

**City of Newberg  
City Council Minutes  
August 21, 2023  
Hybrid meeting format**

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**BUSINESS SESSION –**

Meeting called to order at 6:00 p.m.

Councilors Present: Mayor Bill Rosacker, Councilors Elise Yarnell Hollamon, Derek Carmon (via Zoom), Molly Olson (via Zoom), Mike McBride, and Peggy Kilburg

Councilors Absent: Councilor Robyn Wheatley

Staff Present: City Manager Will Worthey, City Attorney James Walker, Development Director Doug Rux, Planning Manager Clay Downing, and Finance Director Kady Strode

**CITY MANAGER'S REPORT**

CM statistics report for June data

CM Worthey reported on statistics for the month of June 2023. Revenue to the City from solar plant energy production came in the form of Pacific Gas and Electric (PG&E) energy offsets that were applied directly to lower the amount of the City's bill.

**PUBLIC COMMENTS**

Matt Bunn, Newberg Emergency Shelter (NES) based out of Northside Community Church, Director of Operations and Case Management, thanked the Mayor, Councilor Carmon, and CM Worthey for meeting with the leadership team of the NES, which was founded by former City Councilor Denise Bacon, and thanked the Newberg-Dundee Police Department for working with their staff members and guests to ensure safety for the community. A couple of weeks ago a group of community organizations who served the homeless population met at Love INC and hosted a community forum at Red Hills Church to discuss homelessness, services available to the homeless community, and how community members can get involved. The Mayor, CM Worthey, and Police Chief Kosmicki participated in the forum and provided great insight. The organizations involved all had active programs or projects in the near future dedicated to serving homeless residents of Newberg, including Love INC, Providence, City of Newberg, Yamhill Community Action Partnership (YCAP), North Valley Friends Church (NVFC), and the NES. There was a request for an additional conversation to hear from Newberg residents who had received services while experiencing homelessness about how they were supported through housing insecurity, job placement, mental health and addiction services, spiritual care, mentorship, and more. NVFC offered their space to host the second forum and the NES would facilitate the meeting. Mr. Bunn extended an invitation to Councilors to come hear from Newberg residents who had received services from local organizations. NES would be sending Councilors a 2022-2023 report containing data, client stories, and future plans. NES hoped Council members would give a voice to how the homeless were cared for while prioritizing safety and livability in Newberg. The upcoming forum would be held on August 27, 2023, at 6 pm.

Gerry Pruyn, Northside Community Church (NCC), had been living in Newberg for four years. Mr. Pruyn had a faith-based transitional house for eight and a half years in Tigard and Beaverton. Two years ago, the NCC raised money for the homeless, and for the last two years Mr. Pruyn had been doing Laundry Angels, free laundry for the homeless, at 1<sup>st</sup> Street Laundromat once a month and was getting to know the clients and people that came in. Mr. Pruyn met Matt Bunn and was familiar with Harvest House before they moved to the location at NCC in April, since which time he had seen how positive the service was for the homeless guests. Since April, 42 families that had stayed in the church were now in permanent housing. Newberg needed the NES, and the NES could potentially work with Community Wellness Collective (CWC) to have a house for homeless men in the city, which Mr. Pruyn would look into as it was similar to his work done in Tigard and Beaverton. Mr. Pruyn noted NCC had not had any problems with anyone who received homeless services in the church.

Rebecca Wallace stated Denise Bacon was the founder of a warming shelter found on River St. The warming shelter morphed into the NES and moved from River St to a location owned by YCAP on College St. Ms. Wallace's comments were regarding NES, not YCAP. The subject of homelessness was controversial, complex, uncomfortable, and filled with strong emotions. The relationship between YCAP and NES was confusing and misunderstood by many community members. The two entities had similar interests but were not the same entity as they used different pathways and ideas to achieve their outcomes. NES operated on a solution-based problem solving and was the best fit for Newberg with boots-on-the-ground experience over the last 9 years working for Newberg residents. An emergency shelter was not an end-of-the-road solution to homelessness in Newberg. The evolution of the subject of homelessness had caused society to stereotype shelters. Emergency shelters were recognized as a haven for criminals, which was far from what NES represented. The NES helped to place 42 at-risk individuals into housing since April 2023 which was a significant contribution to getting homeless individuals off the streets. Communities needed resources to protect the life, liberty, and happiness of all living in the community. Ms. Wallace envisioned people in the community gifting the homeless with the resources needed to overcome poverty, tragedy, or emergency. Ms. Wallace encouraged setting aside politics and bias against homeless people and consider those who just need help. Ms. Wallace supported the City having an emergency shelter in place. With the right direction and targets the NES would benefit the community. Fears about emergency shelters could be relieved by becoming involved at the shelters.

