

AD HOC URBAN RENEWAL CITIZENS ADVISORY COMMITTEE MINUTES

June 8, 2020, 5:30 PM

NEWBERG CITY HALL

Meeting held electronically due to COVID-19 pandemic

(This is for historical purposes as meetings are permanent retention documents and this will mark this period in our collective history)

CALL MEETING TO ORDER

Chair Bridges opened the meeting at 5:32 PM.

ROLL CALL

Members Present:	John Bridges, Chair	Francisco Stoller, Vice Chair
	Patrick Johnson	Molly Olson
	Loni Parrish	Don Griswold
	Shannon Buckmaster	Don Clements
	Joe Morelock	
	Cassandra Ulven	

Members Absent: Rick Rogers, Angel Aguiar (all excused)

Staff Present: Doug Rux, Community Development Director
Brett Musick, Senior Engineer

Guests: None

APPROVAL OF MINUTES:

MOTION: Member Buckmaster and Member Ulven moved to approve Urban Renewal Citizens Advisory Committee Meeting Minutes for April 13, 2020 Motion carried (10 yes / 0 no).

NEW BUSINESS:

1. City Council and Planning Commission briefing update:

CDD Rux started the meeting with a PowerPoint presentation of the updates which included several items and public comments. The City Council and Planning Commission briefing update, some minor modification that we did to the boundary, project updates, administrative cost and then the feasibility study itself.

CDD Rux noted he and Elaine did the briefing with City Council on May 4th and went through all the information that was presented at the last meeting. They presented each of the slides and the questions revolved around the overall impact on taxing districts. He noted they have Counselor Johnson present for comments and questions about foregone revenue, investments, investing in the future and infrastructure.

Counselor Johnson commented that they did excellent with the explanation of the growth potential inside the district. He said they did a very good job with their explanations overall.

CDD Rux noted Mayor Rogers made a comment about the investments on the City side and leveraging for these infrastructure costs in order to promote new development which increases the tax revenue for all of the overlapping taxing districts, but also creates jobs in the community, which is important.

CDD Rux noted there were some questions at the City Council meeting about the boundary and how that was established. Chair Bridges who was also attending the meeting and I talked through the boundary's starting with the Downtown Improvement Plan and then onto the Riverfront Master Plan. We went through the connections and expansion of the downtown area, including Blaine Street and the high-density residential zoned area. Also talked about alternative areas that the Committee had talked about in an earlier meeting up along the railroad track which is something that could be possible in the future.

Elaine noted it was a very positive meeting and the Council had good questions.

CDD Rux commented on the Planning Commission Meeting on May 14th and there were a couple questions. One asked if the projections for growth and the effects of covid-19 were considered. In response nobody actually knows the effects or impacts of covid-19, we get new information on a daily basis, but we are watching and taking the approach that the world will change and will be a new normal. We see the numbers from the Oregon Employment Department, they are looking at the second quarter of 2024 and getting back to the employment levels that were back in February of 2020.

CDD Rux noted the other question that came up about how the boundary was selected. We walked through starting with the Downtown Plan, the Riverfront Plan, the two connections with River Street and Blaine Street and the additional area on Blaine Street. There were some further questions about how much of the Mill site encompassed the Riverfront area portion of this proposed Urban Renewal Area and that was 115 acres. There was another follow-up question regarding the boundary and should it be larger. We talked through the numbers about what the statutory limitations are. The boundary that has been identified reflected the area where we had the blight conditions, they are in the feasibility study and at its high-level form. The investments could occur in that we were underneath that 25% and there was nothing that mandated that we had to be at 25%. The Planning Commission understood and are aware that they have other touch points as we go through this evaluation process.

2. Boundary modification:

CDD Rux noted on the district boundary that there is one area Brett Musick called to his attention which is at River Street and Sheridan Street just south of the main portion of the campus of the University. It was in our Downtown Plan, a two block area, so they have made the adjustments and pulled that in. What we had done in the Downtown Plan we included those costs of issues such as inadequate sidewalks and missing ADA ramps.

Member Ulven asked if that is on the University campus how will adding sidewalks invite more investment when it's already being utilized by the University?

