

**CITY COUNCIL WORK SESSION
JANUARY 20, 2015, 6:00 PM
NEWBERG PUBLIC SAFETY BUILDING (401 EAST THIRD STREET)**

WORK SESSIONS ARE INTENDED FOR DISCUSSION. NO ACTION WILL BE TAKEN ON THE AGENDA ITEMS AND NO DECISIONS WILL BE MADE. NO ORAL OR WRITTEN TESTIMONY WILL BE HEARD OR RECEIVED FROM THE PUBLIC.

I. CALL MEETING TO ORDER

II. ROLL CALL

III. REVIEW OF COUNCIL AGENDA AND MEETING

IV. COUNCIL ITEMS

1. Introduction of new Finance Director Matt Zook and City Engineer Kaaren Hofmann
2. Presentation on Merchants Parking Lot Pages 1-13

V. ADJOURNMENT

ACCOMMODATION OF PHYSICAL IMPAIRMENTS:

In order to accommodate persons with physical impairments, please notify the City Recorder's Office of any special physical accommodations you may need as far in advance of the meeting as possible and no later than two business days prior to the meeting. To request these arrangements, please contact the city recorder at (503) 537-1283. For TTY service please dial 711.



MEMORANDUM
ENGINEERING SERVICES DEPARTMENT

TO: Newberg City Council
FROM: Jason Wuertz, PE, Engineering Services Department
C: Kaaren Hofmann, PE, City Engineer; Jay Harris, PE, Public Works Director; Jacque Betz, City Manager
SUBJECT: Merchants Parking Lot (Second Street) Project Update
DATE: January 20, 2015

Background:

The public parking lot on 2nd street is at the end of its service life and needs to be replaced in the near future. The existing 92 stall parking lot has a high level of day and nighttime use by surrounding businesses, schools, churches, city hall, and nearby residents.

The Newberg Downtown Coalition gave a presentation to the Newberg City Council in 2012, requesting the City to consider improvements to the parking lot. In 2013, the City entered into a contract with CESNW, Inc. to provide engineering consultant services to further the conceptual design and provide cost estimates.

In June, 2014, Engineering staff held a public meeting with nearby business and property owners to discuss potential design options. This information was used to complete a final conceptual design which includes two potential solutions. The least costly option is purely a maintenance operation on the pavement and does not change the layout of the parking lot. The preferred alternative includes a complete re-construction of the parking lot, including improvements to circulation, storm water quality, garbage collection, and undergrounding overhead power lines. A conceptual site plan of the preferred alternative is included as Attachment "A."

A letter was mailed to property owners, and hand delivered to businesses in the areas surrounding the parking lot, requesting feedback on the conceptual design. Written feedback received is included as Attachment "B."

Cost Estimate:

The estimated cost for the construction of the parking lot improvements, as shown in the conceptual design as Attachment A, is approximately \$675,000.00. For the maintenance

option only, the cost to repair, re-pave and stripe the existing parking lot in its current one-way configuration would be approximately \$224,500.00.

These costs do not include costs for design, permitting fees, water meter system development charges, and electric vehicle charging stations. Also, with a major reconstruction of the parking lot, it may be beneficial to the City to replace and/or upsize the aging water and wastewater systems located within the scope of the project. Those costs are not included in the estimates as part of this memo.

In the analysis of funding sources, it was determined that this project could be separated into different categories funded through separate funding sources.

Potential Funding Sources

Several funding options were identified in the previous funding options memo, which is attached for reference as Attachment “C”. Those sources are Gas Tax, General Funds, Local Improvement District, Parking District, User Fee Revenue Generation, Grants, System Development Charges, Stormwater Impervious Area Fee, Business or Economic Development District, Economic Development Fund, Street Utility Fee, and Urban Renewal District.

The most feasible approach to funding this project is to use multiple funding sources, to fund different portions of the work. The potential funding sources for each category of work, and the total estimated required funds from each funding source is shown in the table below. Only funding sources that are currently in place and available were considered.

Improvement Category	Estimated Cost	Funding Source					
		General Fund	Water Quantity/ Quality Payment in Lieu	Stormwater SDC Fees	Stormwater Rates	Gas Tax Revenue	Economic Development Fund
Parking Lot Site Work	\$ 250,670.00	50%					50%
Stormwater Quantity/	\$ 99,920.00		15%	50%			35%
Alley Site Work	\$ 53,980.00					100%	
Alley Storm Improvements	\$ 22,920.00			50%	50%		
Alley Electrical & Overhead	\$ 129,580.00						100%
2nd Street Frontage	\$ 64,580.00					100%	
2nd Street & Howard Street	\$ 52,420.00					100%	
Totals=	\$674,070.00	\$ 125,335.00	\$ 14,988.00	\$ 61,420.00	\$ 11,460.00	\$ 170,980.00	\$ 289,887.00

Figure 1: Funding categories and funding source allocations

There are options available for introducing alternative funding sources not identified in the table. Those options include a Local Improvement District, a Parking District, User Fee Revenue, Grants, a Business or Economic Development District and an Urban Renewal District. These special funding sources could fund all, or just a portion of the overall project.

