

**City of Newberg
City Council Minutes
March 6, 2023
Hybrid meeting format**

WORK SESSION – Meeting called to order at 6:00 p.m.

Councilors Present: Mayor Bill Rosacker, Councilors Elise Yarnell Hollamon, Mike McBride, Molly Olson, Robyn Wheatley, Derek Carmon, and Peggy Kilburg.

Staff Present: City Manager Will Worthey, City Attorney James Walker, City Recorder Sue Ryan, Administrative Assistant Zaira Robles Muniz, Intern Joshua Hren, Police Chief Jeff Kosmicki, Finance Director Kady Strode, Community Development Director Doug Rux, Library Director Korie Buerkle, and City Engineer Kaaren Hofmann.

PRESENTATIONS: City Engineer Hofmann presented on the Engineering Division, and the SDC Council subcommittee.

There was discussion on: See Click Fix – the Public Works app for reporting issues, Total Maximum Daily Load (TMDL), stormwater requirements for new development, and Fats Oils and Grease (FOG) program.

CDD Rux presented on the Newberg Urban Renewal Agency (NURA). It was formed in August 2020, and is in the Municipal Code under Chapter 2.40. It is a separate body politic. The ordinance that created it declared a state of blight. He explained its organization and powers. Its bylaws were adopted in April 2021. The Urban Renewal Plan was adopted in April 2022 through Ordinance 2022-2896. The Plan has a maximum indebtedness of \$125,800,000. Tax increment financing begins to come in during November 2023. The plan duration is 30 years, and covers 540 acres. The area has several subsets with different priorities. He discussed the process for property acquisition for public improvements.

There was discussion on:

- Sub Area G Blaine Street & public transportation.
- How projects made it onto the list for development.
- Traffic signals
- Sub Area C new homes
- Individual property who had annexed but not hooked up to the city sewer system.
- Plans for former landfill site, and if it could be developed.
- Initial development is to create 200 jobs lost when former paper mill closed down; second phase is downtown redevelopment.
- Plan involved a lot of citizen involvement; focused on infrastructure.

Finance Director Strode presented on the Rate Review Commission. It was established by Newberg Municipal Code 2.15.120. It requires residents biannual review of municipal

service rates, which includes Water, Wastewater, Stormwater, and Transportation Utility fee. The Commission meets every 2 years to review utility rates. It helps in determining the rates necessary to generate enough revenue to fund future capital projects and to provide continuing operations of each utility. This committee provides residents involvement and input into future municipal services bill. Committee meetings involve presentations on each utility by City Engineering Staff, a financial presentation, a town hall meeting for public comment from residents, and preparation of a recommendation to City Council.

There was discussion on:

- How utility rates are determined for each one.
- Expensive improvements at WasteWater Treatment Plant tied to former projects.
-

BUSINESS SESSION –

Meeting called to order at 7:41 p.m.

Councilors Present: Mayor Bill Rosacker, Councilors Elise Yarnell Hollamon, Mike McBride, Molly Olson, Robyn Wheatley, Derek Carmon, and Peggy Kilburg.

Staff Present: City Manager Will Worthey, City Attorney James Walker, City Recorder Sue Ryan, Administrative Assistant Zaira Robles Muniz, Intern Joshua Hren, Police Chief Jeff Kosmicki, Finance Director Kady Strode, Community Development Director Doug Rux, and City Engineer Kaaren Hofmann.

COUNCIL APPOINTMENTS

Action: To recommend the selection of Jeff Musall as an appointee for Planning Commission to the Newberg Urban Area Management Commission (NUAMC).

Motion: Councilor McBride

Second: Councilor Yarnell Hollamon

Vote: 7 Yes 0 No 0 Abstain 0 Absent

Action: To recommend to the Yamhill County Board of Commissioners that Mayor Bill Rosacker, and Councilor Robyn Wheatley be appointed to the County Parkway Committee to represent the City of Newberg.

Motion: Councilor Yarnell Hollamon

Second: Councilor Olson

Vote: 7 Yes 0 No 0 Abstain 0 Absent

CITY MANAGER'S REPORT

CM Worthey reported on departments' activities.

CONSENT CALENDAR

Action: To approve Resolution 2023-3893, A Resolution recommending the

Oregon Department of Transportation and Oregon Transportation Commission approve the Interchange Area Management Plan (IAMP) for the Newberg-Dundee Bypass OR 18-OR 219 interchange and repealing Resolution No. 2022-3870.

Motion: Councilor Kilburg
Second: Councilor McBride
Vote: 7 Yes 0 No 0 Abstain 0 Absent

PUBLIC COMMENTS

Jim Talt read a letter sent to the Planning Commission about Multifamily Housing Standards. He said the proposed change would result in a reduction of open space in the City. He felt this would create problems for access to parks. He said the existing parking methodology in the Code should be kept instead of the new proposal.

PUBLIC HEARING: Ordinance 2022-2912, Title 15 amendments – SB 458

Mayor Rosacker opened the public hearing. He called for abstentions or declarations of conflicts of interest. There was none.