CDD Rux responded that there have been conversations with the University about extending south towards Hancock Street. Also conversations with the president about not knowing if it will ever truly materialize but the area at Meridian Street and Hancock Street is more of a signature building for the University to make people aware that the University is there rather than a large ODOT sign that say's turn right.

Member Ulven noted this seems like a University project not necessarily Urban Renewal.

Chair Bridges noted it is probably a University project and the University will do it as they have done on other projects. But the one thing is that the University has taken a more Newberg centric focus than they were a

decade ago. They have tried to take a more community approach and the students are in our community businesses much more frequently than as occurred in the past. Being unified with the University helps our business community.

Member Olson commented that they have had some conversations with the University about moving some of their bookstore downtown. They really are in a position to expand their investment outside the University property.

Elaine went on to share an update on the change in the acreage. The chart shows that we are well below the 25% threshold for both acreage and assessed value. She noted if the City Council at some point decides to move ahead with the Urban Renewal Plan this could change again because the value numbers will get changed in October. This is a status of where we are now.

3. Project updates:

Projects:

CDD Rux continued with the slide of the public infrastructure. In the last meeting we were roughly \$107M dollar range at the upper end, we worked through the issue on the administration costs and Brett double checked all of our infrastructure costs. In the downtown we are about \$36.9M dollars on transportation utility which the underground utility is about \$10.7M dollars. List of projects are signage, wayfinding, north/south connections, trolley and parking. The reason there's a range is there are some different iterations of what might occur for a parking garage on Second Street lot, depends on the number of floors. Numbers have been put together based on a two, three or four story parking garage. There is pedestrian furniture at \$175,000 and we went back doubled-checked against the downtown plan. The building façade was based on conversations had with different building owner's downtown looking for some potential participation to restore those historic storefronts. Doug noted sub-consultant DKS worked through the Second Street utility undergrounding. He noted to have residential development and looking along Second Street we have overhead power lines and cannot have three or four story buildings because the power lines are in the way they need to be under grounded and it is really expensive to do. DKS put together a number for a little over \$1.8M dollars to go from River Street down to Grant Street and underground those overhead lines. That gives us a downtown project list number just a little under \$57M dollars on the low end and a little under \$59M on the upper end. Doug noted in the Riverfront area they went back and double checked all the numbers. Transportation system is \$33.3M dollars, the underground utilities is \$13.7M dollars, the Riverfront Trails is \$1.8M dollars and that came to a total of about \$48.8M dollars.

Administration

CDD Rux noted that the Finance Director did an evaluation on the administration cost. They did some research on other plans that have been adopted and went with 10% (\$9,930,000) which is lower than some plans, a little higher than other plans but much less than the methodology that was evaluated internally based upon a true cost. So it would mean that the general fund is backfilling to some degree the administration cost for an Urban Renewal Program. The Potential Projects/Administration total is \$115.7M dollars to \$117.5M dollar range, noting this is the list of projects and there is an evaluation that will occur later about which projects might actually get included in whole or in part of the Urban Renewal Plan.

Member Ulven asked about the \$100,000 for the trolley, was it for a study. CDD Rux responded they have been working with a group of individuals that are interested in the trolley and forming a nonprofit. They would raise the money to refurbish a trolley in to operate it. So there is \$100,000 dollars there that is just a feasibility study for rail improvements at First Street and Hancock Street in order for the trolley to get up to the Cultural Center. Also any additional improvements that might be necessary to be evaluated where there is a trestle down by Ewing Young Park.

Chair Bridges asked what the administrative costs entail, so that if asked by people we can say these are the top five things that are involved in that number. CDD Rux responded, yes we do an annual audit, we have to prepare a budget every year and there is some finance cost rolled into that. In looking at five years from now there might be an actual staff person that would administer the Urban Renewal Program on a daily basis. There is the Council adopted resolution that if an Urban Renewal Plan was developed that the agency would repay back fund 14, the \$100,000 dollar to do the feasibility study and the Urban Renewal Plan report process. The biggest portion of that is actual labor.

Member Olson noted that the administration cost of \$9.93M dollars over 30 years will seem like a high amount for people but if you say it is x amount yearly it would make more sense.

