MINUTES OF THE NEWBERG CITY COUNCIL
OCTOBER 15, 2001
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING - TRAINING ROOM

I. CALL MEETING TO ORDER

Mayor Cox called the meeting to order.

II. ROLL CALL

Roger Currier (RC)	**Lisa Helikson (LH)**
Noelle Wilson (NW)	**Donna McCain (DM)**
Brett Veatch (BV)	**F. Robert Weaver (RW)**

Others Present:

Duane R. Cole, City Manager
Terrence D. Mahr, City Attorney
Police Chief Robert Tardiff
Community Development Director Michael Soderquist
Barton Brierley, Planning Director

III. *PLEDGE OF ALLEGIANCE*

The Pledge of Allegiance was performed.

PUBLIC MEETING SECTION

IV. PUBLIC COMMENTS

Daralyn Adams, 131 Johanna Court, Newberg, presented the Newberg Animal Shelter Friends. The High School will have a 5K run and all proceeds will go to animal shelter. Next meeting is 10/25/01 at 7:00 p.m. Discussion was held concerning financial records and the non-profit status of the Shelter Friends. They have $31,078.12 and they hope to 3,251.76 by year end to match the $17,164.94 they made last year.

David Paxton, 812 Green Valley Drive, Newberg, talked with Councilor Currier and Mr. Barton Brierley concerning getting information. In April, 2001, the City sent out a notice for a public hearing regarding the Mtn. View Drive right-of-way for a proposed road. He requested copies of the deed granting the right of way to the City. Mr. Brierley said he provided a copy of a deed, and that deed conveys what the prior owners previously conveyed. It conveyed an undivided one-half interest in the right of way, he is sure that it does that. If the City has any other documents of another undivided one-half. If they maintain that the document conveyed a full interest in the right of way property in 1982, he would like to know. Mayor Cox said that he will get City staff to respond to his inquiry. Councilor RW asked that a specific staff member be assigned to Mr. Paxton. (503) 538-5019. Mayor Cox said that he will get with Mr. Paxton. Mr. Mahr is on vacation. Mr. Paxton said that there are 13 deed references on the property from the

Stewart's ownership originally. Mr. Paxton's property abuts the right-of-way. He said the City is acting before it owns the full ownership. He is an interested property owner. He was offended to find out that in February, 2001, the City Council, by Resolution, took away abutting property owners access rights that had existed on paper since 1980 without notice to the property owners. He found out the action to be offensive.

1. **Resolution No. 2001-2325** authorizing the Mayor to sign an addendum to the definitive agreement between the City and Providence Health System-Oregon.

City Manager DRC presented the staff report concerning the definitive agreement. The City will be willing to do so:

1. The City will assure that a hospital remains in the community; and

2. Be able to share in the new hospital construction with the community; and

3. Get credit for the contribution.

4. The hospital is an asset and a matter of convenience for the community.

Councilor Currier asked for clarification of the ownership of the building. DRC said the property was deeded to the hospital with the City having a right of re-entry. Councilor RC reviewed ORS 271.330 concerning relinquishment of public property. DRC said the actual asset of right of re-entry will not occur until the hospital project was completed. The City only owns the right of re-entry and not the actual ownership of the property. Discussion was held concerning the statutes involving public hearings which are to be held with property advertisement.

Councilor Wilson said that the agreement is not a conveyance of property rights. Councilor RC said that he believes that the Council is avoiding the public hearing process.

Mayor Cox said the relinquishment would be at a later time.

Verl Scheibe, PO Box 156, St. Paul, Oregon 97127, a member of the Providence Hospital Community Board, Newberg Chamber of Commerce and St. Paul Fire Department. Mr. Scheibe said that he would like the Council to transfer the agreement to the Hospital - gateway to the community of Newberg. The new facility will draw families from other areas. Newberg can stand to gain economic strength and vitality ("build it and they will come"). They will bring more top-notch physicians. People also stay local for health-care in a $58M hospital without having to travel to Portland. Approval would stand with the commitment for the community and proceed into the new century.

Councilor Veatch said he has a family member employed from the Providence Health System and will abstain from voting.

