NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
November 6, 2017, 7:00 PM
PUBLIC SAFETY BUILDING (401 E. THIRD STREET)

A work session was held at 6:00 p.m. preceding the meeting. Present were Mayor Andrews, Councilors Patrick Johnson, Scott Essin, Denise Bacon, Mike Corey, Stephen McKinney and Matt Murray. City staff present were City Manager Joe Hannan, City Attorney Truman Stone, City Recorder Sue Ryan, Community Development Director Doug Rux, Public Works Director Jay Harris, Library Director Leah Griffith, Information Technology Director Dave Brooks, and Community Engagement Specialist Rosa Olivares.

Mayor Andrews called the meeting to order.

Stuart Brown, Affordable Housing Committee Chair, said their objectives were to get resources in the hands of community members to help rehab or preserve affordable housing units, to inform and educate the community about Accessory Dwelling Units, and a collaborative micro grant program with Habitat for Humanity. This was for manufactured home owners, which represented the largest group of affordable housing units in the City. So far these grants had helped three families and there were five more applications that were pending. There was a Community Development Block Grant that had six approved applications moving forward. They continued to work on new stable sources of funds. The committee followed Newberg Housing Task Force activities. The committee had discussed expanding the scope, size, and structure of the Committee to implement Task Force recommendations.

There was discussion on the amount of money spent on these projects, and how changing the Newberg Municipal Code could help add affordable housing units in Newberg, especially Accessory Dwelling Units.

Beth Koschmann, Budget Committee Chair, reviewed what was discussed at the Budget Committee meetings which began in April. Five meetings were held, the last one on May 10. The 2017-18 budget was an 8.4% increase from the 2016-17 budget. The budget reflected a commitment to public safety modernization, infrastructure preservation, and future planning for growth. Some larger expenditures included a communications upgrade for dispatch, and several infrastructure projects. Finance Director Zook had presented a long range financial plan model which would give a clear understanding of the long term impacts of their decisions. The committee did not approve any outside agency request for contributions other than the Yamhill Transit Authority which was given a line item in the budget for $18,000, the same amount as in the 2015-16 budget. The Committee approved the 2017-18 budget in the amount of $97,403,431.00 and imposed a permanent tax rate of $4.3827 per $1,000 of assessed value. The committee would reconvene in April 2018.

Rick Rogers, Citizens Rate Review Committee, said the committee met to discuss the 2018-19 and 2019-20 rates. They were taking a field trip to the Wastewater Treatment Plant. The committee would finish in March. One big decision was the percentage of fixed rate vs. variable rate and the non-potable water rate. There was discussion regarding the competitive process that was done and the rehiring of Deb Galardi as the consultant to the CRRC.

Paul Headley, Library Board Chair, explained the member changes. The board reviewed the strategic plan that from 2015-2020. The activities in the plan were 50% completed and on track. There was a focus on ensuring materials and resources were sufficient, which the 2017-18 budget had addressed. In 2016-17 there was a record number of items that were checked out. Many e-books had been purchased and the hours increased five more hours. The Newberg Graphic had been digitized, Library staff had been more active in the community and many were working on their degrees. The RFID project had been completed. The Library received more than $100,000 in grants. The board was looking at a scholarship program for residents outside City limits who needed a library card but could not afford one. The Library Foundation had become more active over the past year and would be holding a book talk event on November 29. There was discussion on library hours and the cost to keep the library open more hours.

Dennis Lewis, Transient Lodging Tax Committee, said they created a small grant program of up to $20,000 and a large grant program for projects more than $20,000. He explained the small grants that had been awarded. There were six applications for the large grant program that were still being evaluated. They had appointed a Marketing Committee and some George Fox students had been hired to take videos and photos of the community for marketing purposes. They would be giving a presentation to the City Club tomorrow.

Jason Dale, Planning Commission, discussed the applications that had come before the Planning Commission since July. There were several vacation rental applications, which seemed to be a current trend. There were also annexation applications. The Commission had also spent time discussing the issue of R-3 land and what the terms "large" and "some" meant. The consensus was definitions would be interpreted as "large" annexations were 15 acres or more and "some" meant 10% of the buildable land. There was discussion on the condition of the vacation rental homes.

Council Business items: City Recorder Ryan needed to know who would be attending the Local Government Dinner. Councilor Essin suggested a presentation at a future meeting from the Police Department regarding all of their programs. City Manager Hannan said the presentation could be made in January.

The Work Session was adjourned at 6:50 p.m.

CALL MEETING TO ORDER
Mayor Andrews called the business session to order at 7:00 p.m.

ROLL CALL

Members Present:	Mayor Bob Andrews	Scott Essin	Stephen McKinney
	Mike Corey	Denise Bacon	Patrick Johnson
	Matt Murray		
Staff Present:	Joe Hannan, City Manager	Truman Stone, City Attorney	
	Sue Ryan, City Recorder	Doug Rux, Community Development Director	
	Jay Harris, Public Works Director	Matt Zook, Finance Director	
	Leah Griffith, Library Director	Brian Casey, Police Chief	

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed. Mayor Andrews asked for a moment of silence.