Additionally, some items could be removed from the project, such as undergrounding of overhead utilities and the extension of the frontage improvements to the intersection of Howard Street and 2nd Street.

Next Steps:

It is requested that the City Council provide direction on how to proceed.

1. Is the Council interested in proceeding with a maintenance project only, or the full reconstruction and reconfiguration of the parking lot?
2. Is the council interested in funding this project completely with existing funds as seen in Figure 1, or should portions of the project be funded by an alternative funding source?
3. If an alternative source should be introduced, which source or sources are preferred?

Please let me know if you have any questions regarding this memo.

Thanks,

Jason Wuertz, PE
Civil Engineer
City of Newberg
503-554-1631
Jason.wuertz@newbergoregon.gov

From: [Louise C](#)
To: [Jason Wuertz;](#)
Subject: Parking lot re-construction
Date: Wednesday, January 07, 2015 5:23:03 PM

Hello Jason,

I have looked at the proposed plan for the parking lot on 2nd street and have some observations.

*Reducing the parking spaces from 92 to 72 seems to be a step backwards. Since I live directly across the street on 2nd I have a clear view of the activity and know that it is often full and people are already forced to park on the street and often directly in front of homes of residents some of whom have no garage available. This change will, it seems to me, drastically increase the parking congestion on 2nd street.

*This parking problem will also affect garbage pickup for everyone on the south side of 2nd street.

*The Preschool next door generates traffic with parents taking their children to and from the school. This change will limit access to the Preschool and periods of inclement weather may be a hazard for parents having to walk children from further down the street. Parking on the north side of 2nd between Howard and Blaine necessitates crossing the street. The cross walks, though clearly marked, are not always observed by cars hurrying down 2nd in the hopes of skirting around the traffic lights on 1st Street. Would making that intersection a four-way stop be a consideration? Parking on Howard is further limited when the fire department parks their vehicles on the east side of the street.

I'm all for improving the dangerous condition of the parking lot as I walk through it nearly everyday while warily keeping my eyes on the ground. I would never walk through it at night due to the pot-holes. However reducing the number of parking spaces seems contradictory to the needs of the adjacent merchants and residents. I have not witnessed any accidents or near misses with the current configuration so I don't see the new plan as having a significant impact on safety.

Thank you for giving us the opportunity to express our concerns,
Sincerely and respectfully,

Louise Clements

508 East 2nd St.

ATTACHMENT "B"

From: roses_barrie, 503-538-5901
To: Jason Wuertz;
Subject: merchant"s parking lot
Date: Saturday, January 10, 2015 1:17:03 PM

hello mr. wuertz

My name is buck barrie and I am the owner of 510/512 e. first.st. newberg, oregon. we have owned the property for almost 30 years. we are presently in residence in california and are therefore unable to respond to your notice personally.

I have voiced my concerns/ opinions regarding the parking on numerous occasions-both to the city government and the Ragsdale committee. It was 'our' understanding that the lot was to be reconfigured to give the rear entrances a less than 'ally ' presentation. Having the dumpster sites at the backdoor is?.....better handicapped space.

There are several things which need repeating:

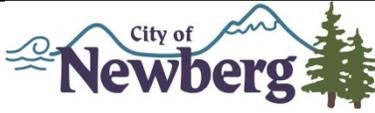
- 1 The parking was dedicated to the merchants-not to have 20 or more employes of 'city hall' who secure a large bank of slots on the west sector of the lot each morning. I think the city should revisit the possibilities regarding the vacant lot behind the city hall. We, the merchants, are eliminating over spaces--enough said.
- 2 Two garbage sites to be located on site are not enough. The better resolve is to locate larger, dedicated sites with access on second street. This would facilitate pick up and maintenance. Shifting the location 'only' exchanges-not eliminates. This would also speak to the current curb parking on the north side of 2nd between howard and college which should be eliminated.
- 3 The dumpster sites should be built with a very large buffer zone-able to be hidden with arborvitae(like). The fencing around the dumpsters should be elevated.... erected on at lest one row of block to keep refuge contained.
- 4 The landscaping should beautify -not restrict our view or hamper safety.
- 5 This is a one shot deal--let's do it right.

I am still trying to see how closing the college/howard st. alley ways is a positive move.

