NEWBERG CITY COUNCIL MINUTES
REGULAR SESSION
August 20, 2018, 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, and Stephen McKinney. Councilor Corey was absent. District 1 Council seat is currently vacant. Staff present were City Manager Joe Hannan, City Recorder Sue Ryan, Community Development Director Doug Rux, Public Works Director Jay Harris, and Community Engagement Specialist Rosa Olivares.
Mayor Andrews discussed a correction to the minutes of July 2 and July 16. Councilor Johnson was listed twice in the attendance.

Community Visioning Project: CDD Rux said tonight the project was spurred by Council Goal 12 and the Communication Plan. The University of Oregon RARE program would send a student in September who would be the Community Visioning Coordinator. Assistant Planner Owens and other City staff would also be assisting in this process. There would be open communication and feedback loops with the community. Project phases included: Creating a snapshot of the community, Identifying the community issues, and Core values. There would be an ad hoc committee, community forums, town halls, and outreach strategy. The work would result in a Vision Action Plan. There would need to be partners to implement the actions. There was discussion on getting different people involved including kids.

The responsibilities of the Community Visioning Coordinator would oversee 25 stakeholder interviews, three discussion groups, community profile research, Community Core participants' recruitment, a website, social media tools, and fact sheets, a logo and branding, a Communications Plan, and planning team meetings. The next phase would include community forums, Community Core would be involved, and there would be more planning team meetings. Phase 3 would be taking all of the ideas and creating goals with strategies and actions. This phase required a lot of wordsmithing and pulling in organizations to discuss what was doable. There would also be community forums to get feedback on the goals, strategies, and actions. A document would be created with all of these goals, strategies, and actions as well as supporting partners and horizon timelines. This would be a living document that every five years would be refreshed.

There was discussion on community involvement including faith based organizations, presuppositions of the process, County involvement, costs, priorities, scope, and how it would work. Mayor Andrews asked for suggestions for members of the community that could be on the ad hoc committee. He wanted to make sure in the visioning process that there was an understanding of the basic core functions of city government as opposed to what other organization provided. CDD Rux said the ad hoc committee appointments would come to Council in October for approval.

Councilor Johnson was going to reach out to the Traffic Safety Commission about traffic and safety issues in northern Newberg. Councilor Bacon said on September 26th, Nurturing Newberg would be hosting a Creating Community Well-Being workshop. Councilor Essin suggested reviewing the Council Goals and discussing what was realistic.

CALL MEETING TO ORDER
Mayor Andrews called the business session to order at 7:10 p.m.

ROLL CALL

Members Present:	Mayor Bob Andrews	Denise Bacon	Stephen McKinney
	Patrick Johnson	Scott Essin	

Members Absent: Mike Corey
District 1 Council Seat vacant

Staff Present:

Joe Hannan, City Manager
Truman Stone, City Attorney
Sue Ryan, City Recorder
Doug Rux, Community Development Director
Keshia Owens, Assistant Planner
Matt Zook, Finance Director
Rosa Olivares, Community Engagement Specialist

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was performed.

PRESENTATIONS: Resolution 2018-3436: CDD Development Director Rux said this resolution would establish a tourism marketing organization. In 2016 the Transient Lodging Tax ad hoc committee was created to make recommendations on grant programs, and for a permanent organizational structure. The committee had a proposal for establishing a Tourism Marketing Organization. This would put grant programs on hold and redirect the focus to marketing. It would also change the contract the City had with the Chamber of Commerce. He explained what would need to be done to establish the new organization. There was discussion regarding TLT funding.

Dennis Lewis, TLT Committee Chair, discussed extra revenues that might be available. One opportunity was doing what the City of McMinnville did, which was increased their tax base for lodging and earmarked one hundred percent of the funds for marketing. They had been in conversation with the City of Dundee about a mutual marketing program. Any funds that were garnered from the state, they would like to make sure were dedicated to marketing. He asked if there were any questions on the proposal.