Dr. Stanley Kern, 4407 Birdhaven Loop, Newberg, been a member of the Hospital Medical staff great than 30 years. He has served on the Hospital Board and active member of the Providence Health Foundation and a member of the active medical staff for the hospital. He has been through several refurbishment and fund raising events to update the hospital facilities, enlarge the capacity and better to serve the community. The Hospital provides good medical care to the community. He would like the staff's recommendation for approval of the Resolution. Dr. Kern said the Providence Health System provides:

- Recruitment for physicians, more patients
- Hospital is frequently over-loaded and some patients have to be transferred
- Increased breadth of services but is difficult to keep up with the growing need

The Hospital opened in 1947. Dr. Kern said he owns property adjacent to the hospital. If the hospital moves, his medical office may lose some of its value. In fact, that may even be the case, despite the fact of loss of some financial investment, but agrees that it is in the best interest of the community to provide for a new facility. It will help Providence build a state of the art facility, larger space for continued growth and it is a good investment into the community.

Mr. Mark Meinert, Chief Executive of Providence Newberg Hospital, 2713 E. Roberts Lane, Newberg, a member of the community for over 17 years. He gave a brief over-view of the hospital's history. In July, 1994, the Hospital invested over $3M at the on-set of the signing and have subsequently contributed more money over the years. Discussion was held concerning the purchase of new property along Hwy. 99W. The resolution will help to seek the replacement of the hospital with a new facility and a commitment in interest with expenditures of over $58M. It will be the first hospital project since St. Vincents Hospital in Beaverton, Oregon. The transfer will guarantee to have an acceptable level of healthcare available to 2019. The 25 year definitive agreement continues to be in effect Mr. Meinert said that an additional employment of many healthcare professionals. Newberg will have the newest state of art hospital in the State of Oregon. The last hospital built by Sisters of Providence was over 27 years ago. It will bring advanced health care technology all of which provide for new equipment, procedures, health care professionals and high-tech advances.

Councilor Currier asked about the building of the hospital and the new physician/primary care adjacent office buildings. Discussion was held concerning a group of physicians who belong to the Providence Health Care System and how other physicians who do not belong to the Providence Health Care system. Mr. Meinert said that a physicians office campus is important for the survival of the Hospital. He addressed physicians coming to the Sisters of Providence Health Systems wishing to join. Discussion was held concerning health insurance programs (Kaiser and Legacy programs) and how the Sisters of Providence System is open to entering into agreements with other programs to provide service to the community. Mr. Meinert said this will positively change the vision of Newberg (locally available for medical services).

Councilor Weaver said he has a vision that goes beyond the hospital's needs and it will be a great asset to the community such as the growing university.

MOTION Weaver/Helikson to approve Resolution No. 2001-2325.

Councilor Currier said that he believes it would be a good asset. Councilor RC reviewed his discussions with Mr. Spike Sumner from the Hospital concerning a potential monopoly. Councilor RC addressed funding senior transportation services, police and fire funding. He said that the Council needs to figure out how to obtain funding in many areas, including road improvements. He said that the City should consider not "giving City money away". He said he would not support the resolution.

ROLL CALL: 4 Yes/1 No [RC]/1 Abstain).

Discussion was held concerning the money being ear-marked for health care services to the community. Discussion was held concerning the City's right to re-enter.

4. Status report of Proposed Urban Renewal Plan - information only.

Mr. Charles Kupper, consultant for the urban renewal plan working with the citizen task force who provided goals and objectives, revenue projections and walked them through the project. In addition to the meetings with the task force, they held an open house in September, 2001, with an attendance of about 25-30 people. He provided a re-draft of the activities of the Plan and the priority established by the task force with expected costs.

Mr. Barton Brierley reviewed the proposed urban renewal boundary. The boundary as discussed by the task force is for use in drafting boundaries and determining whether certain areas should be included or not. The first area (red) is the major portion of downtown Newberg to re-vitalize the area, the bottom is toward the riverfront so that the improvements to and from the riverfront could be included; opportunities with the rail line including trolleys; the orange area is the commercial to promote economical development in the area; area in green is the commercial and industrial area inside the Springbrook Oaks Plan to promote economic development in the area.

