

**NEWBERG 2030 URBAN GROWTH BOUNDARY
CITIZEN ADVISORY COMMITTEE MEETING MINUTES*
May 13, 2019, 3:00 PM
NEWBERG CITY HALL (414 E FIRST STREET)**

ROLL CALL

Members Attending: Sid Friedman, Brian Doyle, Todd Engle, Curt Walker, Lisa Rogers, and Larry Hampton

Members Not in Attendance: Fred Gregory and Ryan Howard

Staff, Consultant Team, and Project Management Team: Cheryl Caines, Doug Rux, Brett Musick, Angela Carnahan (Department of Land Conservation and Development - DLCD) and Bob Parker (EcoNorthwest)

WELCOME/INTRODUCTIONS

Larry Hampton, Vice Chair opened the meeting at 3:02 p.m.

Meeting minutes could not be approved at this time as there were not enough members present for a quorum.

Introductions were made.

Overview of Meeting Goals and Work Completed

Cheryl Caines outlined the work completed to date (some work on serviceability/study area and completed Buildable Land Inventory (BLI)/land need calculations) and turned the meeting over to Bob Parker. Bob explained the goals of the meeting are to review the BLI and land needs and talk about next steps. He updated the group that the Buildable Land Inventory (BLI) could now be completed because Oregon Land Conservation and Development Commission (LCDC) adopted some of the needed Division 38 rule technical fixes in January 2019.

Buildable Lands Inventory

Bob Parker reviewed the BLI results for both residential and employment lands. The total vacant residential land is 705 acres. He noted that most of the vacant residential land is in the low density residential category. Bob Parker explained that in addition to the Division 38 BLI, EcoNorthwest is completing a Housing Needs Assessment (HNA) based on the traditional Urban Growth Boundary (UGB) methodology in Division 24. The traditional methodology shows 675 acres of vacant residential land. This 30 acre difference is much less than the estimated 300 acre difference that was found before the technical fixes were adopted by LCDC.

Doug Rux pointed out that updated assessor data from November 2018 could also be attributing to the closer estimates because the first draft BLI was using 2017 assessor data. This is one of the issues with the Division 38 methodology. Doug explained that Newberg had several subdivisions with homes either constructed or under construction that did not show up in the assessor data, but Division 38 rules

require the land be classified as vacant. He noted that Division 38 rules do not allow cities to account for building permits and construction on the ground. Bob Parker added that the technical fixes clarified that properties with public uses such as schools, churches, and universities could be excluded because they are developed but do not show up with value on the assessor data. These are lands that would be excluded from a typical BLI.

Bob Parker then reviewed the employment land findings. He explained that unlike residential lands, there is no current study for employment lands to which we could compare the findings. Effectively the BLI finds there are 73 acres of vacant commercial land and 47 acres of vacant industrial land. This is reflected in the BLI maps in the CAC packet. Sid Friedman noted that the map shows the entire (Westrock) paper mill site as developed. Bob Parker confirmed this and stated that this reflects an appropriate interpretation of the Division 38 rules for this sites status.

Land Need Estimates

Bob Parker explained that the BLI information was the last piece of information needed to calculate Newberg's land needs and gave an overview of how the Division 38 calculator works. The calculators use a 14 year planning period. He reviewed the residential assumptions that Newberg used including expected change to housing mix, density and redevelopment. There is also some data built into the calculator that is dependent upon existing housing mix. Lisa Rogers asked if there is already a deficit of certain lands (e.g. high density), then would this compound the issue for future assumptions? Bob noted that it is possible, and that cities could counterbalance this through their assumptions. For example, the City of Newberg assumed an increase in the high density percentage. Doug Rux added that these assumptions were reviewed with the CAC & TAC, Planning Commission, and City Council prior to being used in the calculator. Bob Parker pointed out that a change of the assumption numbers within the allowed range would not change the bottom line for Newberg. There is a surplus of residential land, and the city cannot support a boundary change for residential land. There were no questions on this portion of the analysis.

