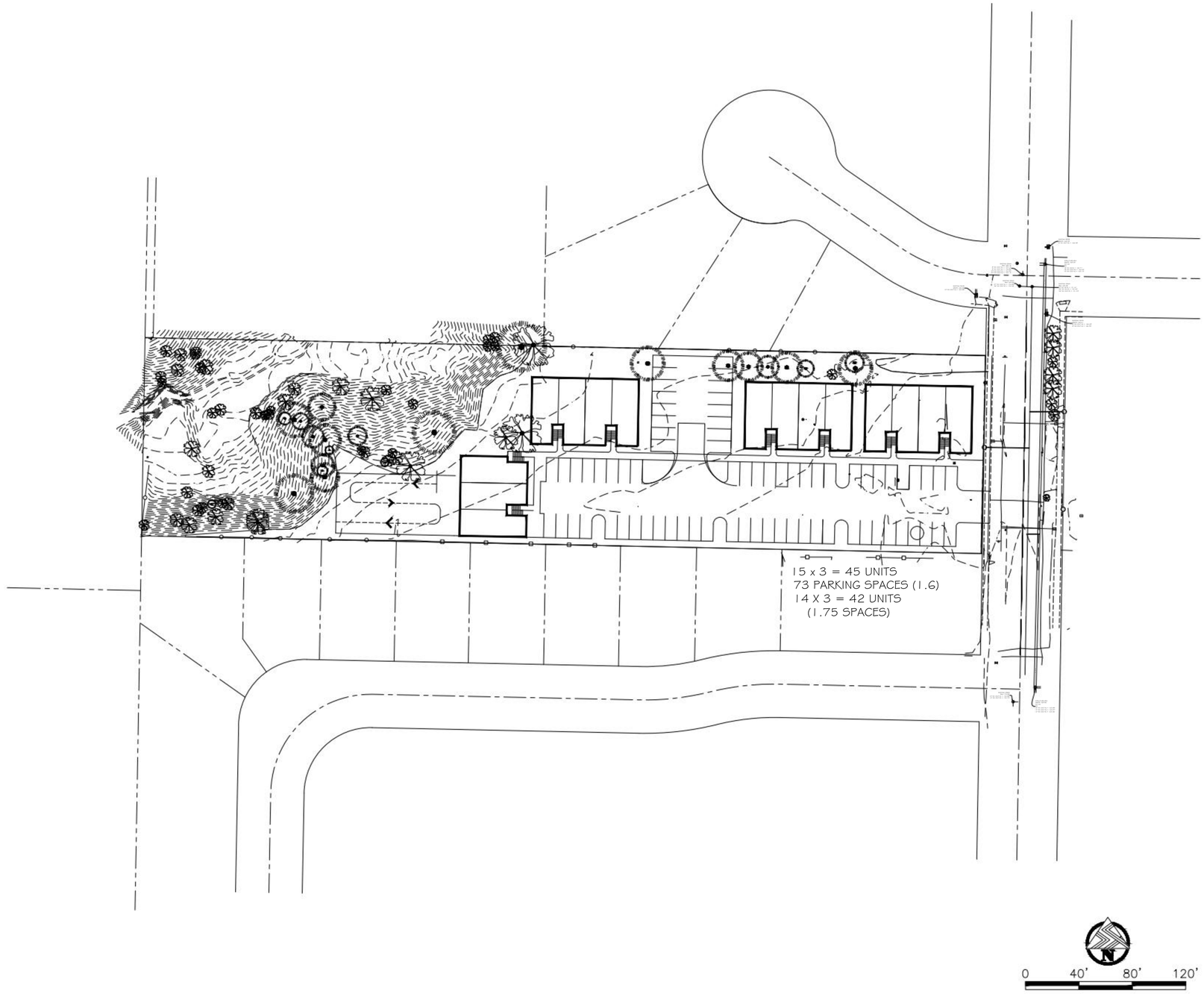
TREE TABLE	
POINT NO.	DESCRIPTION
10157	DTR 25 MAPLE
10158	DTR 7 /3 TRUNK 6
10159	DTR PEAR 10 /5 TRUNK 6
10168	DTR 10 PEAR /3 TRUNK 6
10169	ETR 16 FIR
10170	ETR 29 FIR
10171	ETR 21 FIR
10172	ETR 27 FIR
10173	ETR 29 FIR
10174	ETR 30 FIR
10175	ETR 23 FIR
10176	ETR 32 FIR
10177	14" FIR
10178	25" DECIDUOUS
10179	15" DECIDUOUS
10180	(2)3" & 4" PEAR
10181	10" PEAR
10182	9" DECIDUOUS
10183	12" FIR
10220	34" DECIDUOUS
10221	21" DECIDUOUS
10269	32" FIR
10270	18" FIR
10271	9" DECIDUOUS
10455	15" DECIDUOUS
10456	21" DECIDUOUS
10457	(2) 4" & 9" DECIDUOUS
10458	8.5" DECIDUOUS
10459	40 FIR
10460	46 FIR
10461	36" DECIDUOUS
10462	9" DECIDUOUS
10463	8" DECIDUOUS
10464	9" DECIDUOUS
10465	8" DECIDUOUS
10661	(2)5" & 10" DECIDUOUS
10662	11" DECIDUOUS
10663	9.5" DECIDUOUS
10664	8" DECIDUOUS
10665	11" DECIDUOUS
10666	9" DECIDUOUS
10667	10" DECIDUOUS
10668	3.5",8" & 8.5" DECIDUOUS
10669	4",6" & 13" DECIDUOUS
10670	11" DECIDUOUS
10671	14" DECIDUOUS
10672	33" FIR
10673	12" FIR
10674	16" FIR
10675	26" EVERGREEN

TREE TABLE	
POINT NO.	DESCRIPTION
10676	21" EVERGREEN
10677	8" DECIDUOUS
10678	5",7" & 9" DECIDUOUS
10679	8" DECIDUOUS
10680	8" DECIDUOUS
10681	10" DECIDUOUS
10682	11" & 4.5" DECIDUOUS
10683	14" DECIDUOUS
10684	10" DECIDUOUS
10685	14" DECIDUOUS
10686	12" DECIDUOUS
10687	10" & 9" DECIDUOUS
10688	9" DECIDUOUS
10689	8" FIR
10690	14" DECIDUOUS
10691	8" DECIDUOUS
10692	11" DECIDUOUS
10699	9" DECIDUOUS
10704	10" DECIDUOUS
20645	4" MAPLE
20648	4" ORNAMENTAL
20653	6" MAPLE
20654	10" BIRCH
20655	10" UNKNOWN
20656	16" BIRCH
20657	16" UNKNOWN
20658	9" BIRCH
20659	15" UNKNOWN
20660	15" BIRCH
20757	4" MAPLE
20778	7" MAPLE
20779	10" MAPLE
20835	20" UNKNOWN
20836	20" UNKNOWN
20837	27" FIR
20838	36" FIR
20839	10" FIR
20840	22" FIR
20841	8" FIR
20842	30" FIR
20843	18" FIR
20844	8" UNKNOWN
20845	10" UNKNOWN
20846	8" FIR
20847	12" MAPLE
20848	8" MAPLE
20849	10" MAPLE
20850	26" UNKNOWN



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DATE SIGNED:

109 S. RIVER ROAD DEVELOPMENT

WADE WILLERS

CITY OF NEWBERG

SCALE NOTE:

0" 1"

BAR IS ONE INCH ON ORIGINAL DRAWING. IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY.

REVISIONS			
NO.	DESCRIPTION	DATE	BY

PROJECT NO: WADE-001
HORIZ DATUM: 0
VERT DATUM: 0
HORIZ SCALE: AS SHOWN
VERT SCALE: AS SHOWN
DRAWN: MSD
DESIGN: MSD
APPROVED: MSD

SHEET TITLE:

CONCEPT SITE PLAN

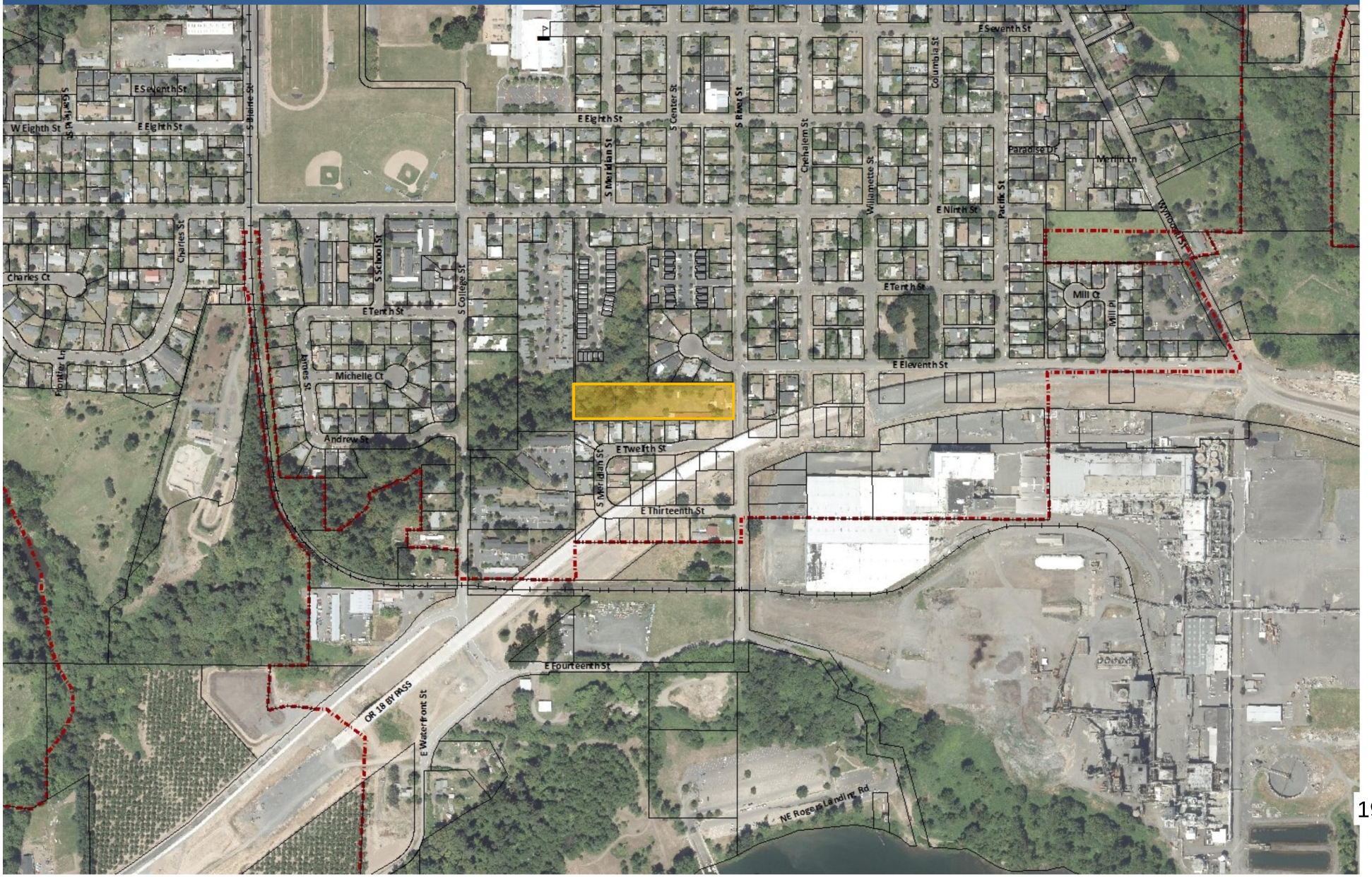
D1

1109 S River Street
Comprehensive Plan and Zoning Map Amendment
CPMA18-0002/ZMA18-0001

City Council Hearing

August 6, 2018

Location

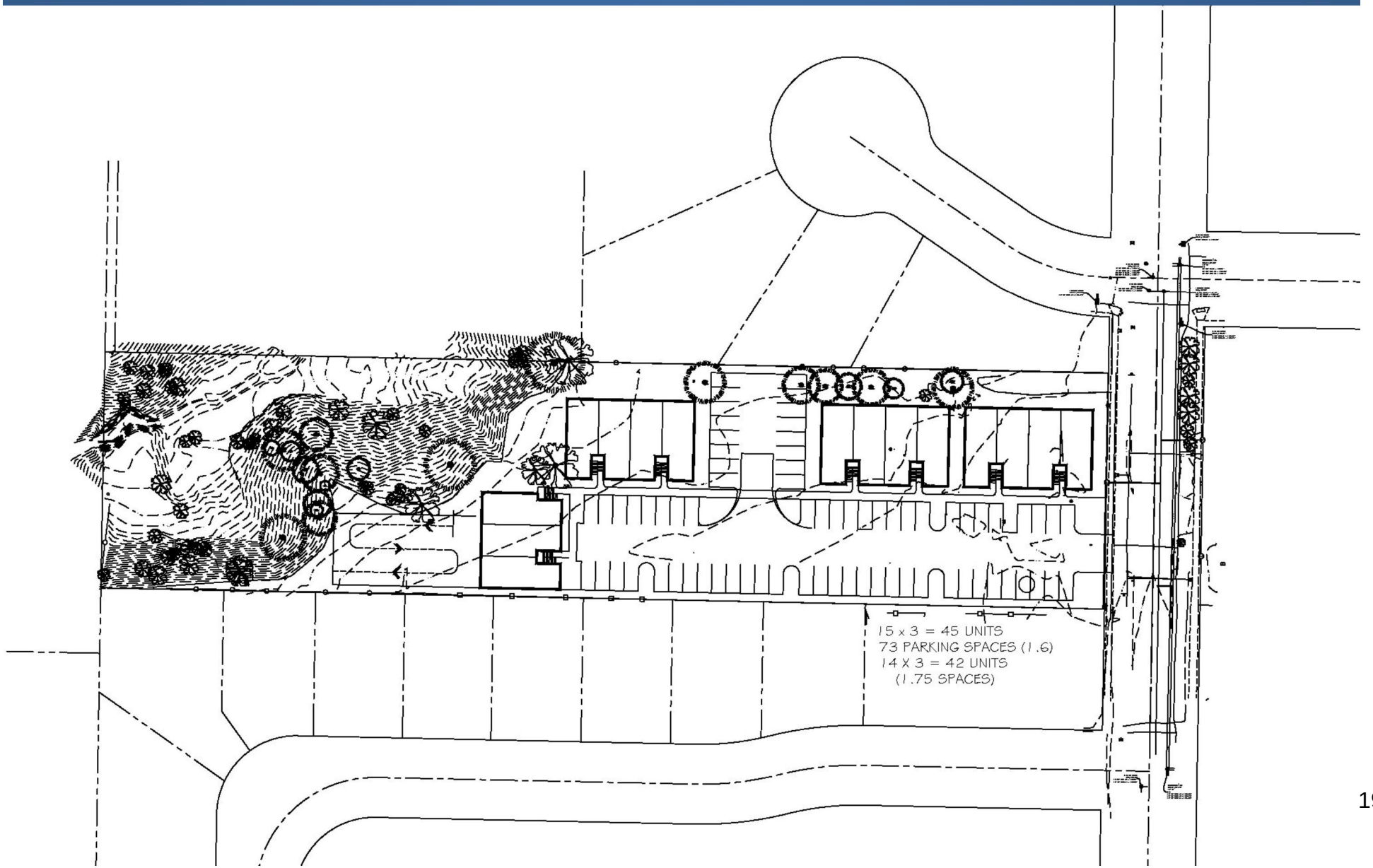

E Seventh St
W Eighth St
E Eighth St
S Center St
S River St
Columbia St
Willamette St
Paradise Dr
Merlin Ln
E Ninth St
Pacific St
Charles Ct
Charles St
S School St
S College St
E Tenth St
Mill Ct
Mill Pl
Frontier Ln
James St
Michelle Ct
E Eleventh St
Andrew St
E Twelfth St
S Meridian St
E Thirteenth St
E Fourteenth St
OR 18 BY PASS
E Water Front St
NE Rogers Landing Rd

Proposal

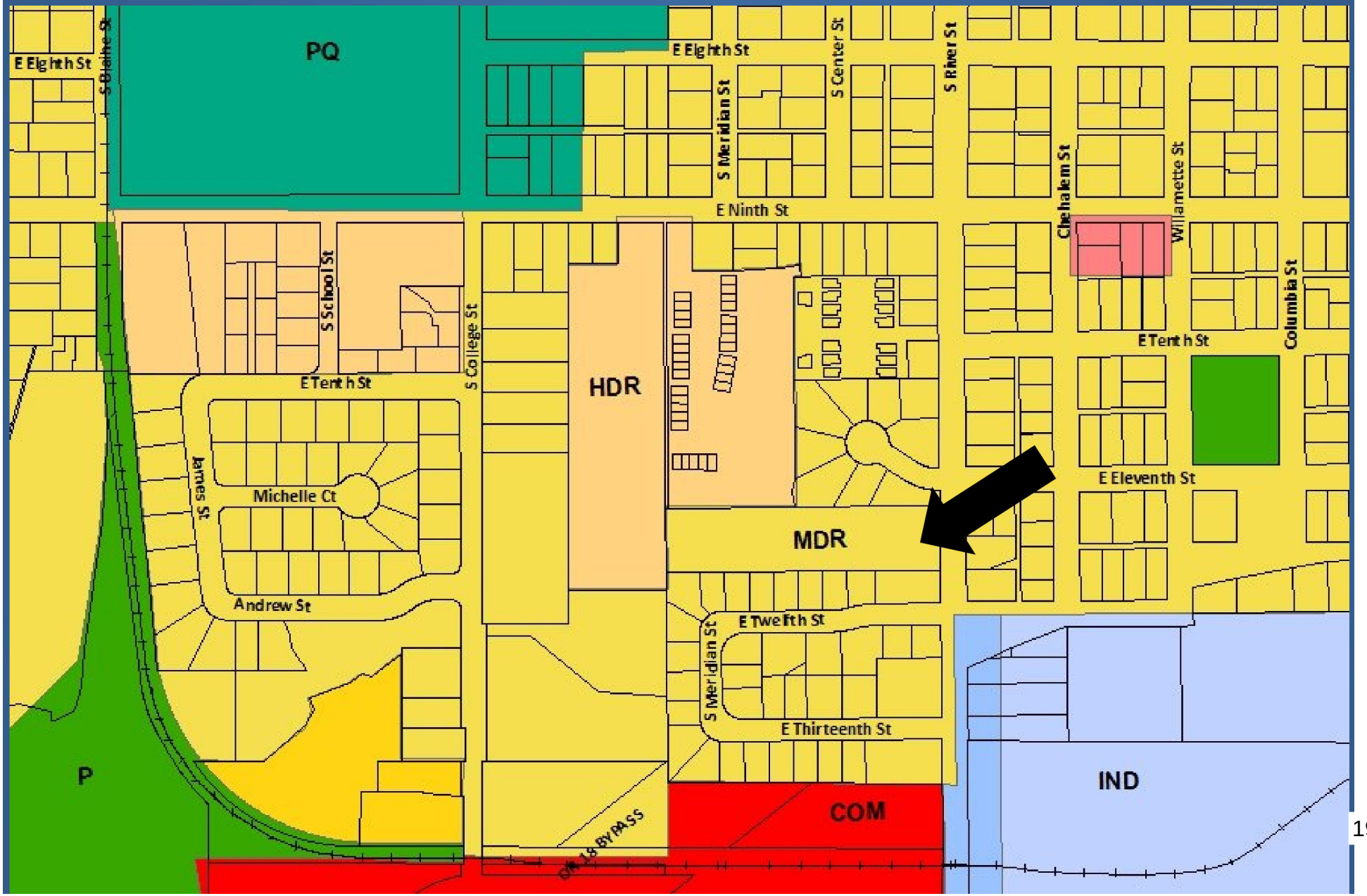
- Amend the Comprehensive Plan Map designation of the property located at 1109 S River Street from Medium Density Residential (MDR) to High Density Residential (HDR) and amend the Zoning designation from R-2 (Medium Density Residential) to R-3 (High Density Residential).

- No development proposed at this time – further land use required

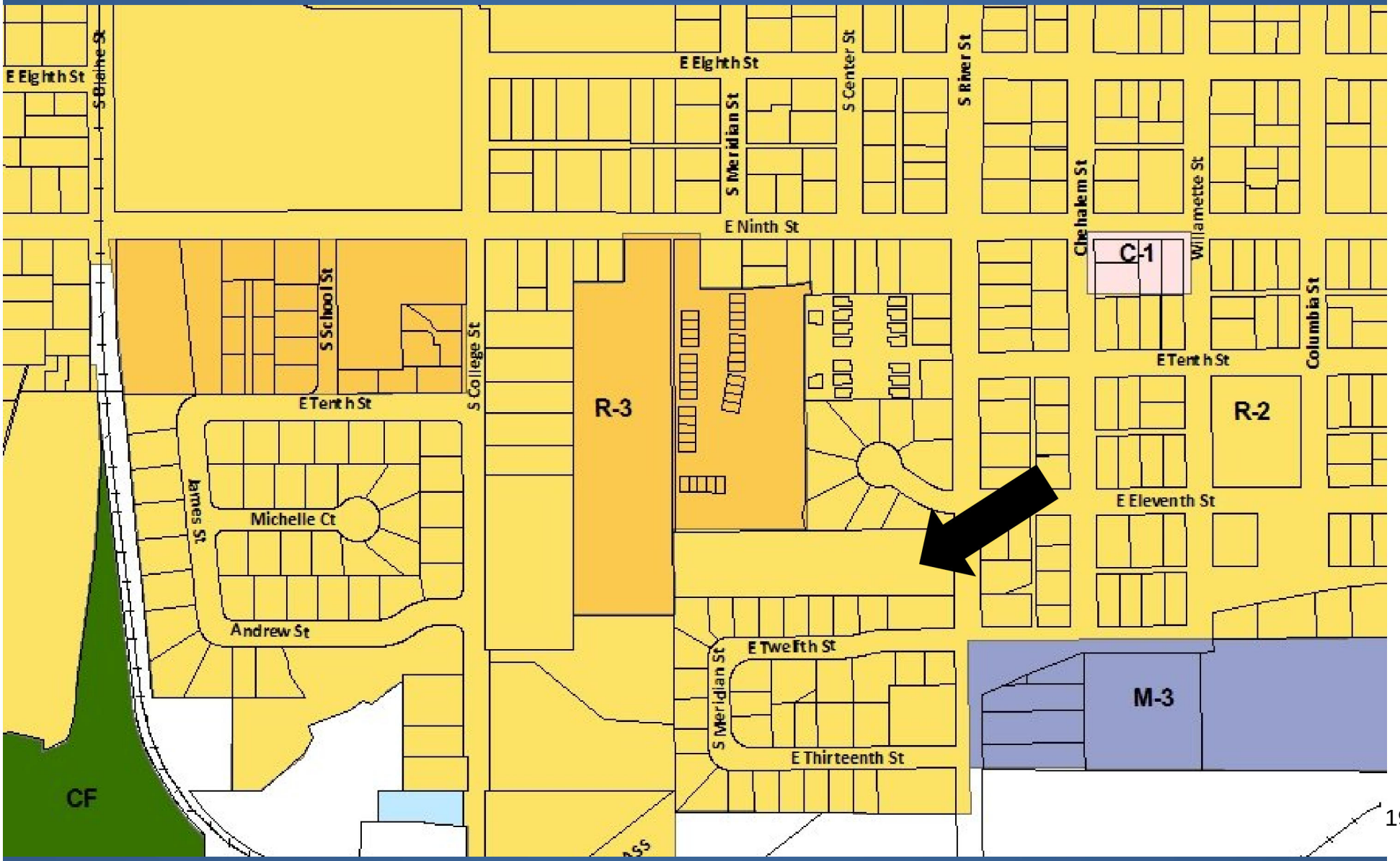
Conceptual Site Plan



Comprehensive Plan Map



Zoning Map


E Eighth St
S Blaine St
E Eighth St
S Center St
S River St
S Meridian St
E Ninth St
Chehalem St
C-1
Willamette St
Columbia St
E Tenth St
S School St
S College St
E Tenth St
R-3
R-2
James St
Michelle Ct
E Eleventh St
Andrew St
E Twelfth St
S Meridian St
M-3
E Thirteenth St
CF

Approval Criteria – NMC 15.302.030(A)(3)

a. The proposed change is consistent with and promotes the goals and policies of the Newberg comprehensive plan and this code;

b. Public facilities and services are or can be reasonably made available to support the uses allowed by the proposed change;

c. Compliance with the State Transportation Planning Rule (OAR 660-012-0060) for proposals that significantly affect transportation facilities.

Applicable Comprehensive Plan Goals & Policies

Housing Policies (summarized)

- To provide for a diversity in the type, density and location of housing within the City to ensure there is an adequate supply of affordable housing units to meet the needs of City residents of various income levels.
- Locate Medium and High Density residential uses with immediate access to collector and minor arterial streets.
- Locate near commercial services and public open spaces
- Low and moderate income housing should be dispersed throughout the City
- Encourage an adequate supply of rental housing dispersed throughout the City

Finding: Need for High Density Residential Land

Comprehensive Plan shows deficit of HDR for 2005-2025

Newberg Comprehensive Plan, Table V-7 Buildable Residential Land Needs vs. Supply				
Plan Designation	Buildable Acres Needed 2005-2025	Buildable Acres in UGB (2004)	Surplus (Deficit) for 2005-2025	Buildable Acres Needed 2026-2040
LDR	612	359	(253)	735
MDR	173	142	(31)	191
HDR	89	13	(76)	83
Total	874	514	(380)	1009

Finding: Need for High Density Residential Land

- Applicant updated housing unit and future land needs from previous application
- Reflects annexations and building permits issued; 2017 population projections
- Newberg has small shortage of LDR and large shortage of HDR

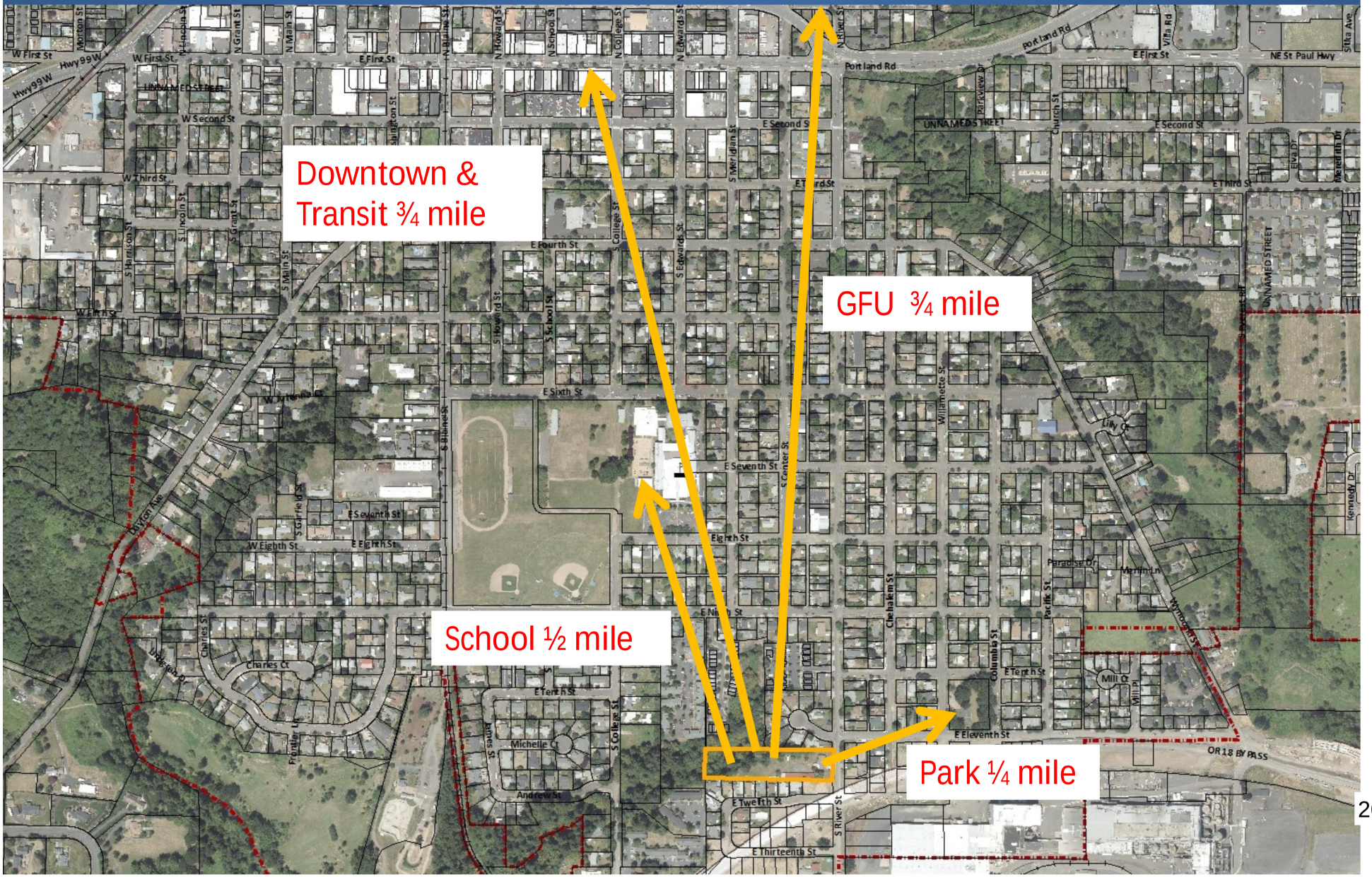
Plan Designation	Buildable Acres Needed	Buildable Acres in UGB	Surplus/Deficit	Percentage of Available Capacity
LDR	406	369	(37)	91%
MDR	179	92	(87)	51%
HDR	62	7	(55)	11%
Total	647	468	(179)	72%

Applicable Comprehensive Plan Goals & Policies

Transportation Policies (summarized)

- Promote multiple modes of transportation
- Encourage higher density development in residential areas near transit corridors, commercial areas and employment centers

Applicable Comprehensive Plan Policies



Finding: Adequate Public Facilities

Water, Wastewater, and Storm

- Existing lines in S River Street
- Estimated additional 23 units with R-3 zoning
- System capacity is available to serve additional units
- Applicant will upgrade if necessary with development

Finding: Adequate Public Facilities

Streets

- S River Street – major collector
- Existing improvements do not meet standard
- Require improvements with development
- Connected to collectors in the neighborhood and Hwy 99W

Finding: Transportation Planning Rule (TPR)

Proposal complies with TPR

- No change functional classification or standards implementing functional classification
- Traffic will increase but not significant impact
- Consistent with TSP – major collector
- Does not degrade performance

Findings Summary

- Proposal meets the need for HDR land and is suitable for HDR
- Proposal complies with Newberg Comprehensive Plan Goals & Policies and Statewide Planning Goals
- Public infrastructure available or can reasonably be made available
- Complies with Oregon Transportation Planning Rule

Recommendation

Planning Commission recommends the adoption of Ordinance 2018-2838 approving Comprehensive Plan map change from Medium Density Residential (MDR) to High Density Residential (HDR) and Zoning change from R-2 (Medium Density Residential) to R-3 (High Density Residential) for the property located at 1109 S River Street.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018				
Order No. ___	**Ordinance No.** ___	**Resolution No.** XX	**Motion** ___	**Information** ___
SUBJECT: A Resolution Approving The Sale Of The Newberg Animal Shelter Property After A Public Hearing And Ratifying The Purchase And Sale Agreement Between The City And The Newberg Animal Shelter Friends Dated June 21, 2018, Thereby Removing The Council Approval Contingency To That Agreement			**Contact Person (Preparer) for this Resolution: Truman Stone** **Dept.: Legal** **File No.:**	

PUBLIC ADMINISTRATIVE HEARING

RECOMMENDATION:

Conduct a public hearing, consider public testimony, and if you find the proposed sale of the shelter to be in the interest of the City, adopt Resolution No. 2018-3488.

EXECUTIVE SUMMARY:

The City Council is holding a public hearing on the proposed sale of the Newberg Animal Shelter. There are two primary benefits to this sale: (1) it allows a community group (NASF) to continue providing animal shelter services to the community; and (2) it generates funds to pay for a portion of a $3.15 million public safety communications upgrade.

On June 21, 2018, the City and NASF entered into a purchase and sale agreement for the property, with the agreement containing several contingencies. Council approval of the sale, after a public hearing, is one contingency.

BACKGROUND

Newberg Animal Shelter History

For more that 40 years, the Newberg Animal Shelter was operated by Newberg-Dundee Police Department. The City's previous shelter building, built as a high school project in the 70's, was a one-room building that held both cats and dogs. Newberg Animal Shelter Friends (NASF), a non-profit fundraising organization, began raising money in 2000 for construction of a new shelter building. Over $560,000 in donations was raised for construction of the Newberg Animal Shelter. In addition, there have been significant grants received to finance Shelter capital improvements. In 2013, the Newberg Animal Shelter moved into a new facility on Sandoz Road, Newberg.

In July 2014 the Newberg-Dundee Police Department cut the Animal Control program as a cost savings measure. NASF agreed to continue operating the shelter and the City leased the building to NASF on a 4-year lease.

In 2017, the City was evaluating options to raise revenue, including sale of surplus City assets, to complete the required radio communication system upgrade (*see e.g.* discussion on Resolutions 2017-3411 and 2018-

3440). The animal shelter was one of several assets evaluated as a potential sale. This issue has been discussed at a number of council meetings, has been a subject of community conversation, and has been reported on by the Newberg Graphic.

LEGAL REQUIREMENTS

Sale of Public Property

Statutes (ORS 221.725) proscribe the process for sale of real property by a City.

- City must publish a notice of the proposed sale.
- Notice must state time and place of a public hearing, description of the property, proposed uses for the property and reasons why the City considers it necessary or convenient to sell.
- An appraisal or other evidence of the market value of the property disclosed at a public hearing.
-

Process

After discussion of a potential sale during the February 5, 2018 City Council meeting, the City commissioned an appraisal of the property. The appraisal is included as Attachment 1. After receiving the appraisal, City staff and NASF began negotiations. Over several months the parties were able to come to agreement on the dollar amount to be credited to NASF for both prior fundraising and tenant improvements.

During the course of negotiations, it was discovered that the original shelter plans included a large lot area than what was included in the appraisal. The parties negotiated a price for the additional land based on the appraised land value. The shelter property is a small portion of a larger City property, which has been acquired for future expansion of the wastewater treatment plant. To accomplish this sale, the shelter property will need to become a legal lot.

During these several months, the Council was updated on the progress of negotiations in executive session.

The City and NASF entered into a Purchase and Sale Agreement on June 21, 2018. This agreement is Exhibit A to the resolution and is attached. There are several buyer's contingencies and seller's contingencies. One contingency is approval by the City Council after a public hearing. Tonight is the opportunity for the public to provide input on this proposed sale. If the Council approves the proposed sale, the remaining contingencies must also be satisfied before the sale can be closed.

FISCAL IMPACT:

The 7,128 sq. ft. Newberg Animal Shelter was constructed on City property and financed through public fundraisers, donation, grants and City contributions.

The Shelter operates under a four-year lease with NASF (through July 2018). The $1.00 per year lease and City payment of utilities is in exchange for Newberg Animal Shelter Friends operation of the shelter. NASF operates and staffs the shelter, pays phone and internet service, security system, medical expenses for animals in their care and has provided funding to continue building improvements.

The agreed upon sale price for the shelter is $718,000. The terms are $150,000 cash at closing, $88,000 payable over time, and a $480,000 credit for those amounts raised by NASF to construct the shelter. The note will accrue interest at 3% and the amount of monthly payments has not yet been determined.

The net proceeds from the sale will be divided between the Wastewater Fund (appx. $53,000) and the General Fund (appx. $185,000) in proportion to the equity ownership of the land and building.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS):

Goal 1: Maintain a state of the art 911-dispatch center and 800 MHz radio communication system.

The sale of the shelter building provides partial funding for the radio system update.

RESOLUTION NO. 2018-3488

A RESOLUTION APPROVING THE SALE OF THE NEWBERG ANIMAL SHELTER PROPERTY AFTER A PUBLIC HEARING AND RATIFYING THE PURCHASE AND SALE AGREEMENT BETWEEN THE CITY AND THE NEWBERG ANIMAL SHELTER FRIENDS DATED JUNE 21, 2018, THEREBY REMOVING THE COUNCIL APPROVAL CONTINGENCY TO THAT AGREEMENT

RECITALS:

1. In 2000 the Newberg Animal Shelter Friends (NASF) was formed to raise money to build a new animal shelter in the City of Newberg.

2. Between 2000 and 2013 NASF raised and donated approximately $512,000 to construction of a new shelter building.

3. The animal shelter opened in 2013.

4. In 2014 the Newberg-Dundee Police Department eliminated the animal control officer position and the City asked NASF to operate the shelter. The City leased the shelter building to NASF for a nominal amount and financially supported the operation of the shelter.

5. The City is required to upgrade its emergency communication radio system, an expense of approximately $3,100,000. The City has assessed its available assets to help fund the radio project and has determined that sale of the shelter to be in the City's interest.

6. The City Council has expressed its intent that the shelter building continue to be used for its intended purpose and the desire to sell the shelter to NASF in recognition of its significant role.

7. NASF and the City have negotiated a purchase and sale agreement that was executed on June 21, 2018.

8. Staff has briefed the Council during the progression of negotiations, in executive sessions.

9. The purchase and sale agreement contains several contingencies, one of which is that the Council conducts a public hearing pursuant to ORS 221.725 and ratifies the agreement terms.

10. Public notice pursuant to ORS 221.725 was published in the Newberg Graphic on July 25 and August 1, 2018.

11. On August 6, 2018 the Council conducted a public hearing, disclosed all evidence of value as described in ORS 221.725, considered public testimony, both written and oral, closed the public hearing and conducted deliberations related to the sale of the property.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. To adopt and incorporate the above recitals into this Resolution.

2. To ratify the Purchase and Sale Agreement dated June 21, 2018, attached hereto as Exhibit A, and incorporated by this reference.

3. To authorize the City Manager to prepare and execute, after approval of the City Attorney as to form and content, any and all documents necessary to give effect to this resolution and carry out its purposes, including, but not limited to, any documents necessary to close the sale of the property.

4. To allocate the net proceeds proportionally between the Wastewater Fund and General Fund.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: _____, 2018.

ADOPTED by the City Council of the City of Newberg, Oregon, this ____ day of _____, 2018.

_____
Sue Ryan, City Recorder

ATTEST by the Mayor this _____ day of _____, 2018.

_____
Bob Andrews, Mayor

APPRAISAL REPORT

Newberg Animal Shelter
1591 South Sandoz Road
Newberg, Oregon 97132
February 5, 2018

PREPARED FOR

Douglas R. Rux, AICP
Community Development Director
City of Newberg
PO Box 970 / 414 East First Street
Newberg, OR 97132

PREPARED BY

JKR VALUATION, PC
Jason K. Russell, MAI
PO BOX 1078
NEWBERG, OR 97132
503-784-9155

JKR Valuation, PC File No: JKRV-17062

JKR VALUATION, PC
PO Box 1078
Newberg, OR 97132
+1 (503) 784-9155
www.jkrvaluation.com

February 5, 2018

Douglas R. Rux, AICP
Community Development Director
City of Newberg
PO Box 970 / 414 East First Street
Newberg, OR 97132

RE: Newberg Animal Shelter
1591 South Sandoz Road
Newberg, Oregon 97132

JKR Valuation, PC File No: JKRV-17062

Mr. Rux:

JKR Valuation, PC is pleased to present the appraisal that satisfies the agreed upon scope of work with City of Newberg. The subject is a single-tenant 5,952 SF (NRA) Industrial (Flex Space) use on a hypothetical site totaling 41,818 SF located in Newberg, Yamhill County, Oregon. The subject is currently occupied by a third party tenant (Animal Shelter), and has an analyzed occupancy of 100.0%, which is above the stabilized occupancy level estimate of 95.0%.

The purpose of this appraisal is to develop an opinion of the As-Is Market Value (Leased Fee and Fee Simple). The following table conveys the final opinion of value that is developed in this appraisal:

VALUATION SCENARIO	INTEREST APPRAISED	DATE	VALUE
As-Is Market Value	Leased Fee and Fee Simple	February 5, 2018	$680,000

This report conforms to the current Uniform Standards of Professional Appraisal Practice (USPAP).

Extraordinary Assumptions - No Extraordinary Assumptions were made for this assignment.

Hypothetical Conditions - A Hypothetical Condition the site that is the subject of this appraisal is partitioned from the larger 13.20-acre parcel. The subject site is approximately 0.96-acres as depicted on the provided property line sketch and ready for transfer. In addition, a hypothetical condition that the kennels have been removed is necessary for the valuation as an industrial building. An adjustment will be applied for removal.

If there are any specific questions or concerns regarding the attached appraisal report, or if JKR Valuation, PC can be of additional assistance, please contact the individuals listed below.

Sincerely,

JKR VALUATION, PC

Jason K. Russell, MAI
Certified General Real Estate Appraiser
State of Oregon License No. C000932
Expiration Date 3/31/2019
503-784-9155
jason@jkrvaluation.com

TABLE OF CONTENTS

LETTER OF TRANSMITTAL

INTRODUCTION

Executive Summary 1
Subject Property Photographs 4
Identification Of Appraisal Assignment 7
Scope of Work 10

DESCRIPTIONS & EXHIBITS

Local Area Analysis 17
Site Description 19
Exhibits 22
Improvement Description 25
Market Analysis 28
Highest & Best Use Analysis 32

VALUATION METHODS

Site Valuation 33
Land Sales Comparison Table 34
Land Sales Conclusion 37
Cost Approach 38
Cost Approach Conclusion 42
Sales Comparison Approach 43
Improved Sales Comparison Table 44
Sales Approach Conclusion 47
Income Approach 49
Direct Capitalization Method 49
Lease Comparison Table 50
Market Rent Conclusion 53
Lease Comparison Table Three 54
Capitalization Rate Analysis 55
Income Approach Conclusion 57
Reconciliation of Value Conclusions 58
Certification 59
Professional Services Agreement
Qualifications of Appraiser and Copy of License
Subject Lease

EXECUTIVE SUMMARY

PROPERTY IDENTIFICATION

Name	Newberg Animal Shelter
Property	Industrial - Flex Space
Address	1591 South Sandoz Road
City State, Zip	Newberg Oregon, 97132
County	Yamhill County
MSA	Portland-Vancouver-Hillsboro, Or-Wa
Market / Submarket	Yamhill County / Newberg
Geocode	45.28765,-122.95012
Census Tract	302.02

SITE

Number of Parcels	1	
Assessor Parcel Number	TBD, Portion of R322900100	
Land Area	**Acres (AC)**	**Square Feet (SF)**
Usable	0.96	41,818
Total	0.96	41,818
Zoning	Light Industrial District (M-2)	
Shape	Rectangular	
Topography	Level at street grade	
Flood Zone	Zone X (Unshaded)	

IMPROVEMENT

Tenancy	Single-tenant
Net Rentable Area (NRA)	5,952
Gross Building Area (GBA)	5,952
Ground Floor SF	5,952
Units	1
Buildings	1
Floors	1
Year Built	2012
Actual Age	6 years
Effective Age	6 Years
Economic Life	50 Years
Remaining Life	44 Years
Land To Building Ratio	7.03 : 1
Site Coverage Ratio	14.2%
Parking	1.5 / 1,000 SF NRA
Office Build Out %	41%
Clear Height (Feet)	12
Clear Span (Feet)	20
Ground Level Doors	4

QUALITATIVE

Site Quality	Average
Site Access	Average
Site Exposure	Average
Site Utility	Average
Building Quality	Average
Building Condition	Average
Building Appeal	Average

HIGHEST & BEST USE

Proposed Construction	No
As Vacant	Industrial/Flex
As Improved	Industrial/Flex

EXPOSURE & MARKETING TIME

Exposure Time	Six Months or Less
Marketing Time	Six Months or Less

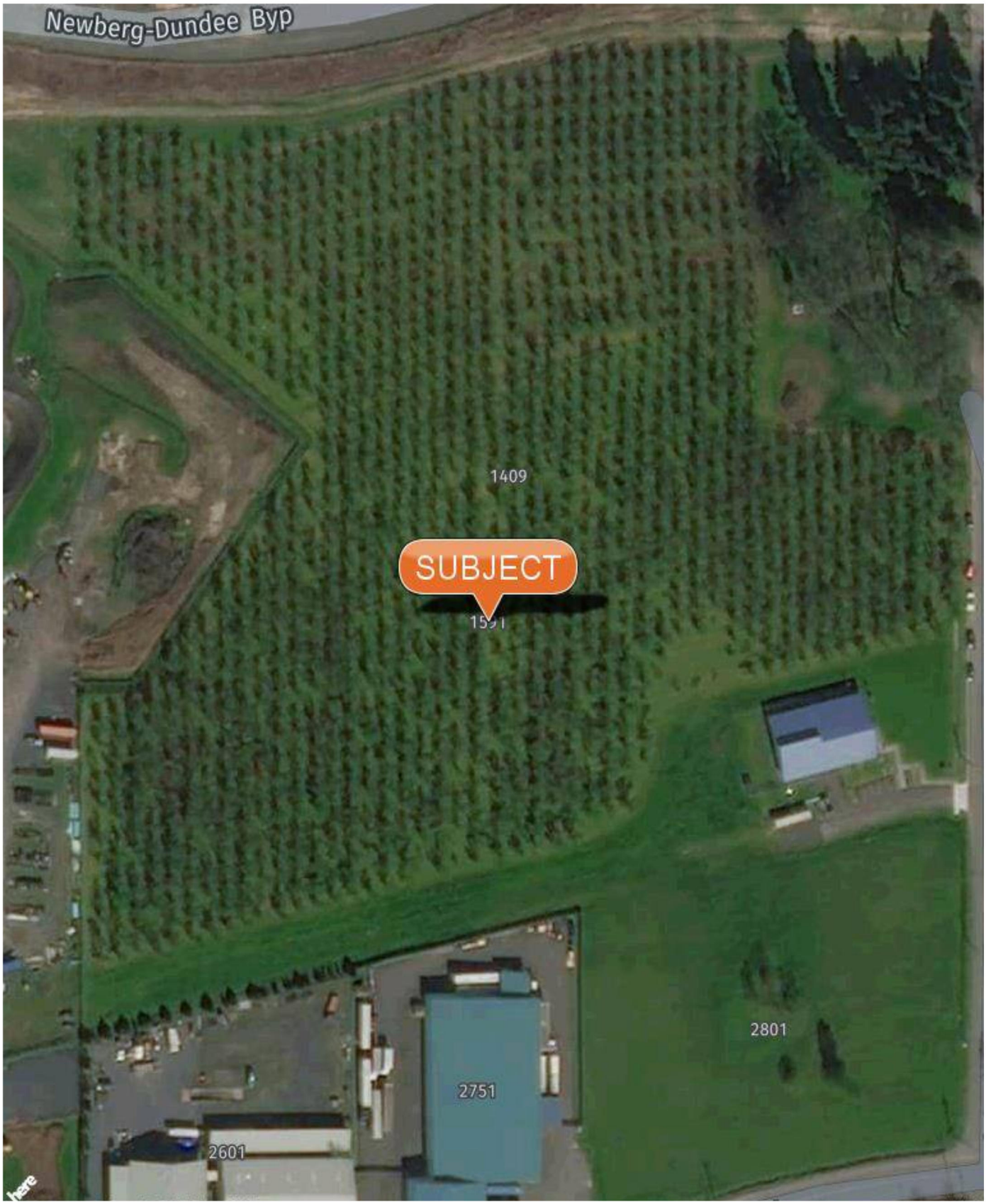
INVESTMENT

Current Occupancy / Current Vacancy	100.0%	0.0%
Stabilized Occupancy / Stabilized Vacancy & Credit Loss	95.0%	5.0%
Lease Up Period	4 Months	
Occupied SF / Vacant SF	5,952	0
Number of Tenants in Occupancy / Vacant Spaces	2	0
Weighted Average Lease Term Remaining	0.4 Years	
Total Contract Income (Occupied Space)	$1	$0.00/SF
Total Market Income (Occupied Space)	$76,539	$12.86/SF
	Space is currently leased at below market to a non-profit agency	
Contract Income As % of Market Income	0%	
Expense Ratio (Expenses/EGI)	22.5%	
Direct Capitalization NOI	$56,326	$9.46/SF
Capitalization Rate (OAR) Conclusion	7.50%	

VALUE CONCLUSION

VALUATION SCENARIOS	**AS-IS MARKET VALUE**
Interest	Leased Fee and Fee Simple
Date	February 5, 2018
Cost Approach	$710,000
Sales Approach	$610,000
Income Approach	$710,000
FINAL VALUE CONCLUSION	$680,000

AERIAL PHOTOGRAPH



SUBJECT PROPERTY PHOTOGRAPHS

View of building

Alternate view of building

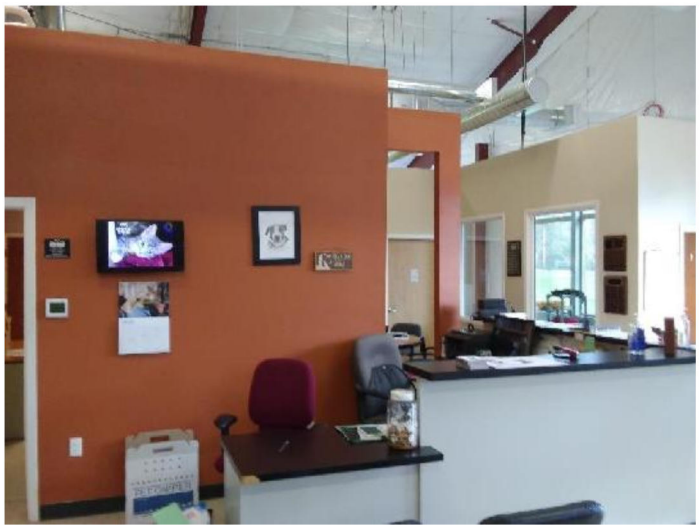
View of easement area

View north along Sandoz Road

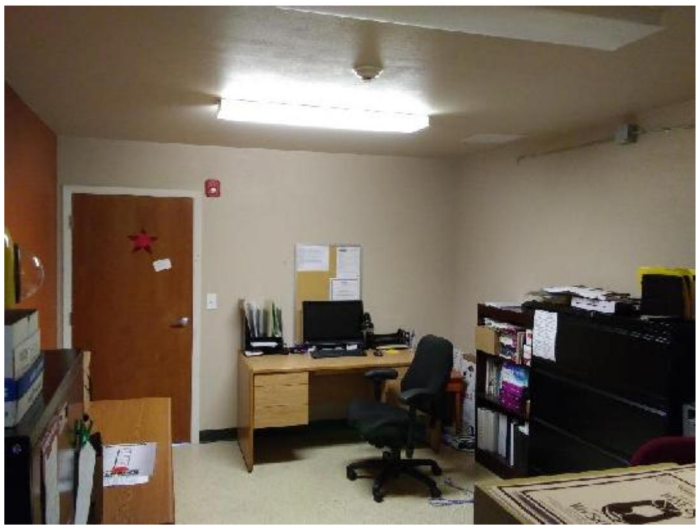
View of parking and easement area

Gated storage area/outdoor area

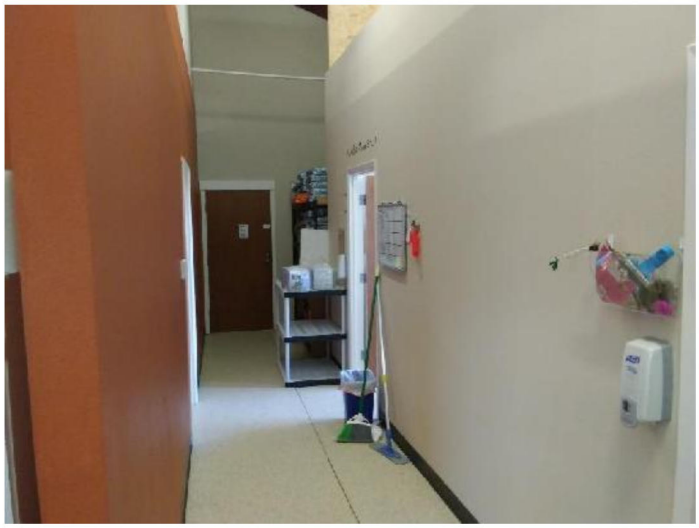
220



Reception desk



Office



Hallway

Cat area/Office

Flex/Industrial area

View of industrial area

221

Food prep/storage

Food prep area

Restroom

Mechanical room (radiant heating plumbing)

Enclosed garbage area

Driveway

222

PROPERTY IDENTIFICATION

The subject is an industrial (flex space) use totaling 5,952 SF (NRA) on a hypothetical 0.96-acres (41,818 SF) located at 1591 South Sandoz Road in Newberg, Yamhill County, Oregon. The assessor parcel number is: TBD, Portion of R322900100. A detailed legal description was not provided. As noted the entire site totals 13.20 acres.