PROCLAMATION: Mayor Andrews read the proclamation declaring November 6, 2017 as Community Thank You Day for the Police Department and 9-1-1 Dispatch Center. He presented the proclamation to Police Chief Casey.

PRESENTATIONS: Cynthia Thompson, Yamhill County Transit Authority, discussed budget, routes, and ridership, currently in Newberg was 25,689. Overall ridership had increased by 6%. Newberg was split equally between Dial-A-Ride and local routes. They were working on a Transit Development Plan. Consultants had completed an initial existing conditions analysis, goals, and performance measures as well as outreach. They were currently in the process of coming up with ideas, strategies, and solutions for service design. The Transit Authority was governed by a board that received input from committees. Public input had been gathered on mobility, accessibility, and passenger experience. The existing conditions analysis included two project advisory committee meetings, seven events, 400 responses to the community survey, 5 focus groups, and 300 responses to the onboard survey. They looked at demographics, population growth, employment areas, commute patterns, and rider characteristics. Ms. Thompson discussed ridership, boardings per revenue hour, Newberg service map, most frequent stops, and slowest/busiest routes. Service needed to better meet residents' needs, and some route timing should change. She talked about the current operating funds, their source, and that YCTA was lower in cost per hour compared to other transit systems. They were also on the low end for operating spending per capita in comparison to other transit systems and for rider satisfaction, most riders rated the Transit Authority as good or excellent. Riders were least satisfied with on time arrivals, bus stops, and transfers. Riders requested weekend service, more frequency, later evening service, and better bus stops. She listed key issues such as more and better buses, better timing of connections, and marked bus stops. There was a need for a transit hub in Newberg.

She described other alternatives to increase ridership. The Transit Authority was getting new mobile radios, and dispatch software. The State Transportation Improvement Fund was a new transit funding source to start in 2019. It was estimated the Transit Authority would receive $1 million in 2020, and $1.7 million in 2021. Community survey results showed if there had to be a funding tax the preference for a product specific tax, vehicle fee, or payroll tax. Next steps were looking at cost neutral service. The plan would be completed about a year from now. She was getting concept proposals for improving the look of the buses. There was discussion on funding, increasing ridership in Newberg, adding service in the northern area of Newberg around schools, hotels, A-dec, and better advertising.

CITY MANAGER'S REPORT: City Manager Hannan reported on his activities including meet and greets with the new Premier Bank manager and new Cultural Center director, attending a session at LOC conference on PGE charging stations, and neighborhood emergency preparedness hubs, the LDS sponsored Community Preparedness Fair, working with Yamhill County Assessor on the Urban Growth Boundary expansion, meeting with Waste Management regarding glass recycling to begin in February, and meeting on seismic safety and emergency supplies. There would be a presentation at the City Club regarding the Transient Lodging Tax grant programs. Representative Bonamici would hold a town meeting in a few weeks. The Bypass ribbon cutting would be held December 18.

Community Development Director Rux announced Senior Planner Steve Olson was retiring. His last day was January 15.

COUNCIL APPOINTMENTS:

MOTION: Andrews/Johnson moved to consent to the Mayor's appointment of members to the Wastewater Master Plan Citizens Advisory Committee for terms beginning November 2017 and ending December 31, 2018. This would include Councilor Patrick Johnson as Council liaison, Janet Bleck, Robert Soppe, Mike Gougler, Eric Groenweghe, Larry Hampton, Bruce Jones, Greg McKinley, Rick Rogers, Jeff Schorzman, Clyde Thomas, and Bill Madison. Motion carried (7 Yes/0 No).

PUBLIC COMMENT: None

CONSENT CALENDAR:

MOTION: Corey/McKinney moved to approve the Consent Calendar including the minutes for September 18, October 2nd, and 16th, 2017. Motion carried (7 Yes/0 No).

NEW BUSINESS: Housing Newberg Proposals – Rick Rogers said a year ago a group of 38 members started meeting to discuss housing. They were bringing recommendations to the Council. Newberg had a housing problem as many who worked here could not afford to live here. He discussed what affordable housing was and the reasons for the lack of it in Newberg. A range of tools was required to address land use, permitting, lots, and financing issues. He presented the nine affordable housing proposals to the Council. They included annexations and R-3 lands, Accessory Dwelling Units (ADUs), Construction Excise Tax, housing ombudsman, the missing middle, work and living spaces, expedited review and permitting, public street standards, and SDC deferrals and loans. Recently the Planning Commission had determined for annexations that were 15 acres or more there would need to be 10% of R-3 lands. Mr. Rogers requested Council adopt this recommendation into the Development Code. ADUs were currently allowed in medium density residential, and only allowed as a Conditional Use in low density residential zones. The development of this type of housing had been slow to materialize. He suggested allowing ADUs as an outright permitted use in all zones and that no additional off street parking was required. He also suggested SDCs could be deferred for an introductory two year period.

