MINUTES FOR THE NEWBERG CITY COUNCIL
NOVEMBER 7, 2005
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING - TRAINING ROOM

I. CALL MEETING TO ORDER

Mayor Stewart called the meeting to order.

II. ROLL CALL

Members Present:	Mayor Bob Stewart	Bob Andrews	Mike Boyes
	Roger Currier	Dawn Nelson	Mike McBride
	Robert Soppe		

Staff Present:
James Bennett, City Manager
Terrence Mahr, City Attorney
Kathy Tri, Finance Director
Dan Danicic, Public Works Director
Barton Brierley, Planning and Building Director
David Beam, Economic Development Coordinator
Kathleen Bochart, Recording Secretary

Others Present: Matson Haug, Charles Zickefoose, John Bridges, Lon Wall

III. *PLEDGE OF ALLEGIANCE*

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Jim Bennett, City Manager, presented the report. The NFD turkey carnival is this weekend, Friday, November 11, 2005 and Saturday, November 12, 2005. Kitchen opens at 6:00 PM and the games start at 7:00 PM. Tree trimming program will begin soon and run for about six weeks. Flushing of the water system will begin in December and go for about three months.

PUBLIC MEETING SECTION

V. PUBLIC COMMENTS

None.

VI. CONSENT CALENDAR

1. Consider approving City Council Regular Session Minutes for October 3, 2005, and October 17, 2005.

2. Consider appointments to the Citizen Rate Review Committee.
   Matson Haug Ernie Amundson Lon Wall
   Dan Schutter Charles Zickefoose

Lon Wall stated he had not applied for reappointment.

MOTION: Currier/Soppe to approve the consent calendar approving City Council Regular Session Minutes for October 3, 2005 and October 17, 2005 as corrected, and appointing Matson Haug, Ernie Amundson, Dan Schutter and Charles Zickefoose to the Citizens Rate Review Committee. (Unanimous) Motion carried.

VII. PUBLIC HEARING

None.

BUSINESS MEETING SECTION

VIII. NEW BUSINESS

1. Consider a motion directing the City Engineer to prepare an Engineer's Report for a Local Improvement District to construct a water line in Alice Way and to manage the annexation process.

Dan Danicic, Public Works Director, presented the staff report. On Alice Way there are several residents using one shared well. They would like to get City water and be annexed to the City. We would have to get county approval for the LID because the residents would like to get the water before annexation takes place.

Councilor McBride asked how many lots would be annexed and how many would get water.

Mr. Danicic replied that six of the nine lots would be annexed and all nine lots would receive City water.

Councilor Currier asked if the City would require that Alice Way be paved.

Mr. Danicic replied that this would not be a requirement and that Alice Way would still be a county road.

Councilor Soppe asked what the City would require of the property owners upon annexation and would they have to hook up to sewer.

Mr. Danicic replied that when the land to the north develops, the sewer will be available and they would be required to hook up at that time.

Councilor Soppe asked about the history of the industrial zoning on the property

Barton Brierley, Planning & Building Director, replied that the lots within the city limits on the east side of the creek is zoned light industrial and has been for at least 20 years. The ones outside of the city are designated industrial in the City's Comprehensive Plan.

Councilor Soppe asked what would happen if the annexation fails or the County won't approve the LID.

Staff did not believe that either of those scenarios was likely. But, if the County would not approve the LID, the City could annex the property and then do an LID of its own.

Councilor Currier asked how the property could be annexed if City infrastructure was not available to the property.

Jim Bennett replied that the infrastructure is available, but too costly to install at this time. Eventually, it will be extended to the property through development of adjacent properties.

Councilor Soppe asked about the requirement to remove non-conforming uses from property upon annexation.

Mr. Brierley replied that this is what is behind the desire to rezone the property to residential so the homes would not have to be removed.

Councilor Boyes asked how much the project will cost.

Mr. Danicic replied that the preliminary estimate is about $85,000, but this includes a 50% contingency, and the actual costs should be much lower.

Councilor Soppe said staff needed to include all potential costs in its estimate so that the property owners know up front what may be required of them.

Councilor Andrews voiced his concern over spending City funds for projects outside of the City with no guarantee that the City will gain any benefit.

Councilor Nelson asked why we couldn't just do a water hardship instead of an annexation.

Staff noted that this area is an "island" and that it would be best for the City to annex it.

Terry Mahr, City Attorney, reminded the Council that to approve a hardship it must not be immediately feasible to annex the property. This does not appear to be the case in this instance. The property can be annexed immediately.

MOTION: Nelson/Soppe to authorize staff to prepare an Engineer's Report for a Local Improvement District to construct a water line in Alice Way and to manage the annexation process. (5 Yes, 1 No [Andrews]) Motion carried.