CLIENT IDENTIFICATION

The client of this specific assignment is the City of Newberg.

PURPOSE/INTENDED USE/USERS

The purpose of this appraisal is to develop an opinion of the Hypothetical As-Is Market Value (Leased Fee and Fee Simple). The intended use of this appraisal is to assist the client in making internal business decisions related to this asset. The City of Newberg or assigns are the only intended users of this report.

PERSONAL PROPERTY

There is no personal property (FF&E) included in this valuation. Specifically excluding any removable fixtures specific to the animal shelter use.

PROPERTY AND SALES HISTORY

The subject title is currently recorded in the name of the City of Newberg. The city has owned the property for more than 3 years and acquired the property as raw land. According to county records there has been no transfer of ownership for the subject property in the past three years and there is no known pending sale or listing of the subject. The subject is not currently listed for sale. Although the purpose of this appraisal is to determine a potential sales price.

TAXES & ASSESSMENT

The larger parcel tax values for the 13.20 acres and building is presented below. As noted there is no assessment as the property is owned by the government. The hypothetical subject has not been assessed for property taxes for the current year.

TAX ASSESSMENT ENTIRE PARCEL (2018)

ASSESSOR PARCEL #	LAND	IMPROVEMENTS	TOTAL	EXEMPTIONS	TAXABLE	TAXES
R322900	$3,384,694	$774,005	$4,158,699	$0	$1,323,186	$0
Subtotal	$3,384,694	$774,005	$4,158,699	$0	$1,323,186	$0
Subtotal $/NRA	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
TOTAL BASE TAX $/NRA / $ TOTAL					**$0.00**	**$0**

Source: Yamhill County Assessment & Taxation

HYPOTHETICAL TAX AMOUNT (2018)

ASSESSOR PARCEL #	LAND	IMPROVEMENTS	TOTAL	EXEMPTIONS	TAXABLE	TAXES
TBD, Portion of R322900	$0	$0	$0	$0	$0	$8,035
Subtotal	$0	$0	$0	$0	$0	$8,035
Subtotal $/NRA	$0.00	$0.00	$0.00	$0.00	$0.00	$1.35
TOTAL BASE TAX $/NRA / $ TOTAL					**$1.35**	**$8,035**

Taxation & Assessment Description - The total assessment for the hypothetical subject is unknown. Nearby industrial properties with similar improvements on generally similar sites are assessed at about $1.35 per square foot of building area. Multiplying $1.35 by 5,952-SF yields a figure of $8,035.20 or rounded to $8,035. For the ensuing Income Approach a figure of $8,035 is utilized.

According to the Yamhill County Assessor's Office, real estate taxes for the subject property are current as of the date of this report. Based on the scope of this assignment, any pending tax liens are not considered in the value conclusion. Tax comparables were not a specific scope of work requirement for this assignment although an estimate is provided.

EXPOSURE & MARKETING TIME

The typical buyer profile of the subject property varies from owner-user to investor. The most likely buyer is an investor/user. An investor would consider purchasing the property when leased at achievable rates and stable occupancy has been demonstrated.

Rather than appealing to redevelopment or speculative buyers, an investor would view the property on the basis of stabilized rental income capitalized at a rate of return commensurate with the degree of risk, anticipated appreciation and alternative real estate investments.

The improved sales listing analyzed in the ensuing Sales Comparison Approach indicated varying exposure periods. The properties had exposure periods from not marketed to several years, although when priced appropriately less than six months is typical. Brokers have reported increased interest from small business owners and investors seeking cash flow in the last 12 months, although there is limited product available for sale or lease. Exposure periods have fluctuated in recent years.

Exposure & Marketing Time Conclusion - The hypothetical subject is an industrial (flex space) use totaling 5,952 SF (NRA) on 0.96-acres (41,818 SF) located at 1591 South Sandoz Road in Newberg, Yamhill County, Oregon. Considering these factors, a reasonable estimate of exposure time for the subject As-Is and As-Improved is six months or less and marketing time of six months or less.

DEFINITION OF MARKET VALUE

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming that the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, and acting in what they consider their own best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[1]

PROPERTY RIGHTS APPRAISED

The property rights appraised constitute the leased fee and fee simple interests.

Fee Simple Interest - Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat.[2]

[1] Office of Comptroller of the Currency (OCC), Title 12 of the Code of Federal Regulation, Part 34, Subpart C -Appraisals, 34.42 (g); Office of Thrift Supervision (OTS), 12 CFR 564.2 (g); This is also compatible with the FDIC, FRS and NCUA definitions of market value.

[2] The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

Leased Fee Interest - A freehold (ownership interest) where the possessory interest has been granted to another party by creation of a contractual landlord-tenant relationship.[3]

VALUE SCENARIOS

As-Is Value - The estimate of the value of real property in its current physical condition, use, and zoning as of the appraisal date.[4]

Prospective Value - A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not achieved sellout or a stabilized level of long-term occupancy.[5]

Retrospective Value - A value opinion effective as of a specified historical date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion."[6]

[3] The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

[4] The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

[5] The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

[6] The Dictionary of Real Estate Appraisal, Sixth Edition, Appraisal Institute, Chicago, Illinois, 2015

SCOPE OF WORK

The scope of work for this appraisal assignment is outlined below:

- The appraisal analyzes the regional and local area profiles including employment, population, household income and real estate trends. The local area was inspected to consider external influences on the subject.
- The appraisal analyzes legal and physical features of the subject including site size, improvement size, flood zone, seismic zone, site zoning, easements, encumbrances, site access and site exposure.
- The appraisal includes an industrial market analysis for the Yamhill County market and Newberg submarket using vacancy, absorption, supply and rent data. Conclusions were drawn for the subject's competitive position given its physical and locational features, current market conditions and external influences.
- The appraisal includes a Highest and Best Use analysis and conclusions have been completed for the highest and best use of the subject property As Vacant and As-Improved. The analysis considered legal, locational, physical and financial feasibility characteristics of the subject site and existing improvements.
- In selecting applicable approaches to value, the appraiser considered the agreed upon appraisal scope and assessed the applicability of each traditional approach given the subject's characteristics and the intended use of the appraisal. As a result, this appraisal developed Sales Comparison and Income (Direct Capitalization) approaches. The values presented represent the As-Is Market Value (Leased Fee and Fee Simple).
- The assignment was prepared as an Appraisal Report in accordance with USPAP Standards Rules 2, with the analysis stated within the document and representing a summarized level of analysis.
- The author of this report are aware of the Competency Rule of USPAP and meets the standards.

ASSISTANCE PROVIDED

No one provided real property appraisal assistance to the individuals signing this report.

SOURCES OF INFORMATION

The following sources were contacted to obtain relevant information:

INFORMATION PROVIDED	
Property/Tax	Yamhill County Tax Assessor
Zoning	City of Newberg Zoning
Site Size	Yamhill County Tax Assessor
Building Size	Yamhill County Tax Assessor
Supply & Demand	CoStar
Flood Map	STDB On-Line
Demographics	STDB On-Line
Comparable Information	CoStar and confirmed by local agents
Approximate site Sketch	City of Newberg
Rent Roll/Lease Documents	Property Owner
Income/Expense Statements	Property Owner

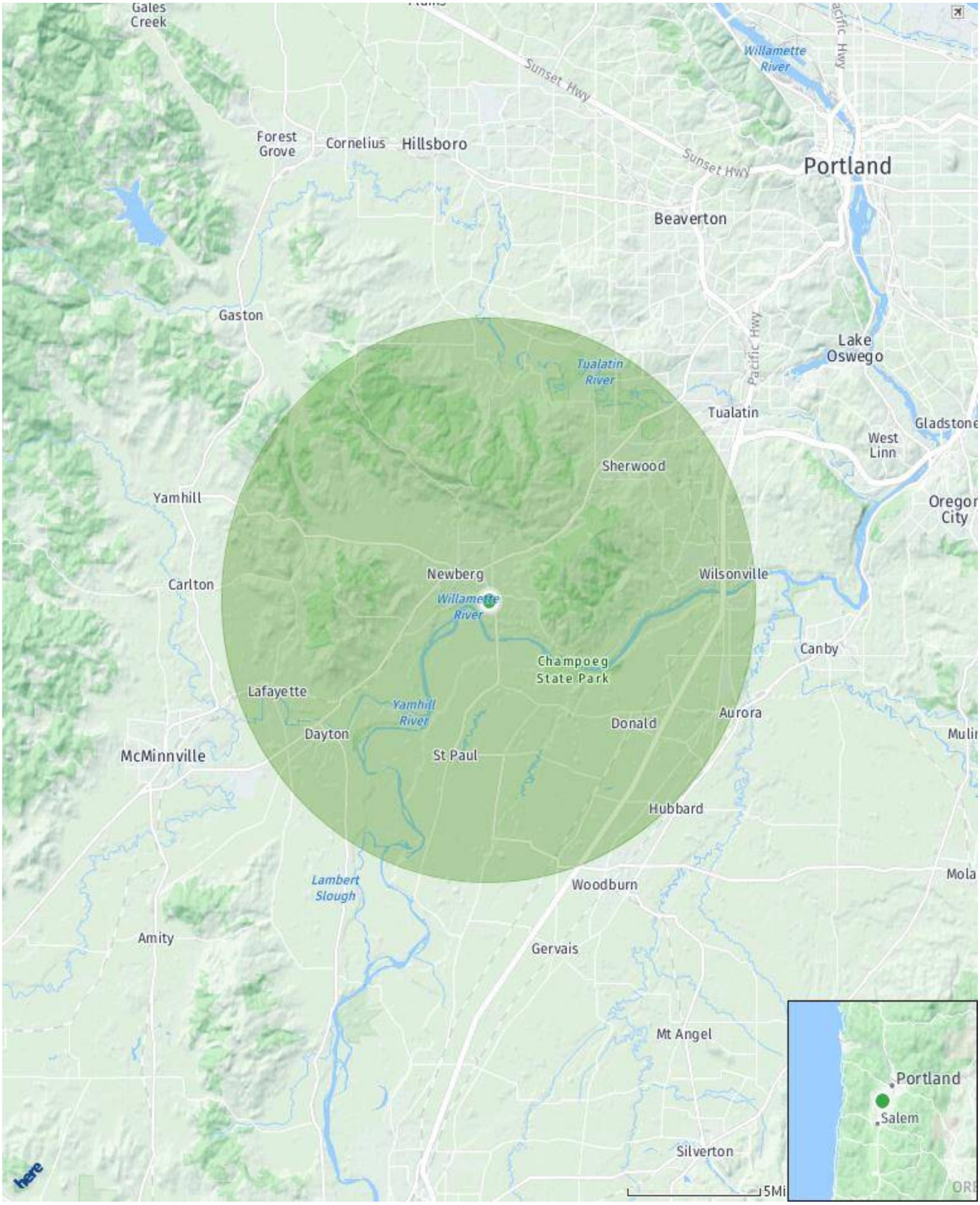
INFORMATION NOT PROVIDED
Title Report
Legal Description of Partitioned 0.96-acre site.
Phase I Environmental Report

The lack of the unavailable items could affect the results of this analysis. As part of the general assumptions and limiting conditions, the subject is assumed to have no adverse easements, significant items of deferred maintenance, or be impacted by adverse environmental conditions.

SUBJECT PROPERTY INSPECTION

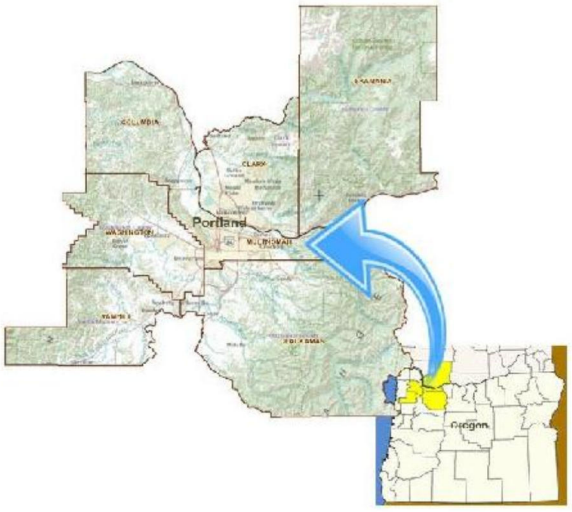
PROPERTY INSPECTION				
APPRAISER	INSPECTED	EXTENT	DATE	ROLE
Jason K. Russell, MAI	Yes	Interior/Exterior	February 5, 2018	Primary Appraiser
ALSO PRESENT	COMPANY	EXTENT	DATE	AFFILIATION
Leo French-Pinzon	City of Newberg	Interior & Exterior	February 5, 2018	City Representative

REGIONAL AREA MAP



REGIONAL AREA ANALYSIS

Situated between the Coast Range on the west and the Cascade Range on the east, the Portland-Vancouver-Hillsboro Metropolitan Statistical Area (MSA) is located on the border of Oregon and Washington and consists of five Oregon State Counties: Clackamas, Columbia, Multnomah, Washington and Yamhill, and two Washington State Counties: Clark and Skamania. Due to the protective nature of the two mountain ranges, the Portland MSA enjoys mild weather year-round, and rarely experiences severe weather extremes. The average rainfall is approximately 37 inches per year, spread over 155 days of the year.



Population

Population growth, or decline, is symptomatic to the economic health of a region. Employment, spending, housing, banking, and other key commercial parameters reflect a region's population in either positive or negative growth. Listed as the 24th largest Metropolitan Statistical Area in the United States, the Portland MSA is home to over half of Oregon's total population with approximately 2,452,195 people living within the seven-county metro area. Multnomah County is the state's most populous county with 803,000 residents. It also has the greatest population density at approximately 1,800 persons per square mile. Washington County ranks second in population with 595,860 residents.

POPULATION

Year	Oregon	Portland MSA	Clackamas County	Columbia County	Multnomah County	Washington County	Yamhill County	Clark County	Skamania County
2010	3,831,074	**2,226,009**	375,992	49,351	735,334	529,710	99,193	425,363	11,066
2015	4,028,977	**2,362,655**	397,385	50,390	777,490	570,510	103,630	451,820	11,430
2016	4,076,350	**2,407,540**	404,980	50,795	790,670	583,595	104,990	461,010	11,500
2017	4,141,000	**2,452,195**	413,000	51,345	803,000	595,860	106,300	471,000	11,690
2016-2017 %	1.6%	1.9%	2.0%	1.0%	1.6%	2.1%	1.3%	2.2%	1.6%

Source: US Census QuickFacts, WA Office of Financial Management, PSU Population Reseach Center

Economy/Employment

Per the U.S. Department of Labor there are over 1.1 million nonfarm related jobs within the Portland MSA and is home to over 66,000 private businesses. Of these, nearly 1,200 are classified as headquarter firms. Eighty major manufacturing companies maintain their headquarters in the Portland area, including the Fortune 100 firm of Nike Inc. which continues to expand its footprint in Washinton County with an addition of 3.2 million square feet of space to its already large campus. Intel, the metro area's top employer, is wrapping up its construction of a 1.8 million square foot expasion at its Hillsboro campus.

TOP EMPLOYERS

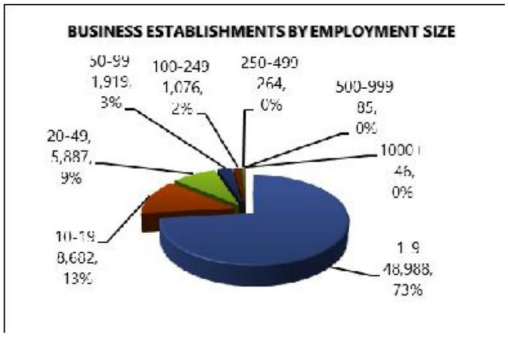
EMPLOYER	EMPLOYEES
Intel	19,500
Providence Health & Services	17,378
OHSU	15,424
Fred Meyer	11,200
Kaiser Permanente NW	10,269
Legacy Health Systems	10,000
Nike	8,000
Wells Fargo	4,617
Portland State University	4,353
US Bank	4,000

Portland Business Journal, Movingtoportland.net

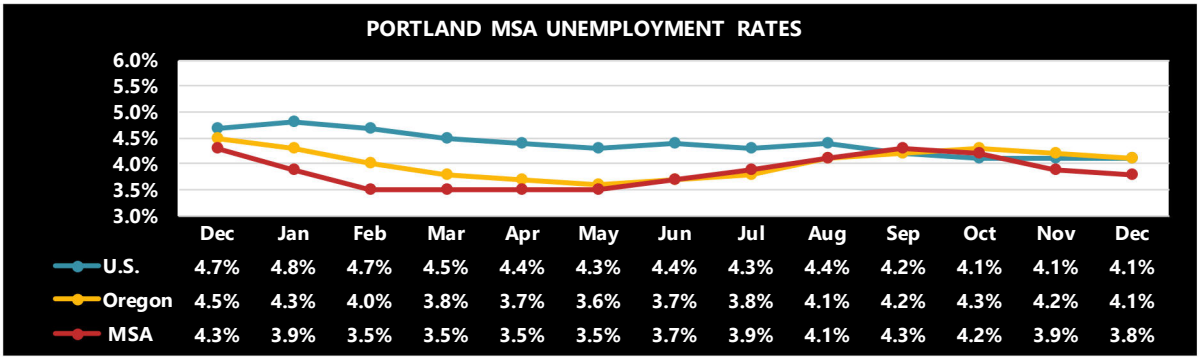
Strategically, the Ports of Portland and Vancouver play a vital role in the region by generating billions of dollars in revenue and creating thousands of jobs. With the Port's proximity to Asia, Portland has become the

leading auto distribution hub on the U.S. West Coast for exports, plus the Port set a record high value of $22 billion in exports. The highest-value exports leaving Oregon are computer and electronic products. Also, under the Port's authority the Portland International Airport (PDX) had a record-breaking year with over 19 million people go through its gates in 2017 which represents a 4% increase in year-over-year comparisons.

In addition to large corporations, universities, hospitals and public-sector employment located within the Portland MSA, smaller businesses make up most of the local employment picture. A 2017 report issued by the U.S. Census lists 66,947 established businesses in the MSA, up 1,820 from last year's report. Of these businesses 48 companies employed 1,000 people or more, whereas 47,715 businesses employed 1-9 people, representing 73% of all businesses listed. These figures reflect the significance of small business in the local economy.

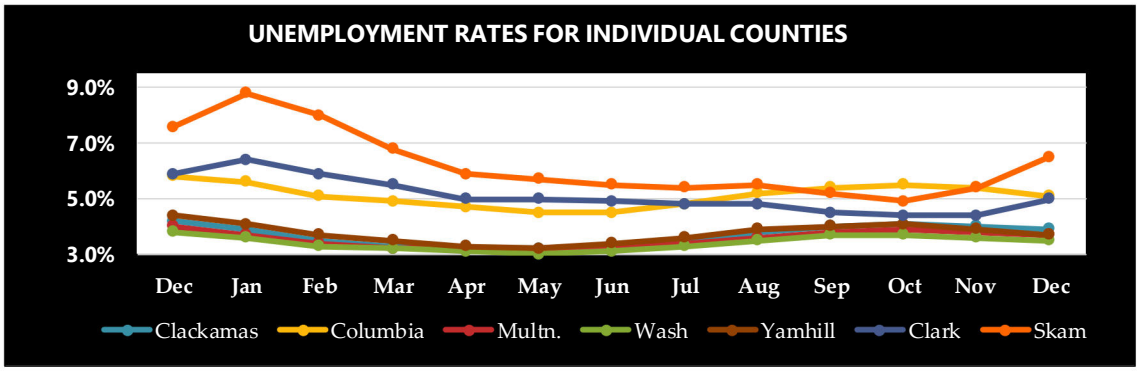


The Portland MSA's seasonally adjusted unemployment rate of 3.8% for December 2017 compares lower than the year-ago rate of 4.3%. The state's seasonally adjusted rate of 4.1% matches that of the U.S. national rate for the month of December.



	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
U.S.	4.7%	4.8%	4.7%	4.5%	4.4%	4.3%	4.4%	4.3%	4.4%	4.2%	4.1%	4.1%	4.1%
Oregon	4.5%	4.3%	4.0%	3.8%	3.7%	3.6%	3.7%	3.8%	4.1%	4.2%	4.3%	4.2%	4.1%
MSA	4.3%	3.9%	3.5%	3.5%	3.5%	3.5%	3.7%	3.9%	4.1%	4.3%	4.2%	3.9%	3.8%

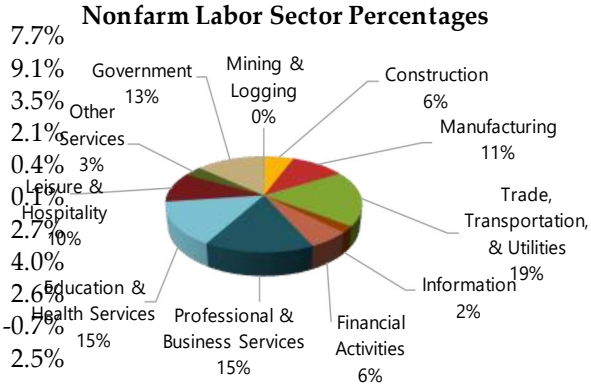
The three core counties that make up the heart of Portland's MSA, Clackamas, Multnomah, and Washington had unemployment rates of 3.9%, 3.7%, and 3.5% respectively for December 2017. These figures compare more accurately to what is happening within the metro area. The outlying counties of Columbia (5.1%), Clark, WA (5.0%), Skamania, WA (6.5%) directly influences a higher unemployment situation.



Labor

Per the Department of Labor, year-over-year job gains for December 2017 saw 33,100 jobs created in the Portland MSA compared to the December 2016 jobs report (1,194,700 vs. 1,161,600). With exception in the Other Services sector (-300) all remaining labor sectors reported gains.

Portland MSA Nonfarm Employment	Dec-17	Dec-16	Difference	
Mining & Logging	1,400	1,300	100	7.7%
Construction	68,600	62,900	5,700	9.1%
Manufacturing	126,200	121,900	4,300	3.5%
Trade, Transportation, & Utilities	223,600	219,100	4,500	2.1%
Information	25,300	25,200	100	0.4%
Financial Activities	69,500	69,400	100	0.1%
Professional & Business Services	181,500	176,700	4,800	2.7%
Education & Health Services	174,500	167,800	6,700	4.0%
Leisure & Hospitality	121,600	118,500	3,100	2.6%
Other Services	41,300	41,600	-300	-0.7%
Government	161,200	157,200	4,000	2.5%
Total	1,194,700	1,161,600	33,100	



Median Household Income

The most recent U.S. Census Bureau's Factfinders report calculated the median household income for the Portland MSA at $68,676 in 2016. The state of Oregon's median household income of $57,532 and the national median household income average of $57,617 are 19% less than the Metro area's median household income.

MEDIAN HOUSEHOLD INCOME

Year	Portland MSA	Oregon	U.S.A
2012	**$56,978**	$49,161	$51,371
2014	**$60,248**	$51,075	$53,657
2015	**$63,850**	$54,148	$55,775
2016	**$68,676**	$57,532	$57,617

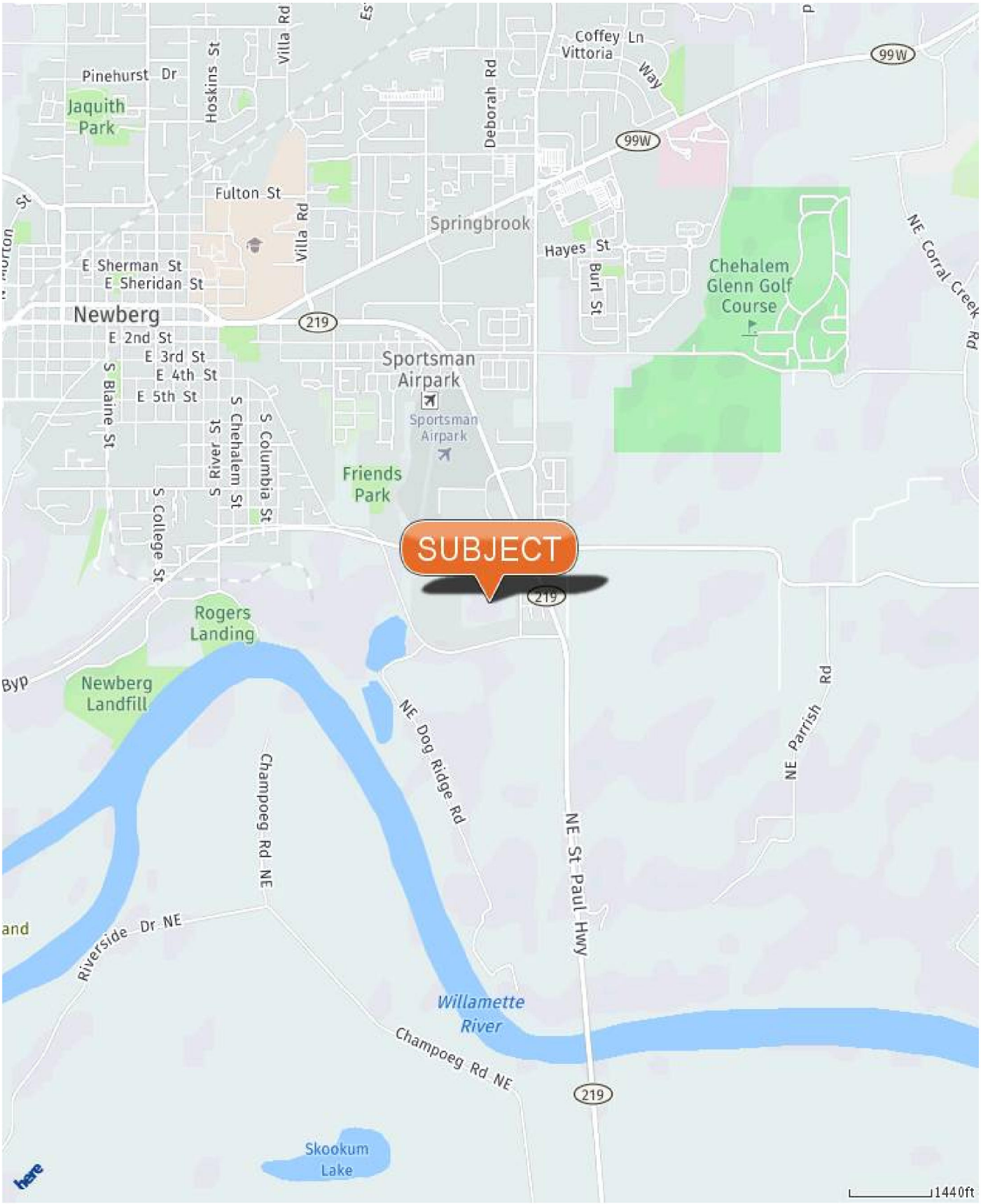
Source: U.S. Census American Fact Finder

More often than not, as the median household income rises above the national average in a region, so goes the Cost of Living Index. Per Sperling's Best Places, the Portland MSA's cost of living index is 140 compared to the national average of 100. The Cost of Living Index compares groceries, housing, utilities, transportation, health care and miscellaneous goods and services in over 300 urban areas.

Summary

The Portland MSA is the largest employment center in Oregon and has over 50% of state's residents living within its boundaries. With over 66,000 businesses, large and small the MSA is diverse in job opportunities across the board than anywhere else in the state. As the major labor industries within the Portland MSA continues to grow, a wider range of those needing employment ranging from the highly-educated to the blue-collar worker have been able to find jobs.

LOCAL AREA MAP



232

LOCAL AREA ANALYSIS INTRODUCTION

The subject property is located in the Newberg area. The immediate area of the subject is characterized by industrial uses with residential and commercial uses in the surrounding area.

Demographics - The following information reflects the demographics for the subject's area.

LOCAL AREA DEMOGRAPHICS

DESCRIPTION	1 MILE	3 MILES	5 MILES	DESCRIPTION	1 MILE	3 MILES	5 MILES
POPULATION				HOUSEHOLDS			
2000 Total Population	2,675	21,340	28,109	2000 Households	1,020	7,206	9,592
2010 Total Population	3,256	25,337	32,851	2010 Households	1,231	8,903	11,634
2017 Total Population	3,522	26,816	34,716	2017 Households	1,318	9,362	12,209
2022 Total Population	3,752	27,946	36,171	2022 Households	1,404	9,758	12,712
Δ 2000-2010	21.72%	18.73%	16.87%	Δ 2000-2010	20.69%	23.55%	21.29%
Δ 2010-2017	8.17%	5.84%	5.68%	Δ 2010-2017	7.07%	5.16%	4.94%
Δ 2017-2022	6.53%	4.21%	4.19%	Δ 2017-2022	6.53%	4.23%	4.12%
HOUSING UNITS (2017)				HOUSEHOLDS BY INCOME (2017)			
Total Housing Units	1,435	10,028	13,056	<$15,000	11.3%	8.0%	7.3%
Owner Occupied	56.3%	59.4%	63.8%	$15,000 - $24,999	13.1%	7.2%	6.7%
Renter Occupied	35.5%	33.9%	29.7%	$25,000 - $34,999	12.7%	9.7%	8.8%
Vacant Housing Units	8.2%	6.6%	6.5%	$35,000 - $49,999	13.8%	12.2%	11.0%
HOUSING UNITS (2022)				$50,000 - $74,999	17.5%	21.1%	20.5%
Total Housing Units	1,531	10,457	13,602	$75,000 - $99,999	12.8%	17.5%	17.3%
Owner Occupied	57.2%	59.4%	63.7%	$100,000 - $149,999	11.3%	16.6%	17.9%
Renter Occupied	34.6%	33.9%	29.7%	$150,000 - $199,999	3.8%	4.8%	5.7%
Vacant Housing Units	8.3%	6.7%	6.5%	$200,000+	3.6%	2.8%	4.7%
AVERAGE HOUSEHOLD INCOME				AVERAGE HOUSEHOLD SIZE			
2017	$65,864	$75,241	$83,327	2017	2.62	2.69	2.71
2022	$75,907	$85,901	$94,897	2022	2.62	2.70	2.72
Δ 2017-2022	15.25%	14.17%	13.89%	Δ 2017-2022	0.00%	0.37%	0.37%
MEDIAN HOUSEHOLD INCOME				MEDIAN HOME VALUE			
2017	$48,589	$62,778	$67,872	2017	$218,664	$265,784	$291,520
2022	$55,597	$72,814	$77,282	2022	$355,500	$340,625	$379,711
Δ 2017-2022	14.42%	15.99%	13.86%	Δ 2017-2022	62.58%	28.16%	30.25%
PER CAPITA INCOME				AVERAGE HOME VALUE			
2017	$25,984	$27,574	$30,255	2017	$280,576	$301,254	$350,870
2022	$29,800	$31,257	$34,259	2022	$385,395	$378,483	$436,048
Δ 2017-2022	14.69%	13.36%	13.23%	Δ 2017-2022	37.36%	25.64%	24.28%

Source: Sites To Do Business (STDB) Online

Economic Influences - The local area economic status is important to recognize as the measurement of income levels provides an indication of the ability of the area population to buy, rent and maintain property. The economic status of an area also provides an indication of the population's appetite for goods and services. Relevant economic information includes income levels, property ownership vs. rent, property rent levels, rent level trends, property vacancy and new construction.

Residential Development – Residential development in Newberg is substantial as a tertiary market within the Portland MSA. New single-family and multi-family development in is full swing as the economy is growing. Major new single-family development is occurring at the northwest and northern parts in the city. In-fill development is ongoing. A large new apartment complex is being planned along Villa Road. The average home value within 3-miles of the subject property is $301,254 and expected to increase over the next five years.

The vast majority of the housing units within the area are owner occupied.

Commercial and Industrial Development – Commercial uses in the immediate area are commercial including retail and office. A Panda Express restaurant and office suites are under construction at the intersection of Elliot Road and Highway 99W. The Oregon Clinic is planning a 17,200-SF medical building near the hospital. The hospital is expected to add about 60,000-SF in the near future. A 40,670-SF industrial building is under construction along Wilsonville Road. Additional self-storage was added along Elliot Road in recent years.

Government Influence - Governmental considerations relate to zoning, building codes, regulations, flood plain restrictions, special assessment, property tax and empowerment zones.

Zoning in the area is mixed, including commercial, residential and industrial designations. Zoning code is enforced by the municipality and enforcement in all areas of is considered to be strong. Rezoning is typically discouraged and requires public input in all municipalities. Building codes are in force and require a certain standard of construction quality and design. This is a typical influence on properties similar to the subject and falls in line with the zoning classification.

Property taxes in the area are established by and are assessed based on valuation. Considering broad authority of the county administration, the assessments in the neighborhood are similar to other neighborhoods in the metropolitan area. There are no known special assessments that affect property in the neighborhood.

Access/Public Transportation - The streets within the neighborhood are laid out in a general grid pattern with the major east/west arterial Highway 99W (Portland Road). The recent completion of the bypass which direct thru traffic to the south of the city and delivers at the western edge of Dundee has relieved some traffic at peak times. With the existing transportation system, most areas are accessible from the subject neighborhood and access is considered adequate for the area. Public bus service is available throughout the area. Overall, access within the neighborhood is average.

Environmental Influences - The subject area is considered to be a typical neighborhood with average building size and density. There are no extraordinary topographical features, nuisances of hazards. Public utilities are available in most all areas in quantities from public and private sources. The area has both public and private schools in adequate supply and quality.

Local Area Summary - The market benefits from a diverse blend of residential, commercial, and community uses and close proximity to many recreational activities. Although the area suffered during the recession of the late 2000's and into the 2010's, the market has been strengthening since roughly 2011-2012, due to the good livability factors associated with the region. The outlook for this market area is good into the foreseeable future.

SITE DESCRIPTION

The subject site consists of one parcel and has 41,818 SF (0.96 AC) of land area. The area is estimated based on the assessor's parcel map. There is no surplus or excess land noted on the subject site. If a professional survey is completed it could result in more precise measurements. Unless otherwise noted, the appraisal will utilize the usable site area as depicted in the provided exhibit.

Number of Parcels	1	
Assessor Parcel	TBD, Portion of R322900100	
Land Area	**Square Feet**	**Acres**
Usable	41,818	0.96
Total Land Area	**41,818**	**0.96**
Excess/Surplus Land	No	
Permitted Building Height	None	
Floor Area Ratio (FAR)	Permitted	
Site Topography	Level at street grade	
Site Shape	Rectangular	
Site Quality	Average	
Site Access	Average	
Site Exposure	Average	
Site Utility	Average	
Utilities	All available	

Adjacent Properties

North	Industrial Site (Vacant)
South	Industrial Site (Vacant)
East	Residential
West	Industrial Site (Vacant)

Accessibility Access to the subject site is considered average overall.

Street Improvements

	Type	Direction	Lanes	Streetlights	Curbs	Sidewalks	Parking	Center Lane	Bike Lane
South Sandoz Road	Connector	two-way	2	x	x	x	x		

Frontage

South Sandoz Road	Avalon (Sandoz)

Exposure & Visibility Exposure of the subject is average on South Sandoz Road, a connector.

Zoning Light Industrial District (M-2); Create, preserve, and enhance areas with a wide variety of manufacturing and related businesses, typically with good rail or highway access.

ZONING	
Designation	Light Industrial District (M-2)
Zoning Authority	City of Newberg
Permitted Uses	Religious, Public Services, Transportation, Utilities, Eating and Drinking (non-alcoholic), Commercial Services, Kennel, Pound (Dog/Cat) wholesale, manufacturing warehousing, marijuana producer (indoor), etc.
Prohibited Uses	Local business offices, medical offices, personal services.
Current Use	Industrial/Flex
Current Use Legally Permitted	Yes
Conforming Use	Legally conforming use
Zoning Change	Not Likely
Max Permitted Height	None
Minimum Lot size	20,000-SF
Parking Requirement Spaces/1,000 SF	2
Parking Spaces Provided	9

Source: City of Newberg Planning & Zoning Department

Parking Requirements

Parking varies by use but is stated as one space per 1,000 SF for industrial buildings. The subject provides 9 parking spaces and is therefore conforming to zoning requirements. The parking ratio of 1.5 per 1,000 SF is at the low end of the typical range of 2-5 / 1,000 SF but within zoning requirements.

Flood Plain

Zone X (Unshaded). This is referenced by Panel Number 41071C0237D, dated March 02, 2010. Zone X (unshaded) is a moderate and minimal risk area. Areas of moderate or minimal hazard are studied based upon the principal source of flood in the area. However, buildings in these zones could be flooded by severe, concentrated rainfall coupled with inadequate local drainage systems. Local storm water drainage systems are not normally considered in a community's flood insurance study. The failure of a local drainage system can create areas of high flood risk within these zones. Flood insurance is available in participating communities, but is not required by regulation in these zones. Nearly 25% of all flood claims filed are for structures located within these zones. Minimal risk areas outside the 1% and 0.2% annual chance floodplains. No BFEs or base flood depths are shown within these zones. (Zone X (unshaded) is used on new and revised maps in place of Zone C.)

Easements

A preliminary title report was not available for review. During the property inspection, no adverse easements or encumbrances were noted. This appraisal assumes that there are no adverse easements present. If questions arise, further research is advised. It is noted that the subject has underground utilities along the southern border of the property. The property is appraised with a 40-ft wide utility easement along the southern border and a 10-FT wide road dedication.

Soils

A detailed soils analysis was not available for review. Based on the development of the subject, it appears the soils are stable and suitable for the existing improvements.

Hazardous Waste

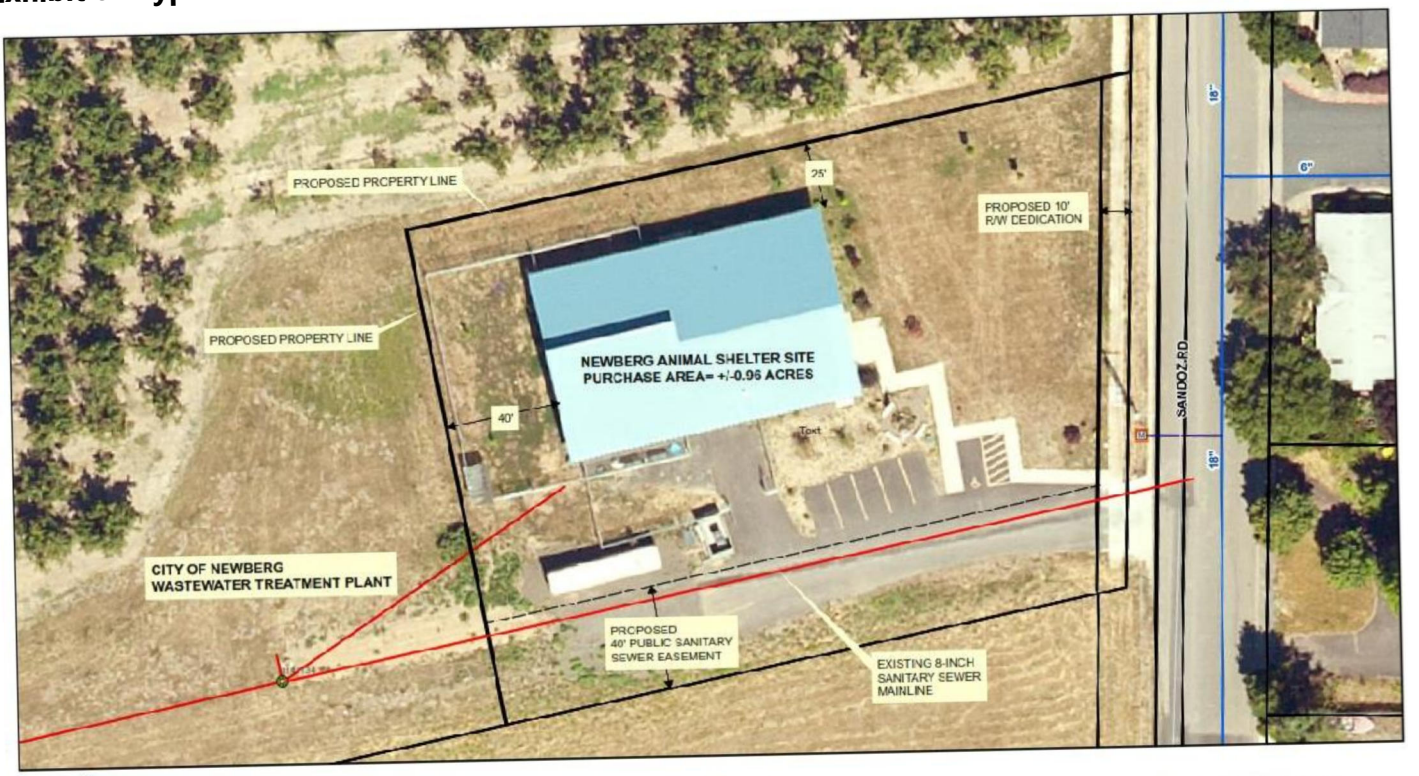
We have not conducted an independent investigation to determine the presence or absence of toxins on the subject property. If questions arise, the

reader is strongly cautioned to seek qualified professional assistance in this matter. Please see the Assumptions and Limiting Conditions for a full disclaimer.

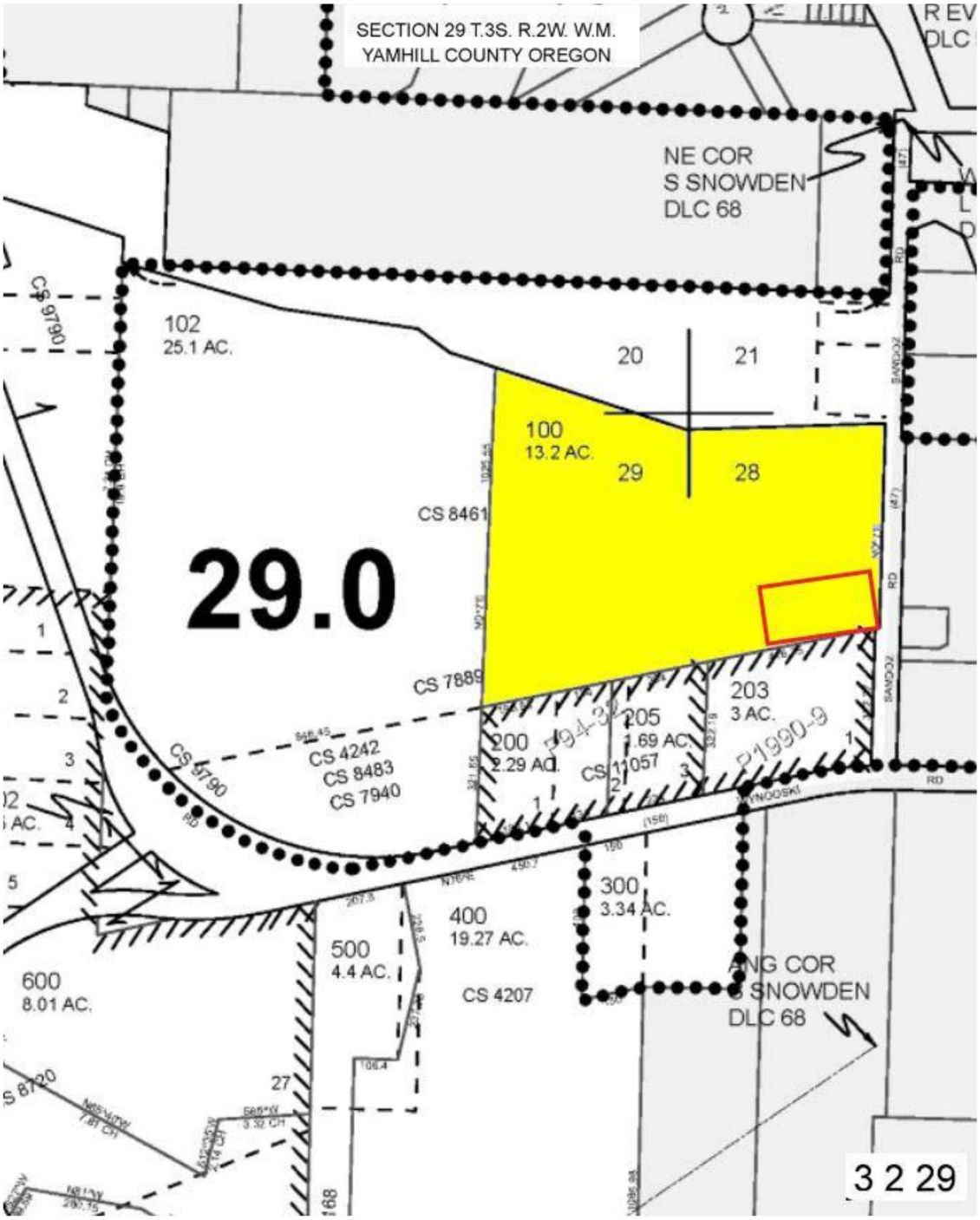
Site Rating

Overall, the subject site is considered a good industrial site in terms of its location, exposure, and access to employment, education and shopping centers, recognizing its location near a collector.

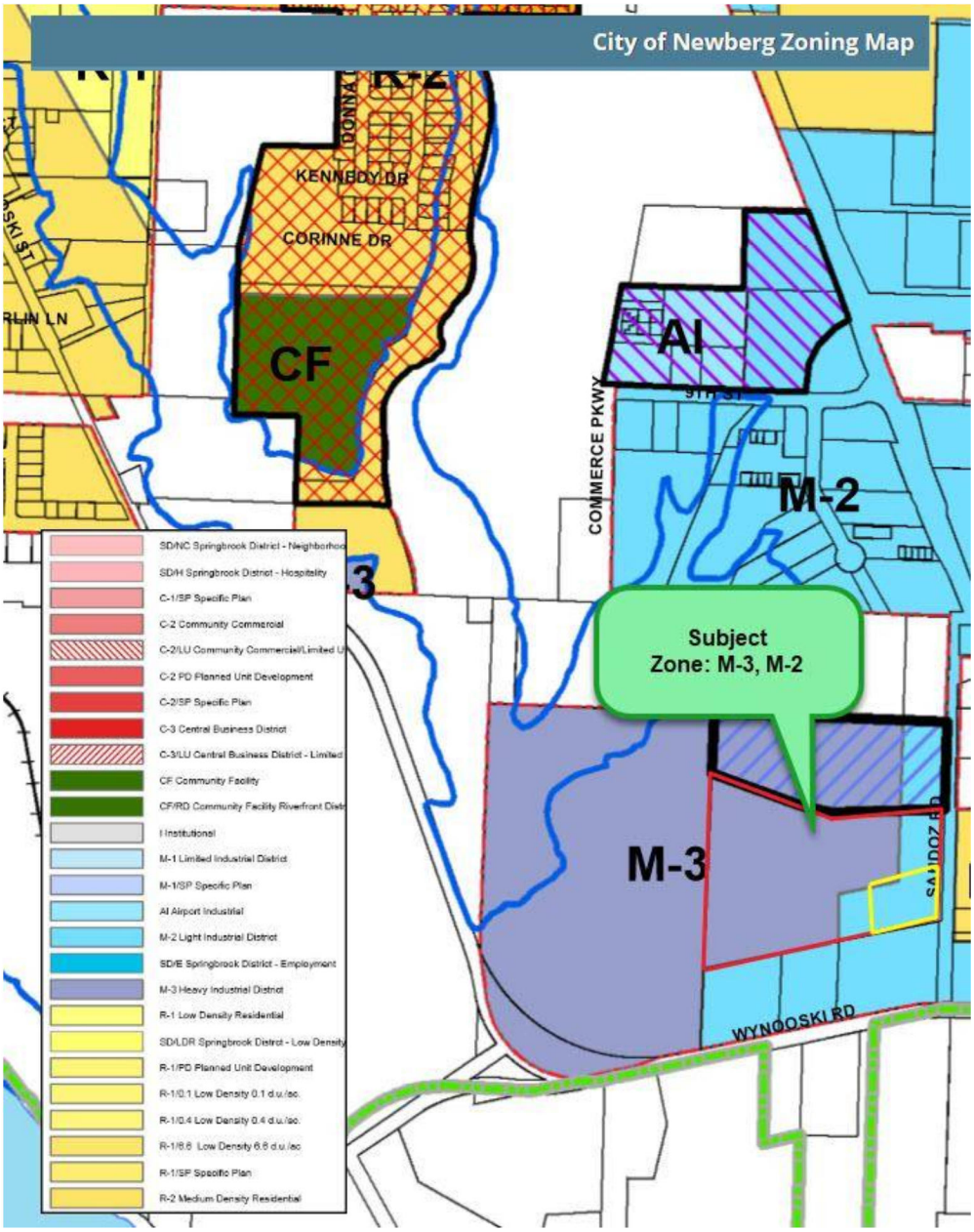
Exhibit of Hypothetical Partition:



PLAT MAP


SECTION 29 T.3S. R.2W. W.M.
YAMHILL COUNTY OREGON
NE COR
S SNOWDEN
DLC 68
102
25.1 AC.
20
21
100
13.2 AC.
29
28
CS 8461
29.0
CS 7889
CS 9790
CS 4242
CS 8483
CS 7940
200
2.29 AC.
205
1.69 AC.
203
3 AC.
CS 11057
300
3.34 AC.
400
19.27 AC.
500
4.4 AC.
600
8.01 AC.
CS 4207
ANG COR
S SNOWDEN
DLC 68
3 2 29

ZONING MAP


City of Newberg Zoning Map
KENNEDY DR
CORINNE DR
CF
AI
M-2
M-3
COMMERCE PKWY
WYNOOSKI RD
Subject
Zone: M-3, M-2
SD/NC Springbrook District - Neighborhood
SD/H Springbrook District - Hospitality
C-1/SP Specific Plan
C-2 Community Commercial
C-2/LU Community Commercial/Limited U
C-2 PD Planned Unit Development
C-2/SP Specific Plan
C-3 Central Business District
C-3/LU Central Business District - Limited
CF Community Facility
CF/RD Community Facility Riverfront Distr
I Institutional
M-1 Limited Industrial District
M-1/SP Specific Plan
AI Airport Industrial
M-2 Light Industrial District
SD/E Springbrook District - Employment
M-3 Heavy Industrial District
R-1 Low Density Residential
SD/LDR Springbrook District - Low Density
R-1/PD Planned Unit Development
R-1/0.1 Low Density 0.1 d.u./ac.
R-1/0.4 Low Density 0.4 d.u./ac.
R-1/6.6 Low Density 6.6 d.u./ac
R-1/SP Specific Plan
R-2 Medium Density Residential

FLOOD MAP

InterFlood by a la mode

Prepared for: JKR Valuation PC
1409 S Sandoz Rd
Newberg, OR 97132-7035

MAP DATA

FEMA Special Flood Hazard Area: **No**
Map Number: **41071C0237D**
Zone: **X**
Map Date: **March 02, 2010**
FIPS: **41071**

Community Name:	YAMHILL COUNTY
Community #:	410249
County:	Yamhill
Census Tract:	0302.02
Flood Zone:	X
Map Date:	2010-03-02

IMPROVEMENT DESCRIPTION

The information presented below is a basic description of the existing improvements that is used in the valuation of the property. Reliance is placed on information provided by sources deemed dependable for this analysis. It is assumed that there are no hidden defects, and that all structural components are functional and operational, unless otherwise noted. If questions arise regarding the integrity of the improvements or their operational components, it may be necessary to consult additional professional resources.