Mr. Charles Kupper reviewed the urban renewal plan and established a preliminary list of projects. What they did in the list, they broke them into a few areas to make it easier to get their hands on them (goals and objectives for the specific areas - general improvements, new values, new housing and jobs, traffic, transit and general infrastructure in the area). They come up with about $25M over the time of the project. $7M on traffic and circulation, $6M on appearance items $5M on new values and jobs $2M on public utilities, administration and public assistance. Discussion was held concerning the time frame (sunset requirement concerning maximum indebtedness to incur under the plan). Discussion was held concerning the tax revenues generated. Each year would be reduced proportionately. At any point along the way, even with the $25M debt, even though collecting $10M, the City Council can elect to terminate the renewal plan, provided it pays off the bond debt. Mr. Kupper said he will be refining the numbers and based on the revenues, it will take about 25 years of renewal operation to carry out the $25M cost of projects. Mr. Kupper reviewed tax income revenue - taking the increased in value in the renewal area, and applying to it the Measure 50 tax rate for the City (about $13.30) - about $130,000 worth of revenue inside the urban renewal area. Ballot Measure 50 has shifted the urban renewal plan and the impact of the plan upon the tax payer - $4.30 per $1,000 right now). The impact now is upon the various taxing bodies that over-lap. IN this case, the impact would be the City of Newberg, the County, CPRD, NSD and they would forgo revenues that the would otherwise be derived in the values of the areas. Discussion was held concerning the division of the property values. Mr. Kupper reviewed proposed revenues and tax rate reductions and other impacts that will be borne by the City and other taxing authorities. A public meeting will be held on October 30th. The structure of an urban renewal agency and how it is made up: City Council can act as the urban renewal agency (which is most favored with some form of an advisory board), or an appointed body (such as the City of Portland - none of whom are City Council members). The City of Medford and Hood River also use the form of agency with a voting power of non-council members. There are many other examples of appointed renewal agencies. The other form of renewal agency to have a community housing authority - which is not used by anyone in the State of Oregon. The renewal agency budget must go through the same City budget process and approved by the City's budget process. The next meeting is scheduled for October 19th and October 30th to discuss design issues and discuss revenue impacts. On November 14th, a draft of the urban renewal plan will be presented and for the Council review and approval on December 17th.

Councilor Currier addressed the reduction of income for the City. Mr. Kupper said that it does. Councilor RC inquired about the revitalization of the downtown area which is depressed and questions the flow of the urban renewal district some of which is not located in the downtown core area. Discussion was held concerning the urban renewal area boundary and the acreage representing 660 acres (under 20% of the total acreage of the City). Mr. Kupper addressed the reasoning for the enlarged urban renewal area - development opportunities not being restricted to the downtown core area to try to get into areas where development, creating some additional revenue and take on projects which would not otherwise be included.

Mayor Cox said that at some point, the values would help lessen the impact of the reduction of revenues. Mr. Kupper said that as long as the urban renewal project is on-going, additional fees and revenue could be generated. Discussion was held concerning the amount given up by the City despite the amounts received from the increased values from the urban renewal areas. When the urban renewal plan is shut down, the revenues will return. Mr. Kupper said that the renewal district will generate revenue at the rate of $13.30 per $1,000 and the City will have revenue available based upon the value of the new improvements. The City would only generally receive $4 per $1,000 at the regular rate without the urban renewal project plan. The real reward comes with the closing of the plan.

City Manager DRC said that he would advise the council

- Choose a project that has a big bang for the buck, get it built and get the district removed. Discussion was held concerning repealing of urban renewal projects.

- Helpful to bring back the whole picture with the talk. It is hard to conceptualize to move the community forward. Discussion was held concerning revenue projections and taking the risk on the livability issues - more community outreach projects.

PUBLIC HEARING

5. Public Hearing on **Resolution No. 2001-2323** recommending that Yamhill County deny an application for a Conditional Use Permit for a Communications Tower at 2305 NEWBERG Alice Way.