CDD Rux presented the staff report. This was to amend Title 15 of the Newberg Municipal Code with the passage of SB 458 in 2021 regarding Middle Housing Land Divisions. Newberg is required to comply with the provisions as it is a community above 25,000 in population. These legislative changes would allow partitions for middle housing types (duplexes, triplexes, quadplexes, townhouses, and cottage clusters) that enable them to be sold or owned individually. These would be permitted in R-1, R-2, R-3, RP, AR, SD and are processed through a preliminary/final plat. Separate utilities would be required for each dwelling unit. Each lot would still meet the development standards for each zone (height, setbacks, lot coverage, etc.) He went over examples of each type.

The Council discussed:

- Lot sizes – restrictions
- The use of this legislation as a tool to make housing more affordable.
- Ripple effect on parking.
- Consequences if not adopted.
- Applicability to cottage clusters.
- Separate legislation to come for multi-family housing.

Public Testimony: None

CDD Rux recommended adoption of Ordinance 2023-2912.

Councilor Kilburg had reservations about townhouses.

Councilor Wheatley had questions about cottage cluster ownership.

There was discussion on procedure.

Action: To read Ordinance 2023-2912 by title only, An Ordinance amending the Newberg Municipal Code, Title 15 Development Code, Title 15 Development Code, 15.05.030, 15.100.030, 15.100.050, 15.100.140, 15.235.020, 15.235.030, 15.235.040,

15.235.050, 15.240.060, 15.326.040, 15.346.080, 15.405.050, 15.410.080, 15.415.070, 15.505.020, 15.505.030 with a second reading at the next Council meeting.

Motion: Mayor Rosacker
Second: Councilor Yarnell Hollamon

City Attorney Walker read the Ordinance by title only. Mayor Rosacker closed the public Hearing.

NEW BUSINESS

Resolution 2023-3890: N. College amendment

City Engineer Hofmann said the North College Street Sidewalk and Bike Lane project had been a joint effort with the Oregon Department of Transportation (ODOT) since 2017. It was a project to extend sidewalks along the west side of the roadway (N. College) to Edgewood Drive and add bike lanes on both sides. The project is noted in the Transportation System Plan (TSP) as project E05. It is a critical component for non-motorized transportation.

ODOT manages the projects and its budget. Bids for the project in Fall of 2022 came in \$500,000 over budget. ODOT and the City have negotiated a third amendment to the project contract, which is before the Council tonight. It is for the City and State to split the cost of the overrun.

The Council discussed:

- Cause of the cost overruns
- SDC fund eligibility
- Percentage of what City still owes to ODOT

Action: To approve Resolution 2032-3890, A Resolution to authorize the City Manager to execute with the State of Oregon Amendment #3 to an existing Intergovernmental Agreement No. 31704 to provide additional matching funds for the North College Street Sidewalk and Bike Lane Project.

Motion: Councilor Olson
Second: Councilor Carmon
Vote: 7 Yes 0 No

Housing Production Strategy:

CDD Rux said when Newberg adopts their Newberg Housing Analysis as required by HB 2003 they have 1 year after that date to adopt a Housing Production Strategy.

The Council discussed:

- Timelines and processes
- What sections the Council would like to see changed
- Potential subcommittee of Council to give input
- Ability to amend the document after adoption

- Intent of strategy to show state how the City is going to produce units
- Difference between adopting and accepting the strategy

-

Construction Excise Tax

Mayor Rosacker wanted to know what they could do to kill the Construction Excise Tax.

CDD Rux explained the options as it was adopted by Ordinance.

The Council discussed:

- Processes & timeline for repealing the Ordinance.
- Funds collected to date
- How to disburse those funds
- CET as a tool for affordable housing

Action: To table the Construction Excise Tax [CET] decision until next Council meeting to discuss and understand if Council wants a Housing Production Strategy.

Discussion: Mayor Rosacker stated that this would give the council time to deal with how they want to approach it.

Motion: Mayor Rosacker

Second: Councilor Yarnell Hollamon

Amendment to the main motion:

Action: To work very hard in the next two weeks to nail down a Housing Production Strategy or bring forward what we have concerns with find out how we fund it, if it needs funding, so CET or not what's the impact and in the mean time James will busily figure out how to administratively handle repealing the CET if don't need it.

Motion: Councilor Olson

Second: Councilor Yarnell Hollamon

Vote: 7 Yes 0 No

ARPA Funding:

Reed Arthur, Gather Repertory Theater, spoke about supporting small businesses through the ARPA funds and what was going to be done with the remaining funds.

Sarah King, Honey Pie Pizza, said remaining ARPA funds should be given to the businesses that were next on the list for funding including her business, the theater, and Chehalem Valley Dance Academy.

The Council discussed:

- Distribution of remaining funds.

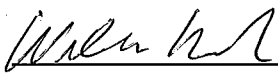
Action: To use the remaining ARPA funds for the Water Treatment Plant
Motion: Mayor Rosacker
Second: Councilor Carmon
Vote: 5 Yes 2 No [Olson, Yarnell Hollamon]

Meeting adjourned at 10:25 p.m.



Sue Ryan, City Recorder

ATTEST:



Bill Rosacker, Mayor