Overview	The building was originally constructed in 2012, with office enclosure and air conditioning added to the office portion in recent years. The occupied space includes, office and manufacturing areas all is heated via radiant floor heating. The industrial area has about 14 concrete block kennels, which are considered removed for general industrial use. There are two restrooms.
Property Type	Industrial - Flex Space
Tenancy	Single-tenant/Owner
Net Rentable Area (NRA)	5,952
Gross Building Area (GBA)	5,952
Buildings	1
Floors	1
Year Built	2012
Age/Life Analysis	
Actual Age	6
Effective Age	6
Economic Life	50
Remaining Life	44
Building Quality	Average
Building Condition	Average
Building Appeal	Average
Land to Building Ratio	7.03 : 1
Site Coverage Ratio	14%
Floor Area Ratio (FAR)	0.14
Parking Spaces	9 - Surface spaces
Parking Ratio	1.5 / 1,000 SF NRA
Warehouse SF	3,534
Office SF	2,418
Office Build Out	0.4063
Clear Height (Feet)	12
Clear Span (Feet)	20
Dock High Doors	0
Grade Level Doors	4
Yard Storage	Yes
Truck Maneuverability	Limited

241

Size	The net rentable area (NRA) and gross building area (GBA) are shown in the following table. The sizes are taken from onsite measurements.
Foundation	Concrete slab
Exterior Walls	Corrugated steel, CMU
Roof	Metal, pitched
Elevator	None
Heating, Ventilation, & Air Conditioning (HVAC)	Radiant Heat, Office area has Air Conditioning installed in 2017
Insulation	Assumed to be standard and to code for both walls and ceilings
Lighting	Fluorescent and Incandescent
Electrical	Assumed adequate and to code.
Interior Walls	Taped, textured, and painted sheet rocked walls and concrete
Doors and Windows	Standard storefront windows and doors, glass in aluminum frames
Ceilings	Unfinished, some office areas are finished with drywall
Plumbing	Standard plumbing for an industrial flex space building.
Floor Covering	A variety of commercial floor coverings including concrete and laminate
Fire Protection	None
Interior Finish/Build-Out	The subject buildings are average quality, multi-tenant industrial (flex space) with average to above average interior build-out. The interior retail/office finishes consist of mainly commercial grade carpet or laminate throughout, with painted sheetrock walls and drop ceilings with an acoustic tiling system.
Site Improvements	The parking lot is improved with an asphalt paved surface, striping, pole-mounted lights, extruded curbing, and concrete sidewalks.
Landscaping	Low maintenance shrubs and grass.
Signage	There is a small monument style sign along South Sandoz Road.
Parking	There are 9 surface parking spaces, or 1.5 spaces per 1,000 square feet of NRA, which is within market standards (2-5/1,000 SF) industrial (flex space) property type.
Site Coverage Ratio	14.2% (5,952 SF footprint / 41,818 SF site), which is within market standards (20-35%) for similar flex space buildings in the area.
Deferred Maintenance	The subject property is newer construction. Based on an interview with the property owner and the onsite inspection by the field appraiser, no observable deferred maintenance exists.
Functional Design	The building has a functional Flex Space design with typical site coverage and adequate off-street parking.

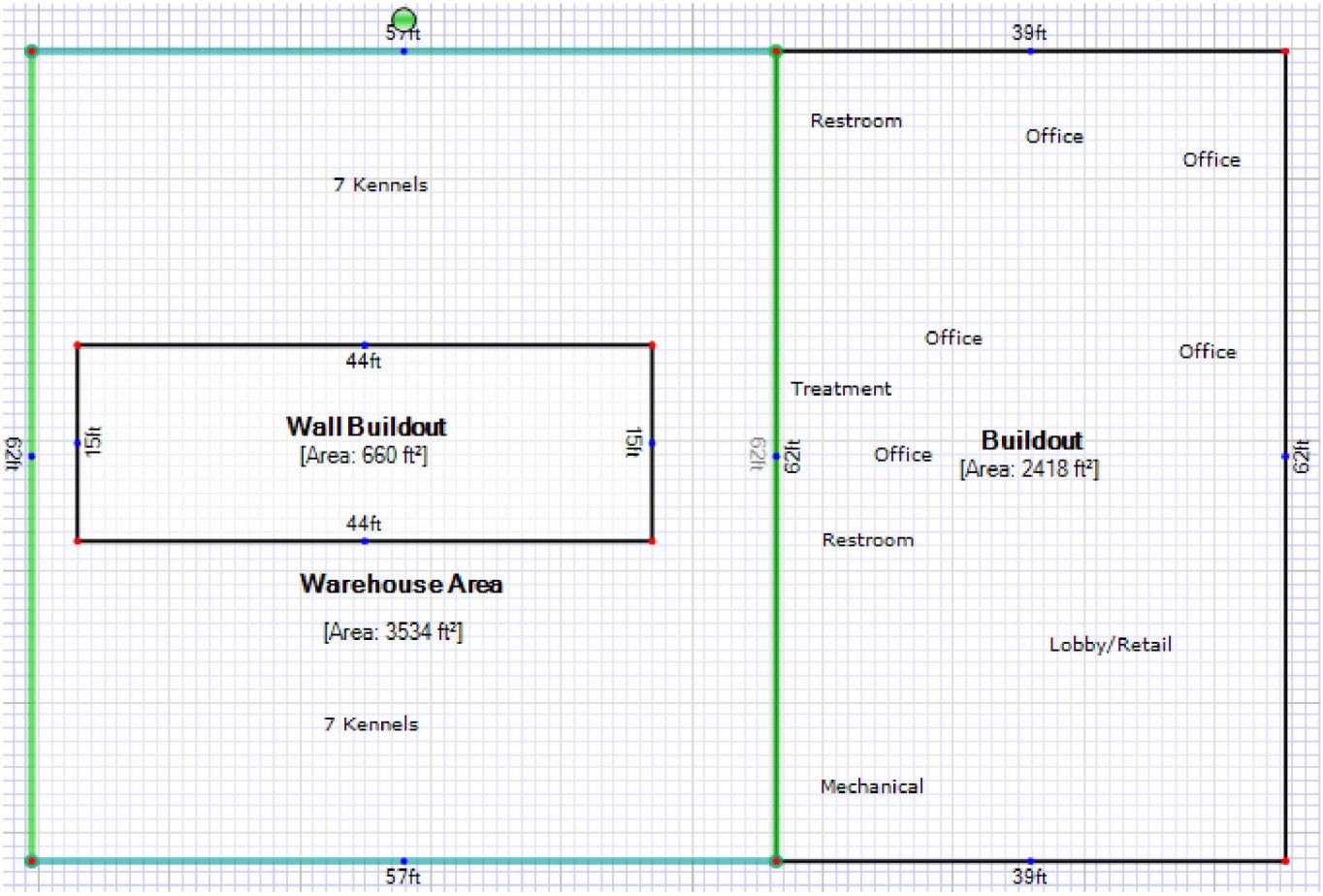
Although some properties appear to be comparable, the design and layout of the interior can significantly affect the usability and subsequent marketability of the subject. Additionally, if the improvements are spread out among several buildings can negatively or positively affect marketability as well. The subject is fairly flexible and could be used for a number of different specific end uses. The design appears adequate for the subject's current use. There is nothing worth noting besides nominal elements that would be deemed as "functional obsolescence."

ADA Comment

This analysis assumes that the subject complies with all ADA requirements. Please refer to the Assumptions and Limiting Conditions section.

Hazardous Materials

A Phase I report was not provided. This appraisal assumes that the improvements are constructed free of all hazardous waste and toxic materials, including (but not limited to) unseen asbestos and mold. Please refer to the Assumptions and Limiting Conditions section regarding this issue.



MARKET ANALYSIS

In this section, market conditions which influence the subject property are analyzed. An overview of Industrial supply and demand conditions for Portland MSA and the Yamhill County market are presented. Key supply and demand statistics for the most recent quarter, last year and historical averages over the past 7 years are summarized in the tables below.

INDUSTRIAL MARKET AND SUBMARKET DATA SUMMARY (7 YEARS)

		INVENTORY SUPPLY (SF)		VACANCY (%)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q4	2017	223,054,413	4,577,595	3.9%	0.0%
Q3	2017	222,150,722	4,577,595	3.5%	10.0%
Q2	2017	221,546,952	4,577,595	3.8%	5.0%
Q1	2017	221,017,032	4,577,595	3.9%	5.1%
	2016	220,439,459	4,577,595	4.3%	5.2%
	2015	218,428,566	4,577,595	5.0%	7.0%
	2014	213,527,187	4,577,595	5.6%	9.4%
	2013	212,946,130	4,577,595	6.2%	9.4%
	2012	212,708,061	4,577,595	6.8%	11.4%
	2011	212,086,932	4,608,291	7.9%	7.9%
	2010	211,611,957	4,490,222	9.0%	7.0%
		RENT $/SF		NET ABSORPTION (SF)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q4	2017	$8.53	$4.02	(9,958)	2,645
Q3	2017	$8.01	$4.08	1,311,572	227,140
Q2	2017	$7.84	$4.08	805,043	1,875
Q1	2017	$7.46	$4.43	1,337,013	5,440
	2016	$7.26	$4.38	3,459,979	81,907
	2015	$6.72	$5.00	5,843,709	113,230
	2014	$6.33	$5.95	1,902,857	(2,833)
	2013	$5.96	$5.66	1,474,978	92,782
	2012	$5.76	$5.96	2,887,129	(190,296)
	2011	$5.61	$5.82	2,784,283	70,514
	2010	$5.73	$5.88	(776,864)	(152,572)

Source: CoStar Property®

The Yamhill County Industrial market demonstrates positive conditions. There has been little variance in supply over the last year. Vacancy has continued to fluctuate modestly the last year to the most recent figure at 3.9%. Asking rents were higher than last year. Net absorption was positive for the last year.

The Newberg Industrial submarket demonstrates mostly stable conditions. The statistics are skewed as few properties are reported to Co-Star. Vacancy had fluctuations between 0.0% and 10% throughout 2017. Asking rents were relatively stable as well ranging from a low of $4.02/SF to a high of $4.43/SF with the most recent figure in-between at $4.02/SF. It is noted that rents in this submarket are historically below that of the Portland MSA. Net absorption was positive in 2017.

Overall, investors would recognize these general industrial conditions and the subject's positioning in the immediate market area as having a positive overall influence when contemplating purchase of the subject.

An overview of Industrial supply and demand conditions for Yamhill County market and Newberg submarket are presented. Key supply and demand statistics for the most recent quarter, last year and historical averages over the past 7 years are summarized in the tables below.

INDUSTRIAL MARKET AND SUBMARKET DATA SUMMARY (7 YEARS)					
		INVENTORY SUPPLY (SF)		VACANCY (%)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q4	2017	4,577,595	2,132,857	0.0%	0.0%
Q3	2017	4,577,595	2,132,857	10.0%	10.0%
Q2	2017	4,577,595	2,132,857	5.0%	70.0%
Q1	2017	4,577,595	2,132,857	5.1%	60.0%
	2016	4,577,595	2,132,857	5.2%	70.0%
	2015	4,577,595	2,132,857	7.0%	1.6%
	2014	4,577,595	2,132,857	9.4%	3.9%
	2013	4,577,595	2,132,857	9.4%	5.9%
	2012	4,577,595	2,132,857	11.4%	9.0%
	2011	4,608,291	2,163,553	7.9%	8.1%
	2010	4,490,222	2,045,484	7.0%	7.8%
		RENT $/SF		NET ABSORPTION (SF)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q4	2017	$4.02	$10.65	2,645	2,645
Q3	2017	$4.08	$8.53	227,140	12,500
Q2	2017	$4.08	$8.53	1,875	(1,825)
Q1	2017	$4.43	$9.13	5,440	940
	2016	$4.38	$7.58	81,907	19,007
	2015	$5.00	$7.85	113,230	50,820
	2014	$5.95	$6.36	(2,833)	40,767
	2013	$5.66	$5.85	92,782	66,258
	2012	$5.96	$6.26	(190,296)	(47,261)
	2011	$5.82	$5.49	70,514	102,609
	2010	$5.88	$5.79	(152,572)	(64,028)

Source: CoStar Property®

The Newberg Industrial submarket demonstrates fluctuating vacancy due to lack of reported transactions and buildings. Vacancy is typical similar to the great Yamhill County.

An overview of Office supply and demand conditions for the Yamhill County market and Newberg submarket are presented. Key supply and demand statistics for the most recent quarter, last year and historical averages over the past 7 years are summarized in the tables below.

OFFICE MARKET AND SUBMARKET DATA SUMMARY (7 YEARS)

		INVENTORY SUPPLY (SF)		VACANCY (%)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q4	2017	1,222,824	426,711	3.6%	3.7%
Q3	2017	1,222,824	426,711	3.8%	4.0%
Q2	2017	1,222,824	426,711	3.0%	3.6%
Q1	2017	1,222,824	426,711	2.6%	3.4%
	2016	1,222,824	426,711	2.6%	3.3%
	2015	1,225,709	429,596	6.5%	6.1%
	2014	1,225,709	429,596	8.6%	5.5%
	2013	1,225,709	429,596	7.9%	7.2%
	2012	1,225,709	429,596	7.9%	6.7%
	2011	1,225,709	429,596	9.4%	7.7%
	2010	1,225,709	429,596	8.2%	7.4%
		RENT $/SF		NET ABSORPTION (SF)	
QTR	YEAR	MARKET	SUBMARKET	MARKET	SUBMARKET
Q4	2017	$15.11	$17.47	2,890	1,379
Q3	2017	$16.34	$17.42	(10,058)	(1,558)
Q2	2017	$15.93	$17.08	(4,714)	(1,214)
Q1	2017	$13.07	$18.22	(42)	(392)
	2016	$12.46	$18.58	44,288	9,229
	2015	$15.63	$17.47	26,482	(2,400)
	2014	$15.40	$16.27	(8,603)	7,218
	2013	$14.56	$14.62	41	(2,062)
	2012	$14.71	$15.49	17,730	4,049
	2011	$13.46	$13.65	(13,953)	(882)
	2010	$14.01	$14.34	(26,273)	(3,824)

Source: CoStar Property®

The Yamhill County Office market demonstrates positive conditions. There has been little variance in supply over the last year. Vacancy has remained low over the last year to the most recent figure at 3.6%. Asking rents have fluctuated. Net absorption was negative for the last year.

The Newberg Office submarket demonstrates mostly stable conditions. Vacancy had only minor fluctuations between 3.4% and 4.0% throughout 2017. Asking rents were relatively stable as well ranging from a low of $17.47/SF to a high of $18.22/SF with the most recent figure at the low end. It is noted that rents in this submarket are historically below that of the Portland MSA. Net absorption was positive in Q4 2017 but was negative Q3 2017.

Overall, investors would recognize these general industrial conditions and the subject's positioning in the immediate market area as having a positive overall influence when contemplating purchase of the subject.

SUBJECT PROPERTY ANALYSIS

The subject is an industrial (flex space) use totaling 5,952 SF (NRA) on 0.96-acres (41,818 SF) located at 1591 South Sandoz Road in Newberg, Yamhill County, Oregon. The building is tenant occupied, although at a below market rent. As such a market rate will be concluded for space.

The subject has single-tenant design that is currently occupied by a third party tenant, and has an analyzed occupancy of 100.0%, which is above the stabilized occupancy level estimate of 95.0% developed in this appraisal.

The current lease is for $1 per year, as long as operated as an Animal Shelter. The city is responsible for utilities ranging from $7,000 to about $9,000 per year. The current lease is not a market rate, although the current lease extends until June 2018, which warrants an adjustment to the concluded value to account for lease up period.

The market generally classifies the subject as a standard Industrial investment property that if exposed to the open market would command good interest from local and regional buyers that are actively pursuing similar investment properties in the sub-$1 Million price range. Currently there is strong buyer demand, while there is limited availability for this property type on the supply side.

Based on the above factors the subject is considered to have average investment appeal. Further, the subject is considered to have average overall tenant appeal with a typical competitive position for attracting and retaining tenants.

The following SWOT Analysis chart summarizes the major property strengths and weaknesses while outlining potential opportunities or threats to the subject's competitive position and overall marketability.

SUMMARY OF STRENGTHS, WEAKNESSES, OPPORTUNITIES & THREATS

STRENGTHS	WEAKNESSES
Well kept building and site	Configured as Animal Shelter Requiring Removal of Kennels
OPPORTUNITIES	**THREATS**
Recently opend Bypass	New industrial space coming online
Ability to reconfigure to smaller spaces if necessary	

HIGHEST & BEST USE / VALUATION METHODS

Highest & Best Use - This section develops the highest and best use of the subject property As-Vacant and As-Improved.

As Vacant - The legal factors influencing the highest and best use of the subject site are primarily government regulations such as zoning ordinances. Permitted uses of the subject's Light Industrial District (M-2) include manufacturing, processing and light industrial use projects. In terms of physical features, the subject site totals 0.96-acres (41,818 SF), it is rectangular in shape and has a level topography. The site has average exposure along a Sandoz Road and average overall access. The subject is within a suburban location of in Newberg, Oregon that is experiencing relatively strong population and real estate development growth. Development immediately surrounding the subject included industrial and airport uses. Financial feasibility, maximal productivity, marketability, legal, and physical factors have been considered and the highest and best use of the subject site as-vacant concluded to be industrial/flex.

As-Improved - The legal factors influencing the highest and best use of the subject property are primarily governmental regulations such as zoning and building codes. The subject's improvements were constructed in 2012 and are a legal, conforming use. The physical and location characteristics of the subject improvements have been previously discussed in this report. The project is of average quality construction and in average condition, with adequate site coverage and parking ratios. Therefore, the property as improved, meets the physical and location criteria as the highest and best use of the property.

In addition to legal and physical considerations, analysis of the subject property as-improved requires consideration of alternative uses. The five possible alternative treatments of the property are demolition (not warranted as the improvements contribute substantial value to the site), expansion (not warranted, no excess or surplus land), renovation (not warranted), conversion (not applicable), and continued use "as-is".

Among the five alternative uses, industrial/flex is the Highest and Best Use of the subject As-Improved.

Valuation Methods - Based on the agreed upon scope with the client, the subject's specific characteristics and the interest appraised, this appraisal developed Sales Comparison and Income (Direct Capitalization) approaches. The values presented represent the As-Is Market Value (Leased Fee and Fee Simple). At the request of the client the appraisal develops the Cost Approach, the impact of which is addressed in the reconciliation section.

The Valuation will be presented in the following order:

- Land Valuation
- Cost Approach
- Sales Comparison Approach
- Income Approach
- Reconciliation of Value Conclusions

SITE VALUATION INTRODUCTION

This section values the subject site by comparing it with substitute land sales or listings within the local market area or in competitive areas throughout the region. Land value is influenced by a number of factors; most notably development and use potential. These factors, as well as others, are factored in the following analysis.

Unit of Comparison - The most relevant unit of comparison for competing industrial land is the $/SF. All of the comparable sales presented in this section were reported on this basis.

Adjustments - Adjustments to the comparable sales were considered and made when warranted for expenditures after purchase, property rights transferred, conditions of sale, financing terms, and market conditions.

1. **Property Rights -** All of the sales comparables were fee simple sales reflecting the property rights appraised herein per the agreed upon scope of work.
2. **Financing -** The sales all reflected typical cash equivalent, lender-financed transactions and no adjustments were required for financing terms.
3. **Sale Conditions -** None of the comparables required a condition of sale adjustment, as all were confirmed to be arm's length transactions.
4. **Expenditures After Sale -** Expenses that the buyer incurs after purchase (demolition, cleanup costs, etc.). Land Sale 1 required upward adjustment for demolition costs of existing improvements.
5. **Market Conditions (Time) -** Based on research and interpretation of value trends, the analysis applies an upward market conditions adjustment of 5% annually reflecting the relatively consistent appreciation that occurred between the oldest comparable sale date up through the effective valuation date. Well-positioned and stabilized industrial product has experienced continued capitalization rate compression over the past several quarters in the Yamhill County market.

Quantitative Adjustment Process - Quantitative percentage adjustments are also made for location and physical characteristics such as size, location quality, access, exposure, as well as other applicable elements of comparison. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate the logic in deriving a value opinion for the subject property by the Land Sales Comparison Approach.

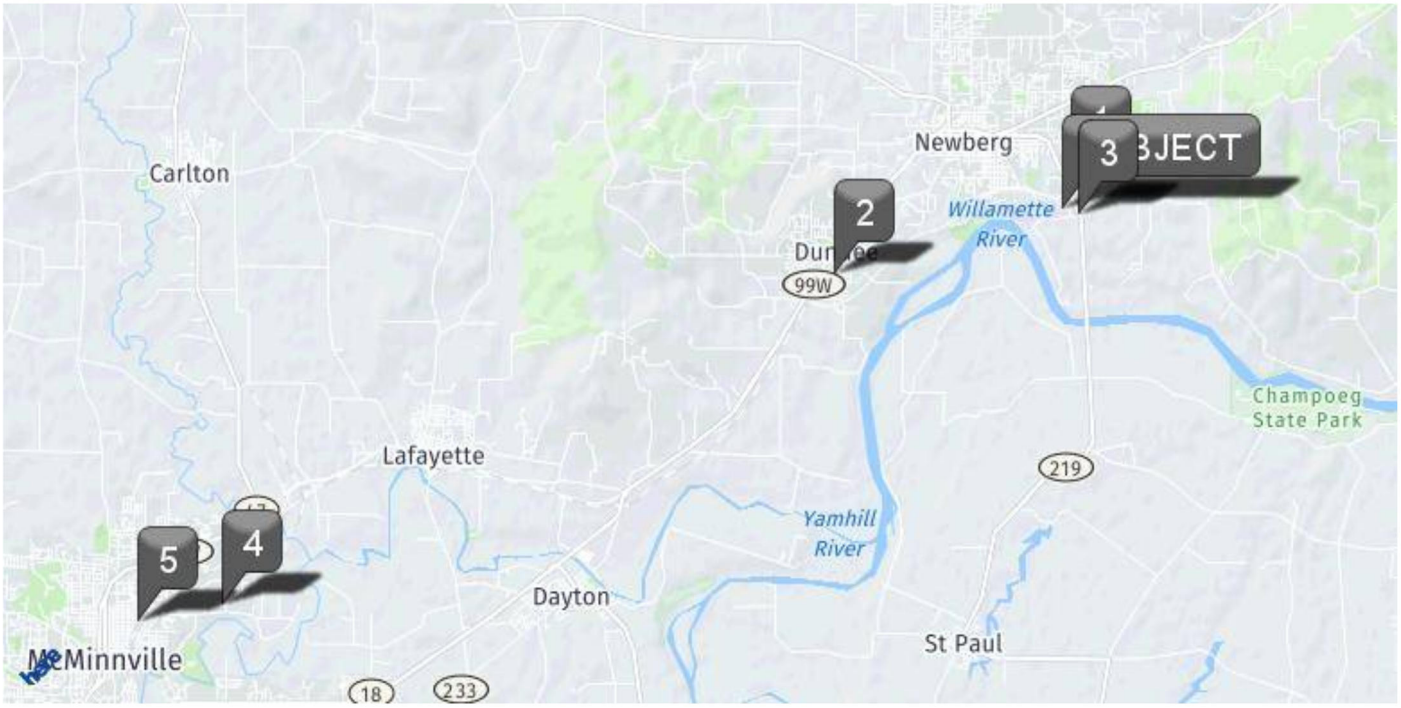
Comparable Selection - A thorough search was made for similar land sales in the area. The parameters of the survey were highest and best use, zoning, proximity to the subject, size, and date of sale. In selecting comparables, emphasis was placed on confirming recent sales of sites that are similar to the subject property in terms of location and physical characteristics. Overall, the sales used represent the best comparables available for this analysis.

Presentation - The following Land Sales Comparison Table, location map and exhibits summarize the sales data. Following these items, the sales are adjusted for applicable elements of comparison and the site value is concluded.

LAND SALES COMPARISON TABLE

	SUBJECT	COMP 1		COMP 2		COMP 3		COMP 4		COMP 5	
Name	Newberg Animal Shelter	Stelor		SE Locust		Wynooski		1445		Long Site	
Address	1591 South Sandoz Road	1001 Wilsonville Road		SE Locust Street and 8th Street		3223 NE Wynooski		1445 NE Miller Street		NE Irvine Street and NE 10th Street	
City	Newberg	Newberg		Dundee		Newberg		McMinnville		McMinnville	
State	OR	OR		OR		OR		OR		OR	
Zip	97132	97132		97115		97132		97128		97128	
County	Yamhill County	Yamhill		Yamhill		Yamhill		Yamhill		Yamhill	
Submarket	Newberg	Newberg		Dundee		Newberg		Newberg		McMinnville	
Parcel	TBD, Portion of R322900100	R322102100		R3325CC01000		R3228BB00503		R4415C02100		R4421BA05400	
	-	-		-		-		-		-	
SALE INFORMATION											
Transaction Price		$530,000		$165,000		$129,000		$420,000		$112,125	
Transaction Price $/SF		$5.96		$4.40		$6.44		$3.21		$5.99	
Property Rights [1]		Fee Simple		Fee Simple		Fee Simple		Fee Simple		Fee Simple	
Financing [2]		Conventional		Cash to seller		Cash to seller		Cash to Seller		Cash to seller	
Sale Conditions [3]		Arms Length		Arms Length		Arms Length		Arms Length		Arms Length	
Expenditures After Sale [4]		$20,000	3.8%	$0		$0		$0		$0	
Market Conditions [5]		8/28/2017	2%	4/12/2017	4%	12/14/2015	11%	6/8/2017	3%	12/21/2016	6%
Sale Status		Recorded		Recorded		Recorded		Recorded		Recorded	
Recording Number		2017-14267		2017-6099		2015-19472		2017-9227		2016-19837	
Marketing Status		Open Market		Open Market		Open Market		Open Market		Open Market	
Marketing Period (Months)		9.1 Mos.		42.9 Mos.		59.8 Mos.		16.6 Mos.		1.3 Mos.	
Total Transactional Adjustments		$0.35	6%	$0.18	4%	$0.71	11%	$0.10	3%	$0.36	6%
Adjusted $/SF		**$6.31**		**$4.58**		**$7.15**		**$3.31**		**$6.35**	
PHYSICAL INFORMATION											
Square Feet	41,818	88,862		37,462		20,038		130,680		18,731	
Acres	0.96	2.04		0.86		0.46		3.00		0.43	
Location	Average	Average		Average		Average		Average		Average	
Access	Average	Average		Average		Average		Average		Average	
Exposure	Average	Good	(10%)	Average		Good	(10%)	Average		Average	
Shape	Rectangular	Rectangular		Rectangular		Irregular		Rectangular		Irregular	
Topography	Level	Level		Level		Level		Level		Level	
	-	-		-		-		-		-	
Total Physical Adjustments		($0.63)	(10%)	$0.00	0%	($0.71)	(10%)	$0.00	0%	$0.00	0%
Adjusted $/SF		**$5.68**		**$4.58**		**$6.44**		**$3.31**		**$6.35**	
OVERALL COMPARISON		**SUPERIOR**		**SIMILAR**		**VERY SUPERIOR**		**INFERIOR**		**VERY SUPERIOR**	
CONFIRMATION INFORMATION											
Name		Mary Martin Miller		RMLS/County		RMLS/County		Mary Martin Miller		RMLS/County	

250


Carlton
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Willamette River
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Lafayette
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Yamhill River
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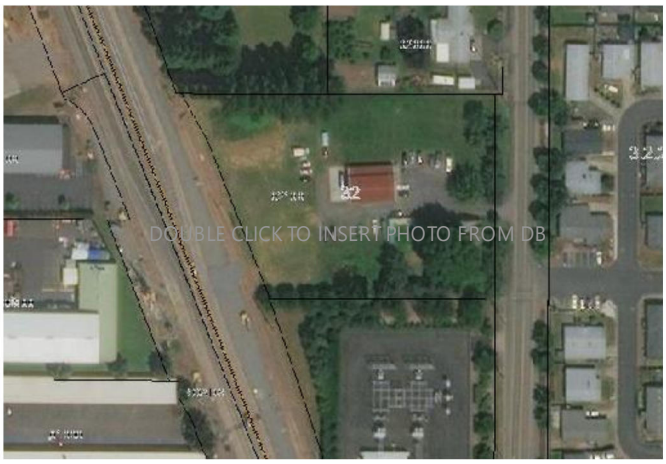
Dayton
St Paul
McMinnville
18
233

LAND SALE EXHIBITS

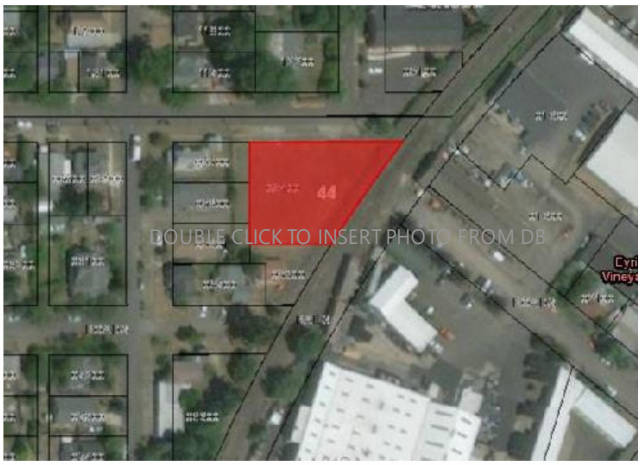


COMPARABLE 1

COMPARABLE 2

COMPARABLE 3

COMPARABLE 4



COMPARABLE 5

Land Sales Adjustment Discussion - The comparable land sales indicate an overall unadjusted value range from $3.21/SF to $6.44/SF, and average of $5.20/SF. After adjustments, the comparables indicate a slightly narrower range for the subject site between $3.31/SF and $6.44/SF with an average of $5.27/SF. The adjustment process is described below.

Land Sale 1 ($5.68/SF Adjusted) – The property was originally listed at $795K in June 2016. Reduced to $695K in October 2016. 11 months later the property was pending at $530,000. The buyer intends to build a partially owner occupied concrete tilt-up building. The buyer's broker did not know the cost of demolition, a market adjustment of $20,000 is applied. In January 2018 about 24,000-SF is available for pre-leasing at $0.66/SF NNN; 7-10 years. This comparable is an upper-end comparable due to exposure.

Land Sale 2 ($4.58/SF Adjusted) – Property sold after nearly 3.6 years listed on the market. Price was reduced to $174,900 in September 2016 and about five months later pending sale. Since January 2011 the property was listed at $199,900 to $179,000. This comparable is a good indicator due to size.

Land Sale 3 ($6.44/SF Adjusted) – Vacant site sold after several years on the market at $129,000. This comparable is a higher indication due to smaller size.

Land Sale 4 ($3.31/SF Adjusted) – Property was listed at $462,900 and eventually sold at $420K. This comparable is a low indication due to larger size.

Land Sale 5 ($6.35/SF Adjusted) – Property sold after 39 days listed at $125K. This comparable is a high indication due to proximity to the McMinnville 3rd Street area and developing area.

LAND VALUE CONCLUSION

The comparables indicate a unit value, based on a general bracketing analysis, between $3.31/SF and $6.44/SF. Based on the subject's overall locational and physical features, a unit value conclusion of $4.58/SF is supported and most similar to Sale 2. The following table summarizes the comparable land sales analysis and applies the unit value conclusion to the site area to provide an indication of the as-vacant land value.

LAND SALES COMPARISON APPROACH CONCLUSION (SF)

	TRANSACTION	ADJUSTMENT				NET	GROSS
	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ	ADJ
1	$5.96	6%	$6.31	(10%)	$5.68	(5%)	16%
2	$4.40	4%	$4.58	0%	$4.58	4%	4%
3	$6.44	11%	$7.15	(10%)	$6.44	0%	21%
4	$3.21	3%	$3.31	0%	$3.31	3%	3%
5	$5.99	6%	$6.35	0%	$6.35	6%	6%
HIGH	*$6.44*	*11%*	*$7.15*	*0%*	*$6.44*	*6%*	*21%*
AVG	*$5.20*	*6%*	*$5.54*	*(4%)*	*$5.27*	*2%*	*10%*
MED	*$5.96*	*6%*	*$6.31*	*0%*	*$5.68*	*3%*	*6%*
LOW	*$3.21*	*3%*	*$3.31*	*(10%)*	*$3.31*	*(5%)*	*3%*

	SUBJECT SF		$/SF		VALUE
Total Land Area	41,818	x	$4.58		$190,000
	41,818	x	$4.54	=	$190,000
INDICATED VALUE (ROUNDED TO NEAREST $10,000)					**$190,000**

[1]Cumulative [2]Additive

COST APPROACH INTRODUCTION

This approach is based on the principle of substitution, using the cost to construct a similar property as a reasonable alternative. Unless stated otherwise, the subject value is estimated based on a replacement cost analysis, which is consistent with this principle and defined by the 14th Edition of the Appraisal of Real Estate as: *The estimated cost to construct, at current prices as of the effective appraisal date, a substitute for the building being appraised, using modern materials and current standards, design, and layout.* The elements of cost are addressed in this section.

Cost Estimates - To estimate the improvement cost for the subject, three sources were utilized: the *Marshall Valuation Service (Swift Estimator)*, the subject's cost schedule, and cost comparables.

Marshall Swift Valuation (MSV) Service - The estimated cost to construct a similar facility includes construction materials, labor, construction interest, permits, average government fees, average architect's and engineering fees, sales tax, and contractor's overhead and profit.

Direct Costs - Direct costs are expenditures for labor and materials used in the construction of improvements (also known as hard costs). Examples include building permits, materials, labor, equipment, security, temporary structures and storage facilities, transportation costs, utility installation and service costs, contractor's profit and overhead and performance bonds[7].

The following table indicates *direct costs* for the subject based on the *Marshall Valuation Service*. These costs include structural improvements, site grading and preparation, landscaping and street improvements.

7 The Appraisal of Real Estate, 14th Edition, Appraisal Institute, Chicago, 2013.

MVS DIRECT BUILDING COSTS		
BUILDING	**1**	**TOTAL**
Description		
MVS Building Type	Industrial/Flex	
Number of Stories	1	
Height Per Story (Feet)	18	
MVS Section/Page	Swiftestimator	
Building Class	C	
MVS Publication Date	1/1/2016	
Quality Rating	Average	
BASE COST / SQUARE FOOT		
Component GBA SF	5,952	5,952
MVS Base Cost $/SF	$44.08	
SQUARE FOOT REFINEMENTS		
Heating and Cooling	$10.45	
Kennels	$2.22	
Fire Alarm	$1.68	
Other - Exterior Walls	$12.79	
Subtotal $/SF	$71.22	
HEIGHT & SIZE REFINEMENTS		
Number of Stories Multiplier	1.0000	
Height Per Story Multiplier	1.0000	
Floor Area Multiplier	1.0000	
Subtotal $/SF	$71.22	
COST MULTIPLIERS		
Current Cost Multiplier	1.0000	
Local Area Multiplier	1.0000	
Prospective Multiplier	1.0000	
Subtotal $/SF	$71.22	
DIRECT BUILDING COSTS MARSHALL VALUATION SERVICES		
Direct Building Cost Total	$423,901	$423,901
DIRECT BUILDING COSTS TOTAL		**$423,901**
DIRECT BUILDING COSTS TOTAL $/SF		**$71.22**

Indirect Costs - These costs are expenditures for items other than labor and materials that are necessary for construction but are not typically part of the construction contract (also known as soft costs). Indirect costs represent (a) real property taxes (and direct assessments, if any), (b) professional fees, (c) permanent financing fees, (d) insurance expenses, (e) lease-up costs, (f) marketing and (g) contractor's overhead/contingency. Indirect costs in the market for similar commercial projects ranges 10% to 20%.

It is noted that the MSV base cost figures include some of these items including professional fees, construction financing, site preparation and contractor's overhead/contingency. Therefore, these items are not included in our indirect cost estimate in the chart below.

MVS INDIRECT BUILDING COSTS			
Direct Building Cost Total		$71.22	$423,901
Indirect Costs (Estimated)	15% of Direct Building Costs	$10.68	$63,585
INDIRECT BUILDING COSTS TOTAL		**$10.68**	**$63,585**

Cost Comparables - There were few cost comparables available for this analysis. Even with rents increasing, only the very best locations or build-to-suit projects are able to achieve feasibility (market rents exceeding economic rents).

255

COST COMPARABLES		
		1
Property Name		Industrial/Flex
City		Newberg
State		Oregon
Year Built		2016/17
GBA		10,766
Units		1
Direct/Indirect Costs		$808,170
Indirect Costs		$0
Subtotal		$808,170
Profit	0%	$0
TOTAL COSTS		**$808,170**
TOTAL COSTS $/SF		$75.07
CONCLUSION $/SF		$75.07

Developer's Cost Schedule – An overall figure of the owner's construction costs was provided for this analysis. The provided costs did not show all of the breakout areas. In addition, the current tenant has spent money on certain build-out. It is my understanding that air conditioning was added to the office area in 2017 by the tenant. The costs include all direct and indirect costs.

DEVELOPER'S COST ACTUAL				
ITEM			**COSTS $/SF**	**COSTS**
COSTS				
Building (incl. Permits, etc.)				$675,349
Frontage				$42,177
Utility Improvement				$48,550
Other Site Improvements				$2,971
Heating Boiler System				$8,211
Security/Alarm System				$9,874
Washer/Dryer - excluded				$0
Subtotal Costs			$132.25	$787,132
Contingency	0%	of Subtotal Direct Costs		$0
TOTAL DIRECT COSTS			**$132.25**	**$787,132**
FINAL DEVELOPER'S COST				
TOTAL COSTS			$132.25	$787,132
FINAL DEVELOPER'S COST (ROUNDED TO NEAREST $10,000)			**$132.73**	**$790,000**

Marshall Valuation Service Conclusion - Entrepreneurial profit and overhead compensates the developer for project risk and management. It is unlikely that a developer would proceed with a development unless adequate profit is available to justify the effort. Based on information provided by developers of similar commercial projects, profit is typically based on a percentage of the replacement costs, generally 5% to 20%, depending upon project size, location, and marketability. An entrepreneurial profit and overhead allocation of 10% of land and improvements would be typical in a stable market where market rents are more in line with economic rents. The total improvement cost new as estimated through *Marshall Valuation Service* is summarized below.

MVS DIRECT & INDIRECT BUILDING COSTS		
Direct Building Costs Total	$71.22	$423,901
Indirect Building Costs Total	$10.68	$63,585
FINAL MVS BUILDING REPLACEMENT COST NEW		
FINAL MVS BUILDING REPLACEMENT COST NEW TOTAL	$81.90	$487,487

256

Unit Cost Conclusion - The cost comparables, developer's costs, and *Marshall Valuation Service* cost estimate provide a wide range of construction costs. The cost comparable ($75/SF) and the *Marshall Valuation* estimate ($81.90/ SF) are lower than the developer's cost budget ($132.73/ SF). In this analysis, the subject's actual costs are utilized ($81.90/ SF). It is noted that at the developer's costs of ($132.73/ SF) the project is the total for the project.

BUILDING REPLACEMENT COST NEW		
Marshall Valuation Services	$81.90	$487,487
Cost Comparables	$75.07	$446,817
Developers Costs	$132.73	$790,000
CONCLUDED BUILDING REPLACEMENT COST NEW		
Marshall Valuation Services	$81.90	$487,487

Building Depreciation - From the replacement cost new, a dollar amount of depreciation may be deducted. There are three types of depreciation: physical, functional and economic. Physical depreciation is the result of physical wear and tear on the improvements. Functional obsolescence is the result of design or physical problems which reduce the income-producing ability or desirability of the subject property. Economic obsolescence is the result of outside influences (economic and neighborhood) which decrease the value of the property. The subject improvements are newer and there is no observed functional or economic deprecation. Therefore, no depreciation is deducted in this analysis.

The depreciated replacement cost equals the replacement cost new less depreciation. In this case, there is an age life deduction for depreciation at 12%.

BUILDING DEPRECIATION ANALYSIS				
Replacement Cost New Total				$536,235
PHYSICIAL DETERIORATION				
Physical Curable (Deferred Maintenance)				$0
Incurable Short Lived				$0
Incurable Long Lived	12%	of Replacement Cost New - Curable Physical Deterioration		($64,348)
Physicial Deterioration				($64,348)
Physicial Deterioration Adjustment Subtotal			$79.28	$471,887
FUNCTIONAL OBSOLESCENCE				
Functional Curable	0%	of Physical Deterioration Subtotal		$0
Functional Incurable	0%	of Physical Deterioration Subtotal		$0
Functional Obsolescence				$0
Functional Obsolescence Adjustment Subtotal			$79.28	$471,887
EXTERNAL OBSOLESCENCE				
Location	0%	of Physical Deterioration Subtotal		$0
Market	0%	of Physical Deterioration Subtotal		$0
External Obsolescence				$0
External Obsolescence Adjustment Subtotal			$79.28	$471,887
FINAL DEPRECIATED BUILDING REPLACEMENT COST				
FINAL DEPRECIATED BUILDING REPLACEMENT COST TOTAL			**$79.28**	**$471,887**

Site Improvements

SITE IMPROVEMENTS		
Site Area SF		41,818
Direct Replacement Cost	$2.67	$111,654
Indirect Replacement Cost 15%	$0.40	$16,748
Direct & Indirect Replacement Cost New Subtotal		$128,402
Entrepreneurial Profit Total 10% of Total Direct & Indirect Improvement Cost	$0.31	$12,840
FINAL SITE IMPROVEMENTS REPLACEMENT COST NEW		
FINAL SITE IMPROVEMENTS REPLACEMENT COST NEW TOTAL	**$3.38**	**$141,242**

Site Improvements Depreciation

SITE IMPROVEMENTS DEPRECIATION ANALYSIS		
Site Improvements Replacement Cost New		$141,242
Physicial Deterioration Subtotal		($56,497)
Functional Obsolescence Subtotal		$0
FINAL DEPRECIATED SITE IMPROVEMENTS REPLACEMENT COST		
FINAL DEPRECIATED SITE IMPROVEMENTS REPLACEMENT COST TOTAL	**$14.24**	**$84,745**

COST APPROACH CONCLUSION

The Cost Approach analysis and conclusion are presented in the following table.

COST APPROACH SUMMARY	$/SF	TOTAL
BUILDING IMPROVEMENTS		
Direct Costs		$423,901
Indirect Costs		$63,585
Entrepreneurial Profit		$48,749
Depreciation		($64,348)
Total Depreciated Value Of Building Improvements	$79.28	$471,887
SITE IMPROVEMENTS		
Direct Costs		$111,654
Indirect Costs		$16,748
Entrepreneurial Profit		$12,840
Depreciation		($56,497)
Total Depreciated Value Of Site Improvements	$14.24	$84,745
SUMMARY OF ALL IMPROVEMENTS		
Direct Costs		$535,556
Indirect Costs		$80,333
Entrepreneurial Profit		$61,589
Replacement Cost New		$677,478
Depreciation		($120,845)
Total Depreciated Cost of Building & Site Improvements	$93.52	$556,633
Estimated Land Value		$190,000
Total Estimated Cost of Improvements & Land Value		$746,633
INDICATED VALUE (ROUNDED TO NEAREST $10,000)	**$126.01**	**$750,000**
Kennel Removal & Lease-up		**($40,000)**
INDICATED VALUE (ROUNDED TO NEAREST $10,000)	**$119.29**	**$710,000**

258

SALES COMPARISON APPROACH INTRODUCTION

In the Sales Comparison Approach, the value of a property is estimated by comparing it with similar, recently sold properties in the surrounding or competing areas. Inherent in this approach is the principle of substitution, which holds that when a property is replaceable in the market, its value tends to be set by the cost of buying an equally desirable property, assuming that no costly delay occurs in making the substitution.

Through the analysis of sales of verified arm's-length transactions, market value and price trends are identified. The sales utilized are comparable to the subject in physical, functional, and economic characteristics.

Comparable Selection - Comparable sales are presented, which were selected due to their similarity in physical, locational, and qualitative attributes. They represent the most recent and relevant comparable sale available for this analysis. Emphasis was given to the subject's location and similarly positioned properties.

Unit of Comparison - The most relevant unit of comparison is the price per SF NRA. This best reflects the unit of comparison used by buyers and sellers in this market for the subject property type.

Adjustments - Adjustments to the comparable sales were considered and made when warranted for expenditures after purchase, property rights transferred, conditions of sale, financing terms, and market conditions.

1. **Property Rights –** Most of the sales comparables were fee simple transaction or partially leased fee for additional owner occupancy sales reflecting the property rights appraised herein per the agreed upon scope of work.
2. **Financing -** The sales all reflected typical cash equivalent, lender-financed transactions and no adjustments were required for financing terms.
3. **Sale Conditions -** None of the comparables required a condition of sale adjustment, as all were confirmed to be arm's length transactions.
4. **Expenditures After Sale -** Expenses that the buyer incurs after purchase (deferred maintenance, HVAC repairs, etc.). Sale 4 was adjusted for excess site area purchased.
5. **Market Conditions (Time) -** Based on research and interpretation of value trends, the analysis applies an upward market conditions adjustment of 5% annually reflecting the relatively consistent appreciation that occurred between the oldest comparable sale date up through the effective valuation date.

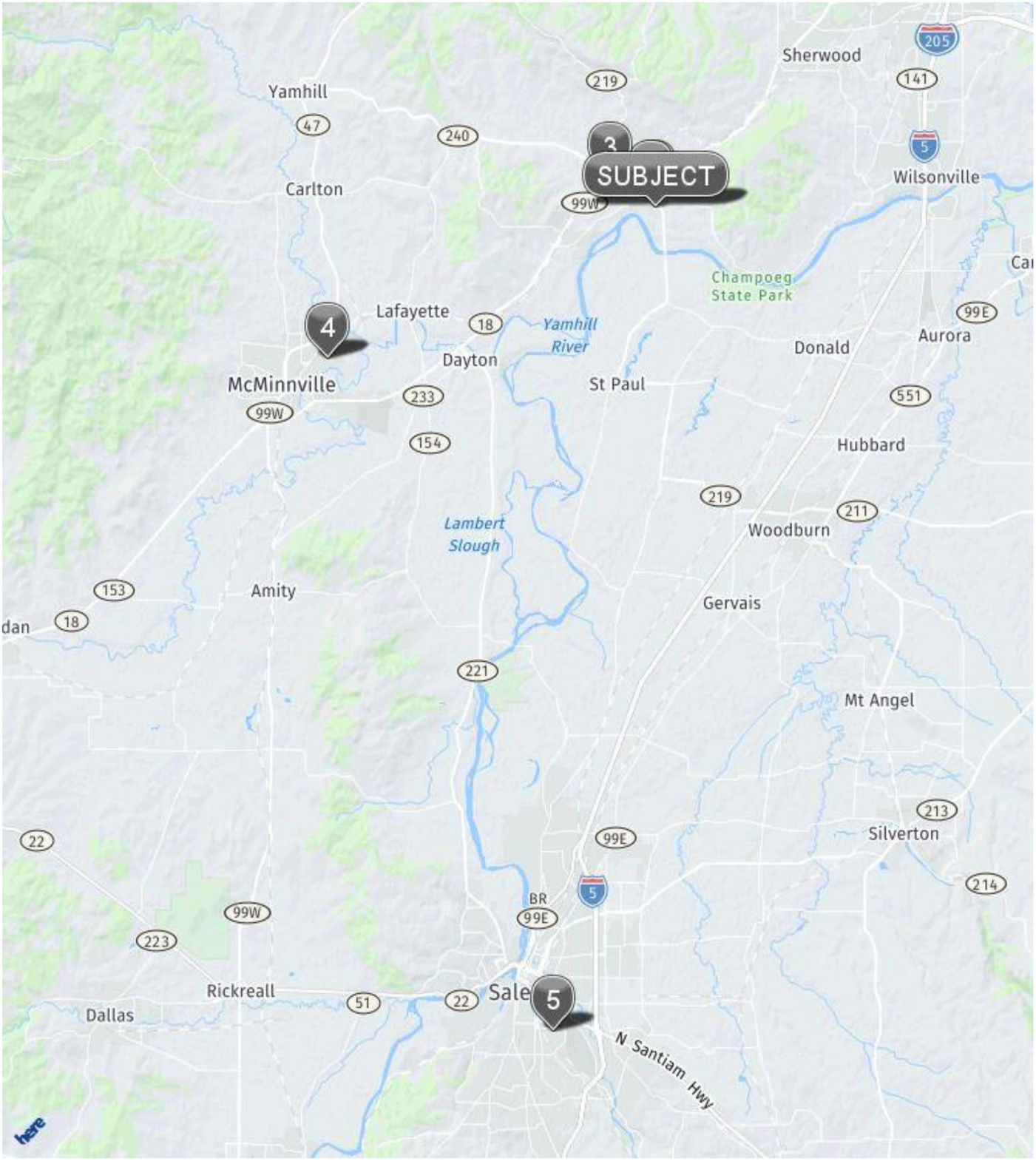
Quantitative Adjustment Process - Quantitative percentage adjustments are also made for location and physical characteristics such as size, age, site and parking ratios, access, exposure, quality and condition, as well as other applicable elements of comparison. Where possible the adjustments applied are based on paired data or other statistical analysis. It should be stressed that the adjustments are subjective in nature and are meant to illustrate the logic in deriving a value opinion for the subject property by the Sales Comparison Approach.

Presentation - The subject and comparable property attributes are presented on the following Improved Sales Comparison Table, location map and photographs. This is followed by analysis of the subject and comparable sales and the value conclusion indicated using the Sales Comparison Approach.