Elaine presented a chart to frame up the projected cost, because when you are looking at capacity over 30 years it is from about \$28M dollars to \$71M dollars with 4%, 5%, 6% and 7% growth scenarios. The projected cost of all the projects was over \$100M dollars. The reality is the Urban Renewal area has the capacity to produce quite a bit of money. It won't cover all of the projects, but if the City Council reviews and decides to proceed, there will be a lot of fine tuning both of where there are other potential funds for leveraging some of these projects and cutting some of those projects out. Elaine noted she is just letting you know that our capacity scenarios do not say that there is enough money to fund all the projects on the list for those two areas and that if this project moves forward into the plan development, there will be quite a bit of work making these numbers match up.

CDD Rux noted included in the packet is the updated material that Brett put together on other funding sources available. When you go to the list on the right hand column you will see that a lot of developer could be contributions, identified other grant opportunities and if ODOT might be able to contribute towards some of the infrastructure costs identified. Doug noted you could go deeper into the report and see the other potential funding sources beyond just tax increment financing dollars.

4. Draft Feasibility Study:

Elaine continued with review of the draft feasibility study that her team spent a lot of time putting together. The study covers the process, important information and includes all the information that the City Council will need in terms of deciding if Urban Renewal is feasible. Number one, whether to move ahead with the draft Urban Renewal, number two, if they want to give any direction on the parameters of what that plan might be. Elaine noted that this will be on the agenda for the end of June meeting.

Member Olson noted it seems that the draft feasibility study has a lot of the material that we spent the last two meetings discussing and not a lot of new. Elaine responded saying the feasibility study should be everything you have seen and the attachments will include the documents that were transmitted. Let's say if you wanted to do an area, you can do it and meet the boundary, the acreage and assessed value limitations, that there is blight within the area, that there are potential projects to be done and there is tax increment revenue that can be raised over different time frames. It is those questions that were outlined to us at the beginning from the RFP that we have responded to and have answered all in the affirmative saying yes, all those can be met and then it will be up to the City Council and a recommendation from the Committee whether they should proceed or not.

CDD Rux noted the list of terms in the definition page on the feasibility study that Elaine put together. There is the executive summary which goes through some of the tables on the financial forecast impacts upon taxing districts. There is the background piece Elaine did that led up to this point. We have updated a variety of meetings that the Committee has held and briefings to the City Council and Planning Commission. All those touch points that we have been able to have starting back in October of 2018. There is the outline on what the next steps are in the process in moving forward and the background information.

CDD Rux noted in the background information there is a bit about the enterprise zone down in the Riverfront area and a vertical housing development zone in the Downtown area. There are pieces about property taxes in compression. He noted the next meeting packet will be much larger and will have all the material that has been seen before but all pulled together into one document.

Councilor Johnson noted he did have a chance to review the feasibility study and liked the definition page and that it is going to be a huge help when it goes to City Council. He also noted referring to the assessed value table, the feedback he would give is that people might see the assessed value going up and ask why we need an Urban Renewal. He noted otherwise it looks good.

Elaine responded, what the feasibility study document doesn't try to do is what all those YouTube videos her office worked on which says how Urban Renewal works, why do Urban Renewal, and the fact that Urban Renewal leverages the City tax rate with other tax rates. Elaine noted she will look at that table and try to figure out if there's some way to put something in that helps address that point without adding 20 pages of definition.

Chair Bridges asked if there is a reference to the YouTube locations and do those locations stay stable.

CDD Rux noted the videos are posted on the City's YouTube page and they stay until we take them down. He noted we will want to list a link in the document to those YouTube videos.

Elaine noted they have prepared a two-page document that JLA helped with, that did some of the messaging and will be part of one of the appendices. It is easy to find and becomes a more prominent appendix because it is explained in more easy terminology about Urban Renewal.

Chair Bridges asked how are people going to access this, is it going to be on the City website or is there going to be a physical way to access it?

CDD Rux responded you can access the videos on the City's website now. If you go to the urban renewal page, you see postings put up last week. He noted we've also prepared some flyers for the farmer's market. They have a QR code so you can just scan the code with your smartphone and it will take you to the videos. Lacey will also be pushing out information on social media directing people to go to the web page. He noted if anyone has additional ideas on how to get out to the public let him know.