Bob Parker gave an overview of the data that went into the employment land calculator and the assumptions used. There are two scenarios for calculating land need. One is based on the State of Oregon employment forecast for the area and the other is based on a population forecast. The employment forecast is much more conservative. The rules allow the City to choose one scenario's findings over another. Using the population forecast the calculator shows a deficit of 40 acre deficit of industrial land. Therefore the City could justify an expansion for industrial lands.

Study Area and Serviceability & Next Steps

Bob Parker explained how typically the process would be to complete the BLI and land needs analysis first because it would determine if there was a need for additional land. The City of Newberg was waiting for technical fixes to complete the BLI but also needed to begin working on the study area and serviceability analysis due to the limited time allowed by the grant contract to complete the work. The study area and serviceability analysis are needed to help determine where to expand. Bob reminded the group that the preliminary study area is 1 and 1.5 miles beyond the current UGB, excluding lands in other counties, across rivers, or within UGBs of other cities. The minimum study area must be at least twice as large as the land area needed, and the city must consider Urban Reserves and exception lands

first. He noted that Newberg had decided to not pursue a UGB expansion based on the findings from the BLI and land need estimates.

Doug Rux explained that even with a 40 acre industrial land deficit, someone could argue that since there was a surplus of residential, just rezone some of that land to industrial. He also said the Division 38 rules could be interpreted to not allow an expansion unless a need was shown for both employment and residential land. This uncertainty combined with the amount of time and expense to analyze at least 80 acres for a 40 acre expansion led to staff's decision to not move forward with the Division 38 method. Staff discussed these findings and decision with DLCD and briefed City Council. This information will be packaged up and given to DLCD for consideration on future rule changes.

Larry Hampton asked if this means we're saying there is not a need to expand the UGB. Doug Rux explained the information is saying over a 14 year period we have a surplus of residential and commercial land and a deficit of industrial land. The Division 38 methodology does not work for Newberg, but the question is where does it work?

Lisa Rogers asked if the Division 38 model takes into consideration the parcel size or other factors that make land attractive for industrial development. Bob Parker answered that the model does not and explained that in the traditional method the City can outline the types of industries expected and the types of land typical for those uses. The priority scheme in the Division 38 requires the City to look at urban reserves first, and Bob is not sure how to make a finding to go past the first priority.

Sid Friedman said this is essentially the argument that was coming up when Newberg tried the SE UGB expansion into agricultural areas for industrial land. The City was saying the reserve area was not suitable for industrial but there were arguments against those findings. Eliminating these types of arguments is the purpose of the formulaic approach of Division 38. He followed up with a question for Doug Rux as to whether the simplified method would work for Newberg if there were a need for residential land. He also asked where this method would work.

Doug Rux explained that the findings are saying that Newberg has an adequate supply over a 14 year period but a deficit over a 20 year period based on the HNA. We don't know about industrial since we have not completed an Economic Opportunities Analysis (EOA). Bob Parker noted that we anticipate there will be a bigger deficit using the traditional method. Doug added that he can't speculate if the method would work for another city. Bob stated that it doesn't work for Newberg since overall there is a surplus of land regardless of the plan designation due to the argument that land could be rezoned.

Bob Parker mentioned there were several factors that led to the City's decision to not move forward with the simplified method. These included uncertainty, risk and cost. There was a draft serviceability analysis of the preliminary study area, and it was not clear how to begin to go from 10,000 acres down to approximately 100 acres without the reasoning appearing arbitrary. Doug Rux reminded the group of the approach the consultant was using to analyze serviceability and the high level determinations they started to make about the difficulty and cost of serving areas. Bob added that some areas were less expensive to serve with transportation but more costly for sewer or water, and the Division 38 rule doesn't consider the amount of analysis needed. This method is not cheaper, and there is still a lot of uncertainty on how to apply the rules.