2. Consider a motion to approve a request for a partial waiver of fees for an annexation.

Barton Brierley, Planning & Building Director, presented the staff report. CPRD has filed an annexation request for a 100-acre property on the south side of Fernwood. The City fees for the annexation are $1410 + $170/acre which would be $18,410. CPRD is requesting that the Council waive the per acre charge.

Councilor Soppe wanted to know if the annexation could be conditioned to repay any fees waived if the golf course project falls through and the property is developed as something else.

Councilor Boyes asked how the first nine holes of the golf course were handled. Mr. Brierley replied that this property was already in the city limits and did not require annexation. Councilor Boyes continued that he was concerned about water usage by the golf course and that this contributed to the water shortage this summer.

Councilor Andrews asked if the Council approves the annexation application, when would it go to the public for a vote. Mr. Brierley replied that this would probably be May 2006.

Mr. John Bridges, CPRD Counsel, stated that a deed restriction on the property ensures that it will only be used for a golf course and this cannot be changed. The fee waiver request is reasonable because the annexation application for the golf course will not require as much staff time as it would for 100 acres of residential development.

Councilor Andrews asked when the construction would begin if the Council and the voters approved the annexation.

Mr. Bridges replied that they would start that summer and probably open in the spring of 2007.

Councilor Andrews asked staff for a progress report on the Otis Springs water line.

Dan Danicic said that it is planned to be online in the spring of 2006.

Councilor Boyes asked staff if a reduced fee would cover all of their costs. Mr. Brierley replied that it would.

MOTION: Soppe/Andrews to approve the request for a partial waiver of fees for an annexation, contingent that the fees will be paid if the land is not constructed as a golf course. (5 Yes, 1 No [Currier]). Motion carried.

3. Consider a motion to approve Newberg Downtown Revitalization Committee's recommended future land use for 411 E. First St.

David Beam, Economic Development Coordinator, presented the staff report and clarified that this item was only for information and that no action was being requested of the Council. This is just a presentation on behalf of NDRC.

Lon Wall, Newberg Downtown Revitalization Committee Representative, recapped what happened at the block party to get public input on what should be done with the property. They had about 500 people attend and received 174 votes on possible ideas for the property. He added that, although a majority of the people suggested that the property be used for a park, many were not aware that a large park is proposed as part of the redevelopment of Central School only a few blocks away.

Councilor Currier was concerned about the City being the landlord of the property.

Mr. Wall replied that the idea was to generate some income for the City, but that this could also happen if the City just sold the property to a private developer.

Mayor Stewart asked if it was an option to put in underground parking, retail stores on the ground floor and housing upstairs.

Mr. Beam replied that the State has said that we could not do that for five years after the property is released for development. Only Community Development Block Grant approved uses could be developed on the site during the first five years.

The Council discussed a number of development ideas including a rooftop park if a building were constructed or using the site as a park during the five years. Mr. Beam cautioned that the City should not put any permanent structures up during that time. Staff will keep the Council informed about the status of the property.

4. Presentation on Economic Development Activities.

David Beam, Economic Development Coordinator, made the presentation to the Council.

Councilor Soppe asked for a summary of what has been done in the last year to bring jobs into the city. If I were a business, how would I find out about Newberg.

Mr. Beam replied that 80% of his time is spent with current businesses and 20% of the time attracting new business. We don't attend trade shows or advertise in trade magazines. We focus on small to medium size businesses because the large commercial and industrial companies are looking at the big regional centers, like Portland. Newberg cannot compete with them and really does not have the land needed for those businesses.

Councilor Soppe asked what he could do if he had an extra $50,000 to spend on economic development.

Mr. Beam replied that he would spend it on improving the City website and attending some trade shows. He noted that the Chamber of Commerce is also very involved with supporting existing businesses in Newberg.

Jim Bennett noted that he is on the Chamber Board of Directors. The Chamber has an Economic Development Committee and their emphasis has been on supporting local business and developing an identity for Newberg and the Chehalem Valley as a wine center. We need to look at what kind of businesses we can be successful at attracting and not get overly concerned about large industries or big box retail.

Mr. Beam stated that he would return to address the Council on the Economic Opportunity Analysis being prepared for the Planning Commission.

IX. CONTINUED BUSINESS

None.

X. EXECUTIVE SESSION

1. Executive Session pursuant to ORS 192.660(2)(h) relating to current litigation or litigation likely to happen - Measure 37 Waivers by Yamhill County for Two Pieces of Property.

The executive session was held during the City Council work session. No action was taken.

XI. ADJOURNMENT

MOTION: Currier/Soppe to adjourn at 9:05 PM. (Unanimous). Motion carried.

ADOPTED by the Newberg City Council this 21st day of November, 2005.

JHBennett

James H. Bennett, City Recorder

ATTEST by the Mayor this 22nd day of November, 2005.

Bob Stewart

Bob Stewart, Mayor