IMPROVED SALES COMPARISON TABLE

	SUBJECT	COMP 1		COMP 2		COMP 3		COMP 4		COMP 5	
Name	Newberg Animal Shelter	Madrona Building		2900		214		Solid Form Fabrication Building		2160	
Address	1591 South Sandoz Road	2700 East 9th Street		2900 East 9th Street		214 West Hancock Street		2706 NE Rivergate Street		2160 Davcor Street SE	
City	Newberg	Newberg		Newberg		Newberg		McMinnville		Salem	
State	OR	OR		OR		OR		OR		OR	
Zip	97132	97132		97132		97132		97128		97302	
County	Yamhill County	Yamhill		Yamhill		Yamhill		Yamhill		Marion	
Submarket	Newberg	Newberg		Newberg		Newberg		McMinnville		Salem-Keizer	
SALE INFORMATION											
Transaction Price		$1,250,000		$400,000		$1,335,000		$725,000		$705,000	
Transaction Price $/SF NRA		$102		$167		$111		$113		$78	
Property Rights [1]		Leased Fee		Fee Simple		Fee Simple		Fee Simple		Leased Fee	
Financing [2]		Cash to seller		Cash to Seller		Cash to seller		77% Albina		Cash to seller	
Sale Conditions [3]		Arms Length		Arms Length		Arms Length		Arms Length		None	
Expenditures After Sale [4]		$0		$0		$0		($87,000)	(12.0%)	$0	
Market Conditions [5]		11/28/2017	1%	7/27/2017	3%	12/31/2015	11%	8/19/2016	7%	1/29/2016	10%
Sale Status		Recorded		Recorded		Recorded		Recorded		Recorded	
Recording Number		2017-19086		2017-12477		2016-495,496		2016-13111		2016-00003842	
Marketing Status		Open Market		Open Market		Open Market		Not Marketed		Open Market	
Marketing Period (Months)		0.6 Mos.		0.2 Mos.		13.0 Mos.		-		93.5 Mos.	
Total Transactional Adjustments		$1	1%	$5	3%	$12	11%	($7)	(6%)	$8	10%
Adjusted SF (NRA)		**$103**		**$172**		**$123**		**$106**		**$86**	
INCOME INFORMATION											
NOI/SF NRA	$7.86	$0.00		$0.00		$0.00		$0.00		$5.88	
Occupancy	100%	100%		0%		0%		0%		100%	
Capitalization Rate		7.50%		0.00%		0.00%		7.43%		7.50%	
PHYSICAL INFORMATION											
GBA (SF)	5,952	12,230	15%	2,400	(20%)	12,000	15%	6,420		9,000	10%
NRA (SF)	5,952	12,230		2,400		12,000		6,420		9,000	
Year Built/Ren	2012 / 2017	1997		1990		1988		2007		1979 / 2006	
Location	Average	Average		Average		Average		Below Average	5%	Average	
Access	Average	Average		Average		Above Average	(5%)	Below Average	5%	Below Average	5%
Exposure	Average	Average		Average		Good	(10%)	Average		Average	
Quality	Average	Above Average	(5%)	Average		Above Average	(5%)	Average		Average	
Condition	Average	Above Average	(5%)	Above Average	(5%)	Average		Above Average	(5%)	Average	
Appeal	Average	Average		Above Average	(5%)	Above Average	(5%)	Average		Average	
Parking Ratio	1.5	1.6		Ample		1.8		1.9		2.8	
Site Coverage	14.2%	25.0%		12.0%		46.7%		9.1%		33.3%	
Office Buildout	41%	39%		10%		-		24%		40%	
Total Physical Adjustments		$5	5%	($52)	(30%)	($12)	(10%)	$5	5%	$13	15%
Adjusted SF (NRA)		**$108**		**$120**		**$111**		**$111**		**$99**	
CONFIRMATION INFORMATION											
Company		Miller Consulting		Confidential		Miller Consulting		Confidential		Nathan Levin Co.	
Name		Mary Martin Miller		Shelley Olson		Mary Martin Miller		County Records/Co-star		Ian Levin	
Phone		503-740-9200		541-929-2121		503-740-9200		N/A		503-3838173	
Date		Confidential		6/25/2017		Confidential		1/18/2018		3/1/2018	

260


Sherwood
205
219
141
Yamhill
47
240
3
SUBJECT
5
Wilsonville
Carlton
99W
Champoeg
State Park
4
Lafayette
18
Yamhill
River
99E
Aurora
Dayton
Donald
McMinnville
St Paul
233
551
99W
154
Hubbard
219
211
Lambert
Slough
Woodburn
153
Amity
Gervais
18
221
Mt Angel
213
22
99E
Silverton
214
5
BR
99E
99W
223
Rickreall
51
22
Sale
5
Dallas
N Santiam Hwy

261

IMPROVED SALES PHOTOGRAPHS

COMPARABLE 1

COMPARABLE 2

COMPARABLE 3

COMPARABLE 4

COMPARABLE 5

Analysis of Comparable Sales - The comparable sales indicate an overall unadjusted unit value range from $78/SF to $167/SF, and an average of $114/SF. After adjustments, the comparables indicate a narrower range for the subject property from $99/SF to $120/SF, and $110/SF on average. The adjustment process is summarized below.

Sale No. 1 ($108/SF Adjusted) - Property sold with renters at below market rents. Three offers. Broker reported that the property was sold on a proforma cap rate of 7.50% considering that the rental rates could be $0.85/SF for the office and $0.58/SF for the industrial area. This comparable likely sold at a capitalization rate in the sub-7.00% range due to the below market rents and upside potential. After adjustment this is a similar indication for the subject.

Sale No. 2 ($120/SF Adjusted) - Property was purchased for owner occupancy. Used as shop space. This comparable required significant adjustment for the small size.

Sale No. 3 ($111/SF Adjusted) - Property sold to the tenant according to the listing broker. This comparable has much more exposure and better access.

Sale No. 4 ($111/SF Adjusted) - The excess land was previously purchased in September 2012 @ $75,000 or $3.07/SF. Projected capitalization rate based on market projections. This comparable had 0.56-acres of excess land that the buyer also purchased in the current transaction. A downward adjustment to account for the excess land was applied.

Sale No. 5 ($99/SF Adjusted) - Broker indicated that prior to closing there was some tenant shuffling that required the owners to re-tenant a space. The effect may have slightly increased cap rate from 7.5%. This comparable is a low indicator for the subject property.

SALES COMPARISON APPROACH CONCLUSION

Based on general bracketing, the comparable sales support an adjusted unit value range from $99/SF to $120/SF, with a unit value of $110/SF concluded for the subject property or between Sale 1 and Sale 4. As noted this appraisal has a hypothetical condition that the property is on a 0.96-acre site as an industrial building. Any industrial flex buyer would consider the cost of removing the concrete block kennels in their purchase decision. Removal of concrete walls and disposal of material can range from $1,500 to over $10,000. The main consideration is time and the cost of disposal. For this analysis an upper-end $10,000 is concluded. In addition, the property is currently leased at a below market lease to a non-profit thru June 30, 2018. The following table details a leased fee adjustment considering market rents presented in the following Income Approach. Combined an adjustment of $40,000 is concluded.

LEASE-UP ANALYSIS SIMPLE

LEASE-UP COSTS

SUITE		0	TOTAL
Lease-Up Period (Months)		4	4
Vacant Space Square Feet (SF)		5,952	5,952
Market Annual Rent $/SF		$12.86	-
Leasing Commissions Percent		5%	-
Leasing Commissions $/SF			
Tenant Improvements $/SF		$0.00	-
Lease Term (Years)		1	-
Concessions (Free Months Rent)		0	-
Rent Loss		$25,513	$25,513
Expense Carry		$0	$0
Leasing Commissions		$3,827	$3,827
Tenant Improvements		$0	$0
Free Rent		$0	$0
Subtotal Lease-Up Costs			$29,340
Profit Incentive	0%		$0
Total Lease-Up Costs			$29,340
TOTAL LEASE-UP COSTS (ROUNDED TO NE			**$30,000**

The following table summarizes the analysis of the comparables, reports the reconciled price per SF value conclusion, and presents the concluded value of the subject property by the Sales Comparison Approach.

263

IMPROVED SALES COMPARISON APPROACH CONCLUSION (NRA)

	TRANSACTION	ADJUSTMENT				NET	GROSS
	PRICE	TRANSACTIONAL[1]	ADJUSTED	PROPERTY[2]	FINAL	ADJ	ADJ
1	$102	1%	$103	5%	$108	6%	26%
2	$167	3%	$172	(30%)	$120	(28%)	33%
3	$111	11%	$123	(10%)	$111	0%	51%
4	$113	(6%)	$106	5%	$111	(2%)	34%
5	$78	10%	$86	15%	$99	27%	25%
HIGH	*$167*	*11%*	*$172*	*15%*	*$120*	*27%*	*51%*
AVG	*$114*	*4%*	*$118*	*(3%)*	*$110*	*1%*	*34%*
MED	*$111*	*3%*	*$106*	*5%*	*$111*	*0%*	*33%*
LOW	*$78*	*(6%)*	*$86*	*(30%)*	*$99*	*(28%)*	*25%*

	SUBJECT SF (NRA)		$/SF CONCLUSION		VALUE
	5,952	x	$110	=	$654,720
INDICATED VALUE (ROUNDED TO NEAREST $10,000)			**$109**		**$650,000**
Kennel Removal & Lease-up			($7)		($40,000)
INDICATED VALUE (ROUNDED TO NEAREST $10,000)			**$102**		**$610,000**

[1]Cumulative [2]Additive

The Income Approach is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. The two fundamental methods of this valuation technique include Discounted Cash Flow and Direct Capitalization. The Direct Capitalization method of the Income Approach is used in this analysis. This valuation technique best represents the decision-making process of an investor.

DIRECT CAPITALIZATION METHOD

The first step in direct capitalization is to estimate the durable rental income through analysis of the in-place leases and market rent terms. Next, reimbursements and other revenue are analyzed. Then, vacancy and operating expenses are estimated. Finally, the net operating income is capitalized at a supported rate. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as-is value.

Subject Leases – The property is currently leased thru June 30, 2018 at a beneficial $1 per year to a non-profit agency.

The subject is leased to a single tenant. The tenant is required to pay for general liability insurance and interior janitorial. In a typical modified gross arrangement the tenant is responsible for most of the utilities.

The following table provides a breakdown of the subject's various building spaces.

TENANT CATEGORY ANALYSIS

TENANT	SPACE SIZE (SF)			PERCENT	SPACE BREAKOUT			CONTRACT OCCUPIED SPACE		
CATEGORY	OCCUPIED	VACANT	TOTAL	OCCUPIED	OCCUPIED	VACANT	TOTAL	$/SF(YR.)	$/SF(MO.)	ANNUAL
Flex/Industrial	3,534	0	3,534	100.0%	1	0	1	$0.00	$0.00	$1
Office	2,418	0	2,418	100.0%	1	0	1	$0.00	$0.00	$0
TOTAL & AVGS	**5,952**	**0**	**5,952**	**100.0%**	**2**	**0**	**2**	**$0.00**	**$0.00**	**$1**

MARKET RENT ANALYSIS

This section examines comparable properties within the marketplace to estimate market rent for the subject. This allows for a comparison of the subject property's contract to what is attainable in the current market.

Unit of Comparison - The analysis is conducted on a dollar per square foot annually, reflecting market behavior. The market rent analysis is based on a **modified gross** expense structure where the tenant is responsible for utilities. Landlord pays for structural maintenance, vacant space, taxes, insurance, partial utilities, maintenance, and management.

Selection of Comparables - A complete search of the area was conducted in order to find the most comparable properties in terms of location, tenancy, age, exposure, quality, and condition. The comparables in this analysis are the most reliable indicators of market rent for the subject available at the time of this appraisal.

Adjustments - The comparables have been evaluated for concessions such as free rent, tenant improvements in excess of the typical market, atypical rent escalations, and atypical lease terms. Adjustment was made for these concessions based on their impact over the original term period. Quantitative percentage adjustments were considered for location and physical features such as size, age, condition, exposure and parking ratio, although none were applied as the industrial market is fairly consistent in Newberg.

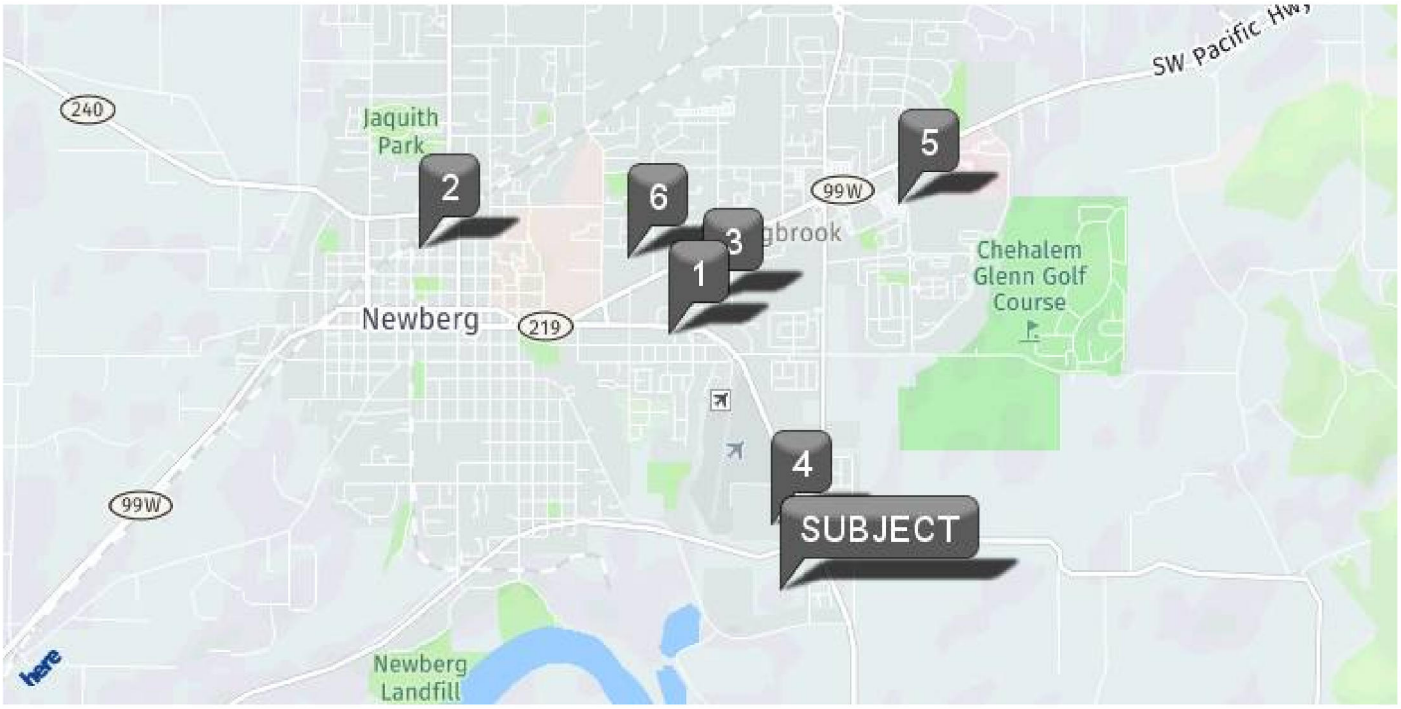
Market Conditions (Time) - Based on research and interpretation of rental value trends, the analysis applies an upward market conditions adjustment of 3% annually only to the office rates reflecting the relatively consistent rent growth that occurred between the oldest lease date up through the effective valuation date.

Tenant Improvements & Concessions - Market based concessions range from $0.00/SF to $20.00/SF for tenant improvements and 0 to 3 months of free rent. Comparables with concessions that are outside these defined market boundaries are adjusted to the closest boundary with this difference divided over the term of the lease.

Presentation - The following presentation summarizes the comparables most similar to the subject property. The Lease Comparison Table, location map, photographs, and an analysis of the rent comparables are presented on the following pages.

LEASE COMPARISON TABLE

	SUBJECT	COMP 1		COMP 2		COMP 3		COMP 4		COMP 5		COMP 6	
Name	Newberg Animal Shelter	Blue Building		Howard Street		Total Concept Development		Lot 7 Airpark		Springbrook Oaks		470	
Address	1591 South Sandoz Road	2201 East 2nd Street		501 North Howard Street		2401 East Hancock Street		1125 Industrial Parkway		901 North Brutscher Street		470 Villa Road	
City	Newberg	Newberg		Newberg		Newberg		Newberg		Newberg		Newberg	
State	OR	OR		OR		OR		OR		OR		OR	
Zip	97132	97132		97132		97132		97132		97132		97132	
County	Yamhill County	Yamhill		Yamhill		Yamhill		Yamhill		Yamhill		Yamhill	
Submarket	Newberg	Newberg		Newberg		Newberg		Newberg		Newberg		Newberg	
LEASE INFORMATION													
Rent ($/SF/Yr.)		$9.00		$8.91		$10.83		$9.48		$18.00		$20.21	
Tenant		McCarthy Motors		Cecil's		Auto Detailing		Not Disclosed		A-Dec		Joy of Health	
Start Date		5/1/2016	5%	9/1/2017	1%	8/1/2017	2%	5/1/2017	2%	6/1/2017	2%	5/1/2017	2%
Space Type		Industrial		Industrial		Industrial		Warehouse		Office		Office	
Lease Type		New		New		New		New		New		New	
Lease Str.		MG		MG		MG		MG		Full Service	-$2.00	MG	
Size (SF)		3,500		4,950		1,800		10,700		1,972		950	
Term (Yrs.)		0		3		2		1.8		3		3	
Avg. Escalation		0.0%		2.5%		0.0%		0.0%		3.0%		0.0%	
Free Rent		None		None	$0.00	None	$0.00	None	$0.00	None	$0.00	None	$0.00
TI's ($/SF)		None		None	$0.00	None	$0.00	None	$0.00	None	$0.00	None	$0.00
Options		M-to-M		None		None		None		None		None	
Total Lease Adjustments		$0.45	5%	$0.09	1%	$0.22	2%	$0.19	2%	($1.64)	(9%)	$0.40	2%
Adjusted Rent ($/SF/Yr.)		**$9.45**		**$9.00**		**$11.05**		**$9.67**		**$16.36**		**$20.61**	
BUILDING INFORMATION													
NRA (SF)	5,952	8,200		29,000		27,000		10,700		36,000		950	
Year Built/Ren	2012 / 2017	2001 / 2015		1970 / Multiple dates of construction		2008		2003		2001		1988	
Total Building Adjustments		$0.00	0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00	0%	$0.00	0%
Adjusted Rent ($/SF/Yr.)		**$9.45**		**$9.00**		**$11.05**		**$9.67**		**$16.36**		**$20.61**	
CONFIRMATION INFORMATION													
Company		Slate Properties, LLC		Slate Properties, LLC		Miller Consulting		Miller Consulting		Miller Consulting		Miller Consulting	
Name		Tony Odracek		Tony Ondracek		Mary Martin Miller		Mary Martin Miller		Mike Morris		Mike Morris	
Phone		Confidential		Confidential		503-740-9200		503-740-9200		971-241-3847		971-241-3847	
Date		1/18/2018		1/18/2018		1/19/2018		1/19/2018		1/19/2018		1/19/2018	


SW Pacific Hwy
240
Jaquith Park
2
6
3
1
5
99W
Chehalem Glenn Golf Course
Newberg
219
4
SUBJECT
99W
Newberg Landfill
here

LEASE COMPARABLE PHOTOGRAPHS

COMPARABLE 1

COMPARABLE 2

COMPARABLE 3

COMPARABLE 4

COMPARABLE 5

COMPARABLE 6

Discussion of Lease Comparables - The lease comparables indicate an unadjusted range from $8.91/SF to $20.21/SF, and an average of $12.74/SF. Industrial rents are analyzed on a modified gross basis and Leases 1-4 are the best examples. Office leases are analyzed on a full-service basis. After adjustments a narrower rental range is indicated for the subject from $18.00/SF to $20.61/SF.

CONCLUSION OF MARKET RENT

Based on general bracketing, the comparable leases support an adjusted market rent range from $9.00/SF to $20.61/SF, with a market rent of $9.00/SF concluded for the subject property industrial spaces. Based on general bracketing, the comparable leases support an adjusted market rent range from $9.00/SF to $20.61/SF, with a market rent of $18.50/SF concluded for the subject property office space. The following table summarizes the various indicators of market rent, provides the market rent analysis and the conclusions for the subject property.

MARKET RENT CONCLUSION

	LEASE	ADJUSTMENT				NET	GROSS
	RATE	LEASE[1]	ADJUSTED	BUILDING[1]	FINAL	ADJ	ADJ
1	$9.00	5%	$9.45	0%	$9.45	5%	5%
2	$8.91	1%	$9.00	0%	$9.00	1%	1%
3	$10.83	2%	$11.05	0%	$11.05	2%	2%
4	$9.48	2%	$9.67	0%	$9.67	2%	2%
5	$18.00	(9%)	$16.36	0%	$16.36	(9%)	13%
6	$20.21	2%	$20.61	0%	$20.61	2%	2%
HIGH	*$20.21*	*5%*	*$20.61*	*0%*	*$20.61*	*5%*	*13%*
AVG	*$12.74*	*0%*	*$12.69*	*0%*	*$12.69*	*0%*	*4%*
MED	*$10.16*	*2%*	*$10.36*	*0%*	*$10.36*	*2%*	*2%*
LOW	*$8.91*	*(9%)*	*$9.00*	*0%*	*$9.00*	*(9%)*	*1%*

	AVG CONTRACT	ASKING		CONCLUSION
Flex/Industrial	$0.00	N/A	Modified Gross	$9.00
Office	$0.00	N/A	Modified Gross	$18.50

[1]Total Additive Adjustment

Market Rent vs. Contract Rent - Based on the previous conclusions, the subject's average contract rent is significantly below market rents. Market rents are applied in our analysis to both spaces.

Gross Rental Income (GRI) - The gross rental income equals the total gross income based on the rent conclusions presented above and is summarized in the following table.

OCCUPIED SPACE								
TENANT	NRA (SF)	CATEGORY	CONTRACT	MARKET	CONT V MKT	$/UNIT	$/SF(YR.)	$/YEAR
Industrial Tenant	3,534	Flex/Industrial	$0.00	**$9.00**	0%	$31,806	$9.00	$31,806
Office Tenant	2,418	Office	-	**$18.50**	-	$44,733	$18.50	$44,733
OCCUPIED SUBTOTALS	5,952	-	$0.00	$0.00	-	$76,539	$12.86	$76,539
TOTAL	5,952	-	$0.00	$0.00	-	$76,539	$12.86	$76,539

Reimbursement Income - Under the terms of the market's modified gross lease expense structure, the tenant is responsible for utilities.

Miscellaneous Income - Based on review of the subject's historical operations, there is no miscellaneous income generators present.

Potential Gross Income (PGI) - The potential gross income equals the gross rental income plus reimbursement and miscellaneous income. The total potential gross income for the subject is $76,539 which is $12.86/SF.

Vacancy and Credit Loss - This category accounts for the time period between occupants, as well as possible prolonged vacancies under slow market conditions. Market participants typically expect a vacancy and credit loss of 4% to 6% of potential gross income for similar property types. This assignment reflects the probable vacancy during the economic life of the property and not necessarily the current or short-term vacancy. The findings of the Market Analysis section support a typical vacancy and credit loss allocation. As of the effective date, the subject is 100.0% occupied. Based on current and perceived long-term market conditions and the subject's current and anticipated tenancy over a typical holding period, a vacancy and credit loss of (5.0%) is concluded.

VACANCY & CREDIT LOSS	%PGI	$/UNIT	$/SF(YR.)	$/YEAR
Rental Income	(5.0%)	($3,827)	($0.64)	($3,827)
TOTAL VACANCY & CREDIT LOSS	(5.0%)	($3,827)	($0.64)	($3,827)

Effective Gross Income (EGI) - Effective gross income equals the potential gross income less vacancy and credit loss. The total effective gross income for the subject is $72,712 which is $12.22/SF.

Operating Historicals - The subject's operating historicals are limited due to no property taxes being due. As previously noted the utility expenses were between $7,000 to $9,000, although no utility expense is considered in this analysis.

Expense Conclusions - The individual expense conclusions for the subject are summarized below. The analysis relies upon the subject's historical data, expense comparables and general market parameters.

EXPENSE CONCLUSIONS

EXPENSE	%EGI	$/SF NRA	TOTAL	COMMENT
Taxes	11.1%	$1.35	$8,035	The concluded amount is based on the expense comparable information.
Insurance	2.4%	$0.29	$1,726	The concluded amount is based within the historical expense.
Repairs & Maintenance	3.1%	$0.38	$2,262	The concluded amount is based on the expense comparable information.
Management Fees	3.0%	$0.37	$2,181	The concluded amount is based on the expense comparable information.
Reserves	3.0%	$0.37	$2,181	The concluded amount is based on the expense comparable information.
TOTAL EXPENSES	**22.5%**	**$2.75**	**$16,386**	

Net Operating Income (NOI) - The net operating income equals the effective gross income less the total expenses. The net operating income for the subject is $56,326 which is $9.46/SF.

Capitalization Rate

In this section, a capitalization rate for the subject is developed based upon market extraction, national survey data, market participant interviews and band of investments analysis.

Market Extraction - The following capitalization table restates the information for the sales previously presented in the Sales Comparison Approach.

MARKET EXTRACTION METHOD

	COMP 1	COMP 4	COMP 5
Name	Madrona Building	Solid Form Fabrication Building	2160
Address	2700 East 9th Street	2706 NE Rivergate Street	2160 Davcor Street SE
City	Newberg	McMinnville	Salem
State	OR	OR	OR
NRA (SF)	12,230	6,420	9,000
Units	3	1	3
Year Built/Ren	1997	2007	1979 / 2006
Sale Date	11/28/2017	8/19/2016	1/29/2016
Sale Price	$1,250,000	$725,000	$705,000
Price/SF	$102	$113	$78
Price/Unit	$416,667	$725,000	$235,000
Occupancy	100%	0%	100%
Remaining Lease Term	0.0	0.0	0.0
Capitalization Rate	**7.50%**	**7.43%**	**7.50%**
High	7.50%		
Average	**7.48%**		
Low	7.41%		

The capitalization rate comparables are fairly uniform at about 7.50%, although it is noted that these cap rates are pro forma cap rates. Sale 1 sold on a lower actual cap rate based on discussion with the listing broker, selling broker and owner, due to below market rents. Sale 5 may have traded at a slightly higher cap rate according to the selling broker due to tenant shuffling, but believed that 7.50% to 7.75% was accurate.

Market Extraction Conclusion - In conclusion, the market extraction method provides applicable capitalization rates from 7.41% to 7.50%, and is supportive of a capitalization rate conclusion for the subject presented in the Capitalization Rate Conclusion section.

271

National Survey - The investor pool for the subject property likely includes regional or local investors, with a national investor profile viewed as unlikely based on the relatively smaller size and mix of local and national tenant profile. However, for additional support, the following table summarizes national cap rate trends for similar properties.

NATIONAL INVESTOR SURVEY

CAPITALIZATION RATE (OAR)	YEAR/QUARTER	RANGE			AVERAGE
National Warehouse					PricewaterhouseCoopers
Current Quarter	**2017 Q3**	**5.50%**	**to**	**9.00%**	**6.65%**
Last Quarter	2017 Q2	5.50%	to	9.00%	6.66%
National CBD Office					PricewaterhouseCoopers
Current Quarter	**2017 Q3**	**5.50%**	**to**	**9.50%**	**7.05%**
Last Quarter	2017 Q2	5.50%	to	9.50%	7.13%

The preceding table shows that cap rates have more or less leveled off around 6.60% to 7.00%. However, this list of national investor responses may apply more to institutional-grade properties with a stronger tenant credit profile. It is noted that most of the investors surveyed believed rates would hold steady over the next 6 months. A rate higher than 7.00% is supported for the subject.

Market Participant Interviews - The following table shows the findings of market participant interviews with local investments sales brokers.

MARKET INTERVIEWS

NAME	COMPANY	DATE	RANGE			AVERAGE
Mary Martin Miller	Miller Consulting	2017 Q3	7.00%	to	8.00%	7.50%
Ian Levin	Nathan Levin Co.	2018 Q1	7.25%	to	7.75%	7.50%

Band of Investments Technique - To analyze the capitalization rate from a financial position, the Band of Investment Technique is used. Available financing information from lenders and the sales comparables indicates the following terms. Equity dividend rates vary depending upon motivations of buyers and financing terms. The previous terms and an appropriate equity dividend rate are used in the Band of Investments calculations presented on the following tables:

BAND OF INVESTMENT

ASSUMPTIONS				
Loan Amortization Period	30 Years	Loan-To-Value-Ratio		70%
Interest Rate	5.40%	Mortgage Constant		0.0674
CALCULATION				
Mortgage Component	70%	x	6.74%	0.0472
Equity Component	30%	x	8.00%	0.0240
Indicated Capitalization Rate				**7.12%**

Capitalization Rate Conclusion - Taking all factors into consideration, the following table summarizes the various capitalization rate indicators and provides the final capitalization rate conclusion. Primary emphasis was placed on the Market Extraction Method, market interviews, with support from the balance of the data.

CAPITALIZATION RATE CONCLUSION

Market Extraction	7.48%
National Investor Surveys Average	6.85%
Market Participant Interviews Average	7.50%
Band of Investment Calculation	7.12%
Concluded Capitalization Rate	**7.50%**

272

DIRECT CAPITALIZATION CONCLUSION

The table below summarizes the Direct Capitalization Method and its value conclusion.

DIRECT CAPITALIZATION								
OCCUPIED SPACE								
TENANT	NRA (SF)	CATEGORY	CONTRACT	MARKET	CONT V MKT	$/UNIT	$/SF(YR.)	$/YEAR
Industrial Tenant	3,534	Flex/Industrial	$0.00	**$9.00**	0%	$31,806	$9.00	$31,806
Office Tenant	2,418	Office	-	**$18.50**	-	$44,733	$18.50	$44,733
OCCUPIED SUBTOTALS	**5,952**	-	**$0.00**	**$0.00**	-	**$76,539**	**$12.86**	**$76,539**
TOTAL	**5,952**	-	**$0.00**	**$0.00**	-	**$76,539**	**$12.86**	**$76,539**
RENTAL INCOME								
GROSS RENTAL INCOME						**$/UNIT**	**$/SF(YR.)**	**$/YEAR**
Base Contract Rent						$76,539	$12.86	$76,539
TOTAL GROSS RENTAL INCOME						**$76,539**	**$12.86**	**$76,539**
POTENTIAL GROSS INCOME						$76,539	$12.86	$76,539
VACANCY & CREDIT LOSS				**%PGI**		**$/UNIT**	**$/SF(YR.)**	**$/YEAR**
Rental Income				(5.0%)		($3,827)	($0.64)	($3,827)
TOTAL VACANCY & CREDIT LOSS				**(5.0%)**		**($3,827)**	**($0.64)**	**($3,827)**
EFFECTIVE GROSS INCOME						$72,712	$12.22	$72,712
EXPENSE ITEMS				**%PGI**	**%EGI**	**$/UNIT**	**$/SF(YR.)**	**$/YEAR**
Taxes				(10.5%)	(11.1%)	($8,035)	($1.35)	($8,035)
Insurance				(2.3%)	(2.4%)	($1,726)	($0.29)	($1,726)
Repairs & Maintenance				(3.0%)	(3.1%)	($2,262)	($0.38)	($2,262)
Management Fees				(2.9%)	(3.0%)	($2,181)	($0.37)	($2,181)
Reserves				(2.9%)	(3.0%)	($2,181)	($0.37)	($2,181)
TOTAL EXPENSES				**(21.4%)**	**(22.5%)**	**($16,386)**	**($2.75)**	**($16,386)**
NET OPERATING INCOME						$56,326	$9.46	$56,326
Capitalization Rate								7.50%
Capitalized Value								$751,020
INDICATED VALUE (ROUNDED TO NEAREST $10,000)						**$750,000/Unit**	**$126/SF**	**$750,000**
Kennel Removal & Lease-up						($40,000)	($6.72)	($40,000)
INDICATED VALUE (ROUNDED TO NEAREST $10,000)						**$710,000/Unit**	**$119/SF**	**$710,000**

273

RECONCILIATION OF VALUE CONCLUSIONS

Based on the agreed upon scope with the client, the subject's specific characteristics and the interest appraised, this appraisal developed Sales Comparison and Income (Direct Capitalization) approaches. The values presented represent the As-Is Market Value (Leased Fee and Fee Simple).

The Reconciliation of Value Conclusions is the final step in the appraisal process and involves the weighing of the individual valuation techniques in relationship to their substantiation by market data, and the reliability and applicability of each valuation technique to the subject property. Below, the individual strengths and weaknesses of each approach are analyzed.

As previously discussed, the **Cost Approach** was presented in this analysis. This approach often has limited application due to the age of improvements and lack of market-based evidence to support accrued depreciation. As the building has been well maintained and is about six years old this provides a reasonable indication of value. The Cost Approach is given equal weight in the value conclusion.

The price per square foot method has been presented in the **Sales Comparison Approach**. There have been limited sales of properties similar to the subject in the market area in the current market conditions, which decreases the validity of this approach. This approach as a whole comes in a little low due the lack of transactions. Brokers reported that many of the smaller sized industrial flex buildings are trading at the $105 to $115 per square foot with most of the asking prices at about $120/SF. The most likely buyer for the subject would most likely be an owner-user and consequently, this approach is given equal weight.

The **Income Approach** to value is generally considered to be the best and most accurate measure of the value of income-producing properties. The value estimate by this approach best reflects the analysis that knowledgeable buyers and sellers carry out in their decision-making processes regarding this type of property. Sufficient market data was available to reliably estimate gross income, vacancy, expenses and capitalization rates for the subject property. The subject is leased to a tenant at below market rates, therefore the market rent was determined. A potential buyer is an investor, suggesting this approach deserves equal emphasis.

After considering all factors relevant to the valuation of the subject property, equal emphasis is placed on all three approaches in the following As-Is market value.

RECONCILIATION OF VALUES

VALUATION SCENARIOS	AS-IS MARKET VALUE
Interest	Leased Fee and Fee Simple
Date	February 5, 2018
LAND VALUE	
LAND CONCLUSION	$190,000
$/SF Total Land Area	$5
COST APPROACH	
COST CONCLUSION	$710,000
$/SF GBA	$119
SALES APPROACH	
SALES CONCLUSION	$610,000
$/SF NRA	$102
INCOME APPROACH	
Direct Capitalization	
Indicated Value	$710,000
$/SF NRA	$119
INCOME CONCLUSION	$710,000
$/SF NRA	$119
FINAL VALUE CONCLUSION	
FINAL VALUE CONCLUSION	**$680,000**
$/SF NRA	**$114**

274

CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions of the signer are limited only by the reported assumptions and limiting conditions, and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The signer of this report has no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved.
- Jason K. Russell, MAI has performed no services, specifically as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The signer is not biased with respect to the property that is the subject of this report or to the parties involved with this assignment.
- The engagement in this assignment was not contingent upon developing or reporting predetermined results.
- The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the *Code of Professional Ethics* and *Standards of Professional Appraisal Practice* of the Appraisal Institute, and the *Uniform Standards of Professional Appraisal Practice*, as set forth by the Appraisal Standards Board of the Appraisal Foundation.
- Jason K. Russell, MAI inspected the property that is the subject of this report.
- No one provided significant real property appraisal assistance to the appraisers signing the certification.

The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives. As of the date of this report, Jason K. Russell, MAI has completed the continuing education program for Designated Members of the Appraisal Institute.

February 5, 2018
Date

Jason K. Russell, MAI
Certified General Real Estate Appraiser
State of Oregon License No. C000932
Expiration Date 3/31/2019

ASSUMPTIONS & LIMITING CONDITIONS

- Information presented in this report has been obtained from reliable sources, and it is assumed that the information is accurate.
- This analysis assumes that the information provided for this appraisal accurately reflect the current condition of the subject property.
- This report shall be used for its intended purpose only, and by the party to whom it is addressed. Possession of this report does not include the right of publication.
- The appraiser may not be required to give testimony or to appear in court by reason of this appraisal, with reference to the property in question, unless prior arrangements have been made.
- The statements of value and all conclusions shall apply as of the dates shown herein.
- There is no present or contemplated future interest in the property by the appraiser which is not specifically disclosed in this report.
- Without the written consent or approval of the author neither all, nor any part of, the contents of this report shall be conveyed to the public through advertising, public relations, news, sales, or other media. This applies particularly to value conclusions and to the identity of the appraiser and the company with which the appraiser is connected.
- This report must be used in its entirety. Reliance on any portion of the report independent of others, may lead the reader to erroneous conclusions regarding the property values. Unless approval is provided by the author no portion of the report stands alone.
- We assume no responsibility for matters legal in character, nor do we render any opinion as to title, which is assumed to be marketable. All existing liens, encumbrances, and assessments have been disregarded, unless otherwise noted, and the property is appraised as though free and clear, under responsible ownership, and competent management.
- The appraisal has provided exhibits to assist the client(s)/intended user(s) to understand from a graphical standpoint some of the salient issues which impact the subject property. We have made no survey of the property and if further verification is required, a survey by a registered surveyor is advised.
- The appraiser assumes no responsibility for determining if the property requires environmental approval by the appropriate governing agencies, nor if it is in violation thereof, unless otherwise noted herein. This analysis assumes that no asbestos or other hazardous materials are stored or found in or on the subject property. If evidence of hazardous materials of any kind occurs, the reader should seek qualified professional assistance. If hazardous materials are discovered and if future market conditions indicate an impact on value and increased perceived risk, a revision of the concluded values may be necessary.
- The valuation stated herein assumes professional management and operation of the buildings throughout the lifetime of the improvements, with an adequate maintenance and repair program.
- The liability of JKR Valuation, PC, its principals, agents, and employees is limited to the client. Further, there is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions. The appraiser is in no way responsible for any costs incurred to discover or correct any deficiency in the property.
- The appraiser is not qualified to detect the presence of toxic or hazardous substances or materials which may influence or be associated with the property or any adjacent properties, has made no investigation or analysis as to the presence of such materials, and expressly disclaims any duty to note the degree of fault. JKR Valuation, PC and its principals, agents, employees, shall not be liable for any costs, expenses, assessments, or penalties, or diminution in value, property damage, or personal injury (including death) resulting from or otherwise attributable to toxic or hazardous substances or materials, including without limitation hazardous waste, asbestos material, formaldehyde, or any smoke, vapors, soot, fumes, acids, alkalis, toxic chemicals, liquids, solids or gasses, waste materials or other irritants, contaminants or pollutants.
- The appraiser assumes no responsibility for determining if the subject property complies with the *Americans with Disabilities Act* (*ADA*). JKR Valuation, PC, its principals, agents, and employees, shall not be liable for any costs, expenses, assessments, penalties or diminution in value resulting from non-compliance.
- This appraisal assumes that the subject meets an acceptable level of compliance with *ADA* standards; if the subject is not in compliance, the eventual renovation costs and/or penalties would negatively impact the present value of the subject. If the magnitude and time of the cost were known today, they would be reduced from the reported value conclusion.
- Unless otherwise noted herein, a detailed soils study was not provided for this analysis. The subject's soils and sub-soil conditions are assumed to be suitable based upon a visual inspection of the subject property and surrounding properties, which did not indicate evidence of excessive settling or unstable soils. No certification is made regarding the stability or suitability of the soil or sub-soil conditions.

276

ADDENDA

Engagement Letter
Qualifications of Appraiser and Appraiser License
Subject Lease

JASON K. RUSSELL, MAI

Certified General Appraiser

Extensive experience includes appraisal of subdivision projects, land, agriculture-timber property, condominium developments, multi-family, industrial, general office, retail, mixed-use developments, diminution of value (DIV) and other complex real property assignments.

Specialty Assignments have included:

- Manufactured Home Parks
- Man-Made Water Ski Facilities
- Religious Facilities
- Rural Retreats and Event Centers
- Small Private Air Fields and Hangars

CLIENTS

Since beginning JKR Valuation in 2010, a variety of clients have been served including individuals, trusts, financial and legal institutions. An abbreviated list includes:

- Bank of the Pacific
- CenterPointe Bank
- CinnabarSW (BNSF)
- City of Dayton
- City of Lafayette
- City of Newport
- City of Willamina
- Chehalem Parks and Recreation District
- Edward Jones Trust Company
- Elliott & Company Appraisers
- Feibleman Case Attorneys, PC
- Fidelity National Title Group
- First Community Credit Union
- First Federal
- FT Valuation
- Haugeberg, Rueter, Gowell, Fredricks & Higgins, PC
- Henzel Law Offices
- National Asset Management Group
- Premier Community Bank
- OnPoint Community Credit Union
- Saucy and Saucy, PC
- Service 1st Valuation and Settlement Services, Inc.
- Unitus Community Credit Union
- Washington Federal
- Wells Fargo
- Yamhill County Health and Human Services

PROFESSIONAL LICENSES

State of Oregon Certified General Appraiser – No. C000932 – Exp. March 31, 2019
State of Washington Certified General Real Estate Appraiser – No. 1101913 – Exp. March 25, 2019

PROFESSIONAL AFFILIATIONS

Member of the Appraisal Institute – No. 455106
Candidate Advisor Appraisal Institute

REAL ESTATE APPRAISAL EXPERIENCE

Principal	JKR Valuation, P.C.	January 2010 – Present
Contract Appraiser	Zell & Associates Appraisers	July 2012 – August 2015
		May 2010 – August 2010
Contract Appraiser	Sage Valuation LLC	January 2010 – December 2012
Staff Appraiser	RSP & Associates LLC	February 2005 – January 2010
Assistant Appraiser	Oleson R.E. Appraisers	May 2004 – February 2005

EDUCATION

Oregon State University – 1997

Bachelor of Science in Business, Communications minor

Real estate courses, exams and seminars sponsored by the Appraisal Institute:

Small Hotel/Motel Valuation	3/17
Uniform Standards of Professional Practice (USPAP) 7 hours	2/17
Analyzing Operating Expenses	11/16
Mysteries and Misconceptions – USPAP, Regulation and AMC's Seminar	5/16
Oregon Economic and Regulatory Seminar	1/16
Supervisor Appraiser Training Course	3/15
Uniform Standards of Professional Practice (USPAP) 7 hours	2/15
Vineyard-Winery Valuation Seminar	5/14
Interpreting Real Estate Trends in a Turbulent Market Seminar	3/14
FDIC Appraisal Requirements, Pitfalls and Issues Seminar	5/13
Evaluating Commercial Construction	4/13
Uniform Standards of Professional Practice (USPAP) 7 hours	1/13
Online Eminent Domain and Condemnation	6/12
Litigation Appraising: Specialized Topics and Applications	9/11
Uniform Standards of Professional Practice (USPAP) 7 hours	1/11
General Appraiser Report Writing and Case Studies	6/10
Course 550 Advanced Applications	5/10
Uniform Appraisal Standards for Federal Land Acquisitions (Yellow Book)	4/10
Course 520, Advanced Sales Comparison and Cost Approaches	4/09
Uniform Standards of Professional Practice (USPAP) 7 hours	3/09
Course 400G, General Market Analysis and Highest and Best Use	4/08
Business Practices and Ethics	3/08
Uniform Standards of Professional Practice (USPAP) 15 hours	6/07
Course 300GR, Real Estate Finance Statistics and Valuation Modeling	5/07
Course 510, Advanced Income Capitalization	5/07
Course 320, General Applications	4/07
Course 310, Basic Income Capitalization	9/06
Subdivision Analysis	6/05

Real estate course, exams and seminars sponsored by the American College of Real Estate Appraisal

Basic Appraisal Principles and Practices	7/03
Residential Case Studies	8/03

Oregon State University related courses:

- Financial Accounting
- Managerial Accounting
- Finance for Business
- Strategic Management and Business Policy
- Writing in Business
- Quantitative Business Methods
- Operations Management
- Business Law
- Reasoning and Writing

Appraiser Certification and Licensure Board

State Certified General Appraiser

28 hours of continuing education required for renewal

License No.: **C000932**
Issue Date: **April 1, 2017**
Expiration Date: **March 31, 2019**

Jason K Russell
JKR Valuation
PO Box 1078
Newberg, OR 97132

Gae Lynne Cooper, Administrator

STATE OF WASHINGTON

DEPARTMENT OF LICENSING – BUSINESS AND PROFESSIONS DIVISION

THIS CERTIFIES THAT THE PERSON OR BUSINESS NAMED BELOW IS AUTHORIZED AS A

CERTIFIED GENERAL REAL ESTATE APPRAISER

JASON KURT RUSSELL
PO BOX 1078
NEWBERG OR 97132

1101913	01/30/2008	03/25/2019
License Number	Issued Date	Expiration Date

Pat Kohler
Pat Kohler, Director

PL-630-159 (R/3/16)

COPY COPY COPY

JKR Valuation, PC

March 02, 2018

Douglas R. Rux, AICP
Community Development Director
City of Newberg
PO Box 970
414 East First Street
Newberg, OR 97132
doug.rux@newbergoregon.gov

Jason K. Russell, MAI
Principal
JKR Valuation, PC
PO Box 1078
Newberg, OR 97132
jason@jkrvaluation.com
+1 (503) 784-9155

PROFESSIONAL SERVICE AGREEMENT ("Agreement") - Revised

This Professional Services Agreement (this "Agreement") is made and entered into on March 02, 2018 (the "Effective Date"), by and between JKR Valuation, PC ("JKR") and City of Newberg (herein referred to as "Client").

Project Name	Newberg Animal Shelter
Property Identification	1591 South Sandoz Road Newberg, OR 97132
Property Type	Industrial, Animal Shelter
Interest Valued	Market Value - Fee Simple and Leased Fee
Intended User(s)	The appraisal will be prepared for the above-mentioned client. Intended users include the client. *Note: No other users are intended by Appraiser. Appraiser shall consider the intended users when determining the level of detail to be provided in the Appraisal Report.* *The client is also hereby informed that if this engagement is directly with the owner of the Property, the Appraisal may not be accepted by many federally insured lenders due to FIRREA Compliance and would likely not be accepted for future financing of said property.*
Intended Use	The report to be performed under this Agreement ("Appraisal") is intended for Establish Sales Price. *Note: No other use is intended by Appraiser. The intended use as stated shall be used by Appraiser in determining the appropriate Scope of Work for the assignment.*
Type of Value	Hypothetical - As Is with consideration of utility easements.
Date of Value	Date of inspection
Report Type	Appraisal Report
Level of Analysis	Summary
Professional Fee	**$3,200.00**
Retainer	$0.00
Expenses	Fees include all associated expenses.
Payment Terms	Appraiser shall invoice Client for services rendered pursuant to this Agreement based upon the fees specified in this Agreement. Appraiser's invoices are considered due upon receipt by Client and shall be deemed delinquent if not paid within (30) days of the date of Appraiser's invoice.

SCOPE OF WORK

Site Inspection	Interior and exterior observation, on-site
Valuation Approaches	Appraiser will provide the Appraisal in accordance with Uniform Standards of Professional Appraisal (USPAP), The Code of Professional Ethics of the Appraisal Institute, Standards of Professional Appraisal Practice of the Appraisal Institute, and State Licensing Laws. Appraiser will research relevant market data, and perform analysis to the extent necessary to produce credible appraisal results. Appraiser anticipates developing the following valuation approaches: ▸ Cost Approach ▸ Sales Comparison Approach ▸ Income Approach The scope of work will be included in the Appraisal. A copy of the Assumptions and Limiting Conditions, which appear in the Appraisal, is available upon request. *Note:* ***Appraiser will develop all three approaches.***
Delivery	**1 week (effective from date of signed/returned engagement contract)**
Number of Reports	One (1) Electronic Final Appraisal
Acceptance Date	These specifications are subject to modification if this Agreement is not accepted within 5 business days from the date of this letter.

PROPERTY DATA REQUEST

Please forward any additional materials you would consider relevant in the analysis of the subject property. Such items may include, as applicable, an accurate property description, site survey, current rent roll, copies of leases, at least three years of historical operating statements, purchase and sale agreement, title report, any environmental reports or other third party reports, or any other sources of information known to exist that may impact the valuation of the property.

Our ability to honor the terms of this Agreement will require Client's response within five (5) business days. If you have questions regarding the enclosed, please feel free to contact me. JKR Valuation, PC appreciates this opportunity to be of service to you on this assignment and looks forward to serving you. If you have additional questions, please contact us.

I, City of Newberg: Joe Hannan, agree to the above stated terms and authorize JKR Valuation, PC to prepare the above referenced appraisal.

_____ Date: 3/5/18

City of Newberg: Joe Hannan

Respectfully,

JKR VALUATION, PC

Jason K. Russell, MAI
Owner

City of Newberg

Community Development Department
P.O. Box 970 ▪ 414 E First Street ▪ Newberg, Oregon 97132
503-537-1240 ▪ Fax 503-537-1272 ▪ www.newbergoregon.gov

December 20, 2017

Jason K. Russell, MAI
JKR Valuation, PC
PO Box 1078
Newberg, OR 97132

RE: Property Appraisal for City of Newberg – Newberg Animal Shelter

Dear Mr. Russell,

The City of Newberg is seeking a cost estimate for appraisal services for a site on which is located the Newberg Animal Shelter. The site location is 1409 S Sandoz Road. The intent is partition off approximately 1 acre of a 13.12 acre site. The appraisal would be for the one acre site and the existing building that is approximately 5,035 square feet. The site has access to S Sandoz Road and is served by existing wastewater and water lines, and has on-site parking. Attached is a map of the site. The property is zoned M-2 which allows a pound for dogs and cats as a permitted use. The intent would be to have public easements over the site for access for the remaining site and a wastewater easement for an existing line along the southern site area.

The purpose of the appraisal is to establish a value for the property in order for the City to prepare an RFQ or RFP to sell the property. There would be a provision in any land sale that the site must be used only for an animal shelter.

I would appreciate if you could provide a cost estimate to prepare an appraisal for the property and return the estimate by January 3, 2018.

Thanks in advance for your consideration.

Douglas R. Rux, AICP
Community Development Director
Doug.rux@newbergoregon.gov
503.537.1212

Attachment: 1. Site Map

ANIMAL SHELTER LEASE

Date: _____

Between: City of Newberg ("Landlord")
PO Box 970, Newberg, OR 97132

And: Newberg Animal Shelter Friends ("Tenant")
901 Brutscher St D PMB 107,
Newberg OR 97132

Recitals

A. The City of Newberg is an Oregon municipal corporation that owns an animal shelter.

B. Newberg Animal Shelter Friends (NASF) is an Oregon non-profit corporation that exists to benefit animals in the community and which has served as the fund raising organization for building the animal shelter.

C. The City lacks the staff necessary to operate the shelter.

D. NASF intends to operate the shelter as a service and business inside and outside Newberg in a manner similar to other local humane societies.

E. NASF will operate the shelter, provide animal care, provide adoption services, and similar services.

F. NASF will cooperate with Yamhill County as it provides dog-control services through the Sheriff's Department or other designee.

G. NASF will cooperate with the City by providing access and use of kennel space to the City and caring for animals under the jurisdiction of the City.

H. This lease between the City and NASF creates no partnership or other mutual, business entity. The relationship of the parties is that of landlord and tenant. Any additional services provided by the City are pursuant to, and in furtherance of, that relationship.

Lease

Landlord leases to Tenant and Tenant leases from Landlord the property described in the following Section 1 (the "Premises") on the terms and conditions stated below:

Section 1. Lease Terms

1.1	**Date of Lease:**	July 1, 2014
1.2	**Tenant:**	Newberg Animal Shelter Friends
	Trade Name:	NASF
	Premises Address:	1591 S. Sandoz Road
		Newberg, OR 97132
	Notice Address:	Barbara Lipinski, Registered Agent
		PO Box 221, Dundee, OR 97132
1.3	**Landlord:**	City of Newberg
	Notice Address:	c/o City Attorney PO Box 970
		Newberg, OR 97132

1.4 Premises: The Newberg Animal Shelter Building (the "Building") with a street address of 1591 S. Sandoz Road, as generally described on the Site Plan attached hereto as Exhibit A. The Building is located on certain real property Newberg, Yamhill County, Oregon (the "Land"), which real property is more particularly described in Exhibit A.1, attached hereto.

1.5	**Permitted Use of Premises:**	Operation of an Animal Shelter.
1.6	**Initial Term of Lease:**	48 Months.
	Lease Commencement Date:	July 1, 2014
	Lease Expiration Date:	June 30, 2018
1.7	**Initial Base Rent:**	$1.00 / per Year
1.8	**Other Consideration:**	Operation of the shelter and care of animals under City Jurisdiction.

1.9 Exhibits:

THIS ANIMAL SHELTER LEASE is made and entered into between Landlord and Tenant on the Date of Lease set forth in Section 1.1. The defined terms used in this Lease ("Lease Terms") have the meanings and definitions given them in Section 1. The Lease Terms, the Exhibits, the Addendum or Addenda described in the Lease Terms, and this Animal Shelter Lease agreement are and will be construed as a single instrument and are hereinafter referred to as the "Lease."

Now, therefore, for valuable consideration, Landlord and Tenant covenant and agree as follows:

Section 2. Lease of Premises

2.1 Lease. Subject to the terms and conditions of this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises.

2.2 Term. The Initial Term of this Lease is set forth in Section 1.6 above.

2.3 Delivery of Possession and Commencement. Landlord will deliver the Premises to Tenant in good condition and repair. By acceptance of possession of the Premises hereunder, Tenant acknowledges that Tenant accepts the Premises "AS-IS, WHERE IS" and as suitable for Tenant's intended use, in good and sanitary operating order, condition, and repair, and without representation or warranty by Landlord as to the condition, use, or occupancy.

2.4 Renewal. As long as Tenant is not in default under this Lease beyond the applicable cure period, if any, 120 days prior to expiration of the lease, Landlord agrees to enter into good faith negotiations for an extension of, or renewal of this lease.