Brian Doyle asked if there may be a need over 20 years, how soon we have to start this process over again. Doug Rux answered that an EOA is in the proposed budget for next year. Assuming this gets adopted, then we will complete the EOA. We may also do an update to the HNA at the same time. Both are needed to pursue an UGB expansion through the traditional (Division 24) method. Staff will update City Council at the June 17, 2019 meeting about next steps.

Sid Friedman said that considering the time and uncertainty with a traditional method UGB and the current need for high density residential land, is there an appetite to up zone low density zones to high density? Doug Rux cautioned about this based on the HNA because if the year 19-20 is added to the analysis, there will be a deficit in all residential land types and not just high density residential. Sid Friedman rephrased the question to be based on the current acute need rather than the long term need. Doug said that if the committee would like make a recommendation to City Council to up zone properties, now would be the time to do that. The recommendation could be included in the staff memo to Council on next steps.

Brian Doyle stated he needed to leave the meeting but knew he was needed for a quorum. Cheryl Caines asked if there were any changes to the September 20, 2018 meeting minutes. Hearing none, Larry Hampton asked if there was a motion to approve the minutes. Curt Walker made a motion, which was seconded by Todd Engle. The motion passed.

Sid Friedman asked if there was any support to up zone properties. Larry Hampton asked if there was discussion. Todd Engle asked if there were any repercussions to doing this. Angela Carnahan cautioned against trying to address one piece of a long term project. Sid Friedman said that regardless of the UGB study there may be low density land that is better suited for high density since most of the zoning was assigned some time ago. Lisa Rogers asked Brian Doyle how he would vote on the recommendation. He answered in the affirmative.

Angela Carnahan and Doug Rux pointed to the fact that this committee was tasked with advising on the Division 38, 14 year land need study. The recommendation would need to be based on that and therefore would point to the deficit of high density residential and industrial lands in the study and recommend rezoning lands to address those deficits. Lisa Rogers said we need to consider current needs and supply and how to address growth by using what we have now and going up and not out. Angela Carnahan said the City must show they are using land in the UGB efficiently before expanding, so that would be part of the UGB process. Larry Hampton said he could support the rezoning if City Council does not support the UGB study since expansion would no longer be an option.

Sid Friedman rephrased his motion that in the interim the City takes whatever measures it can to increase the amount of land available for medium and high density housing including but not limited to the up zoning of low density land. Angela Carnahan said it's not just about making land available. Willing property owners and infrastructure are also needed. Larry Hampton asked if the group could make a recommendation since Brian Doyle left and there is no longer a quorum. Doug Rux said the group could come to a consensus but not a vote.

Cheryl Caines asked if the list of 30+ items related to addressing housing needs based on input from several committees, citizens, and other groups, included anything related to efficiency measures that would cover this recommendation. Doug Rux answered there are efficiency measures, but up zoning is not part of that list. Curt Walker commented that this seems like a wise thing for Council to consider but

may not be the best timing considering all the other issues. He questions if it is a critical issue. Todd Engle noted that this is the last time the group will meet, so if high density housing is needed, then now is the time to make a recommendation. Larry Hampton said it is a concern but he is more concerned about industrial land. He noted that at least there is development and other actions happening to address the need. Todd Engle noted that there is a shortage of housing for lower wage employees. This impacts the number of people available to fill the jobs. Larry Hampton said he can support the motion. There was consensus among the five remaining committee members to make the recommendation to City Council that the City takes whatever measures it can to increase the amount of land available for high density housing including the up zoning of low density land.

Adjournment

Larry Hampton adjourned the meeting at 4:17 pm.

*These minutes were not approved by the CAC since it was the last advisory committee meeting.