Mr. Barton Brierley presented the staff report and the location of the proposed communications site. The property is zoned VLDR-1 (County) and City Comprehensive Plan designation of industrial. The process starts with the recommendation from the City Council. It is not a decision, but a request for a recommendation to the County. The applicant will take the application and file the application with Yamhill County. The Yamhill County zoning ordinance provides for a hearing process. If no hearing is requested by the application, neighbors or the City, Yamhill County can make an administrative decision. In any case, either Yamhill County staff or NUAMC recommendation, the County can make a decision. Recommended that NUAMC hold a hearing and deny the conditional use permit request. The property is currently within a residential area and the reason for denial is based upon the 150 height and visual structure plan. In looking at the criteria for the conditional use permit, not compatible with surrounding land use. The City should not take the position that the City not limit construction within the community, but the City's development code and the County's code requires a conditional use permit. If the location was further away from residences, it may be appropriate. The County requires criteria that has not been met. Staff recommends a NUAMC hearing and denial of the conditional use request.

Councilor Currier said that his recollection was that land should be annexed first. Mr. Brierley said that before the voter instituted annexation on island annexations allowed annexation approvals. But now the Council has deleted that provision. The area does not have sewer, paved streets, etc. and the cost of a local improvement district would not be appropriate.

Mr. Steven Topp, SBA Network Services, over 14 years of land use experience. He is disappointed that staff is recommending denial. Towers under 200 feet are not required to provide a red blinking light, but is also contingent upon FAA lighting requirements (federal jurisdiction). When they were looking for a site, SBA is a tower provider and rent out space to carriers. There are two carriers looking to site in the Newberg vicinity. They looked at the high school, but it was not appropriate. Discussion was held concerning impact on the surrounding areas. They looked at the residences in the area across a stream and gully with trees. A 150 pole will be seen for quite a distance. Basically, they did try to find a way to work with the City Ordinance. The County does not have height requirements. If the City is recommending denial and if the County does go ahead, does the City have any conditions which should be included in the recommendation. Mr. Brierley said there would be an opportunity for input at the NUAMC hearing.

Councilor Currier addressed "**Radio Frequency**" (RF) concerns. Councilor RC reviewed a 80-100 foot tower near Marylhurst College. He said the design of the tower can be varied. What the applicant is presenting is not what we want in our community, but alternative towers may be considered. If the Council made a recommendation and the County approved it, that lends it to the City leaning toward the total denial request by the Council.

Dan Schutter, Newberg, said he opposes the tower and endorses the staff's recommendation. The applicant's photos are quite misleading and the tower would be very obtrusive. The applicant could move the tower approximately 450 feet more toward the industrial area. He appreciates the direction the staff has taken in denying the application.

Councilor McCain asked if the tower would be in the flight path area in connection with the City's airport. Discussion was held concerning airport imaginary services and based on a complicated formula and it is outside the area. DRC said that staff will check the vectors for the site.

Councilor Wilson asked about the benefit of sending the matter to NUAMC. Mr. Brierley said that the City would have an opportunity to comment at the hearing as well as the applicant and the neighbors. The Council has the power to recommend.

MOTION: Currier/McCain to approve Resolution No. 2001-2323. (Unanimous). Motion carried.

6. Appointment of new member to the Planning Commission.
   a. Nick Tri

Mr. Barton Brierley said that Rob Molzahn resigned and his position expires at the end of this year. The staff recommends that the appointment of Nick Tri to complete Mr. Molzahn's term and to extend the term for another 2 years. Mr. Tri said that he welcomes the opportunity to work with the City.

Councilor Currier asked Mr. Tri if he felt if there would be any conflict with his wife, Katherine tri, City of Newberg Finance Director.

NOMINATION: Helikson/Currier appointed Nick Tri. (Unanimous).

BUSINESS MEETING SECTION

VI. CONTINUED BUSINESS

1. **Resolution No. 2001-2313** authorizing the City Manager to contract with the Mid-Willamette Valley Council of Governments to provide reapportionment mapping services for the City Council positions.

City Manager DRC presented the staff report.

Councilor Helikson asked for information on consideration on doing away with certain districts due to lack of response for representation. Discussion was held concerning staff's interpretation of the dis-bandment of the districting.