I hope the city has not given up on trying to secure the ' used car lot' at the entrance to 'old town' (hancock st.) ---what a great parking lot for all.

thank you for your time and consideration.

buck and roses barrie



MEMORANDUM
PUBLIC WORKS DEPARTMENT
ENGINEERING DIVISION

To: Dan Danicic, City Manager
From: Jay Harris, City Engineer/Engineering Manager
Cc: David Beam, Economic Development Planner
Subject: Second Street Parking Lot Funding Options
Date: October 8, 2012

Background:

The Second Street public parking lot improvements are at the end of their service life and need to be replaced in the near future. The existing 92 stall parking lot has a high level of day and nighttime use by surrounding commercial businesses, schools, churches, city hall, and nearby residents.

The Newberg Downtown Coalition gave a presentation to the Newberg City Council on February 6, 2012, requesting the City to consider improvements to the parking lot. The Downtown Coalition presentation is included with this memorandum as attachment A.

The City of Newberg currently does not have the financial capacity to complete the needed improvements. The purpose of this memorandum is to identify the possible funding sources for the parking lot improvement for City Council discussion and direction.

Proposed Improvement

The proposed parking lot improvements will generally conform to the preliminary Second Street parking lot improvement plan prepared by the Downtown Coalition in attachment A, as follows:

- Reconfiguration of the existing parking lot circulation to meet current City Standards by reducing the number of available spaces to 76 (a loss of 16 spaces). Several on-street parking stalls will be created on Second Street with the consolidation of the driveways, reducing the net loss of parking stalls to approximately 14.
- Replacement of the parking lot surfacing and baserock section.
- ADA improvements and restriping of the parking lot.
- Addition of new solid waste and recycling enclosures.
- Landscape, water quality, and water quantity improvements.
- Pedestrian circulation improvements.
- Sidewalk, driveway, and landscape planter improvements on Second Street.
- Enhancement of the parking lot lighting.
- Resurfacing of the alley between Howard and College Streets.

Cost

The estimated cost for the design and construction of the parking lot improvements similar to the sketch provided by the Downtown Coalition would be approximately \$430,000.00 for a permeable paver parking lot, which is similar to the parking lot recently constructed at the Chehalem Cultural Center. A standard asphalt concrete parking lot is estimated to cost

approximately \$330,000.00. Note that the estimated costs do not include the undergrounding of the existing overhead utility lines located on the north side of the alley improvements.

The cost to repair and repave and stripe the existing parking lot in its current one-way configuration would be approximately \$140,000.00.

Potential Funding Sources

The funding for the parking lot improvements could be completed using one, or a combination of the following potential funding sources:

1. Gas Tax Revenue:

The project could be funded all or in part using the Federal and/or State gas tax revenues. Currently State and Federal gas tax revenue is being utilized to complete street improvement and pavement restoration projects around the City. Re-allocation of gas tax revenue away from the repair of streets is possible but would delay and/or cancel a portion of the needed street repair projects.

A local gas tax could also be considered to fund transportation improvements such as the parking lot. Note that a state wide moratorium on local governments implementing this option is in effect until 2013 as a part of Oregon House Bill 2001 (Jobs and Transportation Act) that was passed by the Oregon Legislator in 2009.

2. General Funds:

Use of the General Fund is a possible funding source, although it is an unlikely source of funding when considering that over the last several years revenues in the General Fund have decreased significantly.

3. Local Improvement District (LID):

The property owners located with a 2 to 3 minute walking distance from the parking lot could be charged based on either a building square footage, lot area, number of employees, taxable revenue, or some other reasonable method. Further analysis would be needed that would determine the properties that would be included in the LID, and a reasonable way to assess the property and/or businesses owners, conforming to Newberg Development Code Chapter 3.15, Local Improvement Districts.

4. Parking District:

A regional or sub-regional (just for the Second Street lot only) parking district could be created in which the businesses/property owners in the 'zone of benefit' area are charged a monthly or year fee for their parking usage.

The parking district would usually has a governing body that sets the user fees, resolves disputes, coordinates parking lot enforcement, determines capital projects, etc.

5. User Fee Revenue Generation:

A. Parking Meter Plan #1: Second Street Parking Lot Meter.

A parking meter could be installed in the Second Street parking lot that generates time stamped tickets (pay to park). The revenue generated would be based on the number of users per day, minus the installation and maintenance of the ticket machine, credit card fees, and the needed parking lot enforcement.

The amount that would be charged per day would need to be decided based on amortization time to pay for the improvements, as well as what users would be willing to pay to park in the lot. If each of the 76 parking stalls generates an average of \$1 a day for 365 days, the gross revenue would be approximately \$28,000 per year. Many more scenarios could be run in which there would be daytime fees with free nighttime parking, etc.