**NEWBERG 2030 URBAN GROWTH BOUNDARY
CITIZEN ADVISORY COMMITTEE MEETING MINUTES
SEPTEMBER 20, 2018, 3:30 PM
NEWBERG CITY HALL (414 E FIRST STREET)**

ROLL CALL

Members Attending: Sid Friedman, Claudia Stewart, Brian Doyle, Todd Engle, Curt Walker

Members Not in Attendance: Fred Gregory, Ryan Howard, Lisa Rogers, Curt Walker, and Larry Hampton

Staff, Consultant Team, and Project Management Team: Doug Rux, Brett Musick, Bob Parker (EcoNW), Margaret Raimann (EcoNW), and Meabon Burns (Jacobs)

Public: Students from University of Calgary

WELCOME/INTRODUCTIONS

Doug Rux opened the meeting at 3:30 p.m.

Motion to approve minutes. Approved.

Introductions were made.

Overview of Progress Since Meeting #1

Bob Parker provided a review of the Division 38 rule and the steps required. There are a number of steps before completing a serviceability analysis. ECONorthwest and Jacobs drafted methodologies about how to approach this process, and Bob Parker reminded the committee that Newberg is the first to go through the Division 38 process.

After the last meeting, the consultants looked at two study areas to test the methodology for a high-level serviceability analysis. Jacobs evaluated these based on the factors that the rule requires: water, wastewater, and transportation.

Meabon Burns provided an overview of the Jacobs analysis, which was provided to the CAC in the meeting packet. The current analysis shows how each area would be evaluated if the committees approve of the approach. She noted that the preliminary serviceability analysis is blank right now, because all of the areas need to be looked at first. This analysis would be a description of relative serviceability of each area based on exclusions in Division 38—that would be the baseline for excluding areas in the final study area. Then, the analysis would be followed by a high-level qualitative assessment of relative ease of serviceability. This is similar to how a feasibility study would be done.

Opened to comments from CAC

Sid Friedman commented that we shouldn't be making choices purely on ease of serviceability. This should be more detailed, and more about impracticability to service. Meabon Burns noted that this is just a qualitative ranking, not a recommendation. Bob Parker confirmed that it's not a prioritization

ranking. Doug Rux talked about the intent of this analysis—to test out what it would take to service the area, with no numbers attached. The goal of the meeting is to walk out with the CAC's approval of the methodology.

Todd Engle asked about how areas A and B were determined, and Claudia Stewart asked about the boundaries for Area B where the bypass comes through. Doug and Bob explained that they are within areas in Exception lands and topographical features. Sid Friedman ask about the land between the UGB. Doug confirmed that there is resource land between the UGB and Area B.

Sid Friedman had a few comments prepared after reviewing the analysis before the meeting:

1. Area B: Only portions of Area B could not be served by future pressure zones. Not all of it. Would it make sense to refine the analysis to look at areas within?
 - Meabon Burns commented that there might be something in the zone for the entire area that could provide a reason to include it. She suggested that this step could happen after looking at the Division 38 exclusions.
 - Bob Parker added that if after going through the assessment there is less than twice the amount of land needed, then they would potentially review those areas that were initially excluded due to pressure zones.
2. Area A: There are some portions of certain taxlots where the UGB does extend past the stream. These are mostly close to the highway.
3. Overall it was a good qualitative analysis of the various service factors.

Bob Parker asked about the process for dividing up the study areas. ECONorthwest and Jacobs will work with the City to divide study areas based on drainage basins and other physical considerations. He asked if the CAC would like those divided study areas to be circulated to CAC members. Doug Rux added that they cannot answer certain questions at this point because the BLI is not finished yet—this is the reason for completing two rounds of serviceability. Bob Parker and Doug Rux reiterated that they are looking for approval from the CAC on this approach as a next step. CAC members agreed that the approach seems reasonable.

If there are any other comments that come up, CAC members can send to City staff.

Land Need Estimates

Bob Parker described the calculator that DLCD developed for the Simplified UGB process. Most of the calculations are fixed based on data for Newberg, but some values are at the discretion of the City. These assumptions do not require findings, but the City wants to bring this to the CAC now to start a discussion. Doug Rux explained further that he wants feedback from the TAC and CAC before taking to the PC and CC. The committees' comments will help advise the Council for policy decisions.