Councilor Currier said that he talked with Jim Morrison, a Newberg resident, concerning placing the matter on the ballot who expressed it would be a "rough go". Councilor LH said that she questions the validity of the decisions made which could have more or less impact on the community. Discussion was held concerning the Council's representation of the entire City, not just a certain district. Discussion was held concerning the time frames for placing the matter on the ballot. The re-districting must be placed prior to the elections deadline (before July, 2002). Councilor LH said she is opposed to making a decision by NOT making a decision.

Councilor Weaver said we need to know the boundaries due to the population growth. Discussion was held concerning the costs associated with whether or not to proceed with the process at the $4,000 cost. Discussion was held concerning the State's reallocation of the representatives for the State. Discussion was held concerning providing additional information in order to move forward with the redistricting. Councilor Currier addressed the voice of the people requesting districting. The cost of placing the matter: March will cost - $5-10,000.

Councilor Veatch said it would be a benefit in some instances, but the costs associated with the entire process . The funds come out of the election budget.

Councilor McCain addressed many issues involving other areas in the City which could use the money rather than spend it on a hypothetical re-districting.

Councilor Currier said it was a \$3,000 cost to readjustment the boundaries. Discussion was held concerning whether or not the State is requiring the City to re-district.

MOTION: Currier/Helikson to approve Resolution No. 2001-2313. (Unanimous). Motion carried.

VII. NEW BUSINESS

1. Report from City Manager on pending projects and the transition plan.

City Manager DRC reviewed the City Manager transition plan.

1. Projects, programs and assignments.
   - Great engineering design and inspection team - require update 1-2 months and special reports on big projects: Newberg-Dundee Transportation Project
     - New Water Reservoir
     - Brutscher to Main Street Project -Phase 2 (talk with the citizens)

Councilor Currier asked about eliminating the light at River Street. Discussion was held concerning the transition of the traffic flow and negotiations with ODOT.

2. Day to Day Assignments-
   - Manager's Briefs and Reports - discontinued
   - Items to Continue:
     - Employee Newsletter
     - Chamber Board liaison
3. City Projects: - Interim Plan:
   - City Code Adoption - November - K Tri
   - Budget Development - December - KT
   - Strategic Plan -= December KT and Soderquist
   - Utility Rate review - October/November - K. Tri
   - VDI Funds from HAYC - November TDM/K. TRI (housing fund agreements)

4. City Projects:
   - Newberg Dundee Parkway Project (Nov)
   - Central School Remodel (Oct/Nov)
   - Urban Renewal District (Nov/Dec)
   - Trans. Task Force - (Nov.)
   - Riverfront Plan - M. Soderquist
   - Mountainview - Villa to College (January)
   - Brutscher to Main - (On-going)
   - Complete City Hall - March
   - Storm sewer Utility - March (if studies are completed, the Council should review).
   - Library District - Leah
   - Culture & Arts Groups - Leah

- Police Dept. Re-organize. November - R. Tardiff
- Emergency Comm. Consol. - R. Tardiff
- Fire Dept. Re-org. - (January) - M. Sherman (contract changes w/union)
- Ambulance Rates - M. Sherman

Councilor Wilson left the meeting at 9:00 p.m. .

Councilor McCain said that we have a good staff because of Duane Cole.

VIII. CONSENT CALENDAR

1. **Resolution No. 2001-2312** authorizing the City Manager to sign an agreement with the Department of Housing and Urban Development providing for the expenditure of grant funds for the community and family resource center renovation project Federal FY 2001-E.D.I. - Special Project No. B-01-SP-OR-0751.
2.

MOTION: Helikson/Veatch to approve the consent calendar (5 yes/1 Absent - NW). Motion carried.

IX. EXECUTIVE SESSION

None.

X. ADJOURNMENT

The meeting was adjourned at 9:05 p.m.

ADOPTED by the Newberg City Council this 7th day of January, 2002.

Terrence D. Mahr

Terrence D. Mahr, City Manager Pro-Tem
City Recorder

ATTEST by the Mayor this 3rd day of January, 2002.

Charles B. Cox

Charles B. Cox, Mayor