2.5 City Access to Kennel Space. Landlord shall have access to two (2) kennel spaces for public safety purposes, such kennels to be specifically designated. Tenant agrees to care for the animals in these kennels as part of its normal operation. Landlord may institute policies and procedures for animals in Landlord's custody in these or other kennel spaces. Tenant agrees to follow and abide by such policies and procedures.

Section 3. Rent Payment

3.1 Rent. Tenant will pay to Landlord all Rent for the Premises without demand, deduction, or offset. The term *Rent* as used in this Lease includes Base Rent, Additional Rent (as hereinafter defined), and all other sums due under the Lease. Rent is payable by Tenant in advance on the first day of each month commencing on the Rent Commencement Date. Rent for any partial calendar month will be prorated based on a thirty (30)-day month for the number of days during that partial month the Premises are occupied by Tenant.

Section 4. Use of Premises

4.1 Permitted Use. Tenant may use the Premises for Tenant's Permitted Use and for no other purpose without Landlord's written consent. Tenant will not use the Premises in a manner that obstructs, annoys, or interferes with the rights of others. Tenant will not cause any nuisance nor permit any objectionable fumes, electromagnetic waves, vibration, noise, light, or radiation to be emitted from the Premises.

4.2 Equipment. Tenant will install only such equipment in the Premises as is customary for the Permitted Use and will not overload the floors or electrical circuits of the Premises or Building or change the wiring or plumbing of the Building or Premises. Any equipment, cables, wiring, conduit, additional dedicated circuits, and any additional air conditioning required because of any such equipment installed by Tenant will be installed, maintained, and operated at Tenant's sole expense and in accordance with Landlord's requirements.

4.3 Compliance with Laws. Both parties will give prompt notice to the other of any notice it receives of the violation of any law or requirement of any public authority with respect to the Premises or the use or occupancy thereof. Tenant will, at Tenant's expense, comply with all laws and requirements of any public authorities ("Laws") that, in respect of the Premises or the use and occupancy thereof, or the abatement of any nuisance in, on, or about the Premises, imposes any violation, order, or duty on Landlord or Tenant, arising from (a) Tenant's use of the Premises; (b) the manner of conduct of Tenant's business or operation of its installations, equipment, or other property therein; (c) any cause or condition created by or at the instance of Tenant; or (d) breach of any of Tenant's obligations hereunder.

4.3.1 ADA Law Compliance. Landlord and Tenant acknowledge that the provisions of the Americans with Disabilities Act (the "ADA") allow allocation of responsibility for compliance with the terms and conditions of the ADA in this Lease. Responsibility for compliance with the ADA is allocated as set forth in this Section. Tenant is responsible for

compliance with the applicable provisions of the ADA with respect to all improvements within the Premises except that Landlord represents that any improvements installed by Landlord or its contractors under this Lease will conform to the requirements of the ADA Compliance Guidelines in effect as of the date of substantial completion of the work. Landlord is responsible for compliance with the provisions of Title III of the ADA with respect to the exterior of the Building and the Land including sidewalks and walkways and the like, together with all entrances, lobbies, elevators, common restrooms, and the other common areas of the Building. Neither Landlord nor Tenant is obligated to supervise, monitor, or otherwise review the compliance activities of the other. References in this Lease to "Laws" are deemed to include the ADA.

4.3.2 Environmental Law Compliance. For purposes of this Section, the term *Hazardous Substance*s means and includes all hazardous and toxic substances, waste, or materials, any pollutant or contaminant, including, without limitation, PCBs, asbestos, asbestos-containing materials, and raw materials that are included under or regulated by any Environmental Laws. For purposes of this Lease, the term *Environmental Laws* means and includes all federal, state, and local statutes, ordinances, regulations, and rules presently in force or hereafter enacted relating to environmental quality, contamination, and clean-up of Hazardous Substances. References in this Lease to *Laws* are deemed to include Environmental Laws. Landlord represents that to the best of its current actual knowledge, the Building is in compliance with all Environmental Laws respecting Hazardous Substances, and that Landlord has received no notice of any pending or threatened lien, action, or proceeding respecting any alleged violation of Environmental Laws affecting the Building.

4.3.3 Indemnity Regarding Legal Violations. Tenant will indemnify and hold harmless Landlord and all Superior Mortgagees (as defined in Section 18 below) and its and their respective partners, directors, officers, agents, and employees from and against any and all claims arising from or in connection with the violation of Laws including but not limited to the ADA and Environmental Laws, occurring in, at, or about the Building and the Land due to the acts or omissions of Tenant or its partners, directors, officers, agents, and employees, together with all costs, expenses, and liabilities incurred or in connection with each such claim, action, proceeding, or appeal, including, without limitation, all attorney fees and expenses. Landlord will indemnify and hold harmless Tenant and its partners, directors, officers, agents, and employees from and against any and all claims arising from or in connection with the violation of Laws, including but not limited to the ADA and Environmental Laws, occurring in, at, or about the Building and the Land due to the acts or omissions of Landlord or its partners, directors, officers, agents, and employees, together with all costs, expenses, and liabilities incurred or in connection with each such claim, action, proceeding, or appeal, including, without limitation, all attorney fees and expenses.

Section 5. Maintenance and Repair

5.1 Landlord Repairs. Landlord will repair, maintain, and/or replace, where necessary, the Common Areas and the roof, foundation, exterior walls, interior structural walls, all structural components, and all systems such as mechanical, electrical, HVAC, and plumbing systems of or in the Building and the Premises. Tenant expressly waives the benefits of any statute now or later in effect that would otherwise give Tenant the right to make repairs at Landlord's expense and deduct that cost from Rent owing to Landlord.

5.2 Tenant's Repairs. Except for Landlord Repairs set forth in Section 5.1 above, Tenant will:

(a) maintain all portions of the Premises and fixtures situated within the Premises in good order and repair;

(b) maintain, repair, and replace, if necessary, all special equipment and decorative treatments installed by or at Tenant's request and that serve the Premises only;

(c) make all necessary repairs and replacements to all portions of the Premises and pay Landlord for the repairs or replacements to the Building if any such repairs or replacements are needed because of Tenant's misuse or primary negligence; and

(d) not commit waste to the Premises, Building, Common Areas, or Property. If Tenant fails to perform Tenant's obligations under this Section or under any other Section of this Lease, after ten (10) business days' prior written notice to Tenant, except in an emergency when no notice will be required, Landlord may enter the Premises, perform the obligations on Tenant's behalf, and recover the cost of performance, as Additional Rent payable by Tenant with the next installment of Base Rent, as long as that rate does not exceed the maximum rate then allowed by Law.

5.3 Costs of Repair. Tenant will reimburse Landlord upon demand for the cost of repair incurred by Landlord for damage caused by the negligent or intentional acts or any breach of this Lease by Tenant, its employees, contractors, agents, or invitees.

5.4 Landscaping. Landlord agrees to mow the front and back lawn areas. Tenant will maintain the fenced dog run areas, flowers or other decorative plants.

Section 6. Alterations

6.1 Alterations by Landlord. As long as the modification, alteration, or change does not materially interfere with the operation by Tenant of its business in the Premises, Landlord may modify, alter, or change any improvements in the Building, the parking area, and other Common Areas. Tenant may make written request of Landlord for modifications or the Premises. Upon receipt of such requests, Landlord agrees to enter into discussions concerning such request with Tenant. Landlord is not bound to make any improvements or alterations, but request for improvements or alterations will be subject to the discretion of the Landlord and it's budgeting process.

6.2 Alterations by Tenant. Tenant will not make any alterations, additions, or improvements to the Premises or the Building that require a local government building permit, or install any wall or floor covering therein without obtaining Landlord's prior written consent, which consent Landlord may withhold in Landlord's sole discretion. If Landlord consents in writing to any proposed alteration of the Premises, Tenant will (i) contract only with a Landlord-approved contractor for the performance of the alterations, (ii) obtain all necessary governmental permits and approvals and deliver copies thereof to Landlord, and (iii) cause all alterations to be completed in compliance with Landlord-approved plans and specifications with all due diligence. Except for removable machinery and unattached movable trade fixtures, all improvements, alterations, wiring, cables, or conduit installed by Tenant will immediately become part of the Premises, with title vested in Landlord. Landlord may require that Tenant remove any such improvements, alterations, wiring, cables, or conduit installed by or for Tenant and restore the Premises to good condition and repair upon expiration or earlier termination of this Lease. Any contractor used by Tenant for any work in the Premises will be subject to review and approval by

Landlord, and Landlord may post notices of nonresponsibility in connection with any work being performed in the Premises by or at the request of Tenant. All work in the Premises by or at Tenant's request must comply with all applicable Laws. Tenant will not permit any liens to attach to the Building or Tenant's interest in the Premises as a result of any work performed by or at Tenant's request.

Section 7. Utilities and Services

7.1 General. Landlord will furnish water, sewer service, gas, and electricity to the Building at all times and will furnish heat, ventilation, and air conditioning (if the Building is air conditioned), at Building standard levels. Landlord will be responsible for garbage service. Tenant will furnish phone, internet, and security monitoring services.

Unless caused by the negligence or intentional misconduct of Landlord, interruption of any service or utility will not render Landlord liable to Tenant for damages, relieve Tenant from performance of Tenant's obligations under this Lease, or be deemed an eviction or disturbance of Tenant's use and possession of the Premises.

7.2 Extra Utilities. If, in Landlord's reasonable determination, giving due regard for any changes in use, Tenant's use of utilities or services of any kind is excessive (as compared to prior experience by Landlord of operation of this building recognizing that the shelter has not yet been fully operational), Landlord may impose a reasonable charge for supplying those extra utilities or services consumed by Tenant, which charge Tenant will pay Landlord monthly as Additional Rent.

7.3 Security. Landlord may, but will have no obligation to, provide security service or adopt any security measure concerning the Premises and the Building, and Tenant will abide by all reasonable security measures adopted by Landlord. Landlord will continue to make security badges for Tenant.

Section 8. Signs and Other Installations

No signs, awnings, or other apparatus will be painted on or attached to the Building or anything placed on any glass or woodwork of the Premises or positioned so as to be visible from outside the Premises, without Landlord's written consent, and Landlord's approval of design, size, location, and color. All signs installed by Tenant will comply with Landlord's standards for signs and all applicable codes. All signs and sign hardware will be removed by Tenant, at Tenant's sole cost and expense, upon termination of this Lease, with the sign location restored to its former state unless Landlord elects to retain all or any portion thereof.

Section 9. Insurance

Tenant, at its expense, will maintain at all times during the Term of this Lease, commercial general liability insurance in respect of the Premises and the conduct or operation of business therein, naming Landlord, as additional insureds, with a combined single limit of not less than one million and no/100 dollars ($1,000,000.00). All such insurance will insure the performance by Tenant of the indemnity agreement with regard to liability for bodily injury to, illness of, or death of persons and damage to property set forth in this Lease. Tenant will deliver to Landlord and any additional insured the fully paid-for policies or certificates of insurance, in form reasonably satisfactory to Landlord, issued by the insurance company or its authorized agent, at least ten (10) days before the Lease Commencement Date. Tenant will procure and pay

for renewals of the insurance from time to time before the expiration thereof, and Tenant will deliver to Landlord and any additional insured the renewal policy at least thirty (30) days before the expiration of any existing policy. All the policies will contain a provision prohibiting cancellation or modification unless Landlord and any additional insured are given at least thirty (30) days prior written notice of the cancellation or modification. All insurance policies required to be carried by Tenant hereunder will be issued by responsible insurance companies authorized to issue insurance in the State of Oregon and rated B+ VIII or higher by Best's Insurance Rating Service.

Section 10. Indemnity

10.1 By Tenant. Tenant will indemnify, defend, and hold harmless Landlord and its managing agents and employees from any claim, liability, damage, or loss, or any cost or expense in connection therewith (including reasonable attorney fees), whether suffered directly or from a third-party claim arising out of (a) any damage to any person or property occurring in, on, or about the Premises, the Building, or the Property, (b) use by Tenant or its agents, invitees, or contractors of the Common Area and the Premises, and/or (c) Tenant's breach or violation of any term of this Lease.

10.2 Survival. The provisions of this Section 10 will survive the termination of this Lease.

Section 11. Eminent Domain

If the entire Building or any portion of the Premises is permanently taken under any right of eminent domain, or any transfer in lieu thereof, and the taking renders the Premises unsuitable for Tenant's use, then either party may terminate this Lease by giving thirty (30) days' prior written notice to the other party, and the termination will be effective on the date possession of the Building or Premises is delivered to the condemning authority. If this Lease is not so terminated, Landlord will repair and restore the Premises, and this Lease will continue, but, commencing with the date on which Tenant is deprived of the use of any portion of the Premises or of any rights under this Lease, Base Rent will be proportionately abated or reduced, based on the extent to which Tenant's use of the Premises is impaired. Any and all awards payable by the condemning authority in connection with a taking will be the sole property of Landlord; however, nothing contained herein will prevent Tenant from prosecuting a separate claim for the value of its interest, as long as that award does not diminish the award that Landlord would otherwise be entitled to as a result of the taking.

Section 12. Fire or Casualty

12.1 Major Damage. In case of Major Damage, Landlord or Tenant may elect to terminate this Lease by notice in writing to the other party within thirty (30) days after the date of the Major Damage. *Major Damage* means damage by fire or other casualty to the Building or the Premises (i) that causes the Premises or any substantial portion of the Building to be unusable, (ii) the repair of which will cost more than twenty-five percent (25%) of the replacement value of the Building, or (iii) that is not required under this Lease to be covered by insurance. If neither Landlord nor Tenant terminates this Lease after any Major Damage, or if damage occurs to the Building or Premises that is not Major Damage, Landlord will promptly restore the Premises to the condition existing immediately before the damage, and this Lease will continue in full force

and effect. In the event of any damage to the Building or Premises from a fire or other casualty, Tenant will promptly repair and restore all tenant improvements or alterations installed or paid for by Tenant or pay the cost of the restoration to Landlord if Landlord performs the restoration. In the event the Premises are damaged by any casualty, Rent will be reduced in proportion to the unusable portion of the Premises from the date of damage until the date restoration work to the Premises is substantially complete.

12.2 Waiver of Subrogation. Both parties will secure an appropriate clause in, or an endorsement on, each property insurance policy obtained by it and covering or applicable to the Premises or the personal property, fixtures, and equipment located therein or thereon, under which the insurance company waives subrogation or permits the insured, before any loss, to agree with a third party to waive any claim it might have against the third party without invalidating the coverage under the insurance policy. The waiver of subrogation or permission for waiver of any claim will extend to the parties and their respective agents and employees. Each party releases the other and its agents and employees in respect of any claim (including a claim for negligence) that it might otherwise have against the other party or its agents or employees for loss, damage, or other casualty (including rental value or business interest, as the case may be) occurring during the Term of this Lease and normally covered under a special form property insurance policy in the form normally used in respect of similar property in Portland, Oregon.

Section 13. Assignment and Subletting

Tenant will not sell, assign, sublet, or otherwise transfer by operation of law or otherwise this Lease or any interest in this Lease or any portion of the Premises, without the prior written consent of Landlord, nor will Tenant encumber or permit any lien to be placed on the Tenant's interest in this Lease or the Premises, voluntarily or by operation of law. Any sale, assignment, encumbrance, subletting, occupation, lien, or other transfer of this Lease that does not comply with the provisions of this Section 13 will be void.

Tenant will not assign, transfer, or encumber its interest under this Lease or sublet all or any portion of the Premises without having first obtained Landlord's written consent, except in the following circumstances:

13.1 Successors. No consent of Landlord will be required in connection with an assignment or sublease with an entity that is an affiliate or subsidiary of Tenant or in connection with a merger or change in control of Tenant.

Section 14. Default

14.1 Events of Default. Each of the following is an Event of Default by Tenant under this Lease:

14.1.1 Failure by Tenant to pay Rent or any other charge due under this Lease within five (5) days after receipt of written notice from Landlord that the same is then due.

14.1.2 Failure by Tenant to comply with any other obligation of this Lease within twenty (20) days following written notice from Landlord specifying the failure (except in the case of emergency, in which event Landlord will be required to give only such notice as is reasonable under the circumstances); however, if the nature of Tenant's default requires more than twenty (20) days to correct, Tenant will not be deemed in default of this Lease as long as Tenant commences the cure of the failure within the twenty (20)-day period and thereafter proceeds in

good faith and with all diligence to complete the cure as soon as possible but in no event later than ninety (90) days after the date of Landlord's notice of default.

14.1.3 Tenant's abandonment of the Premises or failure by Tenant to occupy the Premises within twenty (20) days after notice from Landlord.

14.1.4 Assignment or subletting by Tenant in violation of Section 13.

14.1.5 Tenant's failure to timely execute and deliver to Landlord the documents described in Sections 18 or 22 within ten (10) days of written notice from Landlord.

14.1.6 Tenant's insolvency, business failure, or assignment for the benefit of its creditors. Tenant's commencement of proceedings under any provision of any bankruptcy or insolvency law or failure to obtain dismissal of any petition filed against it under such laws within the time required to answer, or the appointment of a receiver for all or any portion of Tenant's properties or financial records, also constitutes and Event of Default.

14.2 Remedies for Default. Upon the occurrence of an Event of Default described in Section 14.1, Landlord may exercise the following remedies as well as any other remedies at law or in equity, by statute or as set forth in this Lease:

14.2.1 Landlord may terminate this Lease, reserving all rights to damages resulting from Tenant's breach. Whether or not Landlord terminates this Lease, Landlord may retake possession of the Premises by any legal means including self-help and any relet or use of the Premises by Landlord will not be deemed a surrender or waiver of Landlord's right to damages.

14.3 Landlord's Right to Cure Default. Landlord may, but will not be obligated to, make any payment or perform any obligation under this Lease that Tenant has failed to perform, as and when required hereunder. Tenant will pay Landlord for all expenditures and costs incurred by Landlord in performing any obligation of Tenant, upon demand, with interest thereon at the rate of nine percent (9 %) per month, but in no event at a rate in excess of that allowed by Law. Landlord's right to cure any Tenant default is for the sole protection of Landlord and in no event will Tenant be released from any obligation to perform all of Tenant's obligations and covenants under this Lease, and the contents of this Section will not be deemed a waiver by Landlord of any other right that Landlord may have arising from any default of this Lease by Tenant, whether or not Landlord exercises its rights under this Section.

14.4 Landlord's Default. Landlord will not be deemed to be in default of the performance of any obligation required to be performed by Landlord hereunder unless and until Landlord fails to perform the obligation within twenty (20) days after written notice by Tenant to Landlord specifying the nature of Landlord's alleged default; however, if the nature of Landlord's alleged default is such that more than twenty (20) days are required for its cure, then Landlord will not be deemed to be in default if Landlord commences performance within the twenty (20)-day period and thereafter diligently prosecutes the same to completion. In the event of any default by Landlord, Tenant may exercise any and all rights and remedies available at law or in equity.

14.5 Dispute Resolution.

14.5.1 Informal Discussion with City Manager. Landlord designates the City Manager as contact person under this Lease. Tenant shall designate a contact person, In the event of any problems under this Lease then the designated contact people shall communicate for the purpose of trying to resolve the problem. This step must be taken before any other dispute resolution steps hereunder. As a means of reducing potential conflict, the two contacts will meet annually to discuss any adjustment or modification that either party wishes to discuss.

14.5.2 Disputes Subject to Mediation and Arbitration. Any dispute between the parties relating to the interpretation of their rights and obligations under this Lease or in which the amount in controversy is a liquidated sum of less than $50,000 will be resolved solely by mediation and arbitration in accordance with the provisions of this Section 14.5.

14.5.3 Initial Mediation. With respect to any dispute between the parties that is to be resolved by arbitration as provided in Section 14.5.3 below the parties will attempt in good faith first to mediate the dispute and use their best efforts to reach agreement on the matters in dispute. In the event that the parties are unable to resolve the dispute or controversy within thirty (30) days of the date a controversy arises, either party may, by delivering five (5) days written request to the other party, employ the services of a third person mutually acceptable to the parties to conduct and commence mediation within fifteen (15) days of the employment. If the parties are unable to agree on such a third person, or, if on completion of such mediation, the parties are unable to agree and settle the dispute, then the dispute will be referred to arbitration in accordance with Section 14.5.3 below.

14.5.4 Arbitration. Any dispute between the parties that is to be resolved by arbitration as provided in this Section 14.5.3 will be settled and decided by arbitration conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as then in effect (the "Arbitration Rules"), except as provided below. Any such arbitration will be held and conducted in the city in which the Building is located, before one (1) arbitrator who will be selected by mutual agreement of the parties; if agreement is not reached on the selection of an arbitrator within fifteen (15) days of receipt of a written demand for arbitration as set forth below, then an arbitrator will be appointed by the presiding judge of the Circuit Court of the County in Oregon in which the Building is located. The provisions of the Arbitration Rules will apply and govern the arbitration subject, however, to the following:

14.5.3.1 Any demand for arbitration must be in writing and must be made within ninety (90) days after the claim, dispute, or other matter in question has arisen. The arbitration proceeding must commence within thirty (30) days of appointment of the arbitrator, and all document exchange and other discovery of evidence must be completed within twenty (20) days of the appointment.

14.5.3.2 The arbitrator appointed must be a former or retired judge or practicing attorney with at least ten (10) years experience in real property and municipal matters.

14.5.3.3 The arbitrator will resolve the controversy in accordance with the Arbitration Rules, applicable Law, and the terms and conditions of this Lease. Thereafter, the arbitrator will prepare in writing and provide to the parties his or her decision, including factual findings and reasons on which the decision is based.

14.5.3.4 The arbitration proceeding must be conducted and completed within five (5) days after its commencement, and the decision of the arbitrator must be made within sixty (60) days from the date of receipt of the written demand for arbitration.

14.5.3.5 The prevailing party will be awarded reasonable attorneys' fees, expert and nonexpert witness costs and expenses, and other costs and expenses incurred in connection with the arbitration, unless the arbitrator, for good cause, determines otherwise.

14.5.3.6 Costs and fees of the arbitrator will be borne by the non-prevailing party.

14.5.3.7 The decision of the arbitrator, which may include equitable relief, will be final, and judgment may be entered on the decision in accordance with applicable Law in any court having jurisdiction over the matter.

Section 15. Notices

All notices, demands, consents, approvals, and other communications provided for herein will be invalid unless set forth in a writing and delivered by facsimile transmission, overnight air courier, personal delivery, or registered or certified U.S. mail with return receipt requested to the appropriate party at its address as set forth in Section 1.2 for Tenant and Section 1.3 for Landlord.

Addresses for notices may be changed from time to time by written notice to all other parties. Any communication given by facsimile transmission must be confirmed within forty-eight (48) hours by overnight air courier. If any communication is given by mail, it will be effective upon the earlier of (a) forty-eight (48) hours after deposit in the U.S. mail, with postage prepaid, or (b) actual receipt, as indicated by the return receipt; if given by facsimile, when sent; and if given by personal delivery or by overnight air courier, when delivered.

Section 16. Access; Moving Procedures

16.1 Access. Tenant will have access to the Premises 24 hours per day, 7 days per week, and 52 weeks per year. During times other than normal Building hours, Landlord may require that Tenant's employees, officers, and invitees identify themselves or display Building passes to enter the Building. Subject to any federal or state security regulations, Landlord will not be liable to Tenant for permitting or refusing to permit access to the Premises by anyone. After reasonable notice to Tenant, Landlord may enter upon the Premises with its passkey or other reasonable means to assess compliance with this Lease, perform required or necessary services, maintenance, repairs, alterations, or services to the Building or the Premises, and post appropriate notices, and during the last three months of the Lease Term, show the Premises to any potential future tenant. Except in case of emergency, all entry to the Premises will be at times and in a manner that minimizes interference with Tenant's use of the Premises.

Section 17. Nonrecourse Lease

Tenant will look only to Landlord's estate and property in the Land and the Building (or the proceeds thereof) for the satisfaction of Tenant's remedies, including the collection of an arbitration award, a judgment, or another judicial process requiring the payment of money by Landlord in the event of any default by Landlord hereunder, and no other property or assets of Landlord or its partners or principals, disclosed or undisclosed, will be subject to levy, execution, or other enforcement procedure for the satisfaction of Tenant's remedies under or with respect to this Lease, the relationship of Landlord and Tenant hereunder, or Tenant's use or occupancy of the Premises.

Section 18. Subordination, Notice to Superior Lessors and Mortgagees

18.1 Subordination. Any mortgage, deed of trust, or ground lease to which this Lease is, at the time referred to, subject and subordinate is called a "Superior Mortgage," and the holder of a Superior Mortgage, or its successor in interest, at the time referred to, is called a "Superior Mortgagee." This Lease, and all rights of Tenant, will be subject and subordinate to all mortgages that may now or hereafter affect the Land and the Building, whether or not the mortgages also cover other lands and buildings, to each and every advance under such mortgages, and to all renewals, modifications, replacements, and extensions of such mortgages. This Section is self-

operative, and no further instrument of subordination will be required. In confirmation of the subordination, Tenant will promptly execute, acknowledge, and deliver any instrument that Landlord or any Superior Mortgagee may reasonably request to evidence the subordination.

18.2 Notice. If any act or omission of Landlord would give Tenant the right, immediately or after lapse of a period of time, to cancel or terminate this Lease, or to claim a partial or total eviction, Tenant will not exercise the right: (i) until it has given written notice of the act or omission to Landlord and each Superior Mortgagee whose name and address previously has been furnished to Tenant; and (ii) until a reasonable period of time for the parties to cure the condition has passed.

18.3 Attornment. For the purposes of this Section, the term "Successor Landlord" means the Superior Mortgagee if the same succeeds to the rights of Landlord under this Lease, whether through possession or foreclosure action or delivery of a new lease or deed, or any third party that succeeds to the rights of Landlord under this Lease by virtue of having purchased the Land and the Building at a foreclosure sale. The Successor Landlord will accept Tenant's attornment, assume Landlord's obligations under the Lease, and will agree in writing not to disturb Tenant's quiet possession of the Premises. Tenant will attorn to and recognize the Successor Landlord as Tenant's Landlord under this Lease, and Tenant and the Successor Landlord will promptly execute and deliver an instrument reasonably acceptable to the parties to evidence the attornment and non-disturbance. Upon the attornment, this Lease will continue in full force and effect as a direct lease between the Successor Landlord and Tenant on all of the terms, conditions, and covenants as are set forth in this Lease except that the Successor Landlord will not: (i) be liable for any previous act or omission of Landlord under this Lease; (ii) be subject to any offset, deficiency, or defense that has accrued to Tenant against Landlord; (iii) be bound by any previous modification of this Lease or by any previous prepayment of more than one (1) month's Base Rent, unless the modification or prepayment has been expressly approved in writing by the Superior Mortgagee; or (iv) be liable for the return of any security deposit that was not actually transferred to the Successor Landlord.

Section 19. Termination

Tenant may terminate this Lease upon the giving of 60 days notice. This right to terminate shall be unrestricted other than the obligation of Tenant to remove all animals from the facility and leave it in broom clean condition, wear and tear expected.

Section 20. Surrender; Holdover

Upon expiration or earlier termination of this Lease, Tenant will surrender the Premises and, at Landlord's option, all improvements and alterations therein, vacuumed, swept, and free of debris and in good and serviceable condition, subject to ordinary wear and tear. Tenant will remove all of its personal property and any conduits, wiring, cables, or alterations if required by this Lease and will repair all damage to the Premises and the Building resulting from that removal. If Tenant fails to remove any such personal property or alterations, those items will be deemed abandoned, and Landlord may remove or dispose of the items without liability to Tenant or others. Upon demand, Tenant will reimburse Landlord for the cost of such removal.

If Tenant fails to surrender the Premises and remove all its personal property as set forth herein, Landlord may either: (i) recognize Tenant as a month-to-month tenant at sufferance, and such tenancy will be subject to all terms of this Lease, except that Rent will be $3,000/month,

and all options or other rights regarding extension of the term or expansion of the Premises will automatically terminate; or (ii) evict Tenant from the Premises and recover all damages resulting from Tenant's wrongful holdover.

Section 21. Hazardous Materials

Neither Tenant nor Tenant's agents or employees will cause or permit any Hazardous Material, as hereinafter defined, to be brought, stored, used, generated, released into the environment, or disposed of on, in, under, or about the Premises, Building, or Common Areas, except reasonable quantities of cleaning supplies and office supplies necessary to or required as part of Tenant's business that are generated, used, kept, stored, or disposed of in a manner that complies with all laws regulating any such Hazardous Materials and with good business practices. Tenant covenants to remove from the Premises (or the Building or Common Areas, if applicable), upon the expiration or sooner termination of this Lease and at Tenant's sole cost and expense, any and all Hazardous Materials brought, stored, used, generated, or released on, in, or into the environment by Tenant, its agents, employees, or invitees during the term of this Lease. To the fullest extent permitted by law, Tenant hereby agrees to indemnify, defend, protect, and hold harmless Landlord, Landlord's managing agent, their respective agents and employees, and their respective successors and assigns, from any and all claims, judgments, damages, penalties, fines, costs, liabilities, and losses that arise during or after the term directly or indirectly from the use, storage, disposal, release, or presence of Hazardous Materials by Tenant, its agents, employees, or invitees on, in, or about the Premises, the Building, or the Common Areas that occurs during the term of this Lease. To the fullest extent permitted by law, Landlord hereby agrees to indemnify, defend, protect, and hold harmless Tenant, its agents and employees, and its respective successors and assigns, from any and all claims, judgments, damages, penalties, fines, costs, liabilities, and losses that arise during or after the term directly or indirectly from the use, storage, disposal, release, or presence of Hazardous Materials by Landlord, its agents, employees, or contractors on, in, or about the Premises, the Building, or the Common Areas. Tenant will promptly notify Landlord of any release of Hazardous Materials in, on, or about the Premises, the Building, or Common Areas that Tenant, or Tenant's agents or employees, becomes aware of during the Term of this Lease, whether caused by Tenant, Tenant's agents or employees, or any other persons or entities.

As used herein, the term *Hazardous Material* means any hazardous or toxic substance, material, or waste that is or becomes regulated by any local governmental authority, the state of Oregon, or the United States government. The term *Hazardous Material* includes, without limitation, any material or substance that is (i) defined as a "hazardous waste," "extremely hazardous waste," "restricted hazardous waste," "hazardous substance," "hazardous material," or "waste" under any federal, state, or local law, (ii) petroleum, and (iii) asbestos. The provisions of this Section 20, including, without limitation, the indemnification provisions set forth herein, will survive any termination of this Lease.

Section 22. Attorney Fees

If suit or action is instituted in connection with any controversy arising out of this Lease, including any bankruptcy proceeding and arbitration proceeding, the prevailing party will be entitled to recover, in addition to costs, such sums as the court may adjudge reasonable as attorney fees at trial and on all appeals or petitions for review arising out of the suit or action. If

Landlord engages a collection agency to pursue any delinquent amounts owed by Tenant, Tenant will pay all collection agency fees charged to Landlord, in addition to all other amounts payable under this Lease.

Section 23. Estoppel

At any time and from time to time upon not less than ten (10) day's prior notice from either party, the other party will execute, acknowledge, and deliver to the requesting party a certificate certifying that this Lease is in full force and effect and unmodified or, if there are any modifications, that the Lease is in full force and effect as modified; that Tenant is in possession of the Premises; the dates to which Rent has been paid in advance and the amount of any Security Deposit or prepaid Rent; and such other matters as may be reasonably requested.

Section 24. Quiet Enjoyment

Landlord warrants that as long as Tenant complies with all terms of this Lease, Tenant will have quiet and peaceful possession of the Premises free of disturbance by Landlord or others claiming by or through Landlord.

Section 25. Force Majeure

If the performance by either party of any provision of this Lease (other than the payment of rent) is prevented or delayed by any strikes, lockouts, labor disputes, acts of God, government actions, civil commotions, fire or other casualty, or other causes beyond the reasonable control of the party from whom performance is required, the party will be excused from such performance for the period of time equal to the time of that prevention or delay up to a maximum of 180 days.

Section 26. Brokers

Each party represents that, it has not had any dealings with any real estate broker, finder, or other person with respect to this Lease. Each party agrees to indemnify and hold the other party harmless from and against any and all costs, expenses, or liability for commissions or other compensation or charges claimed by or awarded to any broker or agent resulting from a breach of the representation set forth above in this section.

Section 27. Governing Law

This Lease will be construed and interpreted and the rights of the parties determined in accordance with the laws of the state of Oregon (without reference to the choice-of-law provisions of Oregon law). Regarding matters of law concerning the internal corporate affairs of any corporate entity that is a party to or the subject of this Lease, the law of the jurisdiction under which the entity derives its powers will govern.

Section 28. Nonwaiver

No delay by either party in promptly enforcing any right or remedy set forth in this Lease will be deemed a waiver thereof, and that right or remedy may be asserted at any time after the delaying party becomes entitled to the benefit of the right or remedy notwithstanding the delay.

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Section 29. Captions

The Section headings of this Lease are for descriptive purposes only and in no way define, limit, or describe the scope, intent, or meaning of this Lease.

Section 30. Consent

Except where otherwise specifically provided in this Lease to the contrary, whenever a party's consent is required under this Lease, the party will not unreasonably withhold its consent.

Section 31. Time of the Essence and Holidays

Time is of the essence of each and every provision hereof. If the final date of any period of time set forth herein occurs on a Saturday, Sunday, or legal holiday, then the expiration of the period of time will be postponed to the next day that is not a Saturday, Sunday, or legal holiday.

Section 32. Complete Agreement; No Implied Covenants

This Lease and the attached Exhibits and schedules, if any, contain the entire agreement of the Landlord and Tenant concerning the Premises, Building, Common Areas, and Land, and all prior written and oral agreements and representations between the parties are void. Landlord and Tenant agree that there are no implied covenants or other agreements between the parties except as expressly set forth in this Lease. Neither Landlord nor Tenant is relying on any representations of the other party except those expressly set forth herein.

Section 33. Successors

This Lease will bind and inure to the benefit of the parties, their respective heirs, successors, and permitted assigns.

IN WITNESS WHEREOF, the duly authorized representatives of the parties have executed this Lease:

LANDLORD:

Jacque M Betz

By: Jacque M. Betz
Title: City Manager
Date: 3-3-15

TENANT:

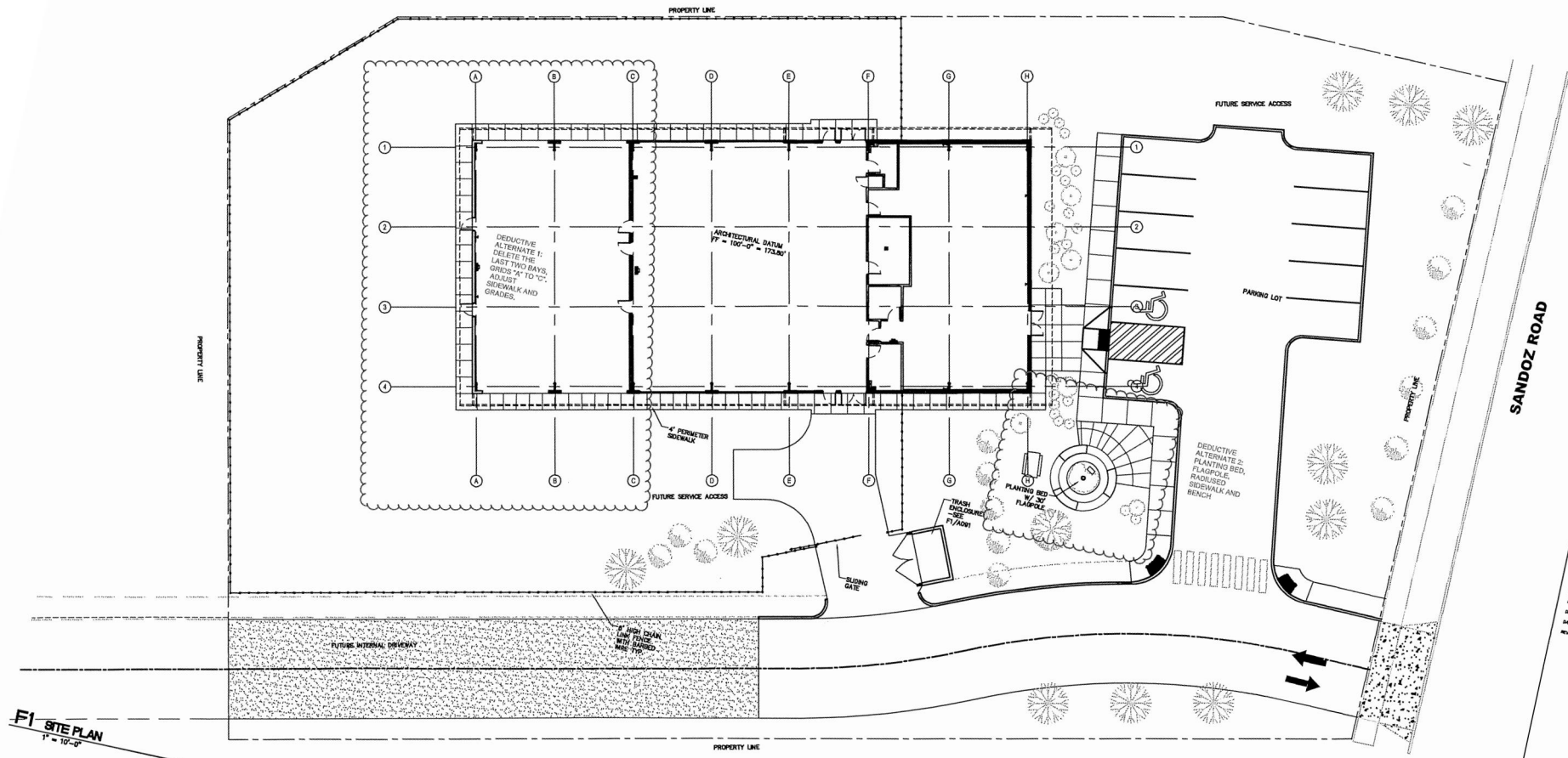
Janet M. Floren

By: JANET M. FLOREN
Title: PRESIDENT, NASF
Date: 3-6-15

Approved as to form:

Truman A. Stone, City Attorney

NASF Exhibit A, Site Plan
Contract March 2, 2015



F1 SITE PLAN
1" = 10'-0"

SITE PLAN NOTES

1. SITE INFORMATION IS FOR REFERENCE ONLY. VERIFY GRADING, CURBS, WALKS, PARKING, AND UTILITIES WITH CIVIL DRAWINGS.
2. SEE CIVIL AND ELECTRICAL DRAWINGS FOR UTILITY INFORMATION.
3. ARCHITECTURAL DATUM 100'-0" = 173.80'
4. SEE PROJECT MANUAL FOR SOILS REPORT.
5. SEE F1/A091 FOR ENLARGED TRASH ENCLOSURE PLAN.

C2K ARCHITECTURE INC
6540 SW MACADAM AVENUE
PORTLAND OREGON 97219
503 245 0002

CITY OF NEWBERG ANIMAL SHELTER - SHELL/ MINI-CORE

NEWBERG, OREGON

PROJECT NO.: 10108
PLO:
DRAWN: MM
DATE: APRIL 11 2011 – BID ISSUE
REVISION: DESCRIPTION:

SHEET TITLE: SITE PLAN

SHEET NO.: A101

File w/ lease for HREF

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: March 2, 2015

Order No.	Ordinance No.	Resolution No.	Motion XX	Information
___	___	___		___

SUBJECT: Motion to approve lease of the Newberg Animal Shelter to the Newberg Animal Shelter Friends, retroactive to July 1, 2014 and authorizing the City Manager to execute the lease agreement.	**Contact Person (Preparer) for this Motion: Truman A. Stone, City Attorney** **Dept.: City Attorney's Office** **File No.:**

RECOMMENDATION:

Approve the Motion authorizing the City Manager to execute the proposed lease agreement between the City and the Newberg Animal Shelter Friends, retroactive to July 1, 2014.

EXECUTIVE SUMMARY:

The City of Newberg is an Oregon municipal corporation that owns an animal shelter. Newberg Animal Shelter Friends (NASF) is an Oregon non-profit corporation that exists to benefit animals in the community and has served as the fund raising organization for building the animal shelter. The City lacks the staff necessary to operate the shelter. NASF has been and intends to operate the shelter as a service and business similarly to other local humane societies.

NASF will operate the shelter, provide animal care, provide adoption, and similar service s. NASF will cooperate with Yamhill County as it provides dog-control services through the Sheriff's Department or other designee. NASF will cooperate with the City by providing access and use of kennel space to the City and caring for animals under the jurisdiction of the City.

This lease between the City and NASF creates no partnership or other mutual, business entity between the City and NASF. The relationship of the parties is that of landlord and tenant. Any additional services provided by the City are pursuant to, and in furtherance of, that relationship.

FISCAL IMPACT:

As a budget reduction device, the position of Animal Control Officer was eliminated in the FY 2014-15 budget, leaving no city personnel available to operate the shelter. The NASF will operate the shelter, pay $1.00 per year as a rental payment, and provide routine maintenance. The City will provide utility services, in a reasonable amount, and remain responsible for maintenance of the building systems.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL GOALS):

This motion is brought at the direction of the Council.

Execution Version (6/18/18)

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("Agreement") is entered into as of this 21 day of June___, 2018 ("Effective Date"), by and between **City of Newberg,** an Oregon municipal corporation ("Seller") and **Newberg Animal Shelter Friends**, an Oregon nonprofit corporation ("Purchaser"). In consideration of the mutual covenants set forth herein and in consideration of the payment of the Independent Consideration, the parties agree as follows:

1. Sale and Purchase.

1.1 Seller shall sell, convey, and assign to Purchaser, and Purchaser shall purchase and accept from Seller, for the Purchase Price (as defined below) and on and subject to the terms and conditions herein set forth, the following real property situated in the City of Newberg, Yamhill County, Oregon, located at 1591 S. Sandoz Road, as shown on Exhibit A attached hereto (the "Property"), together with all rights, easements, privileges and other appurtenances thereto, including, without limitation, all mineral rights, water rights, transferable development rights, and any rights in abutting rights of way. The Property shall be sold, conveyed, and assigned to Purchaser at Closing (as defined below) free and clear of all liens, claims, easements, charges and encumbrances whatsoever except for the Permitted Encumbrances (as defined below).

1.2 Prior to Closing, and as a condition of Purchaser's obligation to close, Seller will process and record, a lot line adjustment or partition, as applicable, to make the Property a legal, conveyable unit of land in the dimensions shown on the attached Exhibit A (the "Lot Boundary Approval"). Seller and Purchaser shall equally share the costs of applying for, processing and obtaining the Lot Boundary Approval.

1.3 As of the date of this Agreement, Seller and Purchaser are parties to that certain "Animal Shelter Lease" dated March 6, 2015 through which Purchaser is leasing the Property from Seller (the "Lease"). Upon the Closing of this Agreement, the Lease will automatically terminate and neither party will have any further obligation to the other under such Lease, and the parties will execute and deliver to each other a lease termination instrument that memorializes such termination ("Lease Termination"). If the term of the Lease should expire prior to the Closing of this Agreement, the Lease shall be automatically extended on the same terms contained therein through the date of Closing at which time the Lease shall terminate. In the event that this Agreement does not Close, the Lease shall be extended an additional 60 days from the date this Agreement terminates, during which time the parties will negotiate any extension or amendment to be entered into by and between the parties as contemplated in the Lease.

2. Purchase Price.

2.1 The purchase price (the "Purchase Price") for the Property is Seven Hundred and Eighteen Thousand and No/100 ($718,000.00), payable as follows:

2.1.1 $150,000.00 in cash paid by Purchaser at Closing;

2.1.2 $88,000.00 to be paid by Purchaser pursuant to the terms contained in a promissory note in the form attached hereto as Exhibit B (the "Promissory Note") executed and delivered to Seller by Purchaser at Closing, and secured by a first lien Deed of Trust on the Property in the form attached hereto as Exhibit C (the "Deed of Trust") executed and recorded by Purchaser at Closing; and

2.1.3 a credit against the Purchase Price in the amount of $480,000.00 in consideration of the improvements constructed upon and made to the Property by Purchaser as tenant of the Property.

3. Earnest Money; Escrow; Independent Consideration;.

3.1 Within five (5) days after the Effective Date of this Agreement, Purchaser shall open an escrow with First American Title Insurance Company, 515 E. Hancock St., Newberg, OR 97132, (the "Title Company").

3.2 Within five (5) after the Effective Date of this Agreement, Purchaser will also deposit into escrow with the Title Company the sum of Five Thousand and 00/100 Dollars ($5,000.00) as earnest money (the "Earnest Money"). The Earnest Money, less $100.00 (the "Independent Consideration"), will be applied to the Purchase Price at Closing and, following Purchaser's delivery to Seller of its Notice Of Satisfaction as provided in Section 5.2 below, will be non-refundable to Purchaser except as otherwise expressly provided in this Agreement. The Independent Consideration is fully-earned, nonrefundable, independent consideration for Seller's entry into this Agreement.

4. Preliminary Title Report. Within ten (10) days after the Effective Date of this Agreement, Seller shall deliver or cause to be delivered to Purchaser a preliminary title report (the "Title Report") from the Title Company showing record title of the Property and all liens, claims, encumbrances, easements, rights-of-way, encroachments, reservations, restrictions, and all other matters of record affecting the Property, together with legible copies of all such matters, including vesting and exception instruments, listed in the Title Report.

5. Contingency Period.

5.1 Purchaser shall have sixty (60) days after the Effective Date of this Agreement (the "Contingency Period"), in which to conduct or have conducted, at its sole cost and expense, all ALTA or other land boundary surveys, tests (including geotechnical), audits and studies, including economic feasibility studies and a Phase I Environmental Assessment and such other physical inspections and other investigations as Purchaser deems necessary to enable Purchaser to approve all aspects of the Property (collectively, the "Inspections"). After making any Inspections, Purchaser must promptly restore the Property to its condition prior to such Inspections (which obligation shall survive the Closing or any termination of this Agreement). Purchaser will repair any physical damage to the Property caused by Purchaser's Inspections and indemnify Seller against any third party claims for personal injury or property damage incurred by Seller as a result of persons or firms entering the Property on Purchaser's behalf to complete the Inspections of the Property, provided, however, Purchaser shall have no liability for the mere discovery of conditions on the Property. Purchaser's indemnity obligations under this Section 5 will survive Closing or the termination of this Agreement. Without limitation of the foregoing, Seller agrees to ensure that Purchaser and Purchaser's agents, representatives, consultants, and/or contractors may enter upon the Property for such purposes within five (5) days following the Effective Date.

5.2 If Purchaser is satisfied with the Property, then Purchaser shall so notify Seller in writing (Purchaser's "Notice of Satisfaction"), on or before 11:59 p.m. of the last day of the Contingency Period. If Purchaser does not notify Seller before the Contingency Period expires of Purchaser's satisfaction with the Property, this Agreement shall terminate and the Earnest Money will be refunded to Purchaser. If Purchaser does so notify Seller before the Contingency Period expires, the parties shall proceed to close the purchase and sale of the Property subject to the terms of this Agreement.

6. Title. Purchaser shall have fifteen (15) days after receipt of the Title Report and legible copies of all vesting and exception documents listed in the Title Report (the "Title Review Period") to object in writing to any liens, encumbrances, and other matters reflected by the Title Report. All such matters to which Purchaser so objects, together with any monetary liens or judgments (regardless of whether Purchaser specifically objects to them)(collectively, "Monetary Liens and Judgments"), shall be "Non-Permitted Encumbrances". All other matters shall be "Permitted Encumbrances". Except with respect to any Monetary Liens and Judgments, which Seller agrees will be satisfied at Closing, Seller shall give Purchaser written notice within five (5) days after the Title Review Period expires ("Seller's Response Period") of Seller's intent whether or not to cure or remove such other Non-Permitted. If Seller agrees to cure or remove such other Non-Permitted Encumbrances, Seller shall be obligated to remove or cure them at or prior to Closing. If within Seller's Response Period Seller delivers notice to Purchaser that it does not elect to cause such other Non-Permitted Encumbrances to be removed, cured or insured around, or if Seller fails to timely deliver any notice to Purchaser within Seller's Response Period, then Purchaser may either (a) terminate this Agreement, receive a refund of the Earnest Money, and the parties will have no further obligations under this Agreement; or (b) purchase the Property subject to the Non-Permitted Encumbrances in which event such Non-Permitted Encumbrances shall thereafter be Permitted Encumbrances. Purchaser must provide Seller with written notification of Purchaser's election within five (5) calendar days of receipt of Seller's notice. Purchaser's failure to provide any written notification of election within such time is deemed to be an election by Purchaser to terminate this Agreement and the Earnest Money will be refunded to Purchaser.

7. New Matters. If, at any time prior to the Closing, but after the expiration of the review and response periods in Section 6 above (with respect to title matters), or after Purchaser has delivered its Notice of Satisfaction (with respect to non-title matters), any of the following occurs or arises (in each case, a "New Matter"): (i) the Title Company issues a supplement to the Title Report identifying any adverse exception to title not previously disclosed by the Title Report (or a prior supplement thereto); (ii) Seller updates the Property's records to reflect any adverse matter (or any change in any matter) which was not previously disclosed therein (or in a prior update thereto); (iii) any Hazardous Substances have been released or introduced on or under the Property by Seller or a third party; or (iv) Purchaser is notified of, or otherwise becomes aware of, any adverse condition at, on or under the Property (whether involving Hazardous Substances or otherwise) which could not reasonably have been discovered by Purchaser prior to its delivery of the Notice of Satisfaction; then, in any of such cases, Purchaser shall have ten (10) Business Days after being given written notice or otherwise becoming aware of the New Matter (the "Evaluation Period") within which to evaluate the New Matter and elect, in the exercise of its sole and absolute discretion and as its sole and exclusive remedy, to purchase the Property subject to the New Matter or to terminate this Agreement by written notice delivered to Seller on or prior to the expiration of the Evaluation Period, in which event the Earnest Money will be refunded to Purchaser and the parties will have no further obligations under this Agreement. With respect to title matters, Purchaser may also elect to object in writing, in which case the parties will follow the procedure described in Section 6 above with respect to Non-Permitted Encumbrances.

8. Seller's Representations and Warranties; Covenants. To induce Purchaser to enter into and perform its obligations under this Agreement, Seller hereby makes the following representations and warranties with respect to the Property, upon each of which Purchaser is entitled to rely and has relied, and each of which (i) shall survive the Closing, (ii) is true in all respects as of the date hereof, and (iii) shall be true as of the Closing:

8.1 Capacity and Status. Except as set forth in Seller's Elected Official Contingency as detailed in Section 11.5, Seller is a validly existing municipal corporation under the laws of Oregon and has all authority to execute, deliver and perform the obligations to be performed by Seller under this Agreement.

8.2 Authority; Authorization. Except as set forth in Seller's Elected Official Contingency as detailed in Section 11.5, this Agreement has been duly executed and delivered by Seller and is a valid and binding obligation of Seller, enforceable against Seller in accordance with its terms. The individual or individuals executing this Agreement on behalf of Seller have been duly authorized to execute and deliver this Agreement.

8.3 Agreements and Contracts. Other than the Lease and as shown in the Title Report, (i) Seller has not entered into any contract or agreement other than this Agreement which gives any person, firm or entity any right to acquire the Property, any rights or estates in or to the Property or any portion thereof, or otherwise affects or pertains to the Property; and (ii) to the best of Seller's knowledge, no person, firm or entity has any right to acquire the Property or any rights or estates in and to the Property or any portion thereof.

8.4 No Conflicts. The execution, delivery, and performance of this Agreement by Seller will not conflict with or breach any law, regulation, judgment, order, decree, writ, injunction, contract, agreement or instrument to which Seller is bound or subject; and Seller has obtained any consent, approval, authorization or order of any court or governmental agency or body required for the execution, delivery and performance of Seller thereby.

8.5 Bankruptcy. No act of Bankruptcy has occurred with respect to Seller, Seller has not contemplated or planned to file any federal or state bankruptcy or insolvency proceeding, and Seller has no knowledge of any threat or filing of any involuntary proceeding under any such laws against the Seller.