Shannon Buckmaster, Chehalem Valley Chamber of Commerce, stated the business plan before the Council had the full support of the Chamber. It was in the best interest of regional tourism. Rob Felton, Marketing Subcommittee Chair, said a group of volunteers found it difficult to implement a significant marketing strategy. Having a person in place to focus on this would be helpful. Mr. Lewis said their charge was to initially define what the TLT funds could do for the community. They realized that it was a difficult job for volunteers to do. Other communities found resources above the net proceeds from local hotels. There needed to be someone who could go after grants. Adding revenue would be important to the organization's success.

Ms. Buckmaster said the organization would include checks and balances. There would be an executive director who would answer to a board of directors whom would answer to the City. If approved, they would bring back a proposal for the board of directors, and executive director details. Rob Felton said Council would appoint the board.

There was discussion on the process, and the budget. CDD Rux said this proposal would have funds return to the City from the Chamber. The organization would start out with $353,000 to hire an executive director, contract with the Chamber to provide admin support, and for tourism marketing. Looking forward in time based on a 3% increase, that number would grow for the marketing organization. Looking back in time, they had projected about $300,000 in the TLT fund for grants. Not all of the grant money had been spent and it was rolled over into the next year's budget. This did not include any additional hotels that came to the City. It was changing from grant funds to using money for tourism marketing.

MOTION: Bacon/Johnson moved to approve Resolution 2018-3436, A Resolution identifying the City Council intent to establish a Tourism Marketing Organization. Motion carried (5 Yes/0 No/1 absent [Corey] *District 1 Vacant).

CITY MANAGER'S REPORT: CM Hannan reported on his activities: Meet & greet with new County Housing Authority Director and Finance Director, Meeting with plastic bag ban advocates, Attending the

County/Cities Dinner, and Police Academy graduation, Meeting with a hotel developer, Discussing a conceptual plan for Main Street triangle development, Discussing reimagining the Oregon Historical Pageant, City staff meetings, and reviewing Council Goals. There was discussion on the West Rock former mill site.

COUNCIL APPOINTMENTS:

MOTION: Bacon/Johnson moved to approve the Mayor's appointment of Zach Pelz to the Planning Commission for a term effective immediately to December 31, 2019; and David Bonn to the Budget Committee for a term effective immediately to December 31, 2020. Motion carried (5 Yes/0 No/1 Absent [Corey] *District 1 Vacant).

PUBLIC COMMENTS: None

CONSENT CALENDAR:

MOTION: Bacon/Johnson moved to approve the Consent Calendar including the request for $10,000 from the Transient Lodging Tax Fund for the "Wake up in Wine Country" advertising campaign match for the Travel Oregon grant; Resolution 2018-3496, A Resolution approving the updated repayment schedule for Oregon Department of Environmental Quality (DEQ) Loan #R68822; and Council Minutes as amended for July 2nd and 16th, 2018. Motion carried (5 Yes/0 No/1 absent [Corey] *District 1 Vacant).

PUBLIC HEARINGS: Ordinance 2018-2839, Illinois Street Rezoning: Mayor Andrews opened the public hearing and called for any abstentions, bias, ex-parte contacts, conflicts of interest, or objections to jurisdiction. There were none. CA Stone read the hearing announcements.

Assistant Planner Owens gave the staff report. This was a request for a Comprehensive Plan Map and Zoning Map amendment at 501 and 507 E Illinois Street. The Comprehensive Plan Map was proposed to be changed from MDR to HDR with the zoning designation proposed to go from R-2 to R-3. She reviewed the approval criteria. If the zone change was approved, the City would still lack 35 acres of HDR land and would continue to have a deficit of MDR land of 46 acres. The proposed site had existing water, and stormwater facilities to serve the maximum density of the proposed R-3 zone. The site fronted E Illinois Street, which was a major collector street, and the site was within a third of a mile of Newberg's central business district and public transit. Residents of the proposed high density housing could walk or bike to commercial areas and schools. The proposed zoning amendment would result in a small traffic increase. Citizens had the opportunity to comment on this project at a neighborhood meeting, a previous Planning Commission meeting, and tonight's Council meeting. The proposed change would move the City closer to meeting its multi-family housing deficit. The site was not near any agricultural or forested lands. The multi-family homes might have less impact to surrounding resources. The site was near a park, and not affect the Willamette River greenway. The proposal was consistent with many goals and policies of the Comprehensive Plan. Staff recommended approval of the ordinance.