Advantages:

- Users pay the fee proportional to their use.
- The meter could be removed once the improvement cost is recouped.
- Consider the meter as a trial program to the installation of other meters (see B. below).

Disadvantages:

- On street parking in the vicinity of the lot would also need to be subject to the fee as users would choose to park on the street, rather than the lot.
- Other nearby Cities such as Sherwood, Tualatin, and McMinnville do not have parking meters in their downtown areas.
- Parking lot enforcement is needed.

B. Parking Meter Plan #2: Downtown Parking Meters

Downtown area wide parking meters could be installed to fund a program in which the parking meter revenue would go towards a downtown parking improvement program. The program might include the beautification of downtown areas streets (i.e. hanging baskets, sidewalks, lighting, trash cans, benches, striping, bike lane development, etc.), existing parking lot maintenance, future parking lots, public restrooms, parking garages, etc.

Approximately 1000 on street and public parking lot stalls currently exist in the downtown areas located between River to Main, and Hancock to Second Street. For comparison, if each of the 1000 parking stalls generates an average of \$1 a day for 365 days, the gross revenue would be approximately \$365,000 per year. Many more scenarios could be run in which there would be daytime hourly fees with free nighttime parking, etc.

Advantages:

- Users pay the fee proportional to their use.

- The meter program could integrate well with other financing options such as an Urban Renewal District to maintain, beautify, and increase the amount of available parking downtown.

Disadvantages:

- Areas outside of the parking area zones will need the implementation of permit only parking or other ways to prevent use by individuals that do not want to pay to park.
- Other nearby Cities such as Sherwood, Tualatin, and McMinnville do not have parking meters in their downtown areas.
- Parking lot enforcement is needed.

6. Grants:

There may be a grant out there that could be applied for that could potentially offset a portion of the project costs, although it is not likely. Some grants from the Oregon Cultural Trust have been found but they would be used for things like banners and art which would only be a small part of the overall cost but could really enhance the appearance of the parking lot.

7. System Development Fees:

System development fees are one time fees that are charged as new development accesses the existing public street and utility systems. Credits can be given to offset the fee paid by a development and/or the system development fee funds can be used to pay for oversizing of facilities

A. Stormwater:

The reconfigured parking lot would include landscape planters and comprise less impervious area than the current/existing parking lot. Stormwater system development fees would not be paid by the project as new impervious area is not created.

If the new parking design included provisions to reduce stormwater runoff, all or part of downstream pipe upsizing projects identified in the storm drainage master plan may be eliminated, thus allowing stormwater system development fund fees for a portion of the project costs.

B. Transportation: The parking lot resurfacing does not create additional capacity within the transportation system so the use of transportation fees to fund a portion of the project cost would not be applicable.

8. Stormwater Impervious Area Fee (monthly fee):

The City of Newberg charges each property owner a stormwater fee for the maintenance of systems. The January 2013 monthly fee will be \$6.22 per Equivalent Dwelling Unit

(EDU). The parking lot is 0.713 acres or 10.8 EDU (each EDU is 2,877 square feet). The total monthly fee collected for the parking lot would be \$67.17 or \$806.11 per year.

The City currently owns the parking lot and does not charge and then credit itself for the maintenance fee. Consideration may be given to dividing the cost of the stormwater fee in the future between the majority users of the parking lot.

9. Business or Economic Improvement Districts (BID/EID):

A Business Improvement District is formed by a majority group of property owners and/or tenants that agree to impose additional fee or tax upon themselves to in turn to receive additional long term services. The additional services can be wide-varying but could include items such as trash pickup, additional security, renovation of existing infrastructure, WIFI service, additional lighting, etc.

The downtown area could consider forming a business improvement district or an economic improvement district, both of which could be used to generate all or a portion of the funds for this project.

10. Street Utility Fee:

A City-wide street utility fee could be adopted that provides funding for the maintenance of existing public streets, parking lots, street trees, landscaping, and sidewalks.

A Street Utility Fee could be considered that is similar to the Public Safety Fee adopted in 2009 that charges \$3 for each single family home ¾" water meter. Commercial and industrial properties are charged per equivalent dwelling units (EDU's) based on the water meter size. In FY 11/12 the \$3 monthly fee generated \$281,547.00, or approximately \$100,000 of revenue for every \$1 of fee.

11. Urban Renewal District:

A downtown Urban Renewal District could be created and include the parking lot improvement in the urban renewal plan. Urban renewal can also be used to fund future parking garages and lots, park improvements, public restrooms, sidewalk and street improvements, benches, lighting, and landscaping in the downtown area.

Thanks,

James (Jay) O. Harris
City Engineer
City of Newberg
503-537-1211, Fax 503-537-1277
jay.harris@newbergoregon.gov