There was discussion regarding the annexable land in the City and a way to off-set the costs of putting in R-3 developments. Mr. Rogers explained the idea of a Construction Excise Tax to provide funding incentives for affordable housing. He recommended assessing 1% of the permanent valuation on new residential, commercial, and industrial construction with proceeds going directly to the existing Affordable Housing Trust Fund. The funds could be used for developer incentives, land acquisition, deferring or waiving SDCs, or financing a City-wide bond campaign. There was discussion regarding the definition of affordable housing and how the excise tax would work.

Mr. Rogers said there needed to be more education on housing programs, challenges, and needs. He recommended the Community Development Director or his designee serve as the community's ombudsman for housing. This gave him the power to promote actions to meet the goal of developing a range of housing types, recommending variances and changes to the regulations as appropriate, and promoting the City's housing programs. The housing types between high density and low density seemed to be missing in Newberg's market. The recommended action was for duplexes or triplexes to be outright permitted uses on corner lots in R-1. Shared work and living spaces might be a means to reduce costs of housing for certain professions. The expedited review and permitting recommendation was to address the length of time between land being purchased and permits issued. It required developers to finance thus creating higher development costs. The action recommended was for qualified affordable housing projects, the City would offer an expedited review and permitting from the building, engineering, and planning divisions. If it was too much of a burden on staff, consultants could be hired using the Construction Excise Tax funds. For public street standards, the action proposed was to reduce the public street right-of-way width standards to what was allowed by the Fire Department. He also recommended for qualifying affordable housing projects, payment of SDCs should be deferred until the ownership transfer or one year from the date of deferral and no interest should be charged. Loans could be extended for qualifying affordable housing projects with 0 to 1.5% interest for the value of the SDCs. Another difficulty for developers was the time from substantial completion of utilities to the final plat approval. He recommended reducing the complexity, maintenance requirements, and costs of stormwater treatment and to lift building height restrictions outside of downtown.

Councilor McKinney suggested peer review of local developers for qualifying applications. Mr. Rogers stated other areas for future review included allowing the sharing of utility lines for more than one residential unit, lifting the restrictions on second kitchens in residences to allow for in-house ADUs, and monitoring the impact of short term vacation rentals on residential neighborhoods. He explained what would happen if changes were not made. There were nine code amendments that Housing Newberg would like to have done within 180 days and the other recommendations should be included in future discussions. He thanked the 38 members of Housing Newberg for participating in the work on this project.

Councilor Bacon was concerned that people in Newberg were being priced out of being able to live in the community. Councilor McKinney agreed the goal was to build a place for everyone and they needed to make the market place work to achieve that.

Doug Bartlett spoke about his background in helping people with temporary housing and rental assistance as well as members of his family that struggled with affordable housing. There needed to be a greater diversity of housing in Newberg. There was a large gap between the highest and lowest earners that was growing. He was in favor of the Housing Newberg proposals. He encouraged the Council to take this seriously as these decisions would influence the future of the community. Members of the Committee introduced themselves, their representation, and their concerns.

There was a 15 minute recess.

TLT Grant for Wayfinding:

CM Hannan said this was a request for a grant for visitor signage for the Cultural Center. CPRD was contributing $15,000, the City was contributing $15,000, and the grant was for $73,500. Money had not been set aside for this in the City budget. If the grant was awarded, he recommended using the Economic Development Revolving Loan Fund (EDRLF). The wayfinding project did meet Council goals, and this fund had money for loans.

Councilor Murray said people were not able to find the Cultural Center when they came into town. Leah Griffith, Library Director, said both the City and CPRD would put in $21,000 of in kind contributions. The total for the project was $147,000. Half of that would be from the TLT grant and the other half would be from the City, and CPRD. They picked this project as it was ready to go.

MOTION: Essin/Murray moved to direct staff to apply for Destination Development and Marketing Promotion grant for Cultural District Wayfinding and that the City's match of $15,000 come from the City's Economic Development Revolving Loan Fund. Motion carried (7 Yes/0 No).

Resolution 2017-3417:

City Recorder Ryan said this resolution was to update the city's Public Records Request policies to comply with changes in state law.

MOTION: Essin/Johnson moved to adopt Resolution 2017-3417 as amended, a repeal of Resolution 2008-2771, and incorporating changes in Oregon Revised Statute 192 for public records requests. Motion carried (7 Yes/0 No).

COUNCIL BUSINESS: Councilors McKinney, Bacon, and Essin and Mayor Andrews reported on the classes they attended at the League of Oregon Cities Conference.

ADJOURNMENT: The meeting was adjourned at 10:15 p.m.

ADOPTED by the Newberg City Council this 20th of November, 2017.

Sue Ryan

Sue Ryan, City Recorder

ATTESTED by the Mayor this 21st day of November, 2017.

Bob Andrews

Bob Andrews, Mayor