Applicant: Mimi Doukas, AKS Engineering, represented the applicant. She said this was a long-range land planning effort by the property owners. The site was currently an aging mobile home park. There were no immediate plans to redevelop it. There were existing tenants and the owners were sensitive to that fact. There were protections tenants per State law notice length and relocation costs. The applicant would adhere to them. The property could be redeveloped now, but the request was for the property's best use. There was a housing shortage in the City for both Medium and High Density residential land. By to high density residential, it was the most efficient use of the land. They would still be providing rentals but with additional capacity. This property met location requirements for multi-family as it was well located, flat, and near to services.

Councilor Johnson was concerned about on Illinois Street intersections. He asked about the challenges of adding more traffic volume and how it would impact the surrounding area. Ms. Doukas said before Design Review application a traffic impact analysis would be required. They wanted to make sure it was a viable long-term project. They looked at the intersections and solutions. The intersection at Illinois and Main streets could be signalized as a long-term solution. This would draw trips away from the eastern intersection. There were access restrictions with the railroad, and existing driveways to the east. There would be better improvement for the money on the western intersection.

CA Stone corrected the typo on Exhibit A. It should be Ordinance 2839, not 2838.

Opponents: Brenda Dodson was a mobile home park tenant. She had been sick ever since she heard about this change and the possibility of losing her home. There were current traffic, speeding problems, and trucks parking on the side of Illinois Street. There were no places to live in Newberg. Low income housing already had waiting lists. She and her sister were senior citizens, and both low income. They would lose thousands on what they would get for their homes. They could not move homes due to their age. Some of the homes had been remodeled, and people put money into their trailers. She was opposed the zone change.

Councilor McKinney asked how many residents were in the park. Ms. Dodson stated there were 48 residents, 25 trailers, and by law the property owners would have to give them $5,000 for a single and $7,000 for a double trailer.

Pat Haight said most of the residents were disabled. There wasn't any place to live or move to. There was a trailer park in Portland, 180 trailers and none for rent. The Council should not approve this until they had more discussion about it. She was concerned they would end up living in tents. They were going to be joining the homeless if this was approved. She discussed Illinois Street truck safety issues.

Christine Mulholland was the regional manager for WGP Property Management. She read a brief statement on for the company's owner. They had no opinion on the application, and respected the applicant's property rights for requesting a zone change. They wanted to let the current owner know that they would be interested in purchasing and operating this site as a mobile home park long term.

Undecided: Rick Rogers said the City had a 35 acre deficit of High Density property, but most of the City's affordable housing was in mobile home parks. This was a good location for high density, and for a mobile home park. If they started rezoning the manufactured home parks in the City, it would displace these residents. The problem was tenants paid $480 for space rent, and owned their trailers. They would not be able to find another place for $480. He did not think they should redevelop mobile home parks often. He proposed adding a provision to give the residents a way to live affordably in the apartments. He proposed the City should add Municipal Code protections for manufactured home parks.

Proponent: Doug Peterson was the property owner. They were community members, not developers. They purchased the property 12 years ago when the infrastructure was 60 years old. At some point this would cease to be a park. He explained the challenges of the mobile homes. It was his intention to look at the affordable housing option, but it could only be done as high density zoning. With medium density it was not possible financially. They came up with a 3-5 year plan to give everyone time, and to help the residents move. They were working with tenants, but this park was old and sooner or later it would cease to exist as a park.

Mayor Andrews closed the public hearing. CA Stone read the hearing statement. The applicant waived the additional time period for further written testimony.

MOTION: **Bacon** moved to waive the second reading of the ordinance. Motion died for lack of a second. The second reading would be moved to the next Council meeting.

2nd reading for River Street – Ordinance 2018-2838: Mayor Andrews asked if any additional written testimony had been received. City Recorder Ryan confirmed no. CDD Rux confirmed no additional time had been requested by the applicant. CA Stone read the hearing script.