8.6 Condemnation. There is no condemnation or eminent domain proceeding pending or, to the best of Seller's knowledge, threatened against the Property.

8.7 Litigation. There is no litigation pending or, to the best of Seller's knowledge, threatened, which affects the Property or which would or might affect the transaction contemplated hereby or the ability of Seller to satisfy all of its obligations hereunder.

8.8 Non-Compliance. Seller has not received any written notification from any governmental authority specifying any non-compliance of the Property or any portion thereof with applicable codes, statutes, ordinances or regulations which remains uncured.

8.9 Liens and Assessments. To the best of Seller's knowledge, there is no lien or special assessment, other than for non-delinquent ad valorem taxes, pending or threatened against the Property by any governmental authority.

8.10 Foreign Person. Seller is not a foreign person as defined in Internal Revenue Code Section 1445(f)(3).

8.11 Hazardous Substances. Seller has not received any notice and has no knowledge of any contamination or the presence of Hazardous Substances (as defined below) at or affecting the Property; and further has no knowledge that the Property has ever been used by Seller or any previous owners and/or operators to generate, manufacture, refine, transport, treat, store, handle, or dispose of any Hazardous Substances. "Hazardous Substances" means hazardous substances as defined in 42 U.S.C. Section 9601 et seq., 40 C.F.R. 261.3, and hazardous or toxic materials or substances, petroleum products, and any other substances, vapors, or materials regulated under any law, rule or regulation, or order of any governmental body relating to human health, safety, or the environment.

8.12 Notification of Changes. Prior to Closing, Seller agrees to notify the Purchaser immediately, in writing, if Seller discovers that any representation or warranty, though believed to be true when made, is, in fact, not true, or if facts and circumstances underlying Seller's representations or warranties, though true when made, have changed. After receipt of such written notification, Purchaser may either (i) terminate the Agreement, in which event the Earnest Money will be refunded to Purchaser and the parties will have no further obligation under this Agreement; or (ii) proceed to close the purchase and sale of the Property as set forth in this Agreement.

8.13 Survival. Seller's representations and warranties shall survive the Closing for a period of two (2) years and shall not merge into the deed.

9. Commissions.

9.1 Indemnification. Purchaser and Seller hereby represent and warrant to each other that no broker's commission or finder's fee is payable with regard to the transaction contemplated by this Agreement; and Purchaser and Seller (each being hereinafter referred to herein as the "Indemnitor") each agrees to defend with counsel reasonably satisfactory to the other party and indemnify the other party from and against all liability, claims, actions, causes of action, suits, demands, damages, or costs of any kind arising from or connected with any broker's or finder's fee or commission or charge claimed to be due any person arising from the Indemnitor's conduct with respect to said transaction. This obligation shall survive and be enforceable following the Closing or termination of this Agreement.

10. Closing.

10.1 The consummation of the purchase and sale of the Property in accordance with the terms of this Agreement (the "Closing" or "Close") shall occur on within ten (10 business days following Purchaser's delivery to Seller of the Notice of Satisfaction pursuant to Section 5.2 above and that each of the conditions precedent set forth in Section 11 of this Agreement have been satisfied or expressly waived in writing by Purchaser (the "Closing Date"). Notwithstanding the foregoing, if any New Matter arises ten (10) or fewer Business Days prior to the then scheduled Closing Date, the Closing Date shall be extended by the Evaluation Period. At the Closing, Purchaser and Seller shall make the following deliveries and the following shall occur:

10.2 Deposits And Deliveries By Seller. Seller shall deposit or cause to be deposited into escrow with the Title Company, or delivered directly to Purchaser outside of escrow, on or before the Closing Date, the following documents duly executed and acknowledged as required:

10.2.1 A general warranty deed conveying fee simple title to the Property to Purchaser subject only to the Permitted Encumbrances;

10.2.2 An Affidavit of Non Foreign Status and any affidavit, certification or other document required by Purchaser or the Title Company to confirm that Seller is exempt from the tax withholding requirements on real property interest transfers under ORS 314.258;

10.2.3 Seller's written escrow instructions to close escrow in accordance with the terms of this Agreement, and Seller's executed settlement statement as prepared by the Title Company and approved by Seller;

10.2.4 Seller's counterpart of a Lease Termination;

10.2.5 Seller's counterpart of the Sewer Easement (as defined in Section 10.3.5 below); and

10.2.6 Such other documents, resolutions, consents and affidavits reasonably necessary or advisable to effect the valid consummation of the transaction evidenced by this Agreement, including customary title affidavits and deliveries required by the Title Company in order to issue the Title Policy.

10.3 Deposits And Deliveries By Purchaser. Purchaser shall deposit or cause to be deposited into escrow with the Title Company, or deliver directly to Seller outside of escrow, on or before the Closing Date, each of the following documents duly executed and acknowledged as required and funds:

10.3.1 Cash, wire transfer, cashier's check, or other immediately available funds, which shall equal to the cash portion of the Purchase Price;

10.3.2 the Promissory Note;

10.3.3 the Deed of Trust;

10.3.4 Purchaser's counterpart of a Lease Termination;

10.3.5 One or more easements in form and substance reasonably approved by Seller and Purchaser for any existing public sewer and water lines situated on the Property (the "Easement(s)");

10.3.6 Purchaser's written escrow instructions to close escrow in accordance with the terms of this Agreement, and Purchaser's executed settlement statement as prepared by the Title Company and approved by Purchaser; and

10.4 A duly executed resolution by Purchaser's Board of Directors specifically approving the form of the above documents and authorizing a corporate officer to sign on behalf of Purchaser.

10.5 Prorations. Current non-delinquent real property taxes and assessments and utilities charges shall be pro-rated as of the Closing Date, with Seller responsible for all assessments and charges with respect to the period prior to and including the Closing Date and Purchaser being responsible for assessments and charges with respect to the period after the Closing Date. Seller shall be responsible for any deferred taxes or roll-back taxes. Seller and Purchaser hereby agree that if any of the aforesaid prorations cannot be calculated accurately on the Closing Date, then the same shall be calculated as soon as reasonably practicable after the Closing Date and either party owing the other party a sum of money based on such subsequent proration(s) shall promptly pay said sum to the other party.

10.6 Closing Costs. Seller shall pay: (a) the cost of the Title Policy, as defined below (except the cost of extended coverage or endorsements); (b) the cost of recording any instruments required to deliver title to Purchaser as required under this Agreement; (c) any transfer, excise, or other tax resulting from the sale of the Property; and (d) one-half (1/2) of the Title Company's escrow fee. Purchaser shall pay: (i) the cost of recording the deed and Deed of Trust; (ii) the cost of the Title Policy in excess of the cost of ALTA standard owner's coverage, and any endorsements to the Title Policy required by Purchaser; and (iii) one-half (1/2) of the Title Company's escrow fee.

10.7 Possession. Possession of the Property shall transfer to Purchaser on the Closing Date.

11. Conditions Precedent. Purchaser's obligation to Close under this Agreement is subject to the satisfaction of, or Purchaser's express written waiver of, the following conditions on or before the Closing. Purchaser may terminate this Agreement if the following conditions precedent have not been satisfied or, in Purchaser's sole discretion, expressly waived in writing by Purchaser prior to the Closing Date:

11.1 Seller shall have fulfilled all obligations under this Agreement and the representations and warranties made by Seller in Section 8 hereof shall have been true and correct in all material respects as of the Effective Date and shall be true and correct in all material respects on and as of the Closing.

11.2 At the Closing, unless waived by Purchaser, the Title Company shall be irrevocably committed to issue to Purchaser a 2006 ALTA Extended Owner's policy of title insurance in the amount of the Purchase Price subject only to Permitted Encumbrances (the "Title Policy").

11.3 Purchaser, in its sole discretion, has delivered the Purchaser's Notice of Satisfaction to Seller pursuant to Section 5.2 of this Agreement.

11.4 Seller shall have successfully completed and recorded the Lot Boundary Approval.

11.5 Seller's obligation to close is contingent upon the Newberg City Council holding a public hearing pursuant to ORS 221.725 and a majority of the Council approving the sale under the terms of this Agreement. Should neither event occur, this Agreement shall terminate and Purchaser shall be entitled to a refund of the Earnest Money only, notwithstanding any expenses or claimed damages incurred by Purchaser.

In any case where Purchaser is entitled to terminate this Agreement pursuant to this Section 11, Purchaser may do so by written notice to Seller, in which event the Earnest Money will be refunded to Purchaser and neither party shall have any further obligation under this Agreement.

12. Destruction, Damage, or Taking Before Closing. If, before Closing, all or any part of the Property is damaged or destroyed, or becomes subject to condemnation or eminent domain proceedings, then Seller shall promptly notify Purchaser thereof in writing, and Purchaser shall have thirty (30) days from receipt of such written notice to elect whether to (i) terminate this Agreement, in which event the Earnest Money will be refunded to Purchaser and neither party will have any further obligation under this Agreement; or (ii) proceed to Closing pursuant to the terms of this Agreement, in which event Seller shall assign to Purchaser all of Seller's right to any proceeds from insurance or any condemnation award in respect of such damage or condemnation, and the Purchase Price shall be reduced by the amount of any insurance deductible.

13. Termination and Remedies.

13.1 If Purchaser defaults on its obligation to Close the purchase of the Property pursuant to this Agreement by the Closing Date, Seller, as its sole and exclusive remedy, may deliver notice of such default to Purchaser, and if Purchaser fails to cure such default within ten (10) days after its

receipt of such notice, Seller may terminate this Agreement and retain the Earnest Money, which shall be Seller's sole and exclusive remedy in the event of Purchaser's default, and neither Purchaser nor Seller shall have any further rights or obligations under this Agreement. Under no circumstances shall Seller be entitled to specific performance. SELLER AGREES THAT THE EARNEST MONEY IS A REASONABLE MEASURE OF SELLER'S DAMAGES IN THE EVENT OF PURCHASER'S DEFAULT, WHICH WOULD BE DIFFICULT TO DETERMINE.

13.2 If Seller fails to perform its obligations under this Agreement within ten (10) days after Purchaser provides written notice of such failure to Seller, or Seller fails to Close the sale of the Property pursuant to this Agreement for any reason other than Purchaser's failure to perform its obligations hereunder, then Purchaser may (a) if the Seller's Elected Official Contingency as detailed in Section 11.5 has been satisfied, enforce this Agreement by specific performance, or (b) terminate this Agreement by notifying Seller thereof, in which case the Earnest Money will be refunded to Purchaser. Nothing in this Section shall limit Purchaser's rights to indemnity or other remedies in the event of a breach of any representation or warranty of Seller set forth in this Agreement.

14. Notices. All notices provided or permitted to be given under this Agreement must be in writing and may be served by depositing same in the United States mail, addressed to the party to be notified, postage prepaid and registered or certified with return receipt requested; by delivering the same in person to such party; by delivering the same by FedEx or UPS or similar express delivery service to such party, or by facsimile or e-mail copy transmission. Notice given in accordance herewith shall be effective upon delivery to the address, e-mail or fax number set forth below or to such other address, e-mail or fax number as may be provided by any party by notice to the other parties:

If to Seller:

City of Newberg
c/o City Attorney
PO Box 970
Newberg, OR 97132

And with a copy to (but which shall not constitute notice):

City of Newberg
c/o City Manager
PO Box 970
Newberg, OR 97132

If to Purchaser:

Newberg Animal Shelter Friends
1591 S. Sandoz Rd.
Newberg, OR 97132

And with a copy to (but which shall not constitute notice):

Stoel Rives LLP
760 SW 9th Ave., Suite 3000
Portland, OR 97205
Attention: Christopher C. Criglow, Esq.
Phone: 503-294-9267
Fax: 503-220-2480
Email: chris.criglow@stoel.com

If to Title Company:

First American Title Insurance Company
515 E. Hancock St.,
Newberg, OR 97132
Attention: _____, Escrow Officer
Tel: (503) 538-7361
E-mail:

15. Attorneys' Fees. In the event any litigation, arbitration, mediation, or other proceeding, including bankruptcy ("Proceeding") is initiated by any party against any other party to enforce, interpret or otherwise obtain judicial or quasi-judicial relief in connection with this Agreement, each party shall bear its own attorney fees and waive the right to seek attorney fees from the other party.

16. Entire Agreement. This Agreement is the entire agreement between Seller and Purchaser concerning the sale of the Property, and no modification hereof or subsequent agreement relative to the subject matter hereof shall be binding on either party unless reduced to writing and signed by the party to be bound. All Exhibits attached hereto are incorporated herein by this reference for all purposes.

17. Rule of Construction; No Waiver. Purchaser and Seller acknowledge that each party has reviewed this Agreement and that the rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments hereto. No provision of this Agreement shall be deemed to have been waived by either party unless the waiver is in writing and signed by that party. No custom or practice which may evolve between the Purchaser and Seller during the term of this Agreement shall be deemed or construed to waive or lessen the right of either of the parties hereto to insist upon strict compliance of the terms of this Agreement.

18. Business Days. If the final day of a period or date of performance under this Agreement falls on a Saturday, Sunday or legal holiday then the final day of the period or the date of performance shall be deemed to fall on the next day which is not a Saturday, Sunday or legal holiday, a "Business Day."

19. OFAC. Seller represents and warrants to Purchaser that Seller is not and shall not become a person or entity with whom Purchaser is restricted from doing business under any current or future regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, those named on OFAC's Specially Designated and Blocked Persons list) or under any current or future statute, executive order (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transaction or be otherwise associated with such persons or entities.

20. Counterparts; Docusign. This Agreement may be executed in one or more identical counterparts, which may be executed using Docusign. Each such counterpart shall be deemed to be an original and all counterparts will, collectively, constitute one and the same Agreement. Copies of signed counterparts of this Agreement via pdf or facsimile shall be deemed to be originals.

THE PROPERTY DESCRIBED IN THIS INSTRUMENT MAY NOT BE WITHIN A FIRE PROTECTION DISTRICT PROTECTING STRUCTURES. THE PROPERTY IS SUBJECT TO LAND USE LAWS AND REGULATIONS THAT, IN FARM OR FOREST ZONES, MAY NOT AUTHORIZE CONSTRUCTION OR SITING OF A RESIDENCE AND THAT LIMIT LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, IN ALL ZONES. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO VERIFY THE EXISTENCE OF FIRE PROTECTION FOR STRUCTURES AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

IN WITNESS WHEREOF, Purchaser and Seller have executed this Agreement on the date set forth above as the Effective Date.

SELLER:

City of Newberg

By: _____

Its: City Manager

Date: 6-21-18

PURCHASER:

Newberg Animal Shelter Friends

By: Janet Floren

Its: President

Date: 6-20-18

Exhibit A
The Property

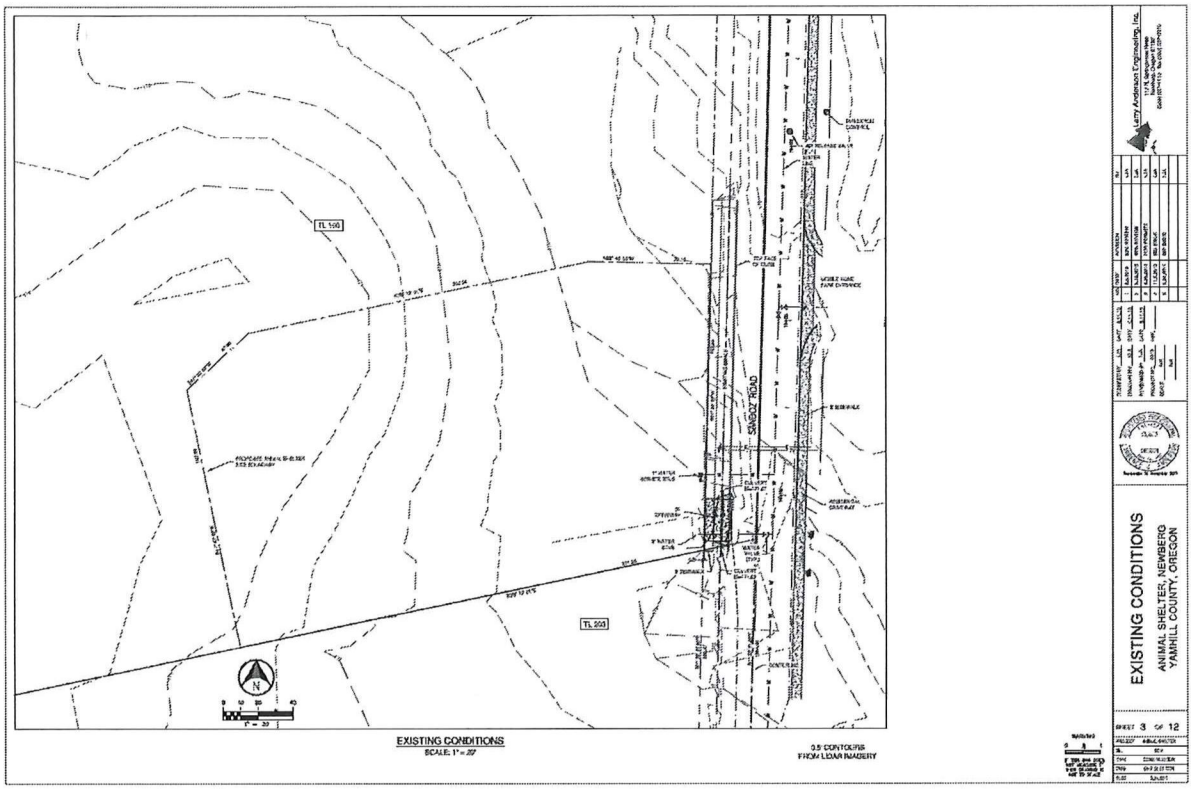


Exhibit B
Form of Promissory Note

PROMISSORY NOTE

$88,000.00 _____, 2018
Newberg, Oregon

FOR VALUE RECEIVED, **Newberg Animal Shelter Friends**, an Oregon nonprofit corporation ("Maker"), hereby promises to pay to the order of the City of Newberg, a municipal corporation of Oregon ("Payee"), the principal sum of $88,000.00, together with interest on the unpaid principal amount as provided herein, at [*INSERT PAYMENT ADDRESS*] (or such other place as Payee may designate in writing), on the date when due in lawful money of the United States of America.

Maker shall make equal monthly payments of [*INSERT MONTHLY PAYMENT AMOUNT*] commencing on the first day of the first full calendar month after the date of this Note. All outstanding principal balance and accrued interest under this Note shall be due and payable in full on [*INSERT DATE THAT IS THE 15TH ANNIVERSARY OF THE DATE OF THIS NOTE*]. Interest on the outstanding principal balance of the Note shall accrue at 3% per annum on the basis of a 365-day year (the "Interest Rate"). Notwithstanding any other provision of this Note, Maker may prepay all or any portion of this Note at any time with no penalty whatsoever.

This Note is secured by a Deed of Trust of even date herewith ("Trust Deed") covering real property situated in the City of Newberg, Yamhill County, Oregon, to which reference is hereby made for a description of the nature and extent of the security provided thereby and the rights and limitations of rights of Payee and of Maker in respect of such security. In the event of a default by Maker under the Trust Deed, Payee may declare a default hereunder, in which event the outstanding principal balance and all other amounts due and payable hereunder shall become immediately due and payable without notice to Maker.

This Note shall be governed by and construed and enforced in accordance with the laws of the State of Oregon.

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS MADE BY THE LENDER CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OR SECURED SOLELY BY THE BORROWER'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY THE LENDER TO BE ENFORCEABLE.

IN WITNESS WHEREOF, the undersigned has caused this PROMISSORY NOTE to be executed and delivered by its duly authorized officer as of the date first set forth above.

Maker:

[DO NOT SIGN EXHIBIT]

Exhibit C

Form of Deed of Trust

After recording return to:

DOCUMENT: DEED OF TRUST

GRANTOR: Newberg Animal Shelter Friends, an Oregon nonprofit corporation

BENEFICIARY: City of Newberg, a municipal corporation of Oregon

TRUSTEE: FIRST AMERICAN TITLE INSURANCE COMPANY

The maturity date of the promissory note secured by this Deed of Trust, exclusive of any option to renew or extend such maturity date, is _____.

The maximum principal amount secured by this Deed of Trust is $88,000.00.

Tax account number(s) of Property:

DEED OF TRUST

THIS DEED OF TRUST ("Trust Deed"), made on _____, 2018, by and among Grantor, Beneficiary, and Trustee.

WITNESSETH:

A. Grantor is indebted to Beneficiary pursuant to a Promissory Note in the principal amount of $88,000.00, dated as of _____, 2018, by and between Beneficiary, as payee, and the Grantor, as maker (as amended, modified, supplemented, extended, renewed, restated or replaced, the "Note"). All capitalized terms used herein shall have the respective meanings assigned thereto in the Note, unless otherwise defined in this Trust Deed.

B. To secure payment and performance of Grantor's obligations under the Note (the "Secured Obligations"), Grantor desires to irrevocably grant, bargain, sell, convey and assign to Trustee in trust, with power of sale, for the benefit of Beneficiary, all of Grantor's right, title and interest in and to the real property described on Exhibit A attached hereto (the "Trust Property").

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Grantor irrevocably grants, bargains, sells, conveys and assigns to Trustee in trust, with power of sale, all of Grantor's right, title and interest in and to the Trust Property FOR THE PURPOSE OF SECURING PAYMENT AND PERFORMANCE of the Secured Obligations.

TO HAVE AND TO HOLD the Trust Property to Trustee and its successors and assigns for the benefit of the Beneficiary and its successors and assigns, forever.

PROVIDED ALWAYS, that if all of the Secured Obligations shall be paid, performed and satisfied in full or otherwise expressly released, discharged, or extinguished by Beneficiary, then the lien and estate granted by this Trust Deed shall be reconveyed.

TO PROTECT THE SECURITY OF THIS TRUST DEED, GRANTOR AGREES AS FOLLOWS:

1. Upon the occurrence of a default by Grantor in payment or performance of any of the Secured Obligations when due, the Beneficiary may elect to proceed to foreclose this Trust Deed in equity as a mortgage or direct the Trustee to foreclose this Trust Deed by advertisement and sale, or may direct the Trustee to pursue any other right or remedy, either at law or in equity, which the Beneficiary may have. In the event the Beneficiary elects to foreclose by advertisement and sale, the Beneficiary or the Trustee shall execute and cause to be recorded a written notice of default and election to sell the Trust Property to satisfy the Secured Obligations and such other amounts secured by this Trust Deed and the Trustee shall fix the time and place of sale, give written notice as then required by law and proceed to foreclose this trust deed in the manner provided by law.

2. After the Trustee has commenced foreclosure by advertisement and sale, and at any time prior to the time provided by law before the date the trustee conducts the sale, the Grantor or any

other person so privileged, may cure the default or defaults. If the default consists of a failure to pay, when due, sums secured by the Trust Deed, the default may be cured by paying the entire amount due at the time of the cure. Any other default that is capable of being cured may be cured by tendering the performance required under the obligation or this Trust Deed. In any case, in addition to curing the default or defaults, the person effecting the cure shall pay to the Beneficiary all reasonable costs and expenses actually incurred in enforcing the obligation of the Trust Deed including reasonable attorneys' fees together with the Trustee's reasonable fees and costs and reasonable attorneys' fees.

3. If such cure is not made in accordance with paragraph 2, the sale shall be held on the date and at the time and place designated in the notice of sale or the time to which the sale may be postponed as provided by law. The Trustee may sell the Trust Property either in one parcel or in separate parcels, and shall sell the parcel or parcels at auction to the highest bidder for cash, payable at the time of sale. The Trustee shall deliver to the purchaser its deed in form as required by law conveying such property so sold, but without any covenant or warranty, express or implied. Any person, excluding the Trustee, but including the Grantor and the Beneficiary may purchase at the sale.

4. When the Trustee sells pursuant to the powers provided, the Trustee shall apply the proceeds of sale to payment of (1) the expenses of sale, including the compensation of the Trustee and a reasonable charge by Trustee's attorney, (2) to the obligations secured by this Trust Deed, (3) to all persons having recorded liens subsequent to the interest of the Trustee in the Trust Deed as their interests may appear in the order of their priority and (4) the surplus, if any, to the Grantor or to any successor in interest entitled to such surplus.

5. Beneficiary may from time to time appoint a successor or successors to any trustee named or to any successor trustee appointed. Upon such appointment, and without conveyance to the successor trustee, the latter shall be vested with all title, powers and duties conferred upon any trustee named or appointed. Each such appointment and substitution shall be made by written instrument executed by the Beneficiary, which, when recorded in the records of the county or counties in which the Trust Property is situated, shall be conclusive proof of proper appointment of the successor trustee.

6. To pay all reasonable costs, fees and expenses (including reasonable attorneys' fees) incurred in connection with or in enforcing this Trust Deed.

7. Trustee accepts this trust when this deed, duly executed and acknowledged, is made a public record as provided by law. Trustee is not obligated to notify any party of pending sale under any other deed of trust or of any action proceeding in which Grantor, Beneficiary or Trustee shall be a party unless such action or proceeding is brought by Trustee.

8. The Grantor covenants and agrees to and with the Beneficiary, and the Beneficiary's successors in interest, that the Grantor is lawfully seized in fee simple of the real property and has a valid, unencumbered title, excepting and subject to the following: (i) liens, encumbrances, covenants, conditions, easements, restrictions, and other matters of record; and (ii) non-delinquent real property taxes as of the date of this Trust Deed.

9. This Trust Deed applies to, insures to the benefit of and binds all parties, their heirs, legatees, devisees, administrators, executors, personal representatives, successors and assigns.

10. In construing this Trust Deed, it is understood that the Grantor or Beneficiary may be more than one person; that if the context so requires, the singular shall be taken to mean and include that plural, and that generally all grammatical changes shall be made, assumed and implied to make the provisions apply equally to corporations and to individuals.

11. This Trust Deed shall be governed in all respects by and in accordance with Oregon law, without reference to any provisions thereof that may result in the application of the laws of any other jurisdiction.

12. ORS 93.040 DISCLOSURE. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

THIS TRUST DEED IS EXECUTED AS OF THE DATE FIRST SET FORTH ABOVE.

GRANTOR:

[DO NOT SIGN EXHIBIT]

STATE OF OREGON)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by _____, as _____ of _____, a _____, on behalf of said company.

_____
Notary Public - State of Oregon
My commission expires:

Execution Version (6/18/18)

EXHIBIT A TO DEED OF TRUST

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018				
Order No. __	**Ordinance No.** __	**Resolution No.** X **No. 2018-3493**	**Motion** __	**Information** ___
SUBJECT: A Resolution to update the Master Fee Schedule for the addition of bike rack fees, an adjustment to commercial plumbing per fixture costs, the inclusion of PUDs and projects in institutional zones within the engineering land use review fees, and the removal of the City Facility Fee.			**Contact Person (Preparer) for this Motion: Dan Keuler, Senior Accountant** **Dept.: Finance** **File No.:**	

RECOMMENDATION: Adopt Resolution No. 2018-3493, A Resolution to update the Master Fee Schedule by approving the addition of the Bike Rack Fee, correcting the per unit cost for commercial plumbing fixtures, expanding the land use review fees to include engineering fees charged on reviewing planned unit developments and projects in institutional zones, and removing the City Facility Fee.

EXECUTIVE SUMMARY: The Master Fee Schedule (MFS) was established in April 2016 with Resolution 2016-3268 and last updated in April via Resolution 2018-3443. The MFS does not include any pass through fees collected for other entities, franchise fees or city taxes.

HIGHLIGHT OF CHANGES:

In August of 2011, City Council adopted Resolution No. 2011-2965 directing staff to establish a comprehensive bicycle program that will include marked and signed bicycle routes, printed maps, and a downtown bicycle rack cost-sharing program. Pursuant to this program, the City bought a supply of bike racks. Local business can contact the Planning Division to purchase a bike rack for $100 each. The City in turn will install and maintain these racks. This particular fee was not included in the previous versions of the Master Fee Schedule and will be reflected in the "other fees" category within the Planning Division section of the MFS.

The building fee for commercial per fixture plumbing was updated in the April 2018 Master Fee Schedule to reflect a cost of $20.59 per commercial fixture. The correct charge beginning April 1, 2018 should have been $19.92. This is due to a software conversion from Permits Plus to Accela Automation requiring a methodology and permit processing change, as the amount being charged by the Building Division since the fee update was $19.92.

The Engineering Services Department currently charges land use review fees in the amount of $275 as a base fee up to 19 lots, with an additional $12.23 per lot over 19, for partitions and subdivisions for Type II and Type III applications. This fee does not make reference to Planned Unit Developments (PUD), for which the Engineering Services Department performs land use reviews and requires a fee to recover some of the costs associated with processing these reviews. Additionally, there is no land use review fee associated with the Engineering Services Department's performance of a development review for public improvements in institutional zones. This includes a base fee of $384.59 for the first acre, as well as an additional fee of $219.68 per additional acre. These fees will be subject to an annual increase on April 1 per CPI index.

The City Hall Fee, more commonly referred to as the City Facility Fee, was created in 1999 by way of the FY1999-00 adopted budget. The City Hall Fees collected were dedicated to the payment of the General Fund's portion of the City Hall bonded debt. As the funds required to pay down the remaining bonded debt have been collected, the City ceased collection of this fee beginning in May 2018. The MSF will be adjusted to reflect this fee termination.

FISCAL IMPACT: Fees are necessary to help the City provide municipal services and recover resources used. Due to the frequency at which these fees being corrected are used, there is a minimal effect on revenues.

STRATEGIC ASSESSMENT (RELATED TO COUNCIL PRIORITIES FROM SEPTEMBER 2017): Resolution 2018-3493 formally adopts a fee designed to recoup the resources used in by engineering for approving land use reviews of Planned Unit Developments and public improvements in institutional zones.

RESOLUTION NO. 2018-3493

A RESOLUTION TO UPDATE THE MASTER FEE SCHEDULE FOR THE ADDITION OF BIKE RACK FEES, AN ADJUSTMENT TO COMMERCIAL PLUMBING PER FIXTURE COSTS, THE INCLUSION OF PLANNED UNIT DEVELOPMENTS AND PROJECTS IN INSTITUTIONAL ZONES WITHIN THE ENGINEERING LAND USE REVIEW FEES, AND THE REMOVAL OF THE CITY FACILITY FEE.

RECITALS:

1. In April, 2016, the City established a Master Fee Schedule via Resolution 2016-3268 to create transparency and increase efficiency in managing city services and was last updated via Resolution 2018-3443 in April of 2018.

2. The City currently provides, installs, and maintains bike racks downtown for the cost of $100 per rack, as a facet of the downtown bicycle rack cost-sharing program established as part of a comprehensive bike program created by council action in 2011.

3. The Engineering Services Department reviews land use proposals in the institutional zones and Planned Unit Developments and a fee should be established for this work.

4. The funds required to pay down the remaining City Hall bonded debt, as established by the FY1999-00 adopted budget, have been sufficiently collected, and the City ceased collection of the City Facility Fee beginning in May of 2018.

5. The City has met the requirement for providing an opportunity for public comment prior to the adoption of this fee resolution as required by ORS 294.160.

THE CITY OF NEWBERG RESOLVES AS FOLLOWS:

1. To formally approve the Bike Rack Cost Sharing Program Fee of $100 per bike rack and add it to the Master Fee Schedule.

2. To make adjustment to the per fixture commercial plumbing fee reflected in the Master Fee Schedule to accurately reflect the cost of $19.92 per fixture.

3. To approve the Engineering fee for Land Use Reviews of PUDs of a base of $275 for the first 19 lots with an additional fee of $12.23 per lot after 19, to be increased annually on April 1 per CPI index.

4. To approve the Engineering fee for Land Use Reviews within institutional zones of a base of $384.59 for the first acre with an additional fee of $219.68 per additional acre, to be increased annually on April 1 per CPI index.

5. To remove the City Hall Fee from the MFS to appropriately reflect the fee termination effective in May 2018.

- **EFFECTIVE DATE** of this resolution is the day after the adoption date, which is: August 7, 2018.

ADOPTED by the City Council of the City of Newberg, Oregon, this 6th day of August, 2018.

_____
Sue Ryan, City Recorder

ATTEST by the Mayor this _____ day of August, 2018.

_____
Bob Andrews, Mayor

CITY RECORDER	
PUBLIC RECORDS FEES – Initially set by Resolution 2008-2771	
Research Requests – These fees are in addition to any copy, shipping, and handling fees. When research is less than 15 minutes, research fees may be waived. Research is charged at 1 hour minimum and billed in 15 minute increments after 1 hour.	
General records research	$60.00 per hour
City Attorney research	$92.10 per hour
Paper Copies and prints – Fees noted are for one sided copies. For two-sided copies, fees are double those shown.	
Letter, legal, or tabloid size. Larger sizes charged at third copy party rate	25 cents per copy
Copies by third party	Actual Cost
Shipping and Handling	Actual Cost
Other Records	
City of Newberg Street maps	$3.00
Comprehensive Plan Map and Zoning Maps	$15.00
Custom Maps – Engineering (GIS/Large)	$15.00 per map plus $62.00 per hour labor

FINANCE	
GENERAL FEES	
Lien Search	$27.00
NSF returned checks	$25.00
MUNICIPAL SERVICES STATEMENT FEES - Administrative	
Late Fee	$20.00 per meter
Water Connection Fee	$20.00 per meter
Water Re-connection Fee	$50.00 per meter

FINANCE	
MUNICIPAL SERVICES STATEMENT FEES - Public Safety Fees [1]	
Public Safety Fee	
5/8" or 3/4" meter	$3.00
1" meter	$7.50
1.25" meter	$10.50
1.5" meter	$15.00
2" meter	$24.00
3" meter	$48.00
4" meter	$75.00
6" meter	$150.00
8" meter	$240.00
10" meter	$345.00
Communications Officer Public Safety Fee	
3/4" or 5/8" meter	$2.04
1" meter	$5.11
1.25" meter	$7.15
1.5" meter	$10.21
2" meter	$16.34
3" meter	$32.67
4" meter	$51.05
6" meter	$102.10
8" meter	$163.36
10" meter	$428.82
12" meter	$541.13

[1] These fees are updated via a separate approval process.

FINANCE		
MUNICIPAL SERVICES STATEMENT FEES - Transportation Utility Fee [1]		
Residential Land Uses		
Single Family Detached Housing	$4.99	per dwelling unit
Multi-Family	$3.37	per dwelling unit
Mobile Home	$2.61	per dwelling unit
Non-Residential Land Uses		
Class 1 - Manufacturing	$3.72	per 1000 sf
Class 2 - Office	$14.66	per 1000 sf
Class 3 - Auto Repair, Clinic	$21.35	per 1000 sf
Class 4 - Sit Down Restaurant	$33.46	per 1000 sf
Class 5 - Convenience Store, Drive Thru	$97.16	per 1000 sf
Class 6 - Others		
Senior Adult Housing Attached	$2.04	per dwelling unit
Congregate Care	$1.12	per dwelling unit
Assisted Living	$1.47	per bed
Continued Care Retirement Community	$1.33	per unit
Hotel	$4.52	per room
Motel	$3.12	per room
City Park	$1.05	per acre
County Park, Farmland, Commercial Agriculture	$1.25	per acre
Golf Course	$19.77	per hole
Public Elementary School	$0.36	per student
Public Middle/Junior High School	$0.45	per student
Public High School	$0.48	per student
Private School (K-12)	$1.37	per student
Junior/Community College	$0.68	per student
University/College	$0.95	per student
Quick Lubrication Veh. Shop	$12.87	per service position
Gas/serve Station	$54.10	per fueling position
Gas/Serve Station with Conv. Market	$39.64	per fueling position
Food Cart	$47.66	per food cart

[1] These fees are updated via a separate approval process.

FINANCE	
MUNICIPAL SERVICES STATEMENT FEES - Water Service Charges [1]	
Service Charge ($/month)	$2.18
Meter Charge ($/month)	
3/4" meter	$12.95
1" meter	$22.02
1.5" meter	$42.74
2" meter	$68.64
3" meter	$129.50
4" meter	$216.27
6" meter	$431.24
8" meter	$690.24
10" meter	$1,078.74
Nonpotable Meter Charge ($/month)	
4" meter	$57.47
8" meter	$180.84
Volume Charge ($/ccf)	
Single Family Residential	$4.00
Multi-family Residential	$3.27
Commercial	$3.94
Industrial	$4.15
Irrigation	$7.20
Outside City	$6.01
Public Agency	$4.11
Non-Potable	$2.51

[1] These fees are updated via a separate approval process.

FINANCE	
MUNICIPAL SERVICES STATEMENT FEES - Wastewater Service Charges [1]	
Service Charge ($/month)	$22.57
Multi-family per unit Charge	$19.89
Volume Charge ($/ccf)	
Single Family Residential	$8.86
Multi-family Residential	$8.86
Commercial 1	$8.86
Commercial 2	$10.86
Commercial 3	$17.78
Industrial	$10.86
Outside City	$8.86
Sewer Only (no water service) Flat Rate including monthly service charge	$67.80
MUNICIPAL SERVICES STATEMENT FEES - Stormwater Service Charges [1]	
Service Charge ($/month)	$10.30

[1] These fees are updated via a separate approval process.

FIRE & EMS	
Originally set by Resolution 2014-3136, modified by Executive Order 2015-044	
Basic Life Support Base Rate	$1,833.86
Advanced Life Support (ALS) Base Rate	$1,833.86
Interfacility & Specialty Care Transfers	$2,292.32
Aid Call	$515.77
Sit-Up Charge	$361.04
Waiting Time	$107.74
Extra Technician	$377.08
Mileage Rate	$24.06 per mile
FireMed	$52.00

LIBRARY	
Damage to Items	Time & Materials (up to replacement cost)
Lost or Destroyed Items	Price of the item (if item returned within six months, the price of the item is refunded, the fine is not. There are no refunds on items returned 6 months after payment is made). *Fines are set by CCRLS*
Lost Library Card	$1.00
Computer Printing & Copies	10¢ each B & W 25¢ each Color 5¢ each if using own higher quality paper, i.e. for resumes (not available for regular paper)
MicroFilm Reader Prints	25¢ each
Exam Proctoring Fee No charge for online exams	10¢ per page to print from e-mail $2.00 to mail the test back
Inter Library Loan Fee	$10 each after 10 items per year
Non-resident Library Card Fee Scholarship (donated funds) may be available for those unable to pay the fee	$79 per year-Household $40 for 6 months $70 per year- Senior, $35 for 6 months Free card to youth 18 and younger (Newberg materials only)

BUILDING	
PERMIT CENTER FEES	
Building Permit Fees - Valuation Table[1,2]	
$1 - $500	$84.87
$501 - $2,000	$84.87 for the first $500 plus $1.50 for each additional $100 or fraction thereof, to and including $2,000
$2,001 - $25,000	$107.37 for the first $2,000 plus $7.80 for each additional $1,000 or fraction thereof, to and including $25,000
$25,001 - $50,000	$286.77 for the first $25,000 plus $5.85 for each additional $1,000 or fraction thereof, to and including $50,000
$50,001 - $100,000	$433.02 for the first $50,000 plus $3.90 for each additional $1,000 or fraction thereof, to and including $100,000
$100,001 and above	$628.02 for the first $100,000 plus $3.25 for each additional $1,000 or fraction thereof
Demolition Permit	$84.87 flat fee – Complete Based on building value – Partial
Fire Alarm Permit, Fire Sprinkler Permit – Commercial, Fire Suppression Permit – for Type 1 Hood	Use Building Valuation Table
Fire Sprinkler Permit – Residential Stand Alone	Not part of the plumbing system, requires a building permit and plumbing (backflow) permit
Solar	$84.87 - Prescriptive Based on Building Value - Non-Prescriptive
Building Plan Review Fee	85% of the Building Permit Fee
Fire and Life Safety Plan Review Fee	60% of the Building Permit Fee
Community Development Fee[1]	.75% of the project valuation

[1] See Glossary for Valuation Definitions

[2] See Glossary for ICC Valuation Data February 2018

BUILDING	
PERMIT CENTER FEES	
Grading Permit Fees - Valuation Table	
0 – 50 Cubic Yards	No permit required
51 - 100 Cubic Yards	$84.87
101 - 1,000 Cubic Yards	$84.87 for the first 100 Cubic Yards plus $21.68 for each additional 100 Cubic Yards or fraction thereof
1,001 - 10,000 Cubic Yards	$279.99 for the first 1,000 Cubic Yards plus $29.48 for each additional 1,000 Cubic Yards or fraction thereof
10,001 – 100,000 Cubic Yards	$545.31 for the first 10,000 Cubic Yards plus $82.10 for each additional 10,000 Cubic Yards or fraction thereof
100,001 Cubic Yards and above	$1,284.21 for the first 100,000 Cubic Yards plus $45.23 for each additional 100,000 Cubic Yards or fraction thereof
Grading Plan Review Fee[1]	85% of the Grading Permit Fee
Phased Permit Fees[1]	$274.28 plus 10% of the Building Permit Fee with a maximum of $1,500 excluding Phase 1
Other Fees:	
Inspections Outside of normal business hours	$84.87 per hour minimum of 2 hours
Additional plan review required by changes, additions or revisions to approved plans, Inspections for which no fee is specifically indicated, occupancy change	$84.87 first hour, fraction thereof each ¼ hour, minimum of 1 hour
Reinspection Fee	$84.87 each
Investigation Fee	$84.87 per hour minimum ¼ hour
Deferred Submittal	$219.42 for each deferred or 10% of the permit fee for the value of the deferred work, whichever is greater

[1] See Glossary for Valuation Definitions

BUILDING - Mechanical		
PERMIT CENTER FEES		
Furnace:	**Res Fee**	**Com Value**
FAU/Gravity Furnace <100K BTU	$19.60	$1,584.05
FAU/Gravity Furnace > 100K BTU	$23.58	$1,827.75
Wall/Floor/Suspended/Mounted	$19.60	$1,584.05
Other Heating Units:		
Wood/Fireplace/Masonry/Factory Built	$34.21	$1,218.50
Room Heaters, Non-Portable	$24.88	$121.85
Appliance Vents and Air Ducts	$11.62	$731.10
Boilers/Compressors/Absorption Systems:		
1 - 100K BTU	$19.60	$1,584.05
101K – 500K BTU	$31.79	$2,802.55
501K – 1,000K BTU	$43.50	$3,777.35
1,001K – 1,750K BTU	$63.42	$5,605.26
> 1,750K BTU	$103.27	$8,163.94
Air Handler:		
1 - 10K CFM	$15.61	$1,827.75
>10K CFM	$23.58	$1,827.75
Evaporative Coolers	$15.61	$1,584.05
Ventilation and Exhaust:		
Ventilation Fan – Single Duct	$11.62	$731.10
Ventilation System	$15.61	$731.10
Exhaust Hoods	$15.61	$1,218.50
Incinerator:		
Domestic	$23.58	N/A
Commercial/Industrial	N/A	$7,554.70
Gas Piping:		
Gas Pipe Outlet 1-4	$14.28	$607.44
Gas Pipe Outlet Each Outlet over 4	$6.29	$121.85
Miscellaneous: Clothes Dryer/Water Heater/Etc.	$15.61	N/A
Minimum Fee (*min fee is charged unless the calculated fee is greater*):	$84.87	N/A

BUILDING - Mechanical	
PERMIT CENTER FEES	
Mechanical Permit Fee - Valuation Table – Commercial/Industrial	
$1 - $2,000	$84.87
$2,001 - $5,000	$84.87 for the first $2,000 and $2.30 for each additional $100 or fraction thereof, to and including $5,000
$5,001 - $10,000	$153.87 for the first $5,000 and $1.80 for each additional $100 or fraction thereof, to and including $10,000
$10,001 - $50,000	$243.87 for the first $10,000 and $1.50 for each additional $100 or fraction thereof, to and including $50,000
$50,001 - $100,000	$843.87 for the first $50,000 and $1.25 for each additional $100 or fraction thereof, to and including $100,000
$100,001 and above	$1,468.87 for the first $100,000 and $1.10 for each additional $100 or fraction thereof
Type 1 Hood	Use Mechanical valuation table
Mechanical Plan Review Fee	50% of the Mechanical permit fee

BUILDING - Plumbing	
PERMIT CENTER FEES	
1 & 2 Family New:	
1 Bath	$205.85
2 Bath	$272.26
3 Bath	$338.66
Each additional bath/kitchen	$84.87
1 & 2 Family Alteration	
Per Fixture	$19.92
1 & 2 Family Fire Sprinkler system – multi-purpose (is part of the plumbing system):	
0 - 2,000 Square Feet	$84.87
2,001 - 3,600 Square Feet	$113.13
3,601 - 7,200 Square Feet	$141.43
>7,201 Square Feet	$198.00

BUILDING - Plumbing	
PERMIT CENTER FEES	
Commercial:	
Per Fixture	$19.92
Water/Sanitary/ Sewer:	
First 100 Feet	$84.87
Each additional	$33.21
1 & 2 Family Rain Drains: Downspouts	$84.87
Miscellaneous:	
Alternative Water Heating	$84.87
Backflow Device	$84.87
Minimum Fee: Minimum Fee is charged unless the calculated fee is greater	$84.87
Medical Gas Permit Fee - Valuation Table	
$1 - $25,000	$266.86
$25,001 - $50,000	$266.86 for the first $25,000 + $5.85 for each additional $1,000 or fraction thereof, to and including $50,000
$50,001 - $100,000	$413.11 for the first $50,000 + $3.90 for each additional $1,000 or fraction thereof, to and including $100,000
$100,001 and above	$608.11 for the first $100,000 + $3.25 for each additional $1,000 or fraction thereof
Plumbing Plan Review Fee	50% of the Plumbing Permit Fee
Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)**	5% of the permit amount

BUILDING - Manufactured Parks								
PERMIT CENTER FEES								
Manufactured Dwelling Park Permit Fee – Table 1								
$1 - $500					$15.00			
$501 - $2,000					$15.00 for the first $500 plus $2.00 for each additional $100 or fraction thereof, to and including $2,000			
$2,001 - $25,000					$45.00 for the first $2,000 plus $9.00 for each additional $1,000 or fraction thereof, to and including $25,000			
$25,001 - $50,000					$252.00 for the first $25,000 plus $6.50 for each additional $1,000 or fraction thereof, to and including $50,000			
$50,001 - $100,000					$414.50 for the first $50,000 plus $4.50 for each additional $1,000 or fraction thereof, to and including $100,000			
$100,001 - $500,000					$639.50 for the first $100,000 plus $3.50 for each additional $1,000 or fraction thereof, to and including $500,000			
$500,001 - $1,000,000					$2,039.50 for the first $500,000 plus $2.00 for each additional $1,000 or fraction thereof, to and including $1,000,000			
$1,000,001 and above					$3,039.50 for the first $1,000,000 plus $2.00 for each additional $1,000 or fraction thereof			
Manufactured Dwelling Park Valuation Fee - Table 2[1]								
Park Class	**Spaces Per Acre**							
	4	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**
A	18,293.04	17,102.64	16,110.65	15,317.05	14,523.45	13,928.25	13,531.45	13,303.02	13,134.66
B	17,062.34	16,196.85	14,879.95	14,086.35	13,292.76	12,697.55	12,300.77	12,102.35	11,792.36
C	16,467.13	15,586.74	14,284.75	13,491.15	13,233.85	12,102.35	11,705.57	11,507.15	11,308.75

[1] See glossary for definitions

BUILDING - Manufactured Parks
PERMIT CENTER FEES
Formula for Manufactured Dwelling Park Permit and Plan Review Fee: 1. Square Feet of Area being developed ÷ 43,560 (43,560 = 1 acre) 2. Number of spaces ÷ number of acres = valuation in Table 2 3. Valuation in Table 2 x Number of spaces = Permit Fee in Table 1 4. The Permit Fee is taken from Table 1 5. The Plan Review Fee is 85% of the Permit Fee

BUILDING - Recreational Parks	
PERMIT CENTER FEES	
Recreational Park Permit Fee – Table 1	
$1 - $500	$15.00
$501 - $2,000	$15.00 for the first $500 plus $2.00 for each additional $100 or fraction thereof, to and including $2,000
$2,001 - $25,000	$45.00 for the first $2,000 plus $9.00 for each additional $1,000 or fraction thereof, to and including $25,000
$25,001 - $50,000	$252.00 for the first $25,000 plus $6.50 for each additional $1,000 or fraction thereof, to and including $50,000
$50,001 - $100,000	$414.50 for the first $50,000 plus $4.50 for each additional $1,000 or fraction thereof, to and including $100,000
$100,001 - $500,000	$639.50 for the first $100,000 plus $3.50 for each additional $1,000 or fraction thereof, to and including $500,000
$500,001 - $1,000,000	$2,039.50 for the first $500,000 plus $2.00 for each additional $1,000 or fraction thereof, to and including $1,000,000
$1,000,001 and above	$3,039.50 for the first $1,000,000 plus $2.00 for each additional $1,000 or fraction thereof

BUILDING - Recreational Parks								
PERMIT CENTER FEES								
Recreational Park Valuation Fee[1] - Table 2								
Park Class	**Spaces Per Acre**							
	6	8	10	**12**	**14**	**16**	**18**	**20**	**22**
A	2,637	2,470	2,320	2,189	2,074	1,978	1,907	1,849	1,798
B	2,483	2,317	2,176	2,035	1,920	1,824	1,754	1,696	1,645
C	1,792	1,626	1,485	1,344	1,229	1,133	1,062	1,005	954
Formula for Recreational Park Permit and Plan Review Fee:								
1. Square Feet of Area being developed ÷ 43,560 (43,560 = 1 acre)								
2. Number of spaces ÷ number of acres = valuation in Table 2								
3. Valuation in Table 2 x Number of spaces = Permit Fee in Table 1								
4. The Permit Fee is taken from Table 1								
5. The Plan Review Fee is 85% of the Permit Fee								

BUILDING - Manufactured Building	
PERMIT CENTER FEES	
Manufactured Building Permit Fees:	
Manufactured Building in a Park	$591.79 Flat Fee
Manufactured Building Elsewhere	$729.96 Flat Fee
Manufactured Building Commercial	Based on Building Value

[1] See glossary for definitions

PLANNING	
PERMIT CENTER FEES	
Pre-Application Review	$100.00
Type I (Administrative Review):	
Any Type I action not specifically listed in this section	$170.00
Property Consolidation	$170.00
Code Adjustment	$424.00
Design Review – (Duplex or Commercial/Industrial minor addition review)	0.3% of project value, $424 minimum
Minor modification or extension of Type I decision	$170.00
Major modification of Type I decision	50% of original fee
Partition final plat	$848 + $75 per parcel
Property line adjustment	$848.00
Sign review	$76 + $1 per sq. ft. of sign face
Subdivision, PUD or Condominium final plat	$1,697 + $75 per lot or unit
Type II (Land Use Decision):	
Any Type II action not specifically listed in this section	$848.00
Minor modification or extension of Type II decision	$170.00
Major modification of Type II decision	50% of original fee
Design Review (Including Mobile/Manufactured Home Parks)	0.6% of total project cost, $848 minimum
Partition preliminary plat	$848 + $75 per parcel
Subdivision preliminary plat	$1,697 + $75 per lot
Variance	$848.00
Type III (Quasi-Judicial Review)	
Any Type III action not specifically listed in this section	$1,798.00
Annexation	$2,364 + $227 per acre
Comprehensive plan amendment (Site specific)	$2,216.00
Conditional Use Permit	$1,798.00

PLANNING	
PERMIT CENTER FEES	
Minor modification or extension of Type III decision	$170.00
Major modification of Type II decision	50% of original fee
Historic Landmark establishment or modification	$0.00
Historic Landmark elimination	$2,061.00
Planned Unit Development	$3,590 + $75 per unit
Subdivision preliminary plat	$1,697 + $75 per lot
Zoning Amendment (site specific)	$2,240.00
Type IV (Legislative amendments)	
Comprehensive plan text amendment or large scale map revision	$2,547.00
Development Code text amendment or large scale map revision	$2,547.00
Appeals	
Type I or II Appeal to Planning Commission	$487.00
Type I or II Appeal to City Council	$882.00
Type III Appeal to City Council	$1,035.00
Type I Adjustments or Type II variances that are not designed to regulate the physical characteristics of a use permitted outright	$274.00
Other Fees:	
Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)**	5% of the permit amount
Expedited Land Division	$6,307 + $75 per lot or unit
Urban Growth Boundary amendment	$4,031.00
Vacation of Public Right-of-Way	$1,673.00
Bike Rack Cost Sharing Program	$100 per rack
License Fees:	
Temporary Merchant	$103/45 days or $335 perpetual
Home Occupation	$26.00
Business License	$50.00
Peddler/Solicitor/Street Vendor License	No additional fees – business license fee only
Exhibitor License	$125.00 Application Fee

POLICE	
Alarm Permit: False alarms – First 2 free, 3 to 9 false alarms	$50.00 per incident per calendar year
Alarm Permit: False alarms – Over 10	$100 per incident per calendar year
Dance Permit	$10.00
Liquor License Applications	$25.00
Police Public Records	
Certified Background Check	$35.00 per person
Electronic documents or file copied to CD or DVD	$13.50 per disk
Photographs from negatives or slides	$15.00 for first photo plus $1.00 per photo each additional photo
Reports, up to 10 pages	$15.00
Reports over 10 pages	$27.18/hour labor over ½ hour plus copying, shipping & handling fees
Tapes: Audio	$37.00
Tapes: VHS or VHS to CD	$39.00

PUBLIC WORKS - Operations	
Newgrow Compost (Bulk)	Fees set by City Manager
Newgrow Compost (Bag)	Fees set by City Manager
Sawdust	$30.00 per cubic yard
Septic Drop-off (permitted septic companies only)	$.13 per gallon
Recreational Vehicle Waste	$5.00 per vehicle

PUBLIC WORKS - Maintenance	
Hydrant Meter Fees	
Non-refundable Application Fee	$150 (covers first 10,000 gallons of water used)
Water usage fee > 10,001 gallons	Charged at the current commercial volume rate
Billing Fee	$10/month
Rental Fee	$50/month

PUBLIC WORKS - Engineering		
PERMIT CENTER FEES		
System Development Charges[2]		
Wastewater Development Fee[1]**:**		
For the first 18 fixture units	$6,533.08	
Per each fixture unit over 18	$364.03	
Efficiency Dwelling Unit[1] (per each fixture unit)	$364.03	
Water Development Fee[1]:	**Potable**	**Nonpotable**
3/4” meter	$5,272.99	$3,463.63
1” meter	$8,963.87	$5,887.96
1.25” meter	$13,182.48	$8,659.08
1.5” meter	$17,401.09	$11,430.20
2” meter	$27,947.07	$18,356.39
3” meter	$52,731.00	$34,635.24
4” meter	$88,060.91	$57,841.36
6” meter	$174,013.04	$114,296.63
8” meter	$279,475.04	$183,567.11
10” meter	$404,271.34	$265,537.58
Efficiency Dwelling Unit[1]	$373.84	
Storm System Development Fee:[1]		
Single Family - Equivalent Dwelling Unit (EDU)[1]	$358.64 flat fee	
Other than Single Family	(Impervious Area/2877) x $358.64	

[1] See glossary for definitions

[2] These fees are established via a separate approval process, but increased in accordance with the inflationary index established in the Newberg Municipal Code.