Bob Parker walked through the residential calculator. Bob and Doug mentioned that they have a question into DLCD about the planning period, since the numbers are fixed.

Sid Friedman asked if Newberg's population goes over 25,000 by 2019 then will there be different requirements for the estimates and study area requirements? Bob Parker said that ECO will check if the rule specifies this or check with DLCD.

Bob Parker walked through the housing need assumptions—ADUs and Mixed-Use and Redevelopment. Doug Rux added that the City has revised policies on ADUs. Bob Parker asked for committee to dialog on these assumption ranges.

Claudia Stewart asked whether the Census in 2020 would change the implications of these numbers. Doug Rux explained that it depends when the City adopts, and they might have to work with DLCD. Bob Parker also noted that Census numbers might not be available until after this process is over.

Sid Friedman recommended more mid-range numbers overall. Both of the policy changes should result in an upward trend compared to what has happened. This will happen more with mixed-use than redevelopment, since Springbrook Master Plan has mixed use. Doug Rux noted that the village area was previously modeled on C-3 standards and there is 10 acres of neighborhood commercial that could be used as mixed use. Sid Friedman said regardless of what is in the BLI, what is on the ground will be a lot of mixed use units.

Bob Parker moved on to the next set of assumptions in Housing Mix and Land Need—housing mix change and future housing mix. Bob Parker reviewed the assessment in the memo, noting that there may be some shifts in a mix, but over this type of period the City would need to take dramatic steps to incentivize more density and shift the mix more than a few percentage points.

Sid Friedman asked if the increase is for new development only or the entire land base? Bob Parker said he will check with DLCD. Doug Rux reviewed what the city needs to do to meet ranges for dwelling units per acre in low and medium density.

Sid asked how the percentages match up with what the last HNA stated for needed units. Todd Engle asked the same question—does this represent the need for low, medium, high densities? Doug Rux said he will have to revisit what the projected need was in the last HNA. He reminded the committee about the recent policy change for annexations (10% for HDR), and the same for UGB expansions over 15 acres. This will result in HDR dispersed in the community. Doug Rux needs to figure out if this is factored into the mix already. Bob Parker noted that the BLI will help figure this out as well.

Sid Friedman mentioned that looking closer to the mid-range for dwellings per acre might be worthwhile. Todd Engle noted that there is an aging population, with a growing need for caregivers and senior housing, so it makes sense for more high-density housing. Sid Friedman also agreed that the demographic needs have changed. Claudia Stewart noted that the jobs in the hospital are not always high paying jobs.

Bob Parker reviewed the employment calculator estimates. Efficiency gain is the only assumption required. He explained that 20% of jobs will be assumed to be jobs on non-employment lands, due to factors such as home occupations and residential zoned businesses. Efficiency gain can vary widely across cities. Bob Parker mentioned that next time ECONorthwest can run a sensitivity analysis with the CAC to see how each percentage would change the results. (This requires the BLI to be finished.)

Todd Engle mentioned that there will be an increase in retired populations in the City. Bob Parker noted that the PSU forecasts try to account for that—as more retirees move in the population to jobs ratio may go up.

Sid Friedman asked about the industrial 1% and whether it is a fixed number. Bob Parker confirmed that it is a fixed number. Sid Friedman asked about other things that the City can do to provide more efficiency, such as reducing parking requirements. He also asked for a translation of efficiency gain and whether it is an increase to the existing figure. If so, then the range in the assumption would not make a large difference. Bob Parker said he will check with the rule and DLCD on this question.

Bob Parker mentioned that DLCD said they will have revisions to the rule by January. After that time, ECO can update the BLI and finish the calculator inputs.

Bob asked for any other comments. There were none.

Adjournment

Brett Musick adjourned the meeting at 4:33pm.

Approved by the Newberg 2030 Citizen Advisory Committee this 20th day of September, 2018.



Larry Hampton, Vice Chair



Cheryl Caines, Senior Planner