CITY OF NEWBERG COUNCIL MINUTES
SEPTEMBER 15, 2008
7:00 P.M. MEETING
PUBLIC SAFETY BUILDING TRAINING ROOM
401 EAST THIRD STREET

Work Session was held prior to this meeting. A Fire Department induction took place in Station 20. No decisions were made.

I. CALL MEETING TO ORDER

Mayor Bob Andrews called the meeting to order at 7:01 PM.

II. ROLL CALL

Members Present:	Mayor Bob Andrews	Mike Boyes	Roger Currier	Bob Larson
	Bart Rierson	Marc Shelton		

Staff Present:	Barton Brierley, Planning and Building Director	Daniel J. Danicic, City Manager
	Howard Hamilton, Public Works Director	Elizabeth Comfort, Finance Director
	Tabrina McPherson, Department Support Manager	Jennifer Nelson, Recording Secretary
Staff Absent:	Terrence Mahr, City Attorney (excused)	

Others Present: Joanne Wiitala, Stuart D. Brown, Sheryl Kelsh, John Bridges

III. *PLEDGE OF ALLEGIANCE*

The Pledge of Allegiance was performed.

IV. CITY MANAGER'S REPORT

Mr. Daniel J. Danicic, City Manager, spoke about the urban waterfront revitalization conference he attended last week and arranging a future workshop to share information with the Council. He noted that state representatives and senators will be meeting with the communities they represent on October 14th from 5:00 to 7:00 PM to focus on legislative issues statewide. At the October 6th City Council work session there will be a discussion on the utilities' franchise and Senator Larry George has also asked for time to speak to the Council as well; work session will convene at 5:15 PM to cover both items. He spoke of his presentation to Friendsview manor and the Public Works BBQ on Wednesday September 17th and officially announced Mr. Howard Hamilton as the new Public Works Director.

V. PUBLIC COMMENTS

Ms. Joanne Wiitala, representing the Newberg Animal Shelter Friends, announced they would be selling pavers at Fred Meyer this Saturday from 10:00 AM to 6:00 PM to be placed at the entrance of the new animal shelter when it is built. She also spoke of information provided on the NASF website and a new monthly giving program offering automatic withdrawals. The building fund is at $372,000 and the Swing Dinner and Auction will be Saturday, September 27th from 5:00 to 9:00 PM.

VI. CONSENT CALENDAR

1. Consider a motion approving **Resolution No. 2008-2805** creating a class exemption from competitive bidding requirements for certain public improvement contracts in proximity to private development.

2. Consider a motion approving City Council Minutes for August 18, 2008.

MOTION: Larson/Rierson to approve the Consent Calendar including **Resolution No. 2008-2805** and the City Council Minutes for August 18, 2008 as amended. (6 Yes/0 No/1 Vacant) Motion carried.

VII. PUBLIC HEARING

1. Consider a motion approving **Order No. 2008-0016** creating for a zone change from (R-2) to (C-2) and a comprehensive plan change from Medium Density Residential (MDR) to Commercial (COM); and design review approval for office use at 613 N. Elliott Road.

TIME – 7:10 PM

Mayor Andrews called for any biases, conflicts of interest, ex parte contact, conflicts of jurisdiction, or abstentions. None were stated.

Mr. Danicic made the required legal statements regarding quasi-judicial hearing procedures.

MOTION: Rierson/Larson to accept the written testimony submitted by Mr. Curtis D. Walker. (6 Yes/0 No/1 Vacant) Motion carried.

Mr. Barton Brierley, Planning and Building Director, presented the staff report and recommended adoption with conditions (see official meeting packet for full report).

Mr. Stuart D. Brown, Property Owner and Applicant, responded to some questions concerning the vacant lots.

Mayor Andrews asked for clarifications from staff as to the Planning Commission's (PC) recommendation for the permitted uses verses the staff's recommendations. Staff replied and noted accepting their recommendation would replace exhibit G with attachment 6.

Councilor Roger Currier expressed concerns for school students using the sidewalks and the impact of the retail section for this area and questioned if the applicant owned the adjacent properties.

Councilor Mike Boyes was also concerned about possible driveways on the adjacent properties. Staff addressed both stating the applicant did own the adjacent properties and although they could not see any reason for more driveways, the applicant could have more if he wanted to.

Councilor Bart Rierson questioned which units shared the same driveways. Staff noted which units 625,615, and 629 were currently sharing a driveway, but this does not come into play for the requested zone change.