## **REPORTS AND PRESENTATIONS**

[Urban Growth Boundary Processes](#)

[2023 FORM A - INFORMATION RCA.pdf](#)

[Attachment 1 - Council UGB 8-21-23.pdf](#)

[Attachment 2 - goal14.pdf](#)

[Attachment 3 - Division 24.pdf](#)

[Attachment 4 - Division 25](#)

[Attachment 5 - Enrolled SB 4.pdf](#)

Community Development Director Rux shared a slideshow presentation on the Urban Growth Boundary (UGB) and the associated processes at the request of Mayor Rosacker. CDD Rux covered the following topics:

- City Council Goals 2 and 7 regarding the UGB.

- The Housing Needs Analysis (HNA) and Economic Opportunities Analysis (EOA) documents indicated a shortage of 78 acres of land for residential purposes and 165 acres of land for industrial purposes.
- The original map of the UGB, which was acknowledged by the State in 1981.
- The history of the expansions and amendments of the UGB from 1979 to the present.
- All UGB expansion areas have been in Urban Reserve Areas (URA) except the golf course.
- Boundaries and expansions shown in the 2023 UGB map. Islands within the UGB map showed land that had not been annexed into City limits yet.
- Of four Applications to expand URAs, two were approved and two were denied locally. One request was remanded by the Department of Land Conservation and Development (DLCD) and the request was withdrawn by the City. Another Application by the Bellairs/Bestwicks was in process and was awaiting review and determination by the DLCD.
- An example of an URA map from 2005.
- A map of the current URA boundaries. Some URAs had not been utilized since 1995.
- The Newberg 2030 project Phase 1 started in 2015 with a grant from DLCD. Phase 2 began in 2018 with applying for another grant from DLCD with the new simplified UGB method. The City hired consultants and began work and the consultant's estimate to do the analysis was a seven-figure number. With only \$30,000 available, the City withdrew the grant request and sent correspondence to DLCD indicating the flaws of the simplified UGB method.
- UGB options were presented to the Council on July 19, 2021, after several delays.
- A map was shared showing landslide areas, resource lands, exception lands.
- A UGB process considered URAs first, then exception land, and then resource land which was classed by soil.
- A mile and a half area around the UGB was considered for possible expansions with the exception of land within Dundee City limits or land across the Willamette River.
- Expansion considerations were complex and challenging. Home builders preferred flat land but did not want to buy one-acre parcels to consolidate for development.
- A HNA was done first in 2019 with two following updates in 2021 for increased population numbers. An EOA and a Public/Semi-Public Land Needs Analysis (PSP) were done in 2021. These analyses were accepted by Council by Resolution. In August 2022, CDD Rux packaged the reports together and submitted them to DLCD as a post-acknowledgement plan amendment process to update the Newberg Comprehensive Plan, but DLCD responded that the process did not work that way. The body of work was waiting at the State.
- State law required population forecasts to be done by Portland State University through the Population Research Center every three or four years. The first population forecast was in 2017 and was used for the 2019 HNA. The new population forecast that came out in 2020 was used for the HOA, EOA, and PSP. The next forecast would be done in 2024.
- For planning purposes, the current population forecast must be used.
- Council had the documents based on the 2020 population forecast and had the option of beginning a UGB process with the DLCD to lock the current numbers into the process.
- Statewide Planning Goal 14 and state law ORS 197 applied to the analysis and expansion procedures of the UGB.
- Administrative Rules in Division 24 outlined the traditional UGB method. The simplified method in Division 38 did not work for Newberg. The Administrative Rules provided a preliminary list of things to consider.
- Administrative Rules in Division 25 built on the Division 24 process and adds a periodic review and would allow the City to notify the DLCD they wanted to use a sequential UGB

blended between Divisions 24 and 25, negotiate a scope of work and a timeline, and enter into an agreement with the DLCD with the possibility of amending the agreement if needed for delays. No community had done this process before so there was no model to follow.

- CDD Rux presented three options to the Council for UGB expansion:
  - Expand Urban Reserves, then expand UGB through Division 24, or Divisions 24 and 25.
  - Expand UGB using Division 24 Traditional Method.
  - Expand UGB using Division 24 Traditional Method and Division 25 Periodic Review.
- CDD Rux discussed in detail the risks, rewards, and processes of going through each of the different options for UGB expansion.
- Once land was brought into the UGB the next step was a concept plan for streets, infrastructure, zoning, and a Comp Plan, which increased cost and added time to the process.
- Oregon Creating Helpful Incentives to Produce Semiconductors and Science (CHIPS) Act from Senate Bill 4 Section 10 stated the Governor could bring land into a UGB by executive order in conformance with the legislation with a maximum of eight sites. Six of the sites must be under 500 acres but two of the sites may be over 500 acres. There was no minimum on acreage.
- A map was shared showing the location of a possible UGB site with 184 acres and 10 owners. It would be necessary to talk with property owners to see if they were interested in being in the UGB. The Gabler family had expressed interest previously.
- To proceed by executive order someone would have to lobby the Governor's office.
- CDD Rux summarized the options for going through the UGB process.