Chair Bridges noted he was referring to the feasibility study. CDD Rux responded that this version of it is on the City's website on the project page. When we get to July 20th and if the City Council says yes, there will be a complete PDF copy on the website, we will keep pushing it out to social media and directing people where to find and read it.

Chair Bridges asked if it would be a good idea to make the two page flyer the first two pages of the feasibility study. Elaine responded that she would have a conversation with JLA and see what they suggest. She feels putting it at the beginning is a good suggestion because you get the information out there.

Member Olson noted that the number of vendors for the Farmers Market has jumped by 5, so if there is someone who could come in and hand out the flyers, it would be a great idea. The Farmers Market goes from 4:00pm to 8:00pm on Wednesday's. A suggestion of 200 copies to start with would be good.

Chair Bridges suggested Member Olson send out an email with the schedule and Committee members can respond with times they are available to hand out the flyers.

Member Stoller suggested getting this out to the community for a discussion on Facebook. This way we can work through the comments that people have. CDD Rux noted he would have a talk with Lacey tomorrow about a Facebook posting.

Chair Bridges suggested putting something in the City utility bills. CDD Rux indicated we were not planning to add a stuffer in utility bills because it costs about \$500 dollars to add. Chair Bridges asked if something could be added to the actual utility bill page. CDD Rux noted that the bills are preformatted and done by an outside vendor, but he would check with the City Finance Director to see if something could be added.

Member Olson suggested the Rotary groups, Kiwanis's and the City Club. They all have mailing lists and social media pages, if we could get them to also forward out to their people and if this is an audience we want to reach. CDD Rux responded yes, they have used them before on other projects.

Member Buckmaster noted that CDD Rux and Dan Weinheimer, City manager are presenting our program at the Noon Rotary, so this is also an opportunity to get information out there.

Elaine noted we will want to make sure the executive summary is something that could be taken out on its own and produced, because that may be all that most people will ever want to look at. In terms of thinking of a document, to have the big document be one big document with all of the appendices, but then also just have a document that is the executive summary with the two-page handout that JLA put together. This will be more user friendly if done this way.

Elaine noted the videos that are on the website and that Scott in her office took on the task of putting all the PowerPoints all together for the videos. Doug and Lacy divided them up into sections that made sense. Hopefully they have helped people to understand and short enough so that people can look at one and decide if they want to listen to more.

Member Stoller commented that they were very informative. He appreciated how they were simplistic but still a thorough way of communicating what we are doing. He liked how it was emphasized several times that we are not raising property taxes.

Member Buckmaster noted she was impressed that you seem to have a very proactive effort to address the concerns of the community, not only about raising taxes but also how this effects the School District and thought that was very strategic.

Member Ulven thought it was a great job.

Elaine noted the extra video which is a two-minute explanation on the property tax in Newberg, because there was some confusion and concerns about the Urban Renewal property tax on their bill and if they have to pay the tax or not. Elaine noted if this goes forward everyone will pay a portion. One comment said "well if you're not in the district will it be a zero." If you're not in the district you still will be contributing to the Urban Renewal fund because of the way the division of taxes works. This last video explains that it is a two-step process for the assessor. First step is figuring out from those properties within the Urban Renewal area what the growth is and what the amount of taxes are off that growth. Then once the assessor has that number he has to take and portion it to every tax bill in the City of Newberg. So the money comes in from every single property tax payment.

Next Steps:

Elaine noted the next meeting is June 29th and that meeting was originally set up to review the feasibility study. If there are any questions let her know beforehand so they can be addressed before the June 29th meeting.

Any changes to the JLA two page piece will be incorporated into the executive summary or taken out as a separate package. The final feasibility study will have all the attachments, all the work we have done and will be in your packet before the next meeting. There won't be anything new, it will be all of what you have seen. Any additional questions at this point will be more of an understanding of what it is and what the next steps are. CDD Rux has another Planning Commission update on July 9th and we have scheduled a taxing district meeting July 13th.

CDD Rux noted July 6th, is a briefing by staff on the City Council goal (4) Create and support an Urban Renewal Plan and Authority. He will give a presentation of where we are in the process. They will get a copy of the feasibility study at that briefing, so that they will have time to read it before they come back to them on July 20th with a formal presentation.