Mayor Andrews asked if the request for the new office building was just for a reconfiguration of an existing building and not a new structure. Staff stated this was the case. He asked for further explanation of the requirement for commercial buildings within a residential neighborhood to blend in with the surroundings and he wondered if there should be a higher level of review for offices permitted in C-2 zoning than administrative.

Councilor Bob Larson asked if there were plans for a residential area above the office. Staff stated there were not plans for this.

Councilor Boyes asked about frontage improvements and staff said they anticipate the frontage will be improved when the office is put in.

Mayor Andrews opened public testimony.

Mr. Brown addressed some previous questions brought up by the Councilors and the eventual goal to connect all sidewalks from the high school to 99W. He stated the upstairs area above the offices would not be large enough to be used as residential space. He spoke of his intent to maintain the residential character of the neighboring parcels and addressed the ingress and egress issues surrounding an extra driveway on parcel 609. He stated the minimum requirement for parking spaces was being met. He spoke of his intentions for the area as a visual buffer between the residential and commercial areas and his commitment to providing affordable housing to the area but the inability to make this particular property function efficiently at a higher density.

Councilor Currier was still concerned with the lack of staging area at the traffic light with what he felt was an abundance of parking spaces.

Mr. Brown stated that subject was not addressed by the current request and he could not build any more on the undeveloped areas without approval from the Planning Commission.

Mayor Andrews asked the applicant what was being done to prevent overflow parking from the apartment across the street.

Mr. Brown stated they have had requests to park unused cars.

Councilor Larson asked how far the frontage improvements would go.

Mr. Brown stated they would be just in front of the property for now but he said he would like to see a Local Improvement District (LID) established at some point to create an uninterrupted pathway from the high school to 99W.

Mayor Andrews closed public testimony. No opponents appeared.

Mr. Brown waived his right to submit further written testimony after the record has been closed.

MOTION: Currier/Rierson to approve **Order No. 2008-0016** creating for a zone change from (R-2) to (C-2) and a comprehensive plan change from Medium Density Residential (MDR) to Commercial (COM); and design review approval for office use at 613 N. Elliott Road with additional staff recommendation to replace exhibit G with attachment 6 from the meeting packet.

Mayor Andrews stated he preferred the recommendations made by the Planning Commission. Both recommendations were compared again and discussed.

Councilor Rierson stated he supported the staff recommendations.

VOTE: To approve **Order No. 2008-0016** as amended (6 Yes/0 No/1 Vacant) Motion carried.

2. Consider a motion approving **Ordinance No. 2008-2699** approving the preliminary assessments for the Alice Way Local Improvement District (LID).

TIME – 8:16 PM

Mayor Andrews called for any biases, conflicts of interest, ex parte contact, conflicts of jurisdiction, or abstentions. None were stated.

MOTION: Larson/Shelton to accept the written testimony submitted by Mr. Jay Beaman. (6 Yes/0 No/1 Vacant) Motion carried.

Mr. Howard Hamilton, Public Works Director, presented the staff report and recommended adopting the ordinance (see official meeting packet for full report).

Dan Danicic commented the water line currently ends at the Hazelden Springbrook property. Hazelden would be required to loop the waterline during the next phase of their development. If Hazelden has not looped the water line by the time that the sewer portion of the LID is started, then the water line looping will be done at that time and the total cost of the water line looping will be borne by Hazelden.

Mayor Andrews opened and closed public testimony.

MOTION: Rierson/Currier to approve **Ordinance No. 2008-2699** approving the preliminary assessments for the Alice Way Local Improvement District (LID), read by title only. (6 Yes/0 No/1 Vacant) Motion carried.

3. Consider a motion approving **Resolution No. 2008-2802** acknowledging the fulfillment of the City of Newberg's obligation to hold a public hearing as part of the Community Development Block Grant project closeout process.

TIME – 8:25 PM

Mayor Andrews called for any biases, conflicts of interest, ex parte contact, conflicts of jurisdiction, or abstentions. None were stated.

Mr. Brierley presented the staff report and recommended approval (see official meeting packet for full report).

Councilor Rierson asked if the City waived some of the System Development Charges (SDCs) for this project and expressed his disappointment that they did not.

Mayor Andrews opened and closed public testimony.

Councilor Boyes commended the beautiful building but wished something different had been done with the fence.

Councilor Currier questioned the cost efficiency of the project.