MOTION: Bacon/McKinney moved to approve Ordinance 2018-2838, An Ordinance amending the Comprehensive Plan Map designation from Medium Density Residential (MDR) to High Density Residential (HDR) and amending the zoning designation from R-2 (Medium Density Residential) to R-3 (High Density Residential) for a property located at 1109 S. River Street, Yamhill County Tax Lot 3220CC-05400 to be read by title only. Motion carried (5 Yes/0 No/1 Absent [Corey] *District 1 Vacant).

There was a brief recess.

NEW BUSINESS: Long Range Financial Plan Discussion: CM Hannan said tonight was to answer questions from the July meeting, and to get Council's feedback. Council Goal #5 was still the focus. He explained how some of the money budgeted did not get spent, which skewed the numbers. Finance Director Zook described the property tax charts. CM Hannan said the net cost of public safety was $7.5 million. Total taxes collected in 2018-19 was $4.7 million. Alternatives looked at revenues first, and taking that to the voters. If it was not passed by the voters, then he would look at cutting services. FD Zook explained the options for raising the property tax or Public Safety Fee. CM Hannan thought this would be enough to raise the $1.4 million needed, and they would not have to ask for additional funds in the future.

There was discussion on the impact of PERS increases and average assessed values of property.

CM Hannan clarified growth would not get the City out of this structural deficit. He requested a WCCCA analysis for contracting out dispatch services, but it was not complete. They were just reconciling the budget. Proposed public outreach and education process would mirror what was done for the TVF&R annexation. Councilor Essin confirmed with the extra property tax or Public Safety Fee, they could keep the current dispatch service. CM Hannan said that was correct.

There was discussion on some of the outreach options not being low cost, and the idea of making the library a separate entity. On process, they discussed waiting until January to consider the proposal when new Councilors were seated. There was discussion about competition on the May ballot for other measures.

Mayor Andrews said defer the decision until the new Council was seated. Councilor Johnson agreed. He did not think they were ready as the numbers did not match. They could not say they didn't spend all their money then say they had a deficit. He thought it was disingenuous to say if they did not get the money they would cut police. All department costs should be displayed and discussed. If they were going to make the case to the voters it had to be easier to understand. He was concerned about the aggressive timeline.

Councilor Bacon agreed with Councilor Johnson. She said using the police as scapegoats didn't work, and the scale didn't balance. She disagreed about putting off the decision. Leaving it to the new Council was not fair because it would take them a long time to understand the issues. The numbers needed to be right, and they needed to quit blaming it on the Police Department.

CM Hannan said the reason the Police Department was used was because the priority of city government was public safety. If public safety was the priority and there was a shortfall, he thought there was room to ask for more money. Councilor McKinney did not think the decision could be left for the new Council. They needed to better educate citizens so they could make the best decision possible. CM Hannan said this could be placed on the November (2019) ballot as well.

Councilor Johnson did not think they should give citizens a false choice, or make the Council decide what department would be cut. There needed to be clean choices that were easy to educate the public on. He thought the new Council would have the time to take this on and they would inherit it no matter what.

Councilor Essin pointed out the City did not have to have an election if they just raised the Public Safety Fee. Mayor Andrews thought the next time they discussed this it should be at a special meeting.

COUNCIL BUSINESS:
Microphone technique reminder – CR Ryan reminded the Council how to use the microphones properly so everyone could hear them. Villa Road ribbon cutting: Invitation from Engineering to attend the opening of the road on August 31.

EXECUTIVE SESSION pursuant to ORS 192.660 (2) E Real Property Transactions
Start: 10:17 p.m.
Stop: 10:47 p.m.
Staff: City Manager Joe Hannan, City Attorney Truman Stone, Community Development Director Doug Rux
Topic: Second Street Parking Lot

ADJOURNMENT: The meeting was adjourned at 10:47 p.m.

ADOPTED by the Newberg City Council this day of September 17th, 2018.

Sue Ryan

Sue Ryan, City Recorder

ATTESTED by the Mayor this 20th day of September, 2018.

Bob Andrews

Bob Andrews, Mayor