CDD Rux answered Councilor's questions as follows:

- If the City was successful using the CHIPS Act but could not find a customer to build the required technology plant, the property would sit until a customer was found to build the required plant.
- If Council did the UGB process with Option 3 using Divisions 24 and 25 processes the City would pay all the costs unless landowners wanted to make a financial contribution toward the analysis with no guarantee that their land would be brought in to the UGB. The City Attorney's office would work with landowners to create individual agreements.
- The 2019 analysis documents and Comp Plan amendments submitted to DLCD were currently sitting. CDD Rux had strategically left the submission for future negotiation with DLCD regarding options for moving forward.
- The analyses and documents involved were very tightly interwoven such that it was difficult to pull out one element to use on its own, which was part of the problem the last time the City tried to expand the UGB for industrial use.
- Some comments in the 5,000-page record for the City's case with DLCD suggested turning residential land into industrial land to solve industrial land deficiency, however the City was deficient in both types of land.
- CDD Rux had not submitted a withdrawal of the request to DLCD and would not submit it until Council had decided how to proceed with UGB expansion.
- DLCD had stated the City could not adopt the HNA by Ordinance and change the Comp Plan. The change must be embedded in the Division 24 process unless Council chose to go with Option 3 using Division 24 and 25 processes. DLCD verbally told CDD Rux stated in the case of using a blended Division 24 and 25 process the City could bring to Council the body of work that was already done, create a work program, have a public hearing to adopt

the HNA, EOA, PSP, and Comp Plan changes, and then move forward and see whether it got appealed or not.

- Using Option 3, consultants would be hired to look at advancing the 2022 UGB submission to DLCD which would bring the HNA, EOA, PSP, and Comp Plan changes to the City Council for adoption.
- The site being considered for request with the CHIPS Act was not in the URA.
- Hierarchy of lands to consider first for URA expansion.
- It was uncertain whether the work done to apply for the CHIPS Act would be useful in the case that the site was not granted.
- If Council selected Option 3, PM Downing would talk with DLCD to find out how much time and effort would be involved in putting together a program and timeline. There was no model to follow as it had not been done before.

Mayor Rosacker proposed looking into Option 3 or using the CHIPS Act to expand the UGB. The larger sites were likely to go to Hillsboro, but a smaller site could possibly be in Newberg which was on a good transportation route.

The Council consented to direct Staff to work on expanding the UGB through Option 3 and the CHIPS Act.

## **COUNCIL APPOINTMENTS**

Appointment of Committee Members to Rate Review Committee

MOTION Appoint RRC.docx

ResumeNJK23\_Ned Knight.docx

Derek Duff Resume EITHER NURA OR RATE REVIEW.docx

2023 - Resume-Derrick-Wharff.pdf

Anna Arsenault Resume (4).pdf

CM Worthey stated Finance Director Strode had reviewed the resumes and had been particularly impressed with a teenager who wanted to join the committee.

Action: To appoint Derek Duff, Anna Arsenault, Ned Knight, and Derrick Wharff as Rate Review Committee Members

Motion: Councilor Yarnell Hollamon

Second: Councilor Olson

Vote: 6 Yes 0 No 0 Abstain 1 Absent (Wheatley)

CM Worthey was uncertain whether the members who were just appointed to the committee would be on staggered terms.

Finance Director Strode did not receive many responses of interest and had to move quickly to form a quorum. Finance Director Strode was open to staggering the terms of the Rate Review Committee members and noted another member of the Committee had resigned just before this meeting leaving another vacancy that needed to be filled.

City Attorney Walker stated the term length of the student position on the committee was one year, and the regular positions had a term of three years.

Finance Director Strode confirmed there were eight positions on the Rate Review Committee plus an ex officio Council member.

**NEW BUSINESS**

Harvest House MOU Discussion  
CWC MOU-Signed- 4.1.22.pdf

This item was tabled for a future meeting.

**COUNCIL BUSINESS**

Councilor Olson: Planning Commission Forward Looking Calendar  
Planning Commission Forward Looking Calendar Aug 10 2023 .pdf

Councilor Olson advised Councilors that anything on the Planning Commission Forward Looking Calendar that said “quasi-judicial” was a topic Councilors should avoid discussing unless they document the conversation.

**ADJOURNMENT**

Meeting adjourned at 7:15 p.m.

**ATTEST:**



Bill Rosacker, Mayor



Emily Salsbury, Acting City Recorder