MOTION: **Larson/Currier** to approve **Resolution No. 2008-2802** acknowledging the fulfillment of the City of Newberg's obligation to hold a public hearing as part of the Community Development Block Grant project closeout process. (6 Yes/0 No/1 Vacant) Motion carried.

VIII. CONTINUED BUSINESS

None.

IX. NEW BUSINESS

1. Chehalem Valley Chamber of Commerce and Visitors Center's Budget Report

Ms. Cheryl Kelsh, Executive Director of the Chehalem Valley Chamber of Commerce, presented the 2008-09 budget and offered results from the 2007-08 fiscal year. She mentioned overhead costs increasing on the proposed budget because of the desire to purchase space on 99W. There was also an additional increase in the cost for utilities and postage.

Mayor Andrews mentioned he would like to receive the budget prior to the meeting so there is more time to review it beforehand.

Ms. Kelsh discussed the tourist related flyers currently being distributed and brought a copy to show the Council.

Mayor Andrews suggested creating something similar to highlight area artists like they have done with the wineries.

2. Dedication of Transient Room Tax Revenue Discussion

Mr. John Bridges, President of the Chehalem Valley Chamber of Commerce, requested Council to initiate a public hearing to discuss directly connecting the transient room tax revenue to fund the Visitor's Center by a set percentage within the budget. He stated this would give the Visitor's Center stability in funding and is directly related to their efforts to promote tourism.

Councilor Boyes agreed this was a great idea and spoke of his belief the growing tourism in the area was something to be encouraged. He felt they would be successful in using these funds to market the area well.

Councilor Rierson also felt it was appropriate to tie the general fund money received through the room tax to fund the Visitor's Center.

Councilor Larson stated he would like to see the City do more than what they are currently doing with the $18,000 they give from the room tax. He would like to increase the portion from 15.6% to 20% of the room tax plus 12% of the business licenses.

Councilor Currier stated he was not opposed to the request but would like to dedicate the excess funds towards additional police officers instead of putting the burden on the general fund.

Mayor Andrews asked for clarification from the Finance Director regarding the totals being received from business licenses currently ($40K estimated).

Ms. Elizabeth Comfort, Finance Director, discussed the $12K historically devoted to the Visitor's Center and the $13K that goes into staff costs with the business licenses; including maintenance of software, postage, and staff operation. She also stated a portion goes into the economic development fund for new businesses in Newberg.

Discussion followed concerning the potential increase in the room tax and possible uses for that additional money including development and additional officers.

Mr. Bridges clarified he was asking all the funding, the $30K currently received, be directly tied to the room tax. He said they are not seeking an increase, just securing a funding source.

Discussion followed about the current law regarding this tax being used for tourism and whether the percentage used for this will be able to be lowered at a future date. Broader policy implications would need to be reviewed by the city attorney and the Council debriefed.

Councilor Boyes stated he was against using the money from the business licenses since he felt this money should be doing something further for the businesses like safety classes. He felt the room tax money should assist with marketing Newberg and providing public safety.

Mr. Bridges stated the business license money is a done issue and it is a revenue source for economic development. It can be used to provide a downtown manager to get the right mix of businesses together to be compatible.

Councilor Larson suggested taking the funds from the room tax and leaving the business license money alone.

Councilor Currier suggested having a work session where staff would provide a list of options and recommendations before a public hearing is held.

Further details regarding the legislation of the room tax were discussed and staff was directed to examine the contribution of the Visitor's Center verses the potential for tourism in the area, as well as the request submitted by Mr. Bridges.

X. COUNCIL BUSINESS

TIME – 9:35 PM

Councilor Rierson spoke of the previous budget meetings and the need to follow trhough with the outreach to the public regarding the public safety fee for the additional three officers.

Mr. Danicic suggested making that a part of another community telephone survey which is to occur in February. Other possible survey options were discussed that could be conducted sooner as well as the cost impacts.

Councilor Currier felt it would be easier to drop a card in with the utility bill including the option to make a one time payment of $36 rather than $3 each billing statement. He also asked about a taco stand behind Izzy's Pizza. Staff stated action was being taken and there will be a follow-up.

XI. EXECUTIVE SESSION

None.

XII. ADJOURNMENT

MOTION:	**Larson/Boyes** to adjourn at 9:47 PM (6 Yes/0 No/1 Vacant) Motion carried.

ADOPTED by the Newberg City Council this 20th day of October, 2008.

Norma I. Alley

Norma I. Alley, City Recorder

ATTEST by the Mayor this 23rd day of October, 2008.

Bob Andrews, Mayor