Chair Bridges asked, what is the goal at the July 6th meeting? CDD Rux responded we have 5 Council goals, and he has been requested to give an update of where we are at on their goal number 4.

Elaine noted the update to City Council for goal 4 is actually on July 6th and the July 20th City Council meeting will be a presentation of the feasibility study.

CDD Rux noted we are looking for a recommendation from this Committee on June 29th. Then at the City Council meeting July 20th is the briefing that will be done on the feasibility study in a work session that starts at 6:00pm. Following is the City Council business session where we will present an official request. If the Council accepts the feasibility study, which will be by resolution, then the City Council will direct staff to form an Urban Renewal Agency.

Chair Bridges asked, at our June 29th meeting, is this when we do a recommendation for the growth rate? CDD Rux responded no, City Council first determines if it is feasible, and they pass a resolution accepting the feasibility study. If they direct, we create an agency and the selection of the growth rate would occur as this Committee discusses developing the plan and report.

Chair Bridges noted on the June 29th meeting the Committee is to approve and do a recommendation of the feasibility study to City Council.

CDD Rux noted we do a recommendation that would accept the Urban Renewal feasibility study and create an agency or don't accept the feasibility study.

Chair Bridges asked if the City Council meeting on July 20th is a public hearing. CDD Rux responded no it's not required. It will be a work session item for the briefing and then following it will be a new business item on the agenda. The public does have the opportunity to comment on the agenda item at the City Council meeting.

Chair Bridges asked if there have been any kind of public comments associated with Urban Renewal. CDD Rux responded that there have been no phone calls or email comments at this point.

Elaine asked if there have been any comments on the YouTube videos. CDD Rux noted he would get with Lacey for an update on responses and to see how many have seen the videos. He will update the Committee on the June 29th meeting.

Elaine also noted at the Farmers Market there may be people who comment and that she would bring this information back to the June 29th meeting.

Member Clements noted he has viewed all the YouTube videos.

Elaine noted it is a lot of information and not an easy subject to understand. She noted by breaking it up into different videos people can watch one and then decide whether they want to watch more.

Member Olson brought up that when handing out pages at the Farmers Market, she feels people are going to ask when will there will be an open house or public meeting to ask questions. She mentioned she would hate for them to show up at the City Council meeting with their first set of questions. She asked if there were any thoughts from the Committee of holding a couple Zoom sessions where people can dial in.

CDD Rux noted we stepped back from doing a public open house because with COVID-19 it was not feasible. As shared with the Committee we went down this video path instead. We are able to get the information out and people can review it in the leisure of their living room rather than trying to go into a closed meeting space. The challenge between now and when we got these videos posted is to getting them out to different organizations, social media and the Farmers Market to make people aware and get some feedback. We will want to keep pushing this information out so that we have all the information when we get to City Council on July 20th. CDD Rux noted that every video has his contact information.

PUBLIC COMMENTS:

None

ITEMS FROM STAFF:

None

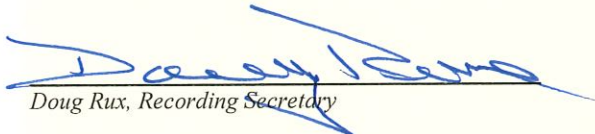
ITEMS FROM COMMITTEE MEMBERS:

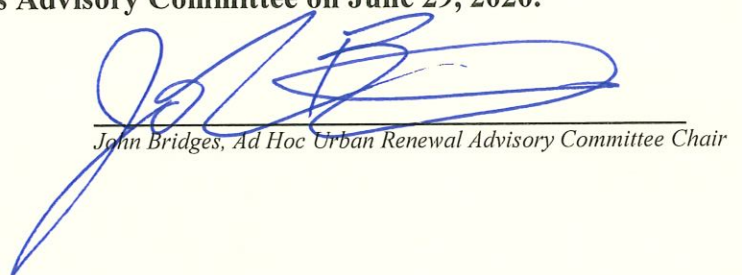
None

ADJOURNMENT

Chair Bridges adjourned at 6:33 p.m.

Approved by the Ad Hoc Urban Renewal Citizens Advisory Committee on June 29, 2020.


Doug Rux, Recording Secretary


John Bridges, Ad Hoc Urban Renewal Advisory Committee Chair