PUBLIC WORKS - Engineering			
PERMIT CENTER FEES			
Transportation Development Fee[2]:			
Single Family – LDR per unit	$6,233.68		
Multi Family – MDR per unit	$4,094.75		
Condominium	$3,178.23		
Manufactured Home – in a park	$3,667.19		
Manufactured Home – Elsewhere	$6,233.68		
Commercial/Industrial	See formula in Transportation System Plan		
Efficiency Dwelling Unit[1]	$1,575.11		
Wastewater Connection Fee	Actual costs		
Water Connection Fee	Actual costs		
Signalization Fee - Single Family	$218.09		
	BASE	**ADDITIONAL**	**PER**
Sidewalk or Driveway approach permit and inspection	$28.19	$0.27	Square Feet
Public street ADA ramp review and inspection	$33.51	N/A	Each ramp
Land Use Review Fees:	**BASE**	**ADDITIONAL**	**PER**
Planning review, Partition, Subdivision, and Planned Unit Development (Type II/III applications)	$275.00 2-19 lots	$12.23	lot after 19
Final plat review, partition and subdivision	$275.00	$6.91	each lot or parcel
Development Review for public improvements on Commercial, Industrial, Institutional zone, and Multifamily developments	$384.59	$219.68	After first acre

[1] See glossary for definitions

[2] These fees are established via a separate approval process, but increased in accordance with the inflationary index established in the Newberg Municipal Code.

PUBLIC WORKS - Engineering			
PERMIT CENTER FEES			
Construction/Site Development Plan Review and Inspection Fees	**BASE**	**ADDITIONAL**	**PER**
Erosion Control Plan review and inspection:			
500 To 5000 Square Feet disturbed	$164.37	N/A	each permit
5001 Square Feet to less than 1 acre disturbed	$384.59	N/A	each permit
1 acre and larger disturbed	By DEQ permit	N/A	N/A
Technology Fee **(This fee will be added to all Planning, Engineering and Building Fees. This does not apply to System Development Charges.)**	5% of the permit amount		
Site Improvement:			
Public Improvement site development permit – refer to application form for additional fee details	5%	N/A	Public construction cost estimate
Single Family house Site Plan Review, stormwater review and Engineering	$164.37	N/A	EACH PERMIT
Stormwater: Commercial/Industrial/Multi Family private facility storm drainage plan review and final inspection for water quality/quality facilities	$329.26 First Acre	$82.44 Additional Developed Acre	
Reinspection Fee	$55.32		
Hardship Requests	$219.68		
Utility Right of Way Non-refundable Application Fee	$500.00		
Right of Way, Easement Review	$275.00		
Subsurface Permit for Franchise	$164.37		
Stormwater Fee in lieu - Private	$1.50/SF		
Stormwater Fee in lieu - Public	$2.00/SF		

Building Permit Fees - Building Valuation Table (see page 25): The Fee complies with the definition of "valuation" in Section 423 of the State of Oregon Structural Specialty Code and includes Architectural, Structural, Electrical, Plumbing, Heating, Ventilation Devices and Equipment. The valuation also includes the contractor's profit which should not be omitted. The determination of value or valuation under any provisions of this code shall be made by the Building Official. The value shall be the estimated amount from the City of Newberg building valuation data table or the estimated value including all construction work for which the permit is issued as well as all finish work, painting, roofing, electrical , plumbing, heating, air conditioning, elevators, fire extinguishing systems and any other permanent equipment, whichever is greater.

The square foot construction costs table determines the cost of the project by the building use and type of construction. To calculate the valuation, the cost per square foot is multiplied by the projects total square footage. For projects where square footage is not added, the value is calculated by multiplying product value by 1.6 to determine valuation.

Valuation Table ICC Valuation Data February 2018

SQUARE FOOT CONSTRUCTION COSTS		TYPE OF CONSTRUCTION								
GROUP	(INTERNATIONAL BUILDING CODE)	IA	IB	IIA	IIB	IIIA	IIIB	IV	VA	VB
A-1	ASSEMBLY, THEATERS, WITH STAGE	239.41	231.54	226.03	216.67	203.74	197.86	209.82	186.11	179.13
A-1	ASSEMBLY, THEATERS, WITHOUT STAGE	219.07	211.20	205.68	196.33	183.65	177.76	189.48	166.01	159.03
A-2	ASSEMBLY, NIGHTCLUBS	188.23	182.77	178.14	170.93	161.13	156.68	164.92	145.88	140.94
A-2	ASSEMBLY, RESTAURANTS, BARS, BANQUET HALLS	187.23	181.77	176.14	169.93	159.13	155.68	163.92	143.88	139.94
A-3	ASSEMBLY, CHURCHES	220.05	212.18	206.66	197.31	185.99	180.11	190.46	168.36	161.38
A-3	ASSEMBLY, GENERAL, COMMUNITY HALLS, LIBRARIES, MUSEUMS	185.05	177.18	170.67	162.31	148.58	143.75	155.46	131.00	125.02
A-4	ASSEMBLY, ARENAS	218.07	210.20	203.68	195.33	181.65	176.76	188.48	164.01	158.03
B	BUSINESS	192.02	185.04	179.30	170.56	155.93	150.11	164.01	137.00	131.05
E	EDUCATIONAL	197.52	190.73	185.77	177.32	165.32	156.97	171.23	144.39	140.26
F-1	FACTORY AND INDUSTRIAL, MODERATE HAZARD	114.08	108.82	102.59	98.59	88.51	84.45	94.44	74.21	69.43
F-2	FACTORY AND INDUSTRIAL, LOW HAZARD	113.08	107.82	102.59	97.59	88.51	83.45	93.44	74.21	68.43
H-1	HIGH HAZARD, EXPLOSIVES	106.73	101.48	96.25	91.25	82.38	77.32	87.10	68.08	N.P.
H234	HIGH HAZARD	106.73	101.48	96.25	91.25	82.38	77.32	87.10	68.08	62.30
H-5	HPM	192.02	185.04	179.30	170.56	155.93	150.11	164.01	137.00	131.05
I-1	INSTITUTIONAL, SUPERVISED ENVIRONMENT	191.30	184.81	179.46	171.90	158.36	154.06	171.99	141.86	137.45
I-2	INSTITUTIONAL, HOSPITALS	321.25	314.27	308.52	299.78	284.17	N.P.	293.24	265.24	N.P.
I-2	INSTITUTIONAL, NURSING HOMES	222.99	216.01	210.27	201.52	187.89	N.P.	194.98	168.96	N.P.
I-3	INSTITUTIONAL, RESTRAINED	218.28	211.30	205.55	196.81	183.43	176.62	190.27	164.50	156.55
I-4	INSTITUTIONAL, DAY CARE FACILITIES	191.30	184.81	179.46	171.90	158.36	154.06	171.99	141.86	137.45
M	MERCANTILE	140.27	134.81	129.18	122.96	112.68	109.23	116.95	97.44	93.50
R-1	RESIDENTIAL, HOTELS	193.08	186.60	181.24	173.68	159.89	155.58	173.77	143.39	138.97
R-2	RESIDENTIAL, MULTIPLE FAMILY	161.95	155.46	150.10	142.54	129.52	125.22	142.64	113.02	108.61
R-3	RESIDENTIAL, ONE- AND TWO-FAMILY	151.10	146.99	143.20	139.61	134.50	130.95	137.27	125.85	118.45
R-4	RESIDENTIAL, CARE/ASSISTED LIVING FACILITIES	191.30	184.81	179.46	171.90	158.36	154.06	171.99	141.86	137.45
S-1	STORAGE, MODERATE HAZARD	105.73	100.48	94.25	90.25	80.38	76.32	86.10	66.08	61.30
S-2	STORAGE, LOW HAZARD	104.73	99.48	94.25	89.25	80.38	75.32	85.10	66.08	60.30
U	UTILITY, MISCELLANEOUS	83.66	79.00	74.06	70.37	63.47	59.32	67.24	50.19	47.80

A. PRIVATE GARAGES AND COVERED DECKS, USE UTILITY, MISCELLANEOUS

B. UNFINISHED BASEMENTS (GROUP R-3) = $21.00 PER SQ. FT.

C. FOR SHELL ONLY BUILDINGS DEDUCT 20 PERCENT

D. N.P. = NOT PERMITTED

E. CARPORT, COVERED PORCH, PATIO, OR DECK SQUARE FOOTAGE SHALL BE CALCULATED SEPARATELY AT 50% OF THE VALUE OF A PRIVATE GARAGE FROM THE ICC BUILDING VALUATION DATA TABLE CURRENT AS OF APRIL 1 – OAR 918-050-0100

Community Development Fee: Revenues are used to cover the costs of operating the Permit Center. The Permit Center provides services including customer information, planning and zoning, and engineering review that are necessary prior to building plan review, and are not covered under Building Plan Review Fees.

City Hall Fee: Revenues are used to cover office space costs for the Permit Center.

Grading Plan Review Fee: The fee for Grading Permit authorizing additional work to that under a valid permit shall be the difference between the fee paid for the original permit and the fee shown for the entire project.

Manufactured Dwelling Park Valuation Fee – Table 2 Definitions
* Deduct 10% from the valuation of parks constructed east of the cascade summit
* Class A Parks contain paved streets, curbs and sidewalks
* Class B Parks contain no paved streets, no curbs but have sidewalks on one side of each street
* Class C Parks contain no paved streets, no curbs but have sidewalks on one side of each street
* Parks containing spaces in more than one class, figure the spaces in each class; then add them together to obtain the total valuation for the park.
*The Area Development Permit does not include permits or related fees for buildings, manufactured dwelling installations, accessory buildings or structures, mechanical, plumbing or electrical systems, boiler, or elevated or permits required by other agencies.
* See Oregon Administrative Rule (OAR) 918-600-030 for plan review and inspection fees based on this valuation

Phased Permit Fees: in each phase of Building, Phase 1 – Foundation, Phase 2 – Building "Shell", Phase 3 – Completion, Building Permits may be obtained as phased permits under the following conditions: 1) In each phase there must be sufficient information provided in order to allow a complete review of the plans. 2) Plans shall be prepared by a licensed Oregon architect or engineer. 3) Deferral of any submittal items shall have prior approval of the Building Official. The licensed Oregon architect or engineer of record shall list the deferred submittals on the plans and shall review the deferred submittal documents for compatibility with the design of the building prior to submittal to the Building Official for review. 4) The City of Newberg will accept plans submitted in the sequence listed for phased development. 5) Grading and site utilities are not part of the phase program.

Recreational Park Valuation Fee - Table 2 Definitions
* Deduct 10% from the valuation of parks and camps constructed east of the cascade summit
* Class A Parks and camps contain paved streets and electric, water and sewer service to each R.V or camping space
* Class B Parks and camps contain electric, water and sewer service to each R.V. or camping space, but do not have paved streets
* Class C Parks and camps contain a combination of no more than two services involving electric, water or sewer and do not have paved streets
* When a park or camp contains spaces in more than one class, figure the spaces in each class, then add them together to obtain the total valuation

Recreational Park Valuation Fee - Table 2 Definitions (continued)

* The area developed permit does not include permits or related fees for buildings, manufactured dwelling installations, accessory buildings or structures, mechanical, plumbing or electrical systems, boiler, or elevators, or permits required by other agencies

* See Oregon Administrative Rule (OAR) 918-600-030 for plan review and inspection fees based on this valuation

PERMIT CENTER –ENGINEERING

SYSTEM DEVELOPMENT CHARGES DEFINITIONS

Efficiency Dwelling Unit (EDU): A Studio or one bedroom dwelling unit with less than 600 square feet floor area and one bathroom. The unit is located on a lot with other dwelling units or primary uses.

Wastewater Development Fee: Revenues are used to maintain the City's Wastewater System. This fee is collected for any new connections to the City's Wastewater System and is determined by the number of fixture units i.e. sink, bathtub, etc. in the unit.

Water Development Fee: Revenues are used to maintain the City's Water System. This fee is collected for each new connection to the City's water system and is determined by the size of the water meter. Standard single family meter size is ¾".

Storm System Development Fee: Revenues are used to maintain the City's Stormwater System. This fee is collected for each new development that connects to or otherwise uses the City Stormwater System and is determined by the square feet of impervious area. Impervious surface is the hard surface area which either prevents or retards entry of water into the soil mantel and/or causes water to run off the surface in greater quantities or at an increased rate of flow from that present under natural conditions. Impervious surface areas include, but are not limited to, rooftops, concrete or asphalt paving, walkways, patios, driveways, parking lots or storage areas and trafficked gravel or other surfaces which impede the natural infiltration or runoff of surface water. An equivalent dwelling unit (EDU) is equal to 2,877 square feet of impervious area.

Transportation System Development Fee: Revenues are used for future expansion of the City's Streets. This fee is collected for each new development that connects to the City's current street system and is determined by a methodology utilizing a PM peak hour person trip-end (PMPHPT) basis for calculating future trip growth. The formula used to calculate the fee is: SDC Fee = UNIT X ITE Trip Rate X 1.68 X $3,637.77 ITE Trip Generation Rates.

REQUEST FOR COUNCIL ACTION

DATE ACTION REQUESTED: August 6, 2018				
Order ___ No.	**Ordinance ___ No.**	**Resolution ___ No.**	**Motion ___**	**Information XX**
SUBJECT: 2016 Newberg Economic Development Strategy Annual Review			**Contact Person (Preparer) for this Item: Doug Rux, Director Dept.: Community Development File No.:**	

RECOMMENDATION:

Information only.

EXECUTIVE SUMMARY:

The Newberg Economic Development Strategy (NEDS) was approved by the Newberg City Council on April 18, 2016 by Resolution No. 2016-3274. The Chehalem Valley Chamber of Commerce and Newberg Downtown Coalition also approved the strategy in April 2016. This is the second annual review of the NEDS.

The Newberg Economic Development Strategy is based on four pillars of activity:

1. Industrial Sector
2. Commercial Sector
3. Business Development and Workforce
4. Tourism and Hospitality

The Industrial Sector has the following strategies:

- Diversify the Local Economy (includes vertical integration of Wine Industry)
- Retention & Expansion of Existing Companies
- Recruitment of Traded Sector Companies
- Partnerships
- Marketing
- Increase Land Supply
- Regulatory Environment
- Infrastructure/Utilities
- Transportation

The Commercial Sector strategies are:

- Downtown Revitalization
- Business Retention
- Redevelopment Vacant/Underutilized Land
- Marketing
- Downtown Infrastructure
- New Business Creation
- Land Supply

Business Development and Workforce strategies include:

- Business Formation
- Innovation Accelerator
- Buy Local
- Enhance Business Mix
- Workforce Development
- Business Resource Center
- Employment Training
- Business Financing

Tourism and Hospitality strategies are:

- Visitor/Tourist Counts
- Events
- Transient Lodging Tax Program

Actions are identified for each strategy and broken down into Short-term (0 – 12 months), Mid-term (12 – 24 months) and Long-term (24 – 36 months). In total there are 27 strategies and 213 actions to be implemented over the first three years of the Strategy. For the second year the focus included:

Industrial Sector – 4 Strategies and 21 Actions
Commercial Sector – 3 Strategies and 18 Actions
Business Development and Workforce – 3 Strategies and 21 Actions
Tourism and Hospitality – 2 Strategies and 9 Actions

Attachment 1 is a Power Point that summarizes the accomplishments over the second year of implementation. Attachment 2 is the Draft Annual Report.

The Newberg Economic Development Strategy will be updated every three years. The Newberg Economic Development Strategy is aligned with the Newberg Comprehensive Plan, Newberg Tourism Strategy, Newberg Downtown Improvement Plan, 2016 Transportation System Plan, 2017 Water Master Plan and 2018 Wastewater Master Plan. The Newberg Economic Development Strategy will be taken into consideration during development of the Riverfront Master Plan over the next 12 months.

FISCAL IMPACT:

The City of Newberg's identified lead responsibilities in the Strategy are estimated at 1.8 FTE's disbursed amongst the Community Development Department, Public Works Department and City Manager's Office if all lead responsibilities were worked on simultaneously. Based on priorities established in the Strategy, 1 FTE was estimated for the second year.

STRATEGIC ASSESSMENT (RELATE TO COUNCIL PRIORITIES FROM SEPTEMBER 2017):

Goal 1: Implement Newberg Economic Development Strategy.

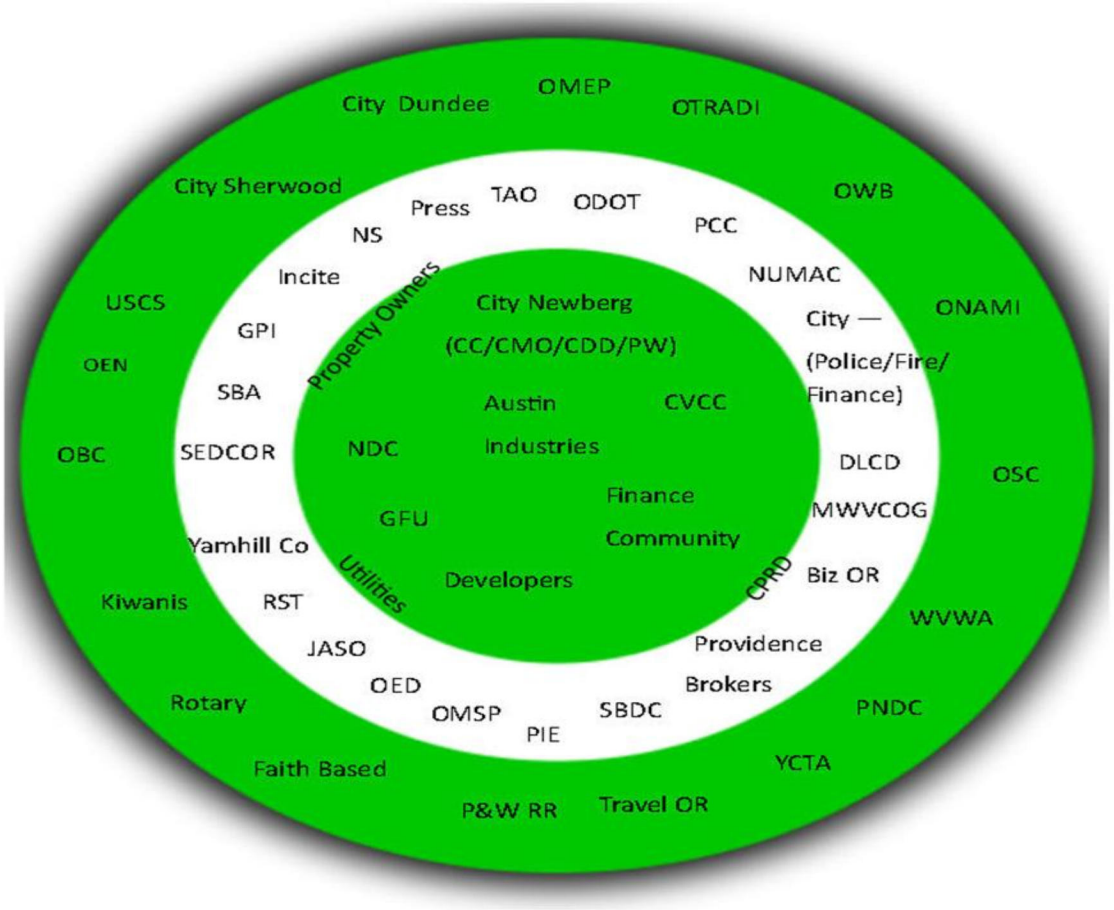
The Newberg Economic Development Strategy Core Group met eleven times during the second year of implementation of the strategy providing monthly updates on activities. A primary focus of the activities were on Business Development and Workforce being led by the Chehalem Valley Chamber of Commerce. Tourism and Hospitality was another focus area led by the Transient Lodging Tax Ad Hoc Committee. Progress continued to be made on the Industrial and Commercial Sectors by the City of Newberg and

Newberg Downtown Coalition.

Attachment: 1. Newberg Economic Development Strategy Annual Report Power Point
2. Newberg Economic Development Strategy Draft Annual Report

Newberg Economic Development Strategy Annual Report August 2018

EC DEV—NEWBERG ORGANIZATIONS (FUTURE)



Core — Initiator/Facilitator/Convener

Tier 2 — Quality of Life/Major Influencers/Direct Relationships

Tier 3 — Community Resources

See reverse side for acronym full listing

3/18/16

Four Pillars of Activity

- Industrial Sector
- Commercial Sector
- Business Development & Workforce
- Tourism & Hospitality

Strategies & Actions

Strategy Type	# of Strategies	# of Actions
Industrial Sector	9	68
Commercial Sector	7	41
Business Development & Workforce	8	80
Tourism & Hospitality	3	24

Industrial Sector Accomplishments - Strategies

Focus second year on 4 Strategies & 21 actions:

1. Diversify local economy
2. Retain & Expand Existing Industrial Businesses
3. Recruit Traded Sector Companies
4. Increase Industrial Land Supply

Industrial Sector Accomplishments – Diversify Local Economy Actions

- Implement one or more of the vertical wine integration demonstration projects (1.1.6)
- Supply chain analysis of the four (4) existing traded sector industries and targeted industries (1.1.6)
- Conduct retention visits (1.2.1)
- Leverage the Business Resource Center implementation (1.2.2)
- Coordinate recruitment activities (1.3.1)

Industrial Sector Accomplishments – Retention/Expansion/Recruitment Actions

- City coordinates recruitment activities with Biz OR, SEDCOR and GPI (1.3.1)
- Recruitment of food processing (wine) companies and suppliers (1.3.7)
- Build and maintain relationships with Biz OR, SEDCOR and GPI (1.4.1)
- Conduct annual roundtable forum on economic development activities with regional, state and federal organizations 1.4.5)
- Connect the organizations to the Business Resource Center as it develops (1.4.6)

Industrial Sector Accomplishments – Supply of Industrial Land Actions

- Coordinate data gathering and marketing material with SEDCOR, GPI and MWVCOG (1.5.5)
- Develop community profile to place on Greater Portland Inc. web site (1.5.9)
- Promote the Business Resource Center and it's resources (1.5.10)
- Identify needed infrastructure and financing for the infrastructure (1.6.6)

Industrial Sector Accomplishments – Supply of Industrial Land Actions

- Expand the Urban Growth Boundary (1.6.7)
- Identify shovel ready sites (1.6.8)
- Tell the story of the expansion to build community support for future expansions (1.6.9)
- Follow-up interviews with expansion and new industrial developments (1.7.4)
- Enhance city permitting processes. (1.7.5)

Industrial Sector Accomplishments – Supply of Industrial Land Actions

- Update sanitary sewer master plan (1.8.4)
- On-going coordination with utility companies (1.8.5)
- Work with stakeholders to obtain funding for the east leg of the Newberg-Dundee Bypass (1.9.4)

Commercial Sector Accomplishments – Strategies

Focus second year on 3 Strategies & 18 actions:

1. Revitalize Downtown Newberg
2. Retain existing commercial & retail businesses
3. Increase supply of commercial & retail land

Commercial Sector Accomplishments – Downtown Revitalization Actions

- Secure funds for downtown improvement implementation (2.1.5)
- Implement recommendations from the Newberg Downtown Improvement Plan (2.1.6)
- Evaluate options for an Urban Renewal Area (URA), Business Improvement District (BID), or Economic improvement District (EID) (2.1.7)
- Research best practices from comparable sized cities on downtown development activities (2.1.8)

Commercial Sector Accomplishments – Retain Existing Commercial & Retail Actions

- Enhance permitting (2.2.2)
- Interview businesses exiting Newberg (2.2.3)
- Leverage the development of the Business Resource Center (2.2.4)
- Work with partners to market sites (2.3.2)
- Meet with property owners on development and redevelopment opportunities (2.3.3)

Commercial Sector Accomplishments – Retain Existing Commercial & Retail Actions

- Develop a program for possible property assemblage (2.3.4)
- Enhance existing or create new incentive packages (2.3.5)
- Evaluate the feasibility of an urban renewal program downtown (2.3.6)
- Update inventory of vacant and underutilized sites (2.3.7)

Commercial Sector Accomplishments – Retain Existing Commercial & Retail Actions

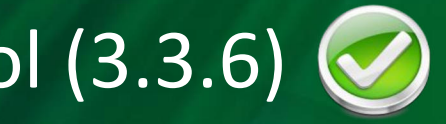
- Establish processes and programs for connecting the brokerage community (2.4.4)
- Continue marketing program (2.4.5)
- Implement recommendations for the Newberg Downtown Improvement Plan (2.5.2)
- Establish business startup assistance program as a part of the Business Resource Center (2.6.4)
- Expand the Urban Growth Boundary (2.7.5).

Business Development & Workforce Accomplishments – Strategies

Focus second year on 3 Strategies & 21 actions:

1. Establish an Innovation Accelerator
2. Expand Workforce Development efforts
3. Establish a Business Resource Center

BD & Workforce Accomplishments – Innovation Accelerator Actions

- Establish the Chehalem Valley Entrepreneurs Network (3.1.5)
- Promote and market the Accelerator (3.2.8)
- Evaluate if eScripts is a viable tool (3.3.6) 
- Promote the Buy Local program and its success (3.3.7)
- Establish marketing and recruitment program (3.4.3)
- Establish a dedicated space for food carts (3.4.4)

BD & Workforce Accomplishments – Workforce Development Actions

- Promote development of vacant parcels (3.4.5)
- Continue marketing and recruitment program (3.4.6)
- Establish a position in the Business Resource Center (3.4.7)
- Implement mentorship program at NHS (3.5.8)
- Extend the Chamber of Commerce internship to run year-round (3.5.9)
- Facilitate region-wide collaboration between workforce development stakeholders (3.5.10)

BD & Workforce Accomplishments – Business Resource Center Actions

- Extend opportunities for local students to earn technical degrees (3.5.11)
- Implement employability soft skills curriculum in NSD (3.5.12)
- Build and leverage best practices (3.5.13)
- Facilitate region-wide collaboration between workforce development stakeholders (3.6.10)
- Apply for funding/grants to expand operations (3.6.11)
- Integrate goals and purpose with the CVIA, GFU, PCC, Chemeketa (3.6.12)

BD & Workforce Accomplishments – Business Resource Center Actions

- Fund a FTE dedicated to expansion of workforce development programs (3.7.7)
- Establish a regional angel funding program to support the CVIA (3.8.4)
- Evaluate non-traditional financing programs (3.8.5)

Tourism & Hospitality Accomplishments – Strategies

Focus second year on 2 Strategies & 9 actions:

1. Increase tourism & visitor counts
2. Establish Transient Lodging Tax program

Tourism & Hospitality Accomplishments – Increase Tourists/Visitor Actions

- Enhance signage & gateways elements in the downtown area for tourists and visitors (4.1.2)
- Create a regional marketing campaign that promotes Newberg and the valley as a destination location (4.1.8)
- Work with major businesses, George Fox University, Sportsman Airpark, the Allison Inn & Spa, local major wineries, and other national/international sources of potential visitors to increase out-of-region destination traffic (4.1.9)

Tourism & Hospitality Accomplishments Increase Tourists/Visitor Actions

- Establish annual reporting on tourism activities (4.1.10)
- Evaluate redesigning Francis Square as an event venue (4.2.5)
- Evaluate expanding the number of events and activities (4.2.6)
- Continue the build-out of the Newberg Cultural District as a premier event venue (4.2.7)
- Establish a classic car/concourse de elegance (4.2.8)
- TLT Ad Hoc Committee (4.3.3)

Other Accomplishments – Industrial/Commercial

- Continuation of many activities from Year 1 in the Industrial Sector
- Continuation of many activities from Year 1 in the Commercial Sector

Other Accomplishments – Business Development & Workforce

- Move the Business Resource Center to a permanent facility (3.6.13)
- Expand the facility, operations and services as needed (3.6.14)
- Promote Chehalem Valley Chamber of Commerce programs (3.7.1)
- Promote Portland and Chemeketa Community College programs (3.7.2)
- Promote George Fox University programs (3.7.3)

Other Accomplishments – Tourism & Hospitality

- Evaluate alternatives for a mid-tier hotel (4.1.6)
- Coordinate events calendars (4.2.3)

Thank You for Your Support

NEDS Core Group:
Carr Biggerstaff
Mike Ragsdale
Mary Martin Miller
Jay Harris
Joe Hannan
Doug Rux

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT

MAY 2017 – APRIL 2018

Table of Contents:

Industrial Sector	1
Commercial Sector	8
Business Development and Workforce	12
Tourism and Hospitality	19

Contact Information

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NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

INDUSTRIAL SECTOR

GOAL: Enhance industrial development capabilities and employment opportunities

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
1.1	**Diversify the local economy by building on the four (4) key existing traded sector industries of Advanced Manufacturing, Technology, Agriculture and Wood Products; while targeting High Tech Manufacturing, General Manufacturing, Aviation related industry and Food/Beverage Processing**					
Actions	1. Identify existing community assets and needed assets.	√			City	2016/2017 - Community Assets and needed assets is under development. 2017-2018 - No activity.
	2. Identify needs of companies through a gap analysis.	√			City	2016/2017 - Strategic Economic Development Corporation is assisting in developing a gap analysis of 10-15 industrial businesses based on the work they conducted for the Make it in Willamette Valley grant. 2017-2018 - No activity due to staffing changes at SEDCOR.
	3. Engage the Oregon Employment Department in analysis of the four (4) traded sector industries and targeted industries in Newberg.	√			City	2016/2017 - The City will be coordinating with the Oregon Employment Department to prepare an analysis of companies in the Advanced Manufacturing, Technology, Agriculture and Wood Products industries. 2017/2018 - No activity.
	4. Conduct an industry cluster analysis to identify opportunities.	√			City	2016/2017 - Strategic Economic Development Corporation is assisting in developing a gap analysis of 10-15 industrial businesses based on the work they conducted for the Make it in Willamette Valley grant. 2017/2018 - No activity due to staffing changes at SEDCOR.
	5. Implement the eight actions of the vertical wine integration proposal from the America's Best Communities plan.	√			City	2016/2017 - CVIA working with tenants and GFU College of Engineering to develop vinetech products. Collaborated with GFU Engineering to submit research grant application to the Oregon Wine Board for vinetech product development. Created a Wine Tech Advisory Group consisting of industry experts, GFU Engineering and the CVIA. 2017/2018 - The wine Tech Advisory group held meetings. CVIA/GFU/City met on outreach to OWB and wineries. GFU applied for a USDA grant. CVIA worked on Precision Ag cluster. CVIA working with wineries Corus, St. Michelle, JFW, etc. to discuss supply chain needs.
	6. Implement one or more of the vertical wine integration demonstration projects.		√		City	2016/2017 - GFU Engineering partnered with CVIA tenant AriAscend and Erath Winery to develop autonomous data collection rover for vineyard mgmt. 2017-18 will be the second year of development. 2017/2018 - Strategic Economic Development Corporation is assisting in developing a gap analysis of 10-15 industrial businesses based on the work they conducted for the Make it in Willamette Valley grant.
	7. Supply chain analysis of the four (4) existing traded sector industries and targeted industries.		√		City	2017/2018 - Strategic Economic Development Corporation is assisting in developing a gap analysis of 10-15 industrial businesses based on the work they conducted for the Make it in Willamette Valley grant.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	9. Re-assess the targeted industries to determine if the focus areas are on target or should be modified.			√	City	
	10. Supply chain analysis of the targeted traded sector industries.			√	City	
1.2	**Retention and Expansion of Existing Industrial Businesses**					
Actions	1. Retention visits conducted by City in coordination with Business Oregon, Strategic Economic Development Corporation and Greater Portland Inc.	√	√	√	City	2016/2017 - Forty five retention visits conducted over the past year by the City along with coordination efforts with Strategic Economic Development Corporation and Business Oregon on retention activities. 2017/2018 - Fifty seven retention visits conducted over the past year by the City along with coordination efforts with Strategic Economic Development Corporation and Business Oregon on retention activities.
	2. Leverage the Business Resource Center implementation to provide an integrated set of services from the City, Chamber and other organizations.		√		City	2016/2017 - Coordination with SBDC and PCC CLIMB on establishing a Business Resource Center. SCORE is assisting. Focus is on establishing a virtual Business Resource Center model. 2017/2018 - The Business Resource Center activity was placed on hold as the Chehalem Valley Chamber of Commerce repositioned with staffing changes.
1.3	**Recruitment of Traded Sector Companies**					
Actions	1. City coordinates recruitment activities with Business Oregon, Strategic Economic Development Corporation and Greater Portland Inc.	√	√	√	City	2016/2017 - Recruitment leads were coordinated with Business Oregon and Strategic Economic Development Corporation. Twenty-three recruitment leads. Successful recruitment was St. Cousair Oregon Orchards. Three projects remain in discussion. 2017/2018 - Recruitment leads were coordinated with Business Oregon and Strategic Economic Development Corporation. Twelve recruitment leads. No projects remain in discussion.
	2. Focus on the four (4) existing traded sector industries and supply chains.	√			City	2016/2017 - Strategic Economic Development Corporation is assisting in developing a gap analysis of 10-15 industrial businesses based on the work they conducted for the Make it in Willamette Valley grant. 2017-2018 - No activity due to staffing changes at SEDCOR.
	3. Evaluate opportunities for the four targeted traded sector industries.	√			City	2016/2017 - Industrial land supply and available vacant industrial building space is hampering recruitment opportunities. 2017/2018 - Industrial land supply and available vacant industrial building space is hampering recruitment opportunities.
	4. Develop a program for Chehalem Valley Chamber of Commerce involvement in industrial business recruitment.	√			City	2016/2017 - City and Chehalem Valley Chamber of Commerce discussing appropriate roles in the recruitment process. Chehalem Valley Chamber of Commerce evaluating if the former response team can be reactivated. 2017/2018 - City and Chehalem Valley Chamber of Commerce discussed appropriate roles in the recruitment process.
	5. Develop relationships and frequent communications with industrial brokerage community in the greater Portland area.	√			City	2016/2017 - City is communicating with a variety industrial brokers such a Colliers International, Kidder Mathews, Newmark Grubb Knight Frank, Norris & Stevens, CBRE, Norris Beggs & Simpson, Miller Consulting Group. 2017/2018 - City is communicating with a variety industrial brokers such a Colliers International, Kidder Mathews, Newmark Grubb Knight Frank, Norris & Stevens, CBRE, Norris Beggs & Simpson, Miller Consulting Group.
	6. Identify target companies and sectors and include face to face recruitment visits with targeted companies. I.e. travel to the Silicon Valley if appropriate.	√			City	2016/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the first year.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	7. Recruitment of food processing (wine) companies and suppliers as part of vertical integration of wine industry.		√		City	2016/2017 - Successfully coordinated with Business Oregon, Strategic Economic Development Corporation, Mid-Valley Regional Solutions and Yamhill County to attract St. Cousair Oregon Orchards to the Newberg area. 2017/2018 - No food processing recruitments occurred do to lack of land and/or building space.
1.4	**Participate and Partner with Regional, State and Federal Organizations**					
Actions	1. Build and maintain relationships with Business Oregon, Strategic Economic Development Corporation and Greater Portland Inc.	√	√	√	City	2016/2017 - The City has communicated regularly with Business Oregon, Strategic Economic Development Corporation and Greater Portland Inc. 2017/2018 - The City has communicated regularly with Business Oregon, Strategic Economic Development Corporation and Greater Portland Inc. Regular monthly meetings established with SEDCOR/MEDP/Biz OR/RST.
	2. Build relationships with organizations such as Oregon Business Council, Oregon Nanoscience & Mircotechnologies Institute, Pacific Northwest Defense Coalition, Oregon Transitional Research Development Institute, Technology Association of Oregon, and others.	√			City	2016/2017 - Used CVIA to reach out to tech-based organizations to develop partnerships including TAO, OTBC, BEST, SOAR and Built Oregon. CVIA led two Oregon Manufacturing Innovation Center tours with Boeing and PCC. 2017/2018 - Attempted to coordinate a USDA/Fed tour of the County. Training was held on Strategic Doing for YC members of the Collaborative with the U of O and Purdue University. CVIA continued outreach with TAO, OTBC, BEST, SOAR and Built Oregon.
	3. Develop a "Why Newberg" marketing strategy and elevator speech to promote in the relationships.	√			City	2016/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the second year.
	4. Determine specifically what we would like to "ask" from players and present the information when appropriate.	√			City	2016/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the second year.
	5. Conduct annual roundtable forum on economic development activities with regional, state and federal organizations.		√	√	City	2016/2017 - The City and Chehalem Valley Chamber of Commerce coordinated with Rural Development Initiatives and Yamhill County to coordinate the first Yamhill County Economic Development Summit on November 14, 2016. The City and Chamber of Commerce coordinated with Chehalem Valley Innovation CVIA and Yamhill County for a second summit held on February 1, 2017. 2017/2018 - CVIA lead a successful grant application to The Ford Family Foundation to conduct Strategic Doing within the County. The Collaborative was established.
	6. Connect the organizations to the Business Resource Center as it develops.		√		City	2017/2018 - Chehalem Valley Chamber of Commerce and City are meeting to develop a virtual Business Resource Center for organizations to connect to. 2017/2018 - Activity was placed on hold during the year as the CVCC repositioned the organization due to staffing changes.
1.5	**Market the Competitive Advantages of Newberg to National and International Audiences**					
Actions	1. Define and identify target audiences for marketing.	√			City	2016/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the first year due to lack of building and land.
	2. Make specific face-to-face presentations.	√			City	2016/2017 - Boeing toured Newberg and Yamhill County on January 25, 2017. Portland Community College toured Newberg and Yamhill County on March 15, 2017. A USDA tour is being planned. 2017/2018 - No activity on this action during the second year.
	3. Research and identify Newberg's competitive advantages.	√			City	2016/2017 - A Strength, Weaknesses, Opportunities and Threats analysis was done for Newberg along with additional research based on recruitment leads. 2017/2018 - No activity on this action during the second year.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	4. Analyze existing data and develop strategies for industrial recruitment marketing material.	√			City	2017/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the second year.
	5. Coordinate data gathering and marketing material with Strategic Economic Development Corporation, Greater Portland Inc., Mid-Willamette Valley Council of Governments and other entities.	√	√	√	City	2016/2017 - Strategic Economic Development Corporation has shared information on industrial land in the mid-valley area. Information has been shared with the Strategic Economic Development Corporation on the City's preliminary Buildable Lands Inventory. 2017/2018 - No activity on this action during the second year.
	6. Promote the Newberg Enterprise Zone program through marketing material and face-to-face discussions.	√			City	2016/2017 - Marketing material on the Newberg Enterprise Zone was prepared and placed on the City's website. Discussions have occurred with industrial businesses about Enterprise Zone opportunities. A.R.E. was approved for the Enterprise Zone program for new equipment. City evaluating expansion of the Enterprise Zone to cover all of its industrial land. 2017/2018 - Two enterprise Zone applications received for Freeman Manufacturing and A.R.E. Manufacturing.
	7. Promote existing financial incentive programs (local and state) marketing material and face-to-face discussions.	√			City	2016/2017 - Information has been shared on a case by case basis on the Newberg Economic Development Revolving Loan Fund, Business Oregon financing programs and Mid-Willamette Valley Council of Governments financing programs. 2017/2018 - Information has been shared on a case by case basis on the Newberg Economic Development Revolving Loan Fund, Business Oregon financing programs and Mid-Willamette Valley Council of Governments financing programs.
	8. Distribute marketing material (e.g. web, social media, trade shows, and international tours).	√			City	2016/2017 - City posted on web marketing material jointly prepared with Strategic Economic Development Corporation and Mid-Willamette Valley Council of Governments on the City's web site. 2017/2018 - City posted on web marketing material jointly prepared with Strategic Economic Development Corporation and Mid-Willamette Valley Council of Governments on the City's web site.
	9. Develop community profile to place on Greater Portland Inc. web site.		√		City	2016/2017 - City meet with Greater Portland Inc. staff about the opportunity of joining the organization for more marketing exposure. No decisions has been mad on joining Greater Portland Inc. Meeting with Mayor and City Manager and Greater Portland Inc. to be scheduled. 2017/2018 - City meet with Greater Portland Inc. staff about the opportunity of joining the organization for more marketing exposure. No decisions has been mad on joining Greater Portland Inc. Meeting with Mayor and City Manager and Greater Portland Inc. to be scheduled.
	10. Promote the Business Resource Center and it's resources through appropriate websites including the City and the Chamber.		√		City	2017/2018 - Activity was placed on hold during the year as the CVCC repositioned the organization due to staffing changes.
	11. Disseminate Newberg specific marketing material.			√	City	
1.6	**Increase the Supply of Industrial Land**					
Actions	1. Apply for grant(s) to evaluate expanding the urban growth boundary.	√			City	2016/2017 - A grant was awarded from DLCD to start the evaluation of expanding the urban growth boundary. **TASK COMPLETED**
	2. Update Comprehensive Plan Policies.	√			City	2016/2017 - The city conducted a public outreach program through poster boards, web survey and stakeholder interviews which lead to draft comprehensive plan policy modifications. A report on the activities was provided to DLCD on December 30, 2016 as part of the grant. **TASK COMPLETED**
	3. Complete Buildable Lands Inventory.	√			City	2016/2017 - A Preliminary Buildable Lands Inventory using OAR Chapter 660, Division 38 was prepared and a report provided to DLCD on March 29, 2017 as part of the grant. **TASK COMPLETED**
	4. Evaluate expansion land opportunities.	√			City	2016/2017 - A study area boundary was developed and a report provided to DLCD on March 29, 2017. A preliminary evaluation of lands was included as part of the evaluation. **TASK COMPLETED**

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	5. Engage the owners of the targeted property in the effort.	√			City	2016/2017 - The City has spoken with a several of property owners outside the existing UGB about possible inclusion within the UGB. These include Chuck Mclure, Dave Harli, Denny Gaibler, Chuck Cox, St. Cousair, WestRock, Brian Bellairs, Metropolitan Land Group.
	6. Identify needed infrastructure and financing for the infrastructure.		√		City	2017/2018 - No activity occurred in second year.
	7. Expand the Urban Growth Boundary.		√		City	2017/2018 - No activity occurred in second year.
	8. Identify shovel ready sites.		√		City	2016/2017 - City evaluated vacant industrial land for infrastructure and environmental features to understand what properties may be shovel ready. Discussion with Austin Industries on there land holdings and shovel ready status. 2017/2018 - City evaluated vacant industrial land for infrastructure and environmental features to understand what properties may be shovel ready.
	9. Tell the story of the expansion to build community support for future expansions.		√		City	2017/2018 - No activity during second year.
	10. Monitor land absorption to determine next horizon for urban growth boundary expansion.			√	City	
1.7	**Create a Cooperative Business Environment with Regulatory Agencies**					
Actions	1. Build and enhance relationships with State agencies such as Oregon Department of Transportation, Oregon Department of Environmental Quality, Oregon Department of State Lands, Oregon Department of Energy, Oregon Water Resources Department, Oregon Building Codes Division and Oregon Employment Department.	√			City	2016/2017 - Coordination with a variety of State agencies has occurred including Mid-Valley Regional Solutions, Department of Land Conservation and Development, Department of State Lands, Oregon Department of Transportation, Department of Environmental Quality, Oregon State Parks, Oregon Water Resources Department, Oregon Employment Department, Oregon Department of Fish & Wildlife, Oregon Department of Energy, Oregon Department of Aviation on projects such as WestRock, Urban Growth Boundary expansion, Sportsman Airpark, Newberg-Dundee Bypass, and Crestview Drive. 2017/2018 - Coordination with a variety of State agencies has occurred including Mid-Valley Regional Solutions, Department of Land Conservation and Development, Department of State Lands, Oregon Department of Transportation, Department of Environmental Quality, Oregon State Parks, Oregon Water Resources Department, Oregon Employment Department, Oregon Department of Fish & Wildlife, Oregon Department of Energy, Oregon Department of Aviation on projects such as WestRock, Urban Growth Boundary expansion, Sportsman Airpark, Newberg-Dundee Bypass, and Crestview Drive.
	2. Coordinate with Regional Solutions on community economic development needs.	√			City	2016/2018 - Coordination with Regional Solutions has occurred on WestRock, Urban Growth Boundary expansion, Sportsman Airpark, Newberg-Dundee Bypass, Crestview Drive, Riverfront Master Plan Update, 2017 Oregon Legislative Bills, Gramor. 2017/2018 - Coordination with Regional Solutions has occurred on WestRock, Urban Growth Boundary expansion, Sportsman Airpark, Newberg-Dundee Bypass, Crestview Drive, Riverfront Master Plan Update, 2017 and 2018 Oregon Legislative Bills, Crestview Crossing project and submitted grants to State agencies.
	3. Consider a city position that provides coordination services with outside regulatory agencies.	√			City	2016/2017 - The Community Development Director and Community Development Department staff are fulfilling the role on coordination with outside regulatory agencies. 2017/2018 - The Community Development Director and Community Development Department staff are fulfilling the role on coordination with outside regulatory agencies.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	4. Follow-up interviews with expansion and new industrial developments.	√	√	√	City	2016/2017 - No new industrial expansions or development occurred between May 2016 and April 2017. 2017/2018 - One new industrial expansions or development occurred between May 2017 and April 2018 and that project is under construction.
	5. Enhance city permitting processes.		√	√	City	2016/2017 - The City is implementing a new permit software system to enhance permitting services. 2017/2018 - The City is implementing a new permit software system (Trakit) to enhance permitting services.
1.8	**Ensure Adequate Utilities (water, sewer, storm draining, electricity, natural gas and telecommunications) to Support Industrial Growth**					
Actions	1. Update master plans for transportation and water.	√			City	The 2016 Newberg Transportation System Plan and 2017 Water Master Plan were updated and adopted by the Newberg City Council. **TASK COMPLETED**
	2. Coordinate with Portland General Electric, Northwest Natural, Frontier and Comcast on utility infrastructure capacities and locations. Inventory gaps or weaknesses in systems.	√			City	2016/2017 - Meetings were held with Portland General Electric, Frontier and Comcast on infrastructure capacities. An inventory on gaps and weaknesses needs to be conducted. 2017/2018 - Meetings were held with Portland General Electric, NW Natural and Comcast on infrastructure capacities. An inventory on gaps and weaknesses needs to be conducted.
	3. Evaluate cogeneration opportunities with WestRock.	√			City	2016/2017 - Discussions with WestRock occurred on the co-generation facility at the site. Discussions with parties that may be interested in purchasing the WestRock facility have occurred. The City also discussed the co-generation facility with the Department of Environmental Quality and Department of Energy. 2016/2017 - The City continues to express interest with WestRock and parties looking at potential purchase of the property on the co-generation facility.
	4. Update sanitary sewer master plan.		√		City	2016/2017 - The Wastewater Master Plan is in the process of being updated and should be completed in early 2018. 2017/2018 - The Wastewater Master Plan is in the final stages of development and will be completed in the summer of 2018.
	5. On-going coordination with utility companies.		√	√	City	2017/2018 - The City continues coordination discussions with utility companies on electric, natural gas, telecommunications.
	6. Update necessary master plans every ten (10) years (transportation, water, sanitary sewer, storm drainage).			√	City	2016/2017 - An inventory of all of the City's master plans and long rang plans has occurred. A new system providing annual reports to the City Council on the plans is being implemented. Updates to the transportation, water, wastewater and stormwater master plans are on a schedule to be done every 10 years.
	7. Enhance accessibility to high-speed fiber.			√	City	2016/2017 - Discussions with Frontier, Comcast, Portland General Electric, Sherwood Broadband and Online NW have taken place on fiber accessibility. Coordination has occurred with the Newberg School District on fiber accessibility for all students as well as the City looking at fiber for its emergency communications system. 2017/2018 - City discussed with Comcast, Online NW and Sherwood Broadband fiber capabilities within Newberg.
1.9	**Improve Transportation Access for Industrial Land**					
Actions	1. Evaluate and establish a street maintenance fee program.	√			City	2016/2017 - Newberg City Council adopted a Transportation Utility Fee on May 2, 2017 to improve the existing roadway system in Newberg. The City is now working on implementation of the new program. **TASK COMPLETED**

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	2. Update the Transportation System Plan to include focus on needed improvements to existing/future industrial area access/freight routes.	√			City	2016/2017 - The 2016 Transportation System Plan was adopted by the City Council in December 2016. Contained within the document are transportation projects for access to industrial land such as Crestview Drive, Mountainview Road, Hays Street, Highway 219, traffic signal projects on Springbrook Road, and the Newberg-Dundee Bypass. **TASK COMPLETED**
	3. Coordinate with the Parkway Committee to lobby the Oregon Legislature for funding/construction of the East leg of the Newberg/Dundee bypass.	√			City	2016/2017 - The City coordinated with the Parkway Committee on lobbying efforts for funding of Phase 2 (East Leg) of the Newberg-Dundee Bypass. HB 2017 identifies $22M in funding for design of Phase 2. 2017/2018 - Coordination efforts continue with the Parkway Committee on lobbying efforts and funding.
	4. Work with stakeholders to obtain funding for the east leg of the Newberg-Dundee Bypass from Oregon Highway 219 to Oregon Highway 99W.		√		City	2017/2018 -City has discussed with Providence and CPRD the need to resolve land issues for Phase 2.
	5. Evaluate rail service capabilities (freight & commuter).			√	City	2016/2017 - Discussions with Portland & Western Railroad indicate that Burlington Northern will require that the bridge in Sherwood will be replaced. Discussions with ODOT Rail took place on a trolley line operation on the WestRock rail spur for local commuter service. A draft business plan has been prepared for a trolley line by a private citizens group. 2017/2018 - Portland & Western's main route into Newberg is from Corvallis. The Bridge in Sherwood is under reconstruction. Activities on a possible trolley line on the tracks in Blaine Street continue.
	6. Enhance transit service for industrial businesses.			√	City	2016/2017 - Yamhill County Transit Area is updating its transit plan. Newberg will share its desire to enhance service to industrial businesses. 2017/2018 - The City coordinated with Yamhill County Transit Area in the update of its transit plan. Newberg shared its desire to enhance service to industrial businesses.
	7. Work with stakeholders to construct the east leg of the Newberg-Dundee Bypass from Oregon Highway 219 to Oregon Highway 99W.			√	City	
	8. Work with organizations towards a funding source for the I-5/Ehlen Road interchange at Exit 278 (Donald/Aurora Exit) improvements.			√	City	2016/2017 - ODOT, Marion County and State Legislators are discussing improvements to the Exit 278 (Donald/Aurora) exit. 2017/2018 - HB 2017 identifies funding for Exit 278 (Donald/Aurora).
	9. Coordinate with Oregon Department of Transportation and Marion County to transfer jurisdiction of Highway 219 from the McKay Road to Woodburn to Marion County and ODOT to acquire McKay-Ehlen Road to I-5.			√	City	2016/2017 - ODOT and Marion County are in discussions on a possible jurisdictional transfer of roadways. No activity during 2017/2018.
	10. Coordinate with Oregon Department of Transportation and the Oregon congressional delegation on transportation funding sources.			√	City	

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

COMMERCIAL SECTOR

GOAL: Enhance commercial development capabilities and employment opportunities

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
2.1	**Revitalization of Downtown Newberg**					
Actions	1. Perform a Market Analysis on the Butler property.	√			City	2016/2017 - A market analysis of the Butler Property was conducted as part of the Downton Improvement Plan. Options were identified for ground floor retail and office or residential above, ground floor retail with student housing above and a hotel. All options are not financially viable. The Newberg Downtown Coalition provided a presentation to the City Council on possible interim uses until market conditions are acceptable for a new mixed use commercial building. **TASK COMPLETED**
	2. Planning Commission public hearing on the draft Newberg Downtown Improvement Plan.	√			City	2016/2017 - The Newberg Planning Commission held a public hearing on the Downtown Improvement Plan on November 10, 2016 and recommended approve to the City Council. **TASK COMPLETED**
	3. City Council public hearing on the draft Newberg Downtown Improvement Project and adoption process.	√			City	2016/2017 - The Newberg City Council held a public hearing on December 5, 2016 and adopted the Downtown Improvement Plan. **TASK COMPLETED**
	4. Complete the Newberg Downtown Improvement Plan.	√			City	2016/2017 - The project consultant submitted a final version of the Downtown Improvement Plan on January 25, 2017. **TASK COMPLETED**
	5. Secure funds for downtown improvement implementation.		√		City	2017/2018 - The Newberg City Council heard an initial presentation January 17, 2017 on the possibility of an tax increment (urban renewal) program as a funding source for the Downtown Improvement Plan implementation. Staff provided a presentation on Tax Increment Financing to the Mayor's Cabinet on February 28, 2017. The FY 2018-19 budget has funds identified to conduct a feasibility analysis and plan for the creation of a tax Increment program.
	6. Implement recommendations from the Newberg Downtown Improvement Plan.		√		City	For FY 2017-18 funds are budgeted to begin implementation of the Downtown Improvement Plan including a Comprehensive Plan/Zone change for the West End Mill District new design regulations for the Second Street residential area. Staff will also be working with the Oregon Department of Transportation on alternative mobility standards and designation of the downtown area as a Special Transportation Area. 2017/2018 - For FY 2018-19 funds are budgeted to begin implementation of the Downtown Improvement Plan including a Comprehensive Plan/Zone change for the West End Mill District new design regulations for the Second Street residential area. Staff will also be working with the Oregon Department of Transportation on alternative mobility standards and designation of the downtown area as a Special Transportation Area.
	7. Evaluate options for an Urban Renewal Area (URA), Business Improvement District (BID), or Economic improvement District (EID).		√		City	2016/2017 - The City Council held an initial discussion on urban renewal on January 17, 2017. Funds are budgeted for FY 2017-18 to conduct a feasibility analysis. 2017/2018 - The City Council held an initial discussion on urban renewal on January 17, 2017. Funds are budgeted for FY 2018-19 to conduct a feasibility analysis and develop a plan.
	8. Research best practices from comparable sized cities on downtown development activities.		√		City	2017/2018 - No activity on this action during the second year.
	9. On-going implementation of recommendations from the Newberg Downtown Improvement Plan.			√	City	
	10. Attract a mid-level hotel to the area.			√	City	2016/2017 - The City has talked to three potential developers on the opportunity for a hotel in the downtown area at the East Gateway or Mill District areas. 2017/2018 - The City has talked to potential developers on the opportunity for a hotel in the downtown area at the East Gateway, Mill District areas and other areas downtown.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	11. Increase downtown housing.			√	City	2016/2017 - The City has met with two developers with interest in constructing additional housing within the downtown area on Second Street.
						2017/2018 - The City has met with developers with interest in constructing additional housing within the downtown area on Second Street. An apartment project has been approved at the intersection of E Second Street and S Meridian Street of 20 units.
2.2	**Retain Existing Commercial/Retail Businesses in Newberg**					
Actions	1. Chehalem Valley Chamber of Commerce and Newberg Downtown Coalition survey/interview existing businesses in downtown to establish business needs and develop appropriate programs.	√		√	CVCC	2016/2017 - CVCC and NDC developed survey for downtown businesses. Surveys are underway now.
						2017/2018 - NDC surveying the downtown area. CVCC working on survey development outside of the downtown area.
	2. Enhance the quality of permitting services from the City of Newberg.	√	√	√	City	2016/2017 - The City is implementing a new permit software system to enhance permitting services.
						2016/2017 - The City is implementing a new permit software system (Trakit) to enhance permitting services.
	3. Interview businesses exiting Newberg.	√	√	√	CVCC	2016/2017 - CVCC worked with NDC and SEDCOR to formulate exit interview questions. Some basic, historic information on exits and relocations researched as well. Next step, establish process for exit interviews and data collection. 2017/2018 - no further action taken during the second year due to CVCC management change.
	4. Leverage the development of the Business Resource Center to provide integrated set of services from the City, Chamber and other organizations.		√		CVCC	See Section 3.6 about BRC.
2.3	**Redevelop Vacant and Underutilized Commercial/Retail Sites**					
Actions	1. Inventory vacant and underutilized sites.	√			City	2016/2017 - An inventory of vacant and underutilized site was conducted in October 2016 within the downtown area and shared with the Newberg Downtown Coalition and Chehalem Valley Chamber of Commerce. Rent rates downtown $1.00 - $1.10 sq. ft., Portland Road $1.25 sq. ft.. **TASK COMPLETED** City working to update the 2016 inventory.
	2. Work with partners to market sites.	√	√	√	City	2016/2017 - No activity on this action during the first year.
						2017/2018 - No activity on this action during the second year.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	3. Meet with property owners on development and redevelopment opportunities.	√	√	√	City	2016/2017 - Meetings were held for potential development/redevelopment which include the Buckley property at Second Street and Blaine Street, remodel of the former Cancun restaurant building, remodel of the building at First Street and Howard Street (Yamhill Flats), mixed use development on First Street next to American Family Insurance, remodel of the facade for Chapters Books, re-purposing the former Leif's gas station site on Main Street and First Street, demolition of the old PGE Building at College Street and Second Street, remodel of space within Social Goods for a bike shop, obtaining a grant to evaluate the Cameo Theater for nomination to the National Register of Historic Places, Freindsview for a retirement complex at College Street and Second Street, George Fox University for their 5-Year Master Plan conversion of the Bunn Building to a wine/beer restaurant, a food cart pod downtown, Newberg Dodge expansion, Panda Express development at Old Mill Market Place.
						2017/2018 - Meetings were held for potential development/redevelopment which include the Buckley property at Second Street and Blaine Street, remodel of the former Cancun restaurant building, remodel of the building at First Street and Howard Street (Yamhill Flats), mixed use development on Hancock Street and _____, remodel of the facade for Chapters Books, re-purposing the former Leif's gas station site on Main Street and First Street, remodel of space within Social Goods for a bike shop, preparing the National Register Nomination for the Cameo Theater, McCann apartments at E Second and S Meridian, conversion of the Bunn Building to a wine/beer restaurant, a finalizing the food cart pod Bite of Newberg downtown, Panda Express, Coleman Building, Providence Medical Office Building, hotel on B_____, remodel of McDonalds, remodel of Burger King, remodel Black Bear Diner, remodel Holiday Inn, Redwood Suite Bldg No. 3, repurposing building at E First and N Blaine Street, Butler property Request for Expressions of Interest prepared.
	4. Develop a program for possible property assemblage.		√		City	2017/2018 - Discussions held on possible property assemblage near N Main Street and W Hancock Street, west end of the couplet.
	5. Enhance existing or create new incentive packages.		√		City	2017/2018 - No activity occurred during second year.
	6. Evaluate the feasibility of an urban renewal program downtown.		√		City	2016/2017 - The City Council held an initial discussion on urban renewal on January 17, 2017. Funds are budgeted for FY 2017-18 to conduct a feasibility analysis.
						2017/2018 - The City Council held an initial discussion on urban renewal on January 17, 2017. Funds are budgeted for FY 2018-19 to conduct a feasibility analysis and develop a plan.
	7. Update inventory of vacant and underutilized sites.		√	√	City	2017/2018 - City updating inventory for downtown.
2.4	**Market Vacant and/or Underutilized Commercial/Retail Sites**					
Actions	1. Brokerage community to develop a robust marketing program.	√			Brokers	2016/2017 - Mary Martin Miller is leading discussions amongst the brokerage community on a marketing program for commercial and retail sites.
						2017/2018 - No activity on this action during the second year.
	2. Establish a list of desired business types to market to.	√			Brokers	2016/2017 - No activity on this action during the first year.
						2017/2018 - No activity on this action during the second year.
	3. Launch the marketing program.	√			Brokers	2016/2017 - No activity on this action during the first year.
						2017/2018 - No activity on this action during the second year.
	4. Establish processes and programs for connecting the brokerage community to lead sources (e.g. businesses, individuals, service organizations, etc.) using the Business Resource Center as a hub.		√		Brokers	2017/2018 - No activity on this action during the second year.
	5. Continue marketing program.		√	√	Brokers	2017/2018 - No activity on this action during the second year.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
2.5	**Improve Public Infrastructure in Downtown Newberg**					
Actions	1. Complete the Newberg Downtown Improvement Plan.	√			City	2016/2017 - The Newberg Downtown Improvement Plan, 2016 Transportation System Plan and 2017 Water Master Plan were completed identifying public infrastructure improvements need within the downtown area. **TASK COMPLETED**
	2. Implement recommendations for the Newberg Downtown Improvement Plan.		√	√	City	2017/2018 - The 5-Year Capital Improvement Plan was completed which includes projects within the downtown area.
2.6	**Support Creation of New Retail/Commercial Businesses**					
Actions	1. Business inventory identifying what we have for businesses and what is missing.	√			CVCC	2016/2017 - Business inventory created by CVCC. Some gap analysis work done by GFU students. Next step is to complete the gap analysis. 2017/2018 - No activity on this action during the second year.
	2. Streamlining City permitting processes.	√			City	2016/2017 - The City is implementing a new permit software system to enhance permitting services. 2017/2018 - The City is implementing a new permit software system (Trakit) to enhance permitting services.
	3. Establish a low interest loan program.	√			City	2016/2017 - The Newberg Economic Development Revolving Loan Fund program will be evaluated and possibly revised during FY 2017-18 by the City. 2017/2018 - The Newberg Economic Development Revolving Loan Fund program will be evaluated and possibly revised during FY 2018-19 by the City.
	4. Establish business startup assistance program as a part of the Business Resource Center implementation.		√		CVCC	See Section 3.6 about BRC.
	5. Maintain and publish data on vacant office, industrial buildings and land.			√	CVCC	2016/2017 - Using the commercial building inventory created by CVCC and NDC, the City will add industrial.
	6. Expand the Urban Growth Boundary to support additional commercial land supply.			√	City	
2.7	**Increase The Supply of Commercial/Retail Land**					
Actions	1. Apply for grant(s) to evaluate expanding the urban growth boundary.	√			City	2016/2017 - A grant was awarded from DLCD to start the Phase 1 evaluation of expanding the urban growth boundary. A second grant was awarded to the City for Phase 2 of the Urban Growth Boundary expansion program. **TASK COMPLETED**
	2. Update Comprehensive Plan Policies.	√			City	2016/2017 - The city conducted a public outreach program through poster boards, web survey and stakeholder interviews which lead to draft comprehensive plan policy modifications. A report on the activities was provided to DLCD on December 30, 2016 as part of the grant. **TASK COMPLETED**
	3. Complete Buildable Lands Inventory.	√			City	2016/2017 - A Preliminary Buildable Lands Inventory using OAR Chapter 660, Division 38 was prepared and a report provided to DLCD on March 29, 2017 as part of the grant. **TASK COMPLETED**
	4. Evaluate expansion land opportunities.	√			City	2016/2017 - A study area boundary was developed and a report provided to DLCD on March 29, 2017. A preliminary evaluation of lands was included as part of the evaluation. **TASK COMPLETED**
	5. Expand the Urban Growth Boundary.		√		City	2017/2018 - No activity occurred in second year.
	6. Monitor land absorption to determine next horizon for urban growth boundary expansion.			√	City	

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

BUSINESS DEVELOPMENT AND WORKFORCE

Goal: Create a premier business and workforce development program

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
3.1	**Foster Entrepreneurial Business Formation and Growth**					
Actions	1. Foster connections between George Fox University and Portland Community College and entrepreneurs.	√			CVCC	2016/2017 - GFU is partnered with CVIA and through CVIA outreach, has presented to PCC on multiple occasions. GFU is helping CVIA build relationships with other universities. CVIA also working with CCC on two tenant-related projects. CVIA currently has 3 entrepreneurial startups as tenants with a fourth pending. **TASK COMPLETED** 2017/2018 - Austin Industries hosted PCC for skills gap analysis. Meetings with PCC on CTE support. CVIA directed tenants to GFU for Senior Design Program. CVIA assisted GFU on USDA grant application. PCC President toured Dayton and Newberg schools programs. Coordinated with Newberg High School on Rural Opportunity Grant application. GFU on the CVCC Steps Up team. NHS Tiger Program being supported by CVIA.
	2. Develop a Business Resource Center.	√			CVCC	See Section 3.6 about BRC.
	3. Connect financing programs such as Small Business Administration and Mid-Willamette Valley Council of Governments with entrepreneurs.	√			CVCC	2016/2017 - CVCC and CVIA promoting the Yamhill County Small Grants program for startups. CVIA currently working to attract investor funding for tenants/projects. CVIA applying for TFFF grant to grow its capacity. 2017/2018 - MWVCOG acting as fiscal agent for TFFF grant for the Collaborative to conduct Strategic Doing. CVIA coordinating with City of Independence on Ag Tech as a regional action and cluster Advisory Committee. Worked with Precision Ag Team on TAO conference for connections to government funders.
	4. Market the Newberg Economic Development Revolving Loan program.	√			CVCC	2016/2017 - The Newberg Economic Development Revolving Loan Fund program will be evaluated and possibly revised during FY 2017-18 by the City. 2017/2018 - No activities occurred on evaluating the Economic Development Revolving Loan Fund.
	5. Establish the Chehalem Valley Entrepreneurs Network.		√		CVCC	2016/2017 - No activity on this action during the second year.
	6. Establish an angel funding program.			√	CVCC	2016/2018 - City working with local citizens to develop an angel fund for the CVIA. CVIA working with regional investors and VCs to do same. 2017/2018 - Activities underway with CVIA.
3.2	**Establish an Innovation Accelerator (CVIA)**					
Actions	1. Establish Board of Directors to oversee operations and organization.	√			CVCC	2016/2017 - Volunteer Executive Director in place. 5 of 7 BOD members in place representing GFU, Yamhill County, A-dec and private business. 4-5 ex-officio's attend BOD meeting representing the CVCC, the City, NSD, Innovate OR. **TASK COMPLETED** 2017/2018 - Ongoing activity.
	2. Establish an accelerator facility (temporary or startup).	√			CVCC	2016/2017 - CPRD provide approximately 1000 sq. ft. of facility and Frontier provided Internet at no charge. First 2 tenants selected in August, 2016. Branding completed by ALD. Website and CRM active. All collateral materials V1.0 done (letterhead, handout, biz cards, etc.). NHS student graphic design challenge #1 completed and graphics installed by PhatGFX at cost. Exterior sign pending City approval and budget. **TASK COMPLETED** 2017/2018 - Ongoing activity.
	3. Create a business plan with help from experts such as PIE, TAO, etc.	√			CVCC	2016/2017 - Business plan completed being maintained. Budget completed. Both approved by the BOD and reviewed quarterly. **TASK COMPLETED** 2017/2018 - Ongoing activity.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	4. Establish a Board of Advisors to review, select, coach/mentor/advise tenants.	√			CVCC	2016/2017 - BOA list active. Advisors are recruited, informed as to processes and available to help tenants as needed. **TASK COMPLETED** 2017/2018 - Ongoing activity.
	5. Hold accelerator kick-off event with stakeholders, representatives from key industries, the community, funding sources such as angels and venture capitalists, and suppliers of entrepreneurs, and media.	√			CVCC	2016/2017 - Ribbon cutting held on February 10th, 2017. **TASK COMPLETED** 2017/2018 - Ongoing activity.
	6. Recruit, vet and select tenants.	√			CVCC	2016/2017 - Current tenants include: Fidgetech, AriAscend, Sommely. A fourth tenant is pending. Three other applicants were turned away (not a fit for CVIA). In addition, CVIA client work includes the GFU VineTech program. **TASK COMPLETED** 2017/2018 - Ongoing activity.
	7a. Achieve projects-to-products-to-market successes.	√			CVCC	2016/2017 - Fidgetech business is launched. CVIA helping AriAscend refine business model for software product and help Sommely engage early adopter customers for the first version of product. **TASK COMPLETED** 2017/2018 - Ongoing activity.
	7b. Arrange operational funding for the accelerator.	√			CVCC	2016/2017 - Successfully applied for a YC small grant approved for $5500. Received $1000 in donations to date. Grant application to TFFF underway for $40,000. **TASK COMPLETED** 2017/2018 - Ongoing activity.
	7c. Promote CVIA	√			CVCC	2016/2017 - Attended multiple events such at the TAO Kick-off, PIE Accelerator Dinner, PIE Community Hours, ASME Seminar, and Rural Oregon Day. CVIA sponsors/leads relevant programs such as the Innovate Yamhill County, the annual Willamette Valley Drone Challenge, and Yamhill County Economic Development Summits. Additional quarterly TechTalks planned to engage funders/investors as well as the broader community. 2017/2018 - Ongoing activity.
	8. Promote and market the Accelerator through the Business Resource Center, City, Chamber, Newberg Downtown Coalition websites, and George Fox University, PIEPDX, and other channels.		√		CVCC	2016/2017 - Website cross-linked to the City and CVCC sites. GFU included CVIA on the 2017 Silicon Forest Calendar. Attended multiple events such at the TAO Kick-off, PIE Accelerator Dinner, PIE Community Hours, ASME Seminar, and Rural Oregon Day. CVIA sponsors/leads relevant programs such as the Innovate Yamhill County, the annual Willamette Valley Drone Challenge, and Yamhill County Economic Development Summits. Additional quarterly TechTalks planned to engage funders/investors as well as the broader community. 2017/2018 - USDA Rural Development team tour planned but was canceled by USDA. City added web link to CVIA. CVCC repositioned to become the Business Resource Center. CVCC focusing on entrepreneurs and startups through CVIA.
	9. Move the accelerator to a permanent facility.			√	CVCC	
	10. Integrate the Accelerator with George Fox University's Engineering Innovation Center and other local makerspace(s).			√	CVCC	2016/2017 - Partnership between GFU and CVIA has already resulted in joint projects undertake in the GFU Klages Engineering Innovation Center.
3.3	**Buy Local Campaign**					
Actions	1. Chehalem Valley Chamber of Commerce engages George Fox University for research for a buy local program.	√			CVCC	2016/2017 - GFU prepared report for Chamber. **TASK COMPLETED**

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	2. Chehalem Valley Chamber of Commerce meets with the Newberg Downtown Coalition Merchants Committee and other businesses and review program.	√			CVCC	2016/2017 - Buy Local group created including CVCC, NDC, the Downtown Merchant Committee and other area merchants. Ideating/messaging/branding session led by ALD. Basic program elements defined. **TASK COMPLETED**
	3. Implement and promote the program with a focus on educating the community about benefits, use, etc.	√			CVCC	2017/2018 - Newberg "Buy Local" klings printed and distributed. Other program tasks under development. 2017/2018 - Buy Local group with Brian Love and Jennifer Sitter leading efforts. The Shop Small/Local program implemented. Activities stalled until broader leadership outside of downtown. Program needs to be revisited.
	4. Extend the Buy Local program to Dundee and the rest of the valley.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the second year.
	5. Monitor and improve as necessary.	√			CVCC	2016/2017 - Ongoing.
	6. Evaluate if eScripts is a viable tool and / or find equivalent tools.		√		CVCC	2017/2018 - This program will not be advanced.
	7. Promote the program and its success to local and non-local market segments through the Business Resource Center, the City website, etc.		√		CVCC	2017/2018 - The Activities stalled until broader leadership outside of downtown. Program needs to be revisited.
	8. Work with City of Newberg to develop a purchasing program that provides preference to local vendors.			√	CVCC	2017/2018 - City conducts local purchases when appropriate. **TASK COMPLETED**
3.4	**Enhance Business Mix in Downtown Newberg**					
Actions	1. Conduct a market analysis, including an inventory of the existing business mix to determine missing retails needs.	√			NDC	2016/2017 - CVCC to provided its business inventory to NDC. NDC BOD currently updating inventory. 2017/2018 - NDC in coordination with GFU students conducted a business survey, waiting on analysis results.
	2. Maintain inventory of available retail space.	√			NDC	2016/2017 - Inventory database up to date and NDC is maintaining. 2017/2018 - NDC and CVCC maintain databases of information. NDC information to be shared with CVCC to post one web.
	3. Establish marketing and recruitment program.		√		NDC	2016/2017 - See Section 3.3 about Buy Local 2017/2018 - No activities occurred during the second year.
	4. Establish a dedicated space for food carts.		√		City	2016/2017 - Two food cart sites selected. Program being promoted now. 2017/2018 - The Bite of Newberg was established with 8 food carts in the downtown area at E First Street and N Center Street.
	5. Promote development of vacant parcels to expand retail and office business opportunities.		√		NDC	2017/2018 - City working on possible hotel development. Discussions with property owners on possible development opportunities at E Second Street/S Blaine Street (NE and SW corners of intersection), Old Leifs site, Johnson site at E Second Street/_____, Butler site at E First Street/N Howard Street.
	6. Continue marketing and recruitment program.		√	√	NDC	2017/2018 - City promoting opportunities where feasible.
	7. Establish a position in the Business Resource Center.		√		NDC	2017/2018 - CVCC repositioning for Business Resource Center activities.
	8. Work with City of Newberg and Chehalem Valley Chamber of Commerce to develop the Butler property.			√	NDC	2016/2017 - Interest continues in the Butler property with NDC. NDC and City Council held work session in Feb 2017 on possible interim uses. 2017/2018 - City prepared a Request for Expression of Interest on the Butler property. Proposals are due August 15, 2018.
3.5	**Workforce Development**					
Actions	1. Evaluate current and future needs.	√			CVCC	2016/2017 - CVCC held a workforce/talent development meeting with regional 40 stakeholders resulting in a SWOT list, then engaged a workforce development consultant to complete analysis and develop strategy/plan with review and approval by the Newberg workforce committee. **TASK COMPLETED**

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	2. Conduct a survey of local businesses' workforce needs.	√			CVCC	2016/2017 - Partially completed in task 3.5.1 (above). 2017/2018 - TASK COMPLETED
	3. Conduct a gap analysis.	√			CVCC	2016/2017 - CVCC developing a workforce gap analysis to present to PCC President on July 27, 2017. 2017/2018 - Data gathered and shared with PCC. CVCC conducting quarterly updates. Quarterly/Semi annual reports prepared. **TASK COMPLETED**
	4. Scale-up the Chamber of Commerce Steps Up internship program with help from George Fox University, Newberg High School, Portland Community College and Chemeketa CTE.	√			CVCC	2016/2017 - CVCC Steps Up internship program expanding with help from GFU IDEA Center and NSD. The gating factor is host businesses. CVCC engaged with county-wide team to extend internship program throughout the region. 2017/2018 - County workgroup discussed taking the program countywide. Newberg program beefed up and training with employers. GFU Idea Center Director on the Steps Up team.
	5. Connect the regional technical such as Innovate Yamhill County and create new programs as needed.	√			CVCC	2016/2017 - CVIA sponsoring or assisting with initiatives and programs including Innovate Yamhill County, the annual Willamette Valley Drone Challenge, PCC/OMIC tours, and NHS Entrepreneurship 101. CVIA created and maintains multiple Innovate websites. **TASK COMPLETED** 2017/2018 - Coordinated with NHS on 2 OCF grants. Innovate Newberg website launched. PCC visit led to no dollars for capital needs but working on college credits for students. NHS applied for ROI grant but was not successful in obtaining a grant award.
	6. Implement the SE STEM Center "Oregon Connections" database with local businesses and schools.	√			CVCC	2016/2017 - Per NSD, the SE STEM Center Oregon Connection database not appropriate at this time. **TASK COMPLETED.**
	7. Expand Tasting Room Associate Course from one to three classes.	√			CVCC	2016/2017 - OWEC team expanded to include course/curriculum developer, new training "staff" and marketing/promotions/registration/website team. At least 6 TRAHC 1 classes held and TRAHC 2 class developed with first 2 classes offered in July and August 2017. Development and promotion of consumer seminars for summer underway. 2017/2018 - TRAHC 2 classes being taught, outreach to Oregon Restaurant Lodging Association. TRAHC 300 class under construction. US Bank signed up as a 3-yr program sponsor. Holding average of two TRAHC classes a month and one consumer seminar bi-monthly.
	8. Establish mentoring programs at the high school level.		√		CVCC	2016/2017 - NHS implemented the Aspire Mentoring program with support from CVIA. **TASK COMPLETED** 2017/2018 - ASPIRE program moved into second year.
	9. Extend the Chamber of Commerce internship to run year-round.		√		CVCC	2016/2017 - No activity on this action during the first year. 2017/2108 - **TASK CLOSED**
	10. Facilitate region-wide collaboration between workforce development stakeholders to expand and extend services.		√		CVCC	2016/2017 - CVIA facilitating Economic Vitality Summits and Strategic Doing process in partnership with UO-CSC. Outcomes from first 2 summits include 3 workforce development workgroups. 2017/2018 - A third summit was planned and canceled. CVIA applied for a TFFF grant to conduct Strategic Doing and grant awarded. Collaborative team trained, Strategic Doing Sessions held with YCCC. City coordinating with Willamette Workforce Partnership. **TASK COMPLETED**
	11.Extend opportunities for local students to earn technical degrees within the region.		√		CVCC	2016/2017 - CVCC led efforts to connect and fund an NHS automotive program at World of Speed with 24 students participating in 2016-17 school year. 2017/2018 - NHS instituted a for credit program with Providence and CCC for the nursing program. NHS Integrated Design Studio and manufacturing job shop programs were implement. **TASK COMPLETED**

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	12.Implement employability soft skills curriculum into Newberg School District.		√		CVCC	2016/2017 - CVCC and area stakeholders on the CTE Advisory Committee addressed soft skill needs with incoming NHS Principal. CVIA assisted NHS management with proposed Design Studio creation. 2017/2018 - Design Studio implemented at NHS. OCF grant obtained which will assist in expanding the Integrated Design Studio. **TASK COMPLETED**
	13. Build and leverage best practices from organizations like American Association of Chamber Executives.		√		CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - CVCC reposition to operate the Business Resource Center. Board of Directors members received WACE training, coordinated with eight Chambers on repositioning. Aggregating best practices from training and connections. New CEO attending WACE training in August.
	14.Promote a community-based, inclusive, world-class education system that attends to needs of all students from cradle, to career, to grave.			√	CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - CVCC representation on NHS Site Council, NSD Long Range Facility Planning Committee and Innovate Oregon/Newberg.
	15. Recruit quality Community College resources for the community (e.g. Chemeketa CC).			√	CVCC	2016/2017 - City and CVCC working with Regional Solutions and PCC management to engage CCC resources including a meeting with the new PCC President. NHS successfully created nursing program with Chemeketa CC and Providence. 2016/2017 - City and CVCC working with Regional Solutions and PCC management to engage CCC resources including a meeting with the new PCC President. NHS successfully created nursing program with Chemeketa CC and Friendsview.
3.6	**Establish Business Resource Center**					
Actions	1. Collaborate with Portland Community College CLIMB to fund a staff person.	√			CVCC	2016/2017 - Turnover at PCC CLIMB and SBDC, along with CCC-SBDC, have resulted in little support for business advisory services. 2017/2018 - Meeting held with PCC and CLIMB Director, CVCC looking at BRC focus, CVCC repositioning to become the Business Resource Center, PCC not viable to support. **TASK COMPLETED**
	2. Conduct a gap analysis and best practices research.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - Repositioning the Chamber's priorities to focus on providing business resources and assist in regional economic development resulted in a comprehensive refresh of the Chamber's plan and outreach to other Chambers regarding best practices. **TASK COMPLETED**
	3. Create a Business Resource Center website.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - Chamber repositioning to become the Business Resource Center and created a website. **TASK COMPLETED**
	4. Perform a feasibility study to determine operating structure, space, staffing, focus, linkages, and revenue structure.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - Chamber repositioning to become the Business Resource Center. **TASK COMPLETED**
	5. Provide in-person small business development services.	√			CVCC	2016/2017 - See 3.6.1 (above). Working with the local SCORE team to help them expand their team and engage them in providing local small business advisory services. 2017/2018 - SBDC staff not available. CVCC repositioning to function as the Business Resource Center. **TASK COMPLETED**
	6. Connect student interns with local businesses.	√			CVCC	2016/2017 - See 3.5.4 (above) - Steps Up intern Program. 2017/2018 - Internship program is underway. **TASK COMPLETED** and ongoing.
	7. Chehalem Valley Chamber of Commerce Outreach (e.g. Breakfast for Champions, Customer Service, wine industry, etc.)	√			CVCC	2016/2017 - Intermittent success with Breakfast for Champions program. OWEC off and running with TRAHC classes. 2017/2018 - CVCC repositioning to function as the Business Resource Center. **TASK COMPLETED**

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	8. Develop mentoring programs from existing business owners.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - Program for vertical health care and technology, added third industry mentoring program (Health, Business IT, Construction. Construction industry group formed, Manufacturing Advisory Council being created with assistance from A.R.E. Manufacturing.
	9. Integrate services with the City of Newberg.	√			CVCC	2016/2017 - CVCC continues to provide feedback to City regarding business build-out experiences, permitting challenges, etc. 2017/2018 - CVCC repositioning to become the Business Resource Center and coordinating with the City.
	10. Facilitate region-wide collaboration between workforce development stakeholders to expand and extend services.		√		CVCC	2016/2017 - See 3.5.10 (above) - CVIA leading Economic Vitality Summits. 2017/2018 - TFFF grant applied for and received. PCC visit but no capital for NHS CTE programs but working on college credit program. Applied for State ROI grant but was not selected.
	11. Apply for funding/grants to expand operations and/or hire a full-time employee.		√		CVCC	2016/2017 - CVIA applying for TFFF grant to lead 2 year countywide economic vitality process. 2017/2018 - TFFF grant applied for and received for CVIA-led economic vitality process (The Collaborative/Strategic Doing). Ongoing.
	12. Integrate goals and purpose with the Accelerator, GFU, PCC, Chemeketa, and regional and state organizations.		√		CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - CVCC is repositioning to function as the Business Resource Center. **TASK COMPLETED**
	13. Move the Business Resource Center to a permanent facility.			√	CVCC	2017/2018 - CVCC is repositioning to function as the Business Resource Center. **TASK COMPLETED**
	14. Expand the facility, operations and services as needed.			√	CVCC	2017/2018 - CVCC is repositioning to function as the Business Resource Center. **TASK COMPLETED**
3.7	**Market Employment Training Opportunities to Employers and Employees**					
Actions	1. Promote Chehalem Valley Chamber of Commerce programs.	√			CVCC	2016/2017 - CVCC website refreshed earlier this year - including new visitor center section. Directory and Field Guide published and distributed. 2017/2018 - CVCC continues to promote programs. **TASK COMPLETED** and ongoing
	2. Promote Portland and Chemeketa Community College programs.	√			CVCC	2016/2017 - PCC partnering with NHS to provide welding classes. NHS, CCC and Providence created a certified nursing program at NHS; first term successful. 2017/2018 - Year two of NHS/CCC CNA program was underway. PCC visit did not lead to capital dollars for NHS CTE program. **TASK COMPLETED** and ongoing
	3. Promote George Fox University programs.	√			CVCC	2016/2017 - IDEA Center helping CVCC with 2017 Steps Up Intern program. CVIA heavily-partnered with GFU College of Engineering. 2017/2018 - CVCC continues to promote programs. **TASK COMPLETED** and ongoing
	4. Create Semi-annual job fairs co-sponsored Chehalem Valley Chamber of Commerce, McMinnville Area Chamber of Commerce and Oregon Employment Department.	√			CVCC	2016/2017 - Job fairs held and successful. Ongoing. 2017/2018 - Good employer attendee at events but low turnout for potential candidates.
	5. Identification of training opportunities based on employer needs.	√			CVCC	2016/2017 - CVCC working on gap analysis for PCC meeting on July 27th, 2017. 2017/2018 - No activity on this action during the second year.
	6. Promote Incite job training programs.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the second year.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
	7. Fund a FTE dedicated to expansion of workforce development programs that serve new and existing businesses.		√		CVCC	2017/2018 - No activity on this action during the second year.
3.8	**Business Financing Program**					
Actions	1. Connect businesses and entrepreneurs with local lending institutions.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - CVCC repositioning to become the Business Resource Center. **TASK COMPLETED** and ongoing
	2. Make the Business Resource Center a repository of business financing alternatives including regional, state, national and industry specific sources.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - CVCC repositioning to become the Business Resource Center.
	3. Promote Yamhill County small and large grant programs to local businesses.	√			CVCC	2016/2017 - No activity on this action during the first year. 2017/2018 - Yamhill County Small grant program is on hold. Large grant program is still active and linked on CVCC web site.
	4. Establish a regional angel funding program to support the Accelerator as well as other business, promoted through the Business Resource Center.		√		CVCC	2016/2017 - CVCC and City working with local citizens to create angel fund to help CVIA tenants.
	5. Evaluate non-traditional financing programs such as Kick Starter, Crowd Supply, etc. Promote them and provide advisory services as needed through the Accelerator and Business Resource Center.		√		CVCC	2017/2018 - No activity on this action during the second year.
	6. Bring the Economic Development Revolving Loan Fund loan program currently managed by the Mid-Willamette Valley Council of Governments back to Newberg.			√	CVCC	
	7. Expand Economic Development Revolving Loan Fund.			√	CVCC	
	8. Modify requirements in the Economic Development Revolving Loan Fund program to increase accessibility to small businesses.			√	CVCC	

TOURISM AND HOSPITALITY

Goal: Make Newberg / Chehalem Valley a regional, national & international tourist destination

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
4.1	**Increase Tourist/Visitor Counts In Newberg**					
Actions	1. Enhance outreach program to tourists.	√			CVCC	2016/2017 - Ongoing tourism promotion and industry influencer FAM tours as reported quarterly to the City Council. 2017/2018 - Ongoing tourism promotion and industry influencer FAM tours as reported quarterly to the City Council.
	2. Enhance signage and gateway elements in the downtown area for tourists and visitors.	√			CVCC	2016/2017 - New First Friday program launched with new brand and signage/flags. 2017/2018 - The east gateway area into downtown was enhanced with new landscaping elements by the City.
	3. Increase advertising and public relations dollars.	√			CVCC	2016/2017 - Tourism funding for CVCC capped at the standard amount and use for 4.1.1. Tourism Committee and City Council determining how to use additional TLT funds. 2017/2018 - The TLT Committee and City Council continued discussions on how to use TLT funds with a refocus of the program on destination marketing.
	4. Enhance pedestrian infrastructure downtown (e.g. lighting, trash, benches, etc.).	√			CVCC	2016/2017 - NDIP consultants provided technical report for design guidelines which were included in the Downtown Plan. 2017/2018 - The Newberg downtown Coalition and City met to review the pedestrian infrastructure and discussed preliminary possibilities for enhancements.
	5. Promote the Buy Local program.	√			CVCC	2016/2017 - See Section 3.3 Buy Local above.
						2017/2018 - See Section 3.3 Buy Local above.
	6. Evaluate alternatives for a mid-tier hotel.	√			CVCC	2016/2017 - CVCC did initial research. NDC and the City met with an interested party. NDIP evaluated hotel on Butler Property and Reality Check meeting discussed opportunities for a hotel in the downtown area (east end or west end). City in discussion with hotel developers. 2017/2018 - The City has talked with potential developers on a hotel in the downtown area.
	7. Recruit a mid-tier hotel to the valley.		√		CVCC	2016/2017 - City in discussion with hotel developers. 2017/2018 - The City has talked with potential developers on a hotel in the downtown area and hotel(s) along the Portland Road corridor.
	8. Create a regional marketing campaign that promotes Newberg and the valley as a destination location.		√		CVCC	2017/2018 - The Chamber and the TLT Committee worked on repositioning the tourism program to focus on destination marketing to promote Newberg as a destination location. The Chamber is leading the creation of a countywide Destination Marketing Organization and provided a 2-year destination marketing plan to the City.
	9. Work with major businesses, George Fox University, Sportsman Airpark, the Allison Inn & Spa, local major wineries, and other national/international sources of potential visitors to increase out-of-region destination traffic.		√		CVCC	2017/2018 - No activity on this action during the first year.
	10. Establish annual reporting on tourism activities.		√		CVCC	2017/2018 - CVCC provides quarterly reports on tourism-specific activities involving CVCC (ongoing).
	11. Expand the regional marketing campaign that promotes Newberg and the valley as a destination visit into a national/international campaign.			√	CVCC	
	12. Three-year review and evaluation of programs and progress.			√	CVCC	
	13. Continue annual reporting on tourism activities.			√	CVCC	

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
4.2	**Support and Expand Events that Increase Activity in Downtown Newberg Year Around**					
Actions	1. Evaluate the impact of existing events.	√			NDC	2016/2017 - Development of a matrix to evaluate the impact of events within the downtown area is under discussion. 2017/2018 - Development of a matrix to evaluate the impact of events within the downtown area is under discussion.
	2. Design a coordinated event marketing program.	√			NDC	2016/2017 - No activity on this action during the first year. 2017/2018 - No activity on this action during the second year.
	3. Coordinate events calendars.	√			NDC	2016/2017 - The Newberg Downtown Coalition is coordinating with the Chehalem Valley Chamber of Commerce, Newberg Library and Cultural Center on event calendar coordination. The Newberg Downtown Coalition updates their event calendar every two weeks. 2017/2018 - The Newberg Downtown Coalition is coordinating with the Chehalem Valley Chamber of Commerce, Newberg Library and Cultural Center on event calendar coordination. The Newberg Downtown Coalition updates their event calendar every two weeks. Chehalem Valley Chamber of Commerce is working on an electronic events calendar.
	4. Existing Events: Art walk, Trick or Treat Street, Holiday Market, Retail Events, Oktoberfest, Chehalem Cultural center events, Tunes on Tuesday's, Downtown Newberg First Friday's Farmers Market, Old Fashioned Festival, Special Olympics, Lavender Festival, Brews & BBQ, Truffle Festival, Camellia Festival	√			NDC	2016/2017 - Various committees in charge of the respective event are coordinating activities and all events are moving forward. 2017-2018 - Various committees in charge of the respective event are coordinating activities and all events are moving forward.
	5. Evaluate redesigning Francis Square as an event venue.		√		NDC	2016/2017 - The Newberg Downtown Coalition and City have had discussions on design modification to Francis Square. Discussions will continue as the Newberg Downtown Improvement Plan is implemented. 2017/2018 - Francis Square went through a clean-up process with new landscaping. Additional improvements will be discussions as the Newberg Downtown Improvement Plan is implemented.
	6. Evaluate expanding the number of events and activities.		√		NDC	2016/2017 - Discussions are underway about a new event for a sculpture festival with the intent for the first festival to occur in 2018. 2017/2018 - Interest has been expressed in creating an Art Commission with a possible sculpture festival in 2019/2020. No additional events or activities anticipated in the near future.
	7. Continue the build-out of the Newberg Cultural District as a premier event venue.		√		NDC	2016/2017 - Approximately 50% of the planned improvements within the District have been completed exterior to the Cultural Center Building. Activities are underway for a capital campaign to raise funds to finish improvements to the second floor of the Cultural Center which would allow for additional events and activities to occur. 2017/2018 - Approximately 50% of the planned improvements within the District have been completed exterior to the Cultural Center Building. The Cultural Center was awarded grant funds for the Culinary Kitchen and is working on foundation grant funding for the project. The Cultural District applied for a TLT Large Grant but it was not awarded funding for a wayfinding project.
	8. Establish a classic car/concourse de elegance.		√		City	2016/2017 - The City is in discussion with local car enthusiasts and Sportsman Airpark to create a classic car show. 2017/2018 - Interest remains in establishing an event but has been slow to develop.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

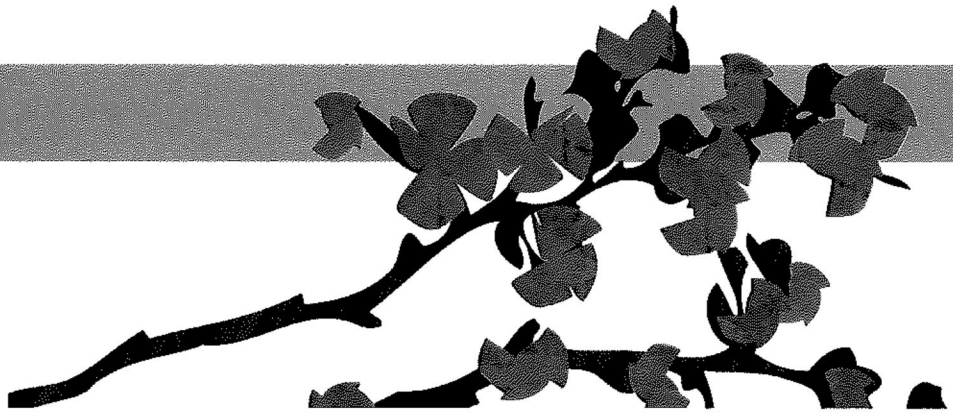
	Strategies	Timeline			LEAD	PROGRESS
		Short-term (0-12) months	Mid-term (12-24) months	Long-term (24-36) months		
4.3	**Transient Lodging Tax Program**					
Actions	1. Establish transient lodging tax workgroup on uses of Transient Lodging Tax.	√			City	2016/2017 - An Advisory Group to the City Manager was established that met for 11 months. **TASK COMPLETED**
	2. Engage consultant to develop a comprehensive Tourism Action Plan that encompasses the existing Visitor Center as well as new marketing initiatives funded by the 2014 increases in Transient Lodging Tax.	√			City	2016/2017 - Lookout was hired to work with the Advisory Group and staff to prepare the Newberg Strategic Tourism Plan. The Plan was adopted by the Newberg City Council on June 20, 2016. **TASK COMPLETED**
	3. TBD			√	City	2016/2017 - Based on the adoption of the Newberg Strategic Tourism Plan the Newberg City Council established the Transient Lodging Tax (TLT) Ad Hoc Committee in December 2016. The TLT Ad Hoc Committee developed a process and application material for a Small Grant program, went through the first round of application solicitation, and recommended awarding five grants totaling $20,000. The Committee additionally developed a process and application material for the Destination Development - Marketing Grant Program which has up to $430,000 available to award. A Marketing Subcommittee was established that is evaluating a marketing and branding program. **TASK COMPLETED** 2017/2018 - The Transient Lodging Tax Ad Hoc Committee revised the Large grant guidelines and solicited for grant applicants. Three grants were awarded to Chehalem Cultural Center ($250,000), Newberg Downtown wineries Association ($20,000) and Wolves & People ($30,000). The Small Grant program awarded $20,000 in grants to Oregon Truffle Festival ($7,000), Chehalem Cultural Center Camellia Festival ($8,000), Hoover-Minthorn House Museum ($2,500) and Anvil Academy ($2,500). The TLT Committee worked on a proposal for a permeant structure for the tourism program to focus on destination marketing and transitioning away from the grant program.

NEWBERG ECONOMIC DEVELOPMENT STRATEGY ANNUAL REPORT
May 2017 - April 2018

BIN LIST-SUGGESTIONS, IDEAS, ADJUSTMENTS…						
	Source	Priority	Date	Related Section	Lead	Comments

ORGANIZATIONS

Allison Inn & Spa (AIS)	Oregon Employment Department (OED)
Business Oregon (Biz OR)	Oregon Entrepreneurs Network (OEN)
Bonneville Power Administration (BPA)	Oregon Department of Transportation (ODOT)
Chehalem Valley Chamber of Commerce (CVCC)	Oregon Legislature (Legislature)
Chehalem Parks & Recreation District (CPRD)	Oregon Main Street Program (OMSP)
City of Newberg (City)	Oregon Manufacturing Extension Partnership (OMEP)
City of Dundee (Dundee)	Oregon Nanoscience & Mircotechnologies Institute (ONAMI)
Clackamas Community College (CCC)	Oregon State Chamber (OSC)
Department of Land Conservation and Development (DLCD)	Oregon Transitional Research Development Institute (OTRADI)
Economic Development Administration (EDA)	Oregon Wine Board (OWB)
Federal Highway Administration (FHWA)	Pacific Northwest Defense Coalition (PNDC)
Finance Community (Finance)	Portland Community College (PCC)
Friends of Yamhill County (FYC)	Portland Community College CLIMB Center (CLIMB Center)
Frontier Communications (Frontier)	Portland General Electric (PGE)
George Fox University (GFU)	Portland Incubator Experiment (PIE)
Greater Portland Inc. (GPI)	Portland & Western Railroad (PWR)
	Providence Newberg Medical Center (PNMC)
Japan American Society of Oregon (JASO)	Regional Solutions (RS)
Marion County (MC)	Small Business Administration (SBA)
McMinnville Chamber of Commerce (MCM Chamber)	Small Business Development Center (SBDC)
Mid-Willamette Valley Council of Governments (MWVCOG)	Strategic Economic Development Corporation (SEDCOR)
Newberg Downtown Coalition (NDC)	Travel Oregon (TO)
Newberg Graphic (Graphic)	Technology Association of Oregon (TAO)
Newberg Kiwanis (Kiwanis)	US Commercial Service (USCS)
Newberg Rotary Early Bird/Noon (Rotary)	US Army Corps of Engineers (Corps)
Newberg School District (NSD)	Willamette Valley Wineries Association (WVWA)
Newberg Urban Management Area Commission (NUMAC)	Yamhill County (YC)
Northwest Natural (NWN)	Yamhill County Parkway Committee (YCPC)
Oregon Business Council (OBC)	Yamhill County Transit Area (YCTA)
Oregon Department of State Lands (DSL)	1000 Friends of Oregon (1000 Friends)
Oregon Entrepreneurs Network (OEN)	



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BY: SR

The City of Yamhill

Invites you to join us at the next

City/County Dinner

Thursday, August 16, 2018

Catered by: Trask Mountain Outpost

Where: City Park - Beulah Park

East Third Street on the South end of town

Time: 6:00 pm - 6:30 - Social Time

6:30pm - Dinner & Reports

Cost: $25.00 per person - Please make checks Payable to the City of Yamhill

Menu:

Please choose one entrée:

1. Roasted Pork Loin w/Apple Stuffing

OR:

2. Stuffed Chicken Breast

Served with Baby Red Potatoes, Grilled Bacon Wrapped Asparagus, Dinner Roll

House Salad w/ Raspberry Vinaigrette & Caesar Salad

Brown Butter Apple Cobbler / Carrot Cake

Iced tea, Lemonade or Bottled Water

Please RSVP to City Hall - 503-662-3511 or email k.steele@cityofyamhill.org by Wednesday, August 8, 2018 @ 5:pm

We hope to see you there!

NEWBERG CITY COUNCIL MEETING INFORMATION

Meeting Date: 8/6/18 **Prepared by: Sue Ryan**

Councilors	**Roll Call**	**TLT Committee Appt Shannon Buckmaster**	**Consent Res 3495 MWVCOG IGA Res 3494 GSI Water Solutions contract**	**Ord 2833 Waiver Corey/ Johnson 5-0-1 Main motion below**	**Res 3488 Animal Shelter Sale**	**Res 3454 Master Fee Schedule**
ANDREWS, Bob, Mayor	X	Yes	Yes	Yes	Yes	Yes
BACON, Denise	A	A	A	A	A	A
COREY, Mike	X	Yes	Yes	Yes	Yes	Yes
ESSIN, Scott	X	Yes	Yes	Yes	Yes	Yes
JOHNSON, Patrick	X	Yes	Yes	Yes	Yes	Yes
McKINNEY, Stephen	X	Yes	Yes	Yes	Yes	Yes
District 1 seat vacant						
ROLL CALL VOTES		**YES: 5 NO: 0 ABSENT: 1**	**YES: 5 NO: 0 ABSENT: 1**	**YES: 5 NO: 0 ABSENT: 1**	**YES: 5 NO: 0 ABSENT: 1**	**YES: 5 NO: 0 ABSENT: 1**
MOTION (1st/2nd):		Andrews/ Corey	Johnson/ Corey	McKinney/ Johnson	McKinney/Corey	Corey/Johnson
Public Comments- Requests or Complaints	David Jackson- Sign Code/ Veterans banners	Rick Rogers- Elected Officials Build Day Habitat for Humanity				
Follow Up/Dept. contact	Doug + Joe	Appt. - DawnKaren	3495-Doug 3494 - Paul	2833- Keith	3488-Truman	3454- Dan

Meeting adjourned at 9:32 p.m.

ORDINANCE NO. 4708

AN ORDINANCE AMENDING THE BEAVERTON DEVELOPMENT CODE FOR COMPRENSIVE CHANGES TO SIGN REGULATION

60.40.10.

Signs Exempt from Permits and Regulation. The following signs are exempt from this ordinance regulation and do not require permits:

Traffic or other governmental street signs, such as railroad crossing signs and notices, as may be authorized by the City. Signs constructed or placed in a public right-of-way by or with the approval of a governmental agency having legal control of that right-of-way for the purpose of traffic control, transit, public safety and wayfinding.

6. Plaques, markers or **banners placed by** the city **or city recognized** agency or **organization for the general purpose of recognizing** historic significance or **military service.**

https://www.beavertonoregon.gov/DocumentCenter/View/18435

City Council Meeting
Date: 8/6/18
Re: Sign Code
Topic: Public